

**Wellington Regional Stadium Trust
Report to Settlers
For quarter ending 30 September 2009**

The Trustees are pleased to present this report of operations for the quarter ending 30 September 2009.

Events

It has been a busy quarter for the Stadium, with a solid start to the new financial year.

During the period we had six rugby matches and four football matches.

We hosted Australia in a Bledisloe Cup match for the first time since 2004. Last time Australia played here, tickets sold out very quickly, but this time there were still match tickets available on the day. Temporary seats were not put out for this match.

Four Air NZ Cup rugby matches were held during the quarter. Average attendance has been around 11,300 which is slightly higher than the previous year. The most popular game was against Canterbury with 18,500 attending.

The Club Rugby finals were also held in August with attendance of almost 3,400.

The Phoenix Football Club have returned with high hopes for their third season in the A-League. While their season ticket numbers are down on the previous year, attendances have been steady, and averaged 8,000 for the first four games.

With these smaller crowds, our focus continues to be on putting on the event as efficiently as possible, while still delivering a positive experience for the patrons. The way seats are sold for the Phoenix games shows how easily this can be achieved with a managed seating plan.

Community events held during the quarter were the Phoenix Family Day, E-day for computer recycling and provision of the venue for various police training exercises.

Financial Results

The net surplus for the September quarter is \$709,000, compared to a budgeted surplus of \$520,000.

Event revenues are \$201,000 ahead of budget with offsetting variances across all events. The number and type of events during the quarter have been as budgeted.

Operating expenses, capital expenditure and the net cash flow movement are all in line with budget.

The value of turf management services provided at no cost to the Basin Reserve Trust during the quarter was \$73,889.

Creative Wellington – Innovation Capital

The Trust continues to work closely with promoters to attract concerts and other non-sporting events to the Stadium. Two nights of AC/DC will take place in January 2010. There is a strong level of enquiry for bookings in the following summer period.

Rugby World Cup 2011

We continue to work closely with the Regional Control Group, Rugby NZ 2011 and New Zealand 2011 on World Cup preparations.

Asset Management Plan

We monitor the maintenance requirements of the Stadium and have in place extensive reactive and preventative maintenance programmes to ensure we maintain the building to international standards.

We continue to work with our contractors to resolve issues in respect of the roof leaks and the deterioration of the exterior cladding. A considerable amount of work is being undertaken by all parties to resolve these issues. While progress is being made, it is not currently possible to determine whether the outstanding issues will be able to be resolved to our satisfaction.

Capital Expenditure

All capital expenditure during the quarter was turf related. We have ordered a generator and uninterruptible power supply to provide back up for the southern replay screen.

Our budget for the current year included an amount for the installation of wetpour but the breweries have now advised they will continue to provide beer in plastic bottles, so this expenditure will now not occur in the current year.

Turf

The turf is currently in good shape. During the next quarter we will close the ground for five weeks to complete a substantial renovation.

Risk Management

The Trust has just completed a comprehensive risk management assessment with Marsh Ltd updating our risk management plans. We are also updating our Business Continuity Plan.

Customer Satisfaction

Nielsen Company/Brand Advantage have just completed a comprehensive survey of New Zealand sporting fans, which has rated Westpac Stadium as the best in New Zealand across a

range of criteria including atmosphere, comfort, seating layout, toilet facilities, transport, pre-match entertainment and value for money.

In July we were provided with the results of the WCC Annual Resident Satisfaction Survey that was carried out in May. This showed that 90% of those who had attended an event at the Westpac Stadium rated their experience as good or very good. This compared favourably with the previous year which was 91%.

The annual survey of Deloitte club members was conducted in July 2009 after the All Blacks v France test match. Responses were received representing 16% of all memberships (previous year was 19%). The overall average rating has increased from the prior year to 7.1 (6.8 in 2008) and we will continue to work on improving service to members.

The annual Corporate Box survey was completed in September and October 2009. The response rate this year was 47% which was slightly higher than last year (44%). The overall rating was a very satisfactory 7.8. We are pleased with the result and particularly the increased satisfaction with all areas of catering.

Conclusion

We are pleased with the first quarter performance, and we look forward to building on this during the next nine months.

Paul Collins
Chairman
October 2009