

## Results at a glance

June 2018

	30 June 2018 \$m	30 June 2017 \$m	Movement %
Financial Results	ŞIII	фП	70
	600.0	629.3	8.7
Income	683.9		
Operating expenses	177.5	156.2	13.6
Earnings before interest, taxation, depreciation, fair value adjustments and investments in associates (EBITDAFI)	506.4	473.1	7.0
Share of profits of associates	16.7	19.4	(13.9)
Investment property fair value increases	152.2	91.9	65.6
Property, plant and equipment revaluation movement	102.2	91.9	-
Gain on sale of associate	297.4		
Derivative fair value movement	(0.7)	2.5	(128.0)
Depreciation	88.9	77.9	14.1
Interest expense	77.2	72.8	6.0
Taxation expense	155.8	103.3	50.8
•	650.1	332.9	95.3
Reported profit after taxation	54.3 c	28.0 c	93.9
Earnings per share	263.1	247.8	93.9 6.2
Underlying profit after taxation <sup>1</sup>	203.1 22.0 c		
Underlying profit per share	22.0 C	20.8 c	5.8
Dividends			
Total proposed dividend for the year (cents per share)	21.75 c	20.50 c	6.1
Total proposed dividend for the year (\$ million)	261.1	244.4	6.8
Financial Position			
Shareholders' equity	5,682.1	4,029.0	41.0
Total assets	8,196.8	6,503.5	26.0
Debt to debt plus equity	26.6%	33.8%	
Debt to enterprise value <sup>2</sup>	20.4%	19.5%	
Capital expenditure	405.2	374.7	8.1
Passenger and aircraft statistics – Auckland Airport			
International passenger movements including transits	11,266,382	10,820,535	4.1
Domestic passenger movements	9,263,666	8,601,841	7.7
Maximum certificated take-off weight (tonnes)	8,139,717	7,848,097	3.7
Aircraft movements	174,276	169,245	3.0
Outcomptourn Airmort nouformance			
Queenstown Airport performance	E06 076	E20 00E	10.0
International passenger movements	596,276	532,285	12.0 13.5
Domestic passenger movements	1,544,393	1,360,158	
Revenue <sup>3</sup> EBITDAFI <sup>3</sup>	45.7	39.0	17.2
	31.6	26.2	20.6
Profit after taxation <sup>3</sup>	14.9	12.1	23.1

<sup>1</sup> Excluding investment property fair value increases, derivatives fair value movements, property, plant and equipment revaluations in the company and its associates, gain on sale of associate and the tax effect of these adjustments in 2018 and 2017. Refer to Appendix A for a reconciliation of these adjustments. 2 Based on the share price as at 30 June 2018 of \$6.78 (30 June 2017 of \$7.13). 3 From non-audited management accounts of Queenstown Airport. The financial results have not been apportioned for the level of ownership interest being 24.99% for Queenstown Airport.



Underlying earnings per share up

5.8% to 22.0c

International passengers up 4.1% to 11,266,382

## Results at a glance

(cont.)

## Appendix A

Reconciliation of underlying profit to reported profit

	2018				2017	
	Reported profit \$M	Adjustments \$M	Underlying profit \$M	Reported profit \$M	Adjustments \$M	Underlying profit \$M
EBITDAFI per Income Statement	506.4	_	506.4	473.1	_	473.1
Share of profit of associates <sup>1</sup>	16.7	-	16.7	19.4	(4.5)	14.9
Gain on sale of an associate <sup>2</sup>	297.4	(297.4)	_	_	_	_
Derivative fair value movement <sup>3</sup>	(0.7)	0.7	-	2.5	(2.5)	_
Investment property fair value increases <sup>4</sup>	152.2	(152.2)	-	91.9	(91.9)	-
Property plant and equipment revaluation <sup>4</sup>	-	-	-	-	-	-
Depreciation	(88.9)	_	(88.9)	(77.9)	_	(77.9)
Interest expense and other finance costs	(77.2)	-	(77.2)	(72.8)	-	(72.8)
Taxation expense <sup>5</sup>	(155.8)	61.9	(93.9)	(103.3)	13.8	(89.5)
Profit after tax	650.1	(387.0)	263.1	332.9	(85.1)	247.8

1 Auckland Airport's share of the fair value loss on the derivative financial instruments held by North Queensland Airports for the year ended 30 June 2018 was \$0.1 million (2017: gain of \$0.6 million), and Auckland Airport's share of the gain on the revaluation of investment property held by North Queensland Airports for the year ended 30 June 2018 was nil (2017: gain of \$2.3 million. Auckland Airport's share of the fair value increase on the derivative financial instruments held by Novotel Hotel for the year ended 30 June 2018 was \$0.1 million (2017: \$0.1 million), and Auckland Airport's share of the gain on the revaluation of investment property held by Novotel Hotel for the year ended 30 June 2018 was \$1.1 million (2017: \$0.1 million), and Auckland Airport's share of the gain on the revaluation of investment property held by Novotel Hotel for the year ended 30 June 2018 was nil (2017: gain of \$2.6 million). In addition, in 2017 a \$1.1 million adjustment was made for asset impairment at North Queensland Airport's investment in North Queensland Airports. 3 Reversed the fair valuation movement of the derivative financial instruments that do not qualify for hedge accounting put in place in conjunction with the US Private Placement debt issuance in July 2014 and November 2010 and the fair value change of derivatives quality on Houge accounting but in packer in conjunction with the order was a few to each counterparty credit risk. 4 Reversed the fair value increase of Auckland Airport's investment property portfolio as a result of the revaluation performed as at 30 June 2018 and 30 June 2017. None of the property, plant and equipment revaluation in 2018 affected reported profit. Therefore, no underlying profit adjustment was required in 2018, nor in 2017 in which there was no property, plant and equipment revaluation. 5 Taxation adjustments as a result of adjustments 1 to 4 above.

**7.0**% EBITDAFI up 7.0% to \$506.4m



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