

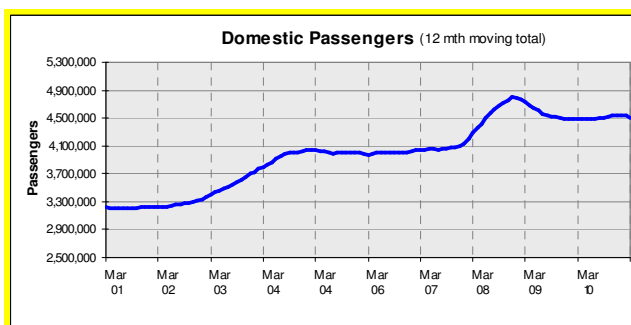
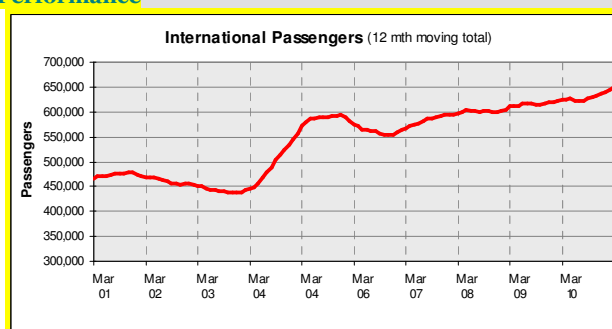
Quarterly Review – Wellington International Airport Limited

Wellington International Airport Limited has presented its report for the year ended 31 March 2012 for review. A summary of key findings is presented below and the full report is attached.

Highlights: achievements

- Wellington Airport did a number of things to assist after the devastating 22 February earthquake in Christchurch, including the facilitation, at no cost, of the 'air bridge' relief for commercial and military flights to and from Christchurch and the provision of space and services to assist the facilitation of people leaving the city in the aftermath of the event.
- The withdrawal of Pacific Blue from New Zealand domestic services in October 2010 was an influencing factor in the 4% decline in domestic passenger numbers.
- The completion of the new terminal development, *The Rock*.
- The expansion of Jetstar's domestic operations through Wellington.

Performance



Macro Key Performance Indicators

The following KPIs have been reported by the company:

Measure	2011/12 FY Actual	2010/11 FY Actual
Total passenger numbers	5,117,906	5,134,227
Airport revenue per passenger (\$)	\$16.40	\$17.51
Landing charge per passenger (\$)	\$8.45	\$9.00

For the year total passenger numbers were stable (0.3%) relative to the prior year. International passengers were up 4%. Trunk passengers fell 4%, due in part to the disruptions resulting from the two Christchurch earthquakes, but also the withdrawal of Pacific Blue from domestic services in October 2010. Regional services passengers increased 8%, attributable to a bounce back after the fall in demand for these services during the worst of the economic recession.

Activities during the year

- The Airport continues to actively assist many community groups, events and charities including: The Wild at Heart Spirit Award youth scholarships, sponsorship of Life Flight Trust, and sponsorship of Victoria University's entry to the U.S. Department of Energy's Solar Decathlon 2011.
- During the year the Airport Company undertook a review of its organisational structure in order to add focus in a number of key operational and commercial areas.
- Work commenced on the construction of a new aircraft hangar and maintenance base, due for completion in late 2011.
- Planning is underway on further expansion and improvement to the domestic terminal and the car park.

Financial Commentary

- During the year, S&P reaffirmed the Airport's BBB+/Stable/A-2 credit rating.
- EBITDAF for 2010/11 improved by 6% to \$72.3m, compared to \$68.2m in the previous year. Rental on commercial property was down slightly, as was the earnings contribution from iSite, but income from aeronautical and passenger services was up and costs were well managed.
- The after-tax surplus was affected by a one-off tax adjustment resulting from changes to taxation legislation.

Statement of Financial Performance

For the year ended 31 March 2012

\$'000	2011/12 FY Actual	2010/11 FY Actual
Income	99,467	92,625
Expenditure	54,139	49,565
Operating surplus	45,328	43,060
Depn/Amort/FV adjs	(16,634)	(14,407)
Interest	(28,681)	(29,446)
Subvention	(30,137)	(27,245)
Taxation	3,836	(18,310)
Surplus after tax	3,849	(19,103)
Profit margin	4%	(21%)

Statement of Financial Position

For the year ended 31 March 2012

\$'000	2011/12 FY Actual	2010/11 FY Actual
Current assets	13,180	42,331
Non-current assets	781,503	702,136
Current liabilities	25,591	26,153
Non-current liabilities	360,843	349,023
Equity	408,249	369,291
Current ratio	.5	1.6
Equity ratio	51%	49%

Statement of Cash Flows

For the year ended 31 March 2012

\$'000	2011/12 FY Actual	2010/11 FY Actual
Operating	24,527	24,800
Investing	(12,073)	(14,630)
Financing	(42,061)	(8,341)
Net	(29,607)	1,829
Closing balance	2,731	32,338

Contact officer:

Richard Hardie

Profile - Wellington International Airport Limited

Wellington International Airport Limited (WIAL) is a limited liability company, owned 66% by Infratil (via NZ Airports Ltd) and 34% by the Council. The business of the company is the provision of airport facilities and services.



The company was established under the Wellington Airport Act 1990, and was incorporated in September of that year. The company commenced trading on 16 October 1990.

The Crown was the original major shareholder, but sold its 66% shareholding to NZ Airports Ltd on 1 December 1998.

The terminal redevelopment was completed in 1999. Also in 1999 a financial restructure was undertaken, involving the repurchase of shares and the advance of subordinated debt funding by the shareholders amounting to \$55 million.

On 1 November 2005 WIAL acquired all the shares of iSite Limited, a company specialising in outdoor advertising. iSite revenue has been included in the accounts for the year starting 1 April 2006.

Entity Data

Established	September 1990	
Board	David Newman (Chair) Timothy Brown Kevin Baker (resigned 18 May 2011) Peter Coman (appointed 18 May 2011) Steven Fitzgerald Keith Sutton (WCC) Cr Ian McKinnon	<i>Term expires:</i> 31 December 2012 11 November 2013
CEO	Steven Sanderson	
Balance date	31 March	
Number of FTE staff	83	
Website	www.wellington-airport.co.nz	
Type of entity	Company	
LGA designation	CO	
By reason of	Council appointees	
Council interest	34% shareholding	
Type of interest	Shares	