

Media Release | 20 February 2025

1H25 results: Increased demand from Kiwis for international travel offsets subdued domestic aviation market conditions

Key performance data for the six months to 31 December 2024:

- Total number of passengers increased 2.3% to 9.46 million
- Domestic passenger numbers increased 0.1% to 4.27 million, and international passenger numbers (including transits) increased 4.1% to 5.19 million
- Revenue was up 13% to \$499.9 million. Excluding interest income, revenue was up 11% to \$484.2 million
- Operating EBITDAFI¹ was up 13% to \$349.6 million
- Net underlying profit after tax¹ was up 2% to \$148.1 million
- Reported profit after tax² including revaluations was up 58% to \$187.3 million
- An interim dividend of 6.25 cents per share will be paid on 4 April 2025. Total dividends declared of \$105.1 million.

Auckland Airport today announced its financial results for the six months to 31 December 2024.

Auckland Airport Chair Julia Hoare said demand for travel was solid during the first half of the 2025 financial year (FY25), although growth was more subdued than expected due to market conditions.

“A clear trend over the summer period is that New Zealanders haven’t lost their love of international travel, with more Kiwis travelling offshore than ever before, up 5.5% to 2.42 million during the half-year compared to the same period last year,” she said.

“Other bright spots were Auckland Airport achieving the busiest month for international travel since 2019 in December, followed by 36,000 international travellers flowing through the terminal on 5 January - our busiest day in more than five years.

“Overall, however, growth in the international market has been softer than expected, particularly for inbound visitors. The global market to attract tourists is highly competitive, and that’s making it more challenging for New Zealand to secure additional airline routes and services.

¹ We recognise that EBITDAFI and underlying profit are non-GAAP measures. Please refer to the table at the end of the media release for the reconciliation of reported profit after tax to underlying profit after tax

² Includes a \$50.5 million net revaluation gain, compared to a \$27.1 million net revaluation loss in the same period last year

"AKL is proud to serve as a critical enabler of economic growth for New Zealand, with \$35.1 billion of economic output from international and domestic travel and tourism generated by Auckland Airport aviation connections each year and more than \$26 billion in annual trade flowing through the airport.

"We know international air capacity has a direct cascade effect on tourism, trade and New Zealand's economy, and it's vital we tackle this challenge now as a country to close the gap on the recovery and maintain our share of the global market," Ms Hoare said.

Chief Executive Carrie Hurihanganui said capacity in the international market remained flat during the half-year period at 89% compared to 2019 levels, impacted by competition in the market and other factors such as Air New Zealand's fleet issues.

"We welcome the Government's commitment to boosting international tourism, including the new campaign to encourage visitation from Australia," she said.

"The Auckland Airport team is also extremely active in the competitive global market, telling the world about New Zealand and working to develop new airline partnerships and to stimulate demand from foreign visitors.

"We know the long-term fundamentals of New Zealand as a top tourist destination are strong but competition is tough for available international airline capacity.

"Of note, we are seeing the pace of growth accelerate in other key markets, with New Zealand currently lagging behind. For example, at some Australian airports, airline seat capacity is now exceeding 2019 levels, while New Zealand is sitting further behind in the recovery with international capacity at 89% overall for the half-year period compared to 2019. A key factor driving this is Australian travellers looking beyond New Zealand and choosing to visit destinations in Asia for their holidays."

Ms Hurihanganui said it was a similar story in the domestic market, with capacity flat at 88% during the first half of FY25, constrained by Air New Zealand's fleet issues and the challenging local economic conditions.

"We acknowledge Air New Zealand is facing difficult fleet challenges which is constraining their ability to grow. However, we are concerned that the 84% market share they hold over New Zealand's domestic aviation market is not meeting the needs of consumers or regional communities.

"There are now 1.5 million fewer seats flying per year in the domestic network than in 2019, equivalent to 29,000 fewer seats per week. The regions are bearing the brunt of this through reduced morning and evening services, making day trips impossible for many business travellers, and a shrinking pool of alternative options.

"Domestic flights are very full with an average load factor of 85%, meaning higher airfares and higher yields for airlines due to the constrained capacity.

"We think questions need to be raised about the competitiveness of the domestic aviation sector, with a focus on regional routes. Left unchecked, the benefits of tourism and travel to New Zealand's regions will continue to be held back by fewer planes flying and lack of competitive airfares."

Ms Hurihanganui said despite the subdued market conditions in the near-term, Auckland Airport remained optimistic and continued to look to the long-term future. She said that along with working proactively in the international market to generate new air connectivity, the airport team was making substantial progress on its construction programme to upgrade New Zealand's gateway airport.

The airport's new integrated domestic terminal programme is now 31% complete; the airfield expansion is 66.5% advanced alongside major stormwater improvements; and the airport's new Transport Hub is completed and open to travellers, with its rooftop solar array delivering 1.2 megawatts of energy.

"Investment in Auckland Airport will unlock even more of our country's potential. Each daily widebody jet service, over the course of a year, brings in an estimated \$150 million of annual international tourism spend, and moves \$500 million combined in high value exports and imports – providing New Zealand businesses with vital trade connectivity.

"By 2032, the upgrade and expansion of Auckland Airport will allow it to support about \$55 billion in economic value from travel and tourism and \$41 billion in trade, supporting the Government's aspiration of doubling our country's exports over the next decade."

Ms Hurihanganui said travellers were already experiencing tangible improvements in their travel experience.

"The new Transport Hub and upgrade of the plaza area outside the international terminal are delivering important customer benefits, with an improved undercover pick-up and drop-off area and new seating and landscaped areas.

"The ongoing collaboration with our airport partners and the introduction of technology solutions, such as the computed tomography (CT) scanning machines by Aviation Security, are delivering improvements.

"Within our international check-in we've begun introducing self-service check-in options, which will help to progress towards a future where all domestic and international travellers will use the same check-in space.

"Behind our international check-in, the process of renewing our 30-year-old baggage system is well underway with essential technology upgrades which will ensure the future resilience and smooth running of the baggage system."

Ms Hurihanganui said delivering infrastructure improvements in a 24/7 airport was highly complex, and Auckland Airport's focus was on making traveller journeys as seamless as possible.

"I'm very thankful for the patience of travellers and our airport partners as we undertake construction in a live, operating environment. AKL is one of 200 airports throughout the world that is currently building for the long haul. When completed, the result will be worth it."

During the first half FY25, Auckland Airport's aeronautical revenues rose 15% compared with the same period last year. Ms Hurihanganui said while revenue was up, a significant driver of this was the airport catching up on a shortfall in revenue in FY23 that resulted from a price freeze introduced that year to support airlines as they recovered from the pandemic. The price freeze was lifted at

the start of FY24. During the half-year period revenue also rose off the back of the increase in passenger numbers and higher aeronautical charges associated with the investment in aeronautical infrastructure.

Auckland Airport's commercial business continued to perform strongly during the half-year period, reinforcing the key role the airport plays as a trade hub for New Zealand. Recent property developments include construction of 49,600sqm of new warehousing for DHL and IKEA at The Landing business park.

In retail, the increase in passenger numbers, along with new store concessions and the improved performance of duty-free retail, all contributed to a positive result for the half-year period.

Meanwhile, the airport's new premium outlet shopping centre, Mānawa Bay, is now home to 109 business outlets, including 20 new stores that are a first in New Zealand and new entrants to the local market.

"In what is a tough retail environment, Mānawa Bay has been a popular addition to the Auckland retail market," Ms Hurihanganui said.

"It has created employment for more than 500 people across a range of retail and hospitality roles, and is providing a new shopping amenity for the 75,000 people who engage with the airport every day, including airport workers and the Auckland community."

The completion of the \$300 million-plus Transport Hub during the half-year period delivered improvements in parking options for travellers, returning carparking to the front door of the international terminal. Across the precinct, carpark exits increased during the period, however the performance of the transport business was more subdued than expected reflecting the current domestic economic climate and associated reduced capacity in the domestic market.

On the regulatory front, the Commerce Commission continues to progress its review of Auckland Airport's Price Setting Event 4 (PSE4), with the final review expected to be released in the first quarter of the 2025 calendar year. In its draft report in July 2024, the commission concluded Auckland Airport had undergone extensive consultation with airlines on its capital plan, and that the airport's planned expenditure appeared reasonable, had significant rigour applied to it, and benchmarked well internationally. The Commission also indicated that Auckland Airport was targeting a weighted average cost of capital (WACC) that is higher than what it considered to be reasonable.

"The Commission recognised there were legitimate reasons to reflect the risk of pandemics in our WACC following COVID-19, which is calculated with reference to methodologies established by the Commerce Commission. Following Auckland Airport setting prices, the Commerce Commission updated the WACC methodologies to reflect pandemic risk but adopted a different approach. The Commerce Commission relied on these new and updated methodologies for its assessment on our pricing.

"We have provided further information to the commission about why we think the basis for our WACC is appropriate, however if the final report continues to say our WACC is too high we will adjust our pricing - consistent with the approach we took in the previous pricing review."

Alongside this, an appeal is underway with the High Court (called a merits review) following a decision in late 2023 by the Commerce Commission, which regulates the pricing of major airports, on a new WACC benchmark (called an input methodology). Auckland Airport has joined with other regulated airports and the New Zealand Airports' Association (which represents city and regional airports) in the appeal.

Looking ahead to the remainder of the 2025 financial year, Ms Hurihanganui said aeronautical and commercial activity is expected to be resilient, but uncertainty remained around seat capacity and New Zealand's subdued local economy. Reflecting this, Auckland Airport is narrowing its guidance of underlying profit after tax (excluding any fair value changes and other one-off items) from between \$280 million to \$320 million to a range of between \$290 million and \$320 million. As the airport's infrastructure development programme continues to progress, Auckland Airport is reconfirming its guidance on capital expenditure of between \$1 billion and \$1.3 billion for the year. As always, this guidance is subject to any material adverse events, significant one-off expenses, deterioration as a result of global market conditions, or other unforeseeable circumstances.

ENDS

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The table below shows the reconciliation between reported profit after tax and underlying profit or loss after tax for the six months ended 31 December 2024 and 2023.

	2024			2023		
	Reported profit \$M	Adjustments \$M	Underlying profit \$M	Reported profit \$M	Adjustments \$M	Underlying profit \$M
EBITDAFI per Income Statement	349.6	-	349.6	310.2	-	310.2
Investment property fair value change	50.5	(50.5)	-	(27.1)	27.1	-
Derivative fair value change	(0.5)	0.5	-	(0.3)	0.3	-
Share of profit / (loss) of associate and joint ventures	3.5	(0.2)	3.3	4.7	(0.3)	4.4
Depreciation	(99.2)	-	(99.2)	(84.3)	-	(84.3)
Interest expense and other finance costs	(43.9)	-	(43.9)	(33.1)	-	(33.1)
Taxation (expense) / benefit	(72.7)	11.0	(61.7)	(51.4)	(0.1)	(51.5)
Profit after tax	187.3	(39.2)	148.1	118.7	27.0	145.7

We have made the following adjustments to show underlying profit after tax for the six months ended 31 December 2024 and 2023:

- reversed out the impact of revaluations of investment property. An investor should monitor changes in investment property over time as a measure of growing value. However, a change in one particular year is too short to measure long-term performance. Changes between years can be volatile and, consequently, will impact comparisons. Finally, the revaluation is unrealised and, therefore, is not considered when determining dividends in accordance with the dividend policy;
- reversed out the impact of derivative fair value movements. These are unrealised and relate to basis swaps that do not qualify for hedge accounting on foreign exchange hedges, as well as any ineffective valuation movements in other financial derivatives. The group holds its derivatives to maturity, so any fair value movements are expected to reverse out over their remaining lives;
- adjusted the share of profit of associates and joint ventures to reverse out the impacts on those profits from revaluations of investment property and financial derivatives; and
- reversed out the taxation impacts of the above movements in both years.



Interim Financial
Statements 2025



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Consolidated interim income statement

FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

	Notes	Unaudited 6 months to 31 Dec 2024 \$M	Unaudited 6 months to 31 Dec 2023 \$M
Income			
Airfield income		84.5	75.3
Passenger services charge		139.7	119.5
Retail income		94.1	90.3
Rental income		98.6	87.4
Rates recoveries		7.6	6.5
Car park income		35.9	33.8
Interest income		15.7	2.5
Flood-related insurance recoveries	3	4.0	10.0
Other income		19.8	15.2
Total income		499.9	440.5
Expenses			
Staff	5	42.9	36.9
Asset management, maintenance and airport operations		65.3	51.9
Rates and insurance		20.6	17.5
Marketing and promotions		5.4	4.0
Professional services and levies		4.1	4.0
Flood-related expense	3	1.5	8.6
Other expenses		10.6	7.0
Expected credit losses		(0.1)	0.4
Total expenses		150.3	130.3
Earnings before interest expense, taxation, depreciation, fair value adjustments and investments in associate and joint ventures (EBITDAFI)¹		349.6	310.2
Investment property fair value change	10	50.5	(27.1)
Derivative fair value change		(0.5)	(0.3)
Share of profit of associate and joint ventures	7	3.5	4.7
Earnings before interest, taxation and depreciation (EBITDA)¹		403.1	287.5
Depreciation		99.2	84.3
Earnings before interest and taxation (EBIT)¹		303.9	203.2
Interest expense and other finance costs	5	43.9	33.1
Profit before taxation	4	260.0	170.1
Taxation expense		72.7	51.4
Profit after taxation, attributable to the owners of the parent		187.3	118.7
Earnings per share		Cents	Cents
Basic earnings per share ²	12	12.05	7.98
Diluted earnings per share ²	12	12.04	7.98

1 EBITDAFI, EBITDA and EBIT are non-GAAP measures. Refer to the 2024 Annual Report, note 3(d).

2 The company has restated the prior year basic and diluted earnings per share to reflect the dilution that arose as a result of the new shares issued from the capital raise. Refer to note 12 of the financial statements.

The financial statements for the six-months ended have not been audited. They have been the subject of a review by the auditors pursuant to New Zealand Standard for Review Engagements 2410 (Revised) for the six-months ended 31 December 2024 and 31 December 2023. The full-year financial statements for the year ended 30 June 2024 have been audited.

The accompanying notes form part of these interim financial statements.

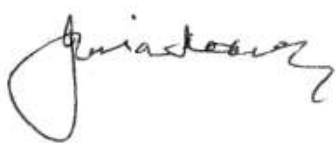
Consolidated interim statement of comprehensive income

FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

	Unaudited 6 months to 31 Dec 2024 \$M	Unaudited 6 months to 31 Dec 2023 \$M
Profit for the period	187.3	118.7
Other comprehensive income		
Items that will not be reclassified to the income statement:		
Flood-related fixed asset impairment reversals	3	10.8
Tax on the property, plant and equipment revaluation reserve	-	(3.0)
Items that will not be reclassified to the income statement	-	7.8
Items that may be reclassified subsequently to the income statement:		
Cash flow hedges:		
Fair value (losses)/gains recognised in the cash flow hedge reserve	(41.2)	(28.7)
Realised losses/(gains) transferred to the income statement	(3.1)	(3.0)
Tax effect of movements in the cash flow hedge reserve	12.4	8.9
Total cash flow hedge movement	(31.9)	(22.8)
Movement in cost of hedging reserve	1.8	(0.9)
Tax effect of movement in cost of hedging reserve	(0.5)	0.2
Items that may be reclassified subsequently to the income statement	(30.6)	(23.5)
Total other comprehensive income/(loss)	(30.6)	(15.7)
Total comprehensive income for the period, net of tax, attributable to the owners of the parent	156.7	103.0

These interim financial statements were approved and adopted by the Board on 19 February 2025.

Signed on behalf of the Board by



Julia Hoare
Director, Chair of the Board



Grant Devonport
Director, Chair of the Audit and Financial Risk Committee

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Consolidated interim statement of changes in equity

FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

	Notes	Issued and paid-up capital \$M	Cancelled share reserve \$M	Property, plant and equipment revaluation reserve \$M	Share-based payments reserve \$M	Cash flow hedge reserve \$M	Cost of hedging reserve \$M	Share of reserves of associate and joint ventures \$M	Retained earnings \$M	Total \$M
Six months ended 31 December 2024 (unaudited)										
At 1 July 2024		1,739.9	(609.2)	5,506.9	1.9	20.2	(4.0)	62.1	1,892.3	8,610.1
Profit for the period		-	-	-	-	-	-	-	187.3	187.3
Other comprehensive income		-	-	-	-	(31.9)	1.3	-	-	(30.6)
Total comprehensive income		-	-	-	-	(31.9)	1.3	-	187.3	156.7
Reclassification to retained earnings		-	-	(0.1)	(0.4)	-	-	-	0.5	-
Shares issued	12	1,375.8	-	-	-	-	-	-	-	1,375.8
Long-term incentive plan		-	-	-	0.4	-	-	-	-	0.4
Dividend paid	8	-	-	-	-	-	-	-	(96.2)	(96.2)
At 31 December 2024		3,115.7	(609.2)	5,506.8	1.9	(11.7)	(2.7)	62.1	1,983.9	10,046.8
Six months ended 31 December 2023 (unaudited)										
At 1 July 2023		1,680.8	(609.2)	5,187.3	2.0	31.6	(1.7)	62.1	2,024.6	8,377.5
Profit for the period		-	-	-	-	-	-	-	118.7	118.7
Other comprehensive income		-	-	7.8	-	(22.8)	(0.7)	-	-	(15.7)
Total comprehensive income		-	-	7.8	-	(22.8)	(0.7)	-	118.7	103.0
Reclassification to retained earnings		-	-	(5.8)	-	-	-	-	5.8	-
Shares issued	12	21.3	-	-	-	-	-	-	-	21.3
Long-term incentive plan		-	-	-	-	-	-	-	-	-
Dividend paid	8	-	-	-	-	-	-	-	(58.9)	(58.9)
At 31 December 2023		1,702.1	(609.2)	5,189.3	2.0	8.8	(2.4)	62.1	2,090.2	8,442.9

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Consolidated interim statement of financial position

AS AT 31 DECEMBER 2024

	Notes	Unaudited As at 31 Dec 2024 \$M	Audited As at 30 Jun 2024 \$M
Non-current assets			
Property, plant and equipment	9	9,168.5	8,755.0
Investment properties	10	3,273.8	3,123.9
Investment in associate and joint ventures	7	181.3	180.6
Derivative financial instruments		63.8	53.5
		12,687.4	12,113.0
Current assets			
Cash and cash equivalents	11	464.4	219.7
Medium-term deposits	11	325.0	-
Trade and other receivables		114.9	82.3
Derivative financial instruments		0.3	1.2
		904.6	303.2
Total assets		13,592.0	12,416.2
Shareholders' equity			
Issued and paid-up capital	12	3,115.7	1,739.9
Reserves		4,947.2	4,977.9
Retained earnings		1,983.9	1,892.3
		10,046.8	8,610.1
Non-current liabilities			
Term borrowings	13	2,139.8	2,403.3
Derivative financial instruments		28.4	24.6
Deferred tax liability		808.0	810.0
Other term liabilities		2.0	2.3
		2,978.2	3,240.2
Current liabilities			
Accounts payable and accruals		186.7	205.0
Taxation payable		43.1	65.4
Derivative financial instruments		-	0.3
Short-term borrowings	13	323.6	281.4
Provisions		13.6	13.8
		567.0	565.9
Total equity and liabilities		13,592.0	12,416.2

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Consolidated interim cash flow statement

FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

	Notes	Unaudited 6 months to 31 Dec 2024 \$M	Unaudited 6 months to 31 Dec 2023 \$M
Cash flow from operating activities			
Cash was provided from:			
Receipts from customers		445.5	399.3
Interest received		6.1	2.4
		451.6	401.7
Cash was applied to:			
Payments to suppliers and employees		(134.7)	(138.5)
Income tax paid		(84.5)	(22.4)
Interest paid		(45.8)	(31.7)
		(265.0)	(192.6)
Net cash flow from operating activities	6	186.6	209.1
Cash flow from investing activities			
Cash was provided from:			
Share of dividends received and repayment of partner contribution	7	3.6	6.7
		3.6	6.7
Cash was applied to:			
Property, plant and equipment additions		(502.3)	(451.5)
Interest paid – capitalised		(30.7)	(24.0)
Investment property additions		(95.6)	(125.9)
Investment in joint ventures		(0.8)	-
		(629.4)	(601.4)
Net cash flow applied to investing activities		(625.8)	(594.7)
Cash flow from financing activities			
Cash was provided from:			
Increase in share capital		1,375.1	-
Increase in medium-term deposits		(325.0)	-
Increase in borrowings		555.0	1,015.7
		1,605.1	1,015.7
Cash was applied to:			
Decrease in borrowings		(825.0)	(640.0)
Dividends paid	8	(96.2)	(38.4)
		(921.2)	(678.4)
Net cash flow from financing activities		683.9	337.3
Net (decrease)/increase in cash held		244.7	(48.3)
Opening cash brought forward		219.7	106.2
Ending cash carried forward		464.4	57.9

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Notes and accounting policies

FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

1. Corporate information

Auckland International Airport Limited ('the company' or 'Auckland Airport') is a company established under the Auckland Airport Act 1987 and was incorporated on 20 January 1988 under the Companies Act 1955. The company was re-registered under the Companies Act 1993 on 6 June 1997. The company is an FMC Reporting Entity under Part 7 of the Financial Markets Conduct Act 2013.

The financial statements presented are for Auckland Airport and its wholly-owned subsidiaries, joint ventures and an associate ('the group').

These interim financial statements were authorised for issue in accordance with a resolution of the directors on 19 February 2025.

2. Basis of preparation and summary of material accounting policies

The condensed consolidated interim financial statements ('interim financial statements') have been prepared in accordance with generally accepted accounting practice ('GAAP') in New Zealand and the requirements of the Financial Markets Conduct Act 2013 and the Main Board/Debt Market Listing Rules of NZX Limited. The interim financial statements comply with New Zealand Equivalent to International Accounting Standards NZ IAS 34 and IAS 34 *Interim Financial Reporting*.

Auckland Airport is designated as a for-profit entity for financial reporting purposes.

These interim financial statements are not required to and do not make disclosure of all of the information required to be included in an annual financial report. Accordingly, this report should be read in conjunction with the financial statements and related notes included in Auckland Airport's Annual Report for the year ended 30 June 2024.

These interim financial statements are presented in New Zealand dollars and all values are rounded to the nearest million dollars (\$M) and one decimal point unless otherwise indicated.

The accounting policies and methods of computation set out in the 2024 Annual Report have been applied consistently

to all periods presented in these interim financial statements. There were no new accounting standards, interpretations or amendments with a material impact on these interim financial statements.

Accounting standards not yet effective

New or revised standards and interpretations that have been approved but are not yet effective have not been adopted by the group in these interim financial statements.

NZ IFRS 18 *Presentation and Disclosure in Financial Statements*, issued in May 2024, is effective for annual reporting periods beginning on or after 1 January 2027, and entities can early adopt this accounting standard. NZ IFRS 18 sets out requirements for the presentation and disclosure of information in general-purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The group is yet to assess NZ IFRS 18's full impact. The group intends to apply the standard when it becomes mandatory from 1 January 2027.

There are no other new or amended standards that are issued but not yet effective, that are expected to have a material impact on the group.

3. Changes in key estimates and judgements

Flood-related insurance matters

On 27 January 2023, Auckland experienced widespread flash flooding caused by record-breaking rainfall. Auckland Airport experienced flooding across the precinct and particularly the international terminal building. Both the domestic and international terminals were closed for short periods starting that evening, with domestic flights resuming at midday on 28 January 2023 and international flights from the morning of 29 January 2023.

Auckland Airport suffered flood damage to assets across its precinct. The most significant areas of damage were to check-in, baggage and vertical transportation at the international terminal building. Auckland Airport has material damage, business interruption and construction works insurance policies in place. The group engaged independent experts to estimate the extent and cost of damage and to support the insurance claim process.

The group recognises the expected insurance proceeds when they can be reliably estimated and the recovery is virtually certain. The insurers agreed to a further payment of \$4.0 million, which the group has recognised as income during the six months ended 31 December 2024. In total, the group has recognised \$28.0 million as income since the January 2023 event.

The repair and replacement of damaged assets is advanced, save for vertical transport, which is planned to be completed during the 2025 calendar year. During the six months ended 31 December 2024 the group recognised \$1.5 million of flood-related expenses for repairs. In total, the group has recognised \$22.3 million as flood-related expenses since the January 2023 event.

The group has recognised net proceeds of \$2.5 million in the consolidated interim income statement during the six months ended 31 December 2024 and net proceeds of \$5.7 million since the January 2023 event.

Notes and accounting policies CONTINUED

FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

4. Segment information

(a) Identification of reportable segments

The group has identified its operating segments based on the internal reports reviewed and used by the chief executive, as the chief operating decision-maker, in assessing performance and in determining the allocation of resources.

The operating segments are identified by management based on the nature of services provided. Discrete financial information about each of these operating segments is reported to the chief executive monthly. The chief executive assesses the performance of the operating segments based on segment EBITDAFI¹. Interest income and expenditure, taxation, depreciation, fair value adjustments, and share of profits of associate and joint ventures are not allocated to operating segments as the group manages the cash position and borrowings at a group level.

(b) Types of services provided

Aeronautical

The aeronautical business provides services that facilitate the movement of aircraft, passengers and cargo, and provides utility services that support the airport. The aeronautical business also earns rental revenue from space leased in facilities such as terminals.

Retail

The retail business provides services to the retailers within the terminals and provides car parking facilities for passengers, visitors and airport staff.

Property

The property business earns rental revenue from space leased on airport land outside the terminals including cargo buildings, hangars, shops and other stand-alone investment properties.

	Aeronautical \$M	Retail \$M	Property \$M	Total \$M
Six months ended 31 December 2024 (unaudited)				
Total segment income	248.5	138.7	94.7	481.9
Total segment expenses	62.6	27.6	23.4	113.6
Segment EBITDAFI¹	185.9	111.1	71.3	368.3
Six months ended 31 December 2023 (unaudited)				
Total segment income	224.2	131.7	79.8	435.7
Total segment expenses	61.8	20.6	16.3	98.7
Segment EBITDAFI¹	162.4	111.1	63.5	337.0

Income reported above represents income generated from external customers. There was no inter-segment income in the period (31 December 2023: nil).

(c) Reconciliation of segment EBITDAFI to income statement

	Unaudited 6 months to 31 Dec 2024 \$M	Unaudited 6 months to 31 Dec 2023 \$M
Segment EBITDAFI¹	368.3	337.0
Unallocated external operating income	18.0	4.8
Unallocated external operating expenses	(36.7)	(31.6)
Total EBITDAFI as per income statement¹	349.6	310.2
Investment property fair value increase/(decrease)	50.5	(27.1)
Derivative fair value change	(0.5)	(0.3)
Share of profit/(loss) of associate and joint ventures	3.5	4.7
Depreciation	(99.2)	(84.3)
Interest expense and other finance costs	(43.9)	(33.1)
Profit/(loss) before taxation	260.0	170.1

¹ EBITDAFI is a non-GAAP measure. Refer to the 2024 Annual Report, note 3(d).

The income included in unallocated external operating income consists mainly of interest payments from third-party financial institutions and income from telecommunication and technology services provided to tenants. The expenses included in unallocated external operating expenses consists mainly of listed company costs including registry and listing fees, corporate staff expenses, and corporate legal and consulting fees.

5. Profit for the period

	Unaudited 6 months to 31 Dec 2024 \$M	Unaudited 6 months to 31 Dec 2023 \$M
Staff expenses comprise:		
Salaries and wages	50.5	40.7
Capitalised salaries and wages	(15.1)	(10.3)
Employee benefits	3.8	2.9
Share-based payment plans	0.3	0.1
Defined contribution superannuation	1.5	1.2
Other staff costs	1.9	2.3
	42.9	36.9
Interest expense and other finance costs comprise:		
Interest on bonds and related hedging instruments	35.5	29.3
Interest on bank facilities and related hedging instruments	6.3	10.9
Interest on AMTN notes and related hedging instruments	29.4	12.4
Interest on commercial paper and related hedging instruments	3.4	4.5
Total interest expense and other finance costs	74.6	57.1
Less capitalised borrowing costs	(30.7)	(24.0)
Interest expense and other finance costs as per income statement	43.9	33.1
Interest rate for capitalised borrowings costs	5.75%	5.66%

The interest expense amounts disclosed in the table above include the effect of interest rate hedges. The gross interest costs of bonds, bank facilities, Australian Medium Term Notes ('AMTN') and commercial paper, excluding the impact of interest rate hedges, was \$74.9 million for the six months ended 31 December 2024 (31 December 2023: \$56.6 million).

The interest expense recognised in the income statement excludes capitalised borrowing costs of \$30.7 million (31 December 2023: \$24.0 million). Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, are capitalised as part of the cost of that asset. Capitalisation is suspended if active development of the qualifying asset is suspended for an extended period.

Notes and accounting policies CONTINUED

FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

6. Reconciliation of profit after taxation with cash flow from operating activities

	Unaudited 6 months to 31 Dec 2024 \$M	Unaudited 6 months to 31 Dec 2023 \$M
Profit after taxation	187.3	118.7
Adjustments for:		
Depreciation	99.2	84.3
Deferred taxation benefit	10.5	2.5
Share-based payments	0.3	0.1
Equity-accounted loss/(earnings) from associate and joint ventures	(3.5)	(4.7)
Investment property fair value decrease/(increase)	(50.5)	27.1
Derivative fair value decrease	0.5	0.3
Items not classified as operating activities:		
Loss on asset disposals	0.1	-
(Increase)/decrease in property, plant and equipment retentions and payables	17.0	(2.0)
Increase in investment property retentions and payables	16.0	0.8
Increase in investment property lease incentives and receivables	(16.2)	(5.1)
Items recognised directly in equity	(0.4)	0.9
Movement in working capital:		
(Increase)/decrease in trade and other receivables	(32.6)	(45.7)
Increase/(decrease) in taxation payable	(22.3)	26.5
Increase/(decrease) in accounts payable and provisions	(18.5)	6.9
Decrease in other term liabilities	(0.3)	(1.5)
Net cash flow from operating activities	186.6	209.1

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7. Investment in associate and joint ventures

Movement in the group's carrying amount of investments in associate and joint ventures

	Unaudited 6 months to 31 Dec 2024 \$M	Unaudited 6 months to 31 Dec 2023 \$M
Investment in associate and joint ventures at the beginning of the period	180.6	193.1
Further investment in joint ventures	0.8	-
Share of profit/(loss) after tax of associate and joint ventures	3.5	4.7
Share of dividends received and repayment of partner contribution	(3.6)	(6.7)
Investment in associate and joint ventures at the end of the period	181.3	191.1

Share of (loss)/profit after tax of associate and joint ventures

Carrying value of investments in associate and joint ventures

	Unaudited As at 31 Dec 2024 \$M	Audited As at 30 Jun 2024 \$M
Tainui Auckland Airport Hotel Limited Partnership	39.7	39.0
Tainui Auckland Airport Hotel 2 Limited Partnership	30.3	30.9
Queenstown Airport Corporation Limited	111.3	110.7
Total	181.3	180.6

8. Distribution to shareholders

	Dividend payment date	Unaudited 6 months to 31 Dec 2024 \$M	Unaudited 6 months to 31 Dec 2023 \$M
2023 final dividend	6 October 2023	-	58.9
2024 final dividend	4 October 2024	96.2	-

During the six months ended 31 December 2024, \$96.2 million was paid in cash (31 December 2023: \$20.5 million reinvested and \$38.4 million paid in cash).

The company has a dividend reinvestment plan, but this was temporarily suspended during the period due to the timing of the equity raise. Refer to note 12.

Notes and accounting policies CONTINUED

FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

9. Property, plant and equipment

	Unaudited As at 31 Dec 2024 \$M	Audited As at 30 Jun 2024 \$M
Carried at fair value	8,029.9	7,718.9
Carried at cost	255.8	245.9
Work in progress at cost	1,281.8	1,089.6
Accumulated depreciation	(399.0)	(299.4)
Net carrying amount	9,168.5	8,755.0

The group carries land, buildings and services, infrastructure and runway, taxiways and aprons at fair value.

At 31 December 2024 the group undertook a desktop review of the property, plant and equipment balances carried at fair value.

- For land assets previously formally revalued using the discounted cash flow approach, the 31 December 2024 desktop assessment compared retail and car parking performance with independent valuers' views at the last formal valuation as at 30 June 2023.
- For land assets previously formally revalued using the market value alternative use and direct sales comparison approaches, the desktop assessment considered the outcome of the investment property desktop review described in note 10, in particular the vacant land component.
- For all other assets previously formally revalued using the optimised depreciated replacement cost approach, the desktop assessment considered movements in the capital goods price index.

These assessments indicated there was no material fair value movement in any class of property, plant and equipment from 30 June 2024.

Vehicles, plant and equipment and work in progress are carried at cost.

Additions to property, plant and equipment, including work in progress, were \$515.0 million for the six months ended 31 December 2024 (six months ended 31 December 2023: \$473.4 million). These include works associated with the integration of the domestic and international terminals, airfield renewals and expansion and Transport Hub.

There were no transfers from investment property during the six months ended 31 December 2024 (transfers to investment property during the six months ended 31 December 2023: \$1.4 million).

The following categories of property, plant and equipment are leased to tenants:

- Aeronautical land, including land associated with aircraft, freight and terminal use carried at \$339.7 million (30 June 2024: \$339.7 million);
- Land associated with retail facilities within terminal buildings carried at \$1,664.5 million (30 June 2024: \$1,664.5 million); and
- Terminal building premises (within buildings and services), being 15% of total floor area and carried at \$339.7 million (30 June 2024: 15% of total floor area or \$311.7 million).

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10. Investment properties

	Unaudited 6 months to 31 Dec 2024 \$M	Audited 12 months to 30 Jun 2024 \$M
Balance at the beginning of the period	3,123.9	2,882.1
Additions	83.2	240.7
Transfers to property, plant and equipment (note 9)	-	8.4
Change in net revaluations	50.5	(15.3)
Lease incentives capitalised	14.8	5.8
Lease incentives amortised	(2.4)	(4.0)
Spreading of fixed rental increases	3.8	6.2
Balance at the end of the period	3,273.8	3,123.9

Investment property is measured at fair value, which reflects market conditions at balance date. To determine fair value, the group ordinarily commissions investment property valuations at 30 June each year and undertakes a desktop revaluation at 31 December each year. Auckland Airport also reviews investment properties that are recently constructed or in the latter stages of construction at 31 December each year.

The basis of valuation is market value, based on each property's highest and best use. The valuation methodologies used were a direct sales comparison or a direct capitalisation of rental income, using market comparisons of capitalisation rates, supported by a discounted cash flow approach.

The desktop revaluations were performed by Colliers International (Colliers), Savills Limited (Savills) and Jones Lang LaSalle Limited (JLL) based on key valuation metrics. The valuers did not re-inspect the properties but undertook relevant investigations, including considering any tenant

changes, assessing market rentals and reviewing capitalisation rates in order to determine the desktop value of the group's investment properties. The desktop revaluations have been reviewed and assessed by management and subsequently adopted by the group. This has resulted in a fair value increase of \$50.5 million or 1.7% for the overall portfolio for the six months ended 31 December 2024 (31 December 2023: decrease of \$27.1 million or 0.9%).

The following categories of investment property are leased to tenants:

- Retail and service carried at \$644.2 million (30 June 2024: \$573.3 million);
- Industrial carried at \$2,139.5 million (30 June 2024: \$2,059.8 million); and
- Other investment property carried at \$165.0 million (30 June 2024: \$165.9 million).

Notes and accounting policies CONTINUED

FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

11. Cash and cash equivalents and medium-term deposits

	Unaudited As at 31 Dec 2024 \$M	Audited As at 30 Jun 2024 \$M
Cash and bank balances	89.4	9.3
Short-term deposits (less than three months)	375.0	210.4
Total cash and cash equivalents	464.4	219.7
Medium-term deposits (three to six months)	325.0	-
Total cash and term deposits	789.4	219.7

Cash and bank balances earn interest at daily bank deposit rates. During the period ended 31 December 2024, surplus funds were deposited on the overnight money market or term deposit at a rate of 4.10% to 5.85% (31 December 2023: at a rate of 5.35% to 6.00%).

As a result of the capital raise undertaken to support the group's capital investment programme, the company has seen a significant increase in cash and term deposits.

At 31 December 2024, the group held total cash and term deposits of \$789.4 million (30 June 2024: \$219.7 million).

The short-term and medium-term deposits at 31 December 2024 ranged from \$50.0 million to \$225.0 million and were spread across five financial institutions to minimise credit risk, with those being ANZ Bank, Bank of China, China Construction Bank, Bank of New Zealand and Westpac New Zealand (30 June 2024: \$20.0 million to \$80.0 million across four financial institutions). These financial institutions had a credit rating of 'A' or above from S&P. The level of deposits at each financial institution recognises a balance between returns and credit risk.

Further details of Auckland Airport's credit risk objectives and policies is available in note 18(d) of the 2024 Annual Report.

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12. Issued and paid-up capital and earnings per share

	Unaudited 6 months to 31 Dec 2024 \$M	Unaudited 6 months to 31 Dec 2023 \$M	Unaudited 6 months to 31 Dec 2024 Shares	Unaudited 6 months to 31 Dec 2023 Shares
Opening issued and paid-up capital	1,739.9	1,680.8	1,479,784,490	1,472,279,341
Shares fully paid and allocated to employees by employee share scheme	0.3	0.5	38,665	86,000
Shares vested to employees participating in long-term incentive plans	0.4	0.3	111,472	86,561
Shares issued under the dividend reinvestment plan	-	20.5	-	2,664,882
Shares issued under the capital raise	1,375.1	-	201,438,848	-
Closing issued and paid-up capital	3,115.7	1,702.1	1,681,373,475	1,475,116,784

Capital Raise

On 16 September 2024, Auckland Airport announced an equity raise comprising a \$1.2 billion underwritten private placement and a \$200 million non-underwritten retail offer. The proceeds will support the group's planned capital investment programme and its targeted A- S&P credit rating and dividend policy. The additional liquidity enabled the reduction in debt and bank facilities as outlined in note 12.

The company issued a total of 201,438,848 ordinary shares under the private placement and retail offer. Shares were issued at an issue price of \$6.95, representing a 7.0% discount to the ex-dividend adjusted last close price of \$7.48 on 13 September 2024. Total capital raised of \$1,375.1 million is net of directly attributable share issue costs of \$24.9 million.

Earnings per share

The earnings used in calculating basic and diluted earnings per share is net profit attributable to equity holders of \$187.3 million (six months ended 31 December 2023: \$118.7 million).

The weighted average number of shares used to calculate basic and diluted earnings per share is as follows:

	Unaudited 6 months to 31 Dec 2024 Shares	Unaudited Restated 6 months to 31 Dec 2023 Shares
For basic earnings per share	1,554,753,060	1,488,155,073
Dilution effect of share options	326,339	256,448
For diluted earnings per share	1,555,079,399	1,488,411,521

To ensure comparability and transparency, the basic and diluted earnings per share figures for the prior period have been restated to account for the impact of the new shares issued from the capital raise noted above. The basic and diluted earnings per share for the current and restated prior period include an "implied bonus" element. This bonus element arises from the 7% discount on the capital raise, which means more shares were issued than if they had been sold at the full market price. The current year figures have been adjusted as if those bonus shares were in place for the entire financial year, rather than just from the issue date.

The reported basic earnings per share for the six months ended 31 December 2024 is 12.05 cents (restated six months ended 31 December 2023: 7.98 cents).

The reported diluted earnings per share for the six months ended 31 December 2024 is 12.04 cents (restated six months ended 31 December 2023: 7.98 cents).

Notes and accounting policies CONTINUED

FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

13. Borrowings

	Unaudited As at 31 Dec 2024 \$M	Audited As at 30 Jun 2024 \$M
Current		
Commercial paper	103.6	118.4
Bank facilities	70.0	13.0
Bonds	150.0	150.0
Total short-term borrowings	323.6	281.4
Non-current		
Bank facilities	30.0	192.0
Bonds	1,143.7	1,274.4
AMTN notes	966.1	936.9
Total term borrowings	2,139.8	2,403.3
Total		
Commercial paper	103.6	118.4
Bank facilities	100.0	205.0
Bonds	1,293.7	1,424.4
AMTN notes	966.1	936.9
Total borrowings	2,463.4	2,684.7

In the six-month period to 31 December 2024, the company reduced its bank and debt financing, which has been enabled by the additional liquidity from the capital raise.

The group repaid the \$150.0 million six-year 3.51% fixed-rate bond at maturity in October 2024.

The \$100 million facility with Mizuho Bank Ltd matured in August 2024.

The group brought forward the maturity of the \$70 million facility with Mizuho Bank Ltd from August 2026 to January 2025.

The following bank facilities were cancelled prior to maturity:

- The \$40 million facility with ANZ Bank New Zealand Limited that was set to mature in August 2026.

- The \$150 million facility with Bank of New Zealand that was set to mature in May 2025.
- The \$40 million facility with Westpac New Zealand Limited that was set to mature in August 2026.
- The \$50 million facility with The Bank of Tokyo-Mitsubishi UFJ, Ltd that was set to mature in November 2025.
- A \$100 million portion of the \$125 million facility with Commonwealth Bank of Australia, retaining \$25 million that will mature in November 2025.

As at 31 December 2024, the company had undrawn bank facilities of \$625.0 million (30 June 2024: \$1,000.0 million).

During the current and prior periods, there were no defaults or breaches on any of the borrowing facilities.

14. Financial risk management

The group has a treasury policy that limits exposure to market risk for changes in interest rates and foreign currency, liquidity risk and counter-party credit risk. The group has no other material direct price risk exposure.

The interim financial statements do not include all financial risk management information and disclosures and should be read in conjunction with note 18 of the 2024 Financial Statements.

Further information is also contained in the risk management section of the 2024 Annual Report.

There have been no significant changes in the financial risk management objectives and policies since 30 June 2024.

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15. Fair value of financial instruments

There have been no transfers between levels of the fair value hierarchy used in measuring the fair value of financial instruments in the period to 31 December 2024 (30 June 2024: nil).

The following financial instruments are carried at amortised cost, which approximates their fair value:

- Cash;
- Trade and other receivables;
- Accounts payable and accruals;
- Other term liabilities; and
- Borrowings issued at floating rates.

Borrowings issued at fixed rates, including bonds and AMTN notes, are also carried at amortised cost, which differs from their fair value. The fair values are shown in the table below for comparative purposes and are determined as follows:

- The group's bonds are classified as level 1. The fair value of the bonds is based on the quoted market prices for these instruments at balance date; and
- The group's AMTN notes are classified as level 2. The fair value of the AMTN notes has been determined at balance date on a discounted cash flow basis using the AUD Bloomberg curve and applying discount factors to the future AUD interest payment and principal payment cash flows.

	Unaudited		Audited	
	31 Dec 2024		30 Jun 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$M	\$M	\$M	\$M
Bonds	1,293.7	1,335.4	1,424.4	1,450.7
AMTN notes	966.1	985.5	936.9	965.6

The group's derivative financial instruments are carried at fair value and are classified as level 2. The fair values are determined on a discounted cash flow basis. The future cash flows are forecast using the key inputs presented in the table below. The forecast cash flows are discounted at a rate that reflects the credit risk of both counterparties to the derivative financial instruments.

	Unaudited	Audited	Valuation key inputs
	Fair value As at 31 Dec 2024	Fair value As at 30 Jun 2024	
	\$M	\$M	
Interest rate swaps			Forward interest rates (from observable yield curves) and contract interest rates
Assets	31.1	43.5	
Liabilities	(26.9)	(14.7)	
Cross-currency interest rate swaps			Forward interest and foreign exchange rates (from observable yield curves and forward foreign exchange rates) and contract rates
Assets	33.0	11.0	
Liabilities	(1.5)	(9.8)	
Forward foreign currency contracts			Forward foreign exchange rates and contract rates
Assets	0.2	0.2	
Liabilities	-	(0.6)	

Notes and accounting policies CONTINUED

FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

16. Commitments

(a) Property, plant and equipment

The group had contractual obligations to purchase or develop property, plant and equipment for \$1,117.1 million at 31 December 2024 (30 June 2024: \$439.9 million). These include aeronautical works associated with the terminal integration programme, including a key contract with Hawkins Limited to construct the domestic jet terminal building.

(b) Investment property

The group had contractual obligations to purchase, develop, repair or maintain investment property for \$55.7 million at 31 December 2024 (30 June 2023: \$120.9 million). These include the development of buildings for IKEA and DHL, alongside industrial developments.

17. Contingent liabilities

Noise mitigation

Auckland Airport Designation 1100, contained in the Auckland Unitary Plan, sets out Auckland Airports' obligations for noise mitigation for properties affected by aircraft noise. This includes obligations to mitigate the impact of aircraft noise through the installation of noise mitigation packages to existing dwellings and schools. The noise mitigation packages provide treatment of dwellings to achieve an internal noise environment of no more than 40dB. The company is required to subsidise 100% of treatment costs for properties in the high aircraft noise area and 75% in the medium aircraft noise area.

The aircraft noise contours included in Designation 1100 reflect the long-term predicted aircraft noise levels generated by aircraft operations from the existing runway and proposed northern runway. Annually, the company projects the level of noise that will be generated from aircraft operations for the following 12 months. These annual projections confirm which dwellings and schools are eligible for noise mitigation each year and offers are sent to those affected properties. It is at the discretion of the individual landowner whether they accept a noise mitigation package.

Projections are undertaken annually to determine eligibility, and the rate of acceptance of offers of treatment by landowners is variable.

However, it is estimated that further costs on noise mitigation should not exceed \$7.0 million (30 June 2024: \$7.2 million).

Firefighting foam contaminated water and soil clean-up

Per and Polyfluoroalkyl Substances (PFAS) containing firefighting foam has been widely used in the airport sector, globally and throughout New Zealand. There is evidence of varying levels of PFAS contamination derived from historical firefighting foams used at Auckland Airport. As disclosed in note 21 of the 2024 Financial Statements, the group continues to recognise a provision for contamination where it has a present obligation to remediate the contamination it has identified in surface water and sediment.

The group has also detected further low level PFAS contamination within a stockpile of fill material, located on vacant land. There is currently no environmental requirement or other obligation to remove the contaminated material, which is adequately contained. The group has estimated a contingent liability of \$13.4 million to remove and treat contaminated fill material within the stockpile (30 June 2024: \$13.4 million).

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18. Share-based payment plan

In 2024, the Board undertook an external review of the LTI scheme resulting in a new service-based plan and a modification of the vesting rules for new offers under the hurdle-based LTI plans with a revised peer group.

Hurdle-based LTI plan

Under the hurdle-based LTI plan, share rights are granted to participating executives with a three-year vesting period. Share rights, once vested and exercised, entitle the participating executives to receive shares in Auckland Airport. The receipt of the shares, or vesting, is at nil cost to executives and subject to them remaining employed by Auckland Airport during the vesting period and achievement of total shareholder return (TSR) performance hurdles.

For 50% of the shares granted under the plans, all shares will vest if the TSR equals or exceeds the company's cost of equity plus 1% compounding annually (independently calculated by Jarden and PricewaterhouseCoopers). For the other 50% of shares granted, the proportion of shares that vest depends on Auckland Airport's TSR relative to a peer group.

- For LTI offers made before 30 June 2024, the peer group comprises the members of the Dow Jones Brookfield Airports Infrastructure Index (excluding Auckland Airport) at each grant date.
- For LTI offers made after 1 July 2024, after taking external advice, the peer group comprises of 10 NZX and ASX listed companies in the energy, infrastructure and logistics industries.

A total of 235,392 shares rights were granted during the six months ended 31 December 2024. The total number of

rights in issue under this scheme as at 31 December 2024 is 554,634. No shares were vested in the period ending 31 December 2024.

If the performance targets are not achieved or if executives depart from Auckland Airport before their share rights vest, such rights will be forfeited. The Board has residual discretion to reduce the number of shares that vest, or to waive the requirement to remain employed.

Service-based LTI plan

Under the new service-based LTI plan, share rights are granted to participating executives with 30% subject to an 18-month vesting period and the remaining 70% subject to a three-year vesting period.

Share rights, once vested and exercised, entitle the participating executives to receive shares in Auckland Airport.

The receipt of the shares, or vesting, is at nil cost to executives and subject to remaining employed by Auckland Airport during the vesting period and board discretion. No other hurdles exist for this scheme.

A total of 35,244 share rights were granted during the six months ended 31 December 2024.

To the extent that executives leave Auckland Airport prior to vesting, the share rights are forfeited, subject to board discretion.

19. Events subsequent to balance date

On 17 February 2025, the directors of Queenstown Airport declared a fully imputed interim dividend of \$7.0 million for the six months ended 31 December 2024. The group's share of the dividend is \$1.7 million.

On 19 February 2025, the directors approved the payment of a fully imputed interim dividend of 6.25 cents per share amounting to \$105.1 million to be paid on 4 April 2025.



INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE SHAREHOLDERS OF AUCKLAND INTERNATIONAL AIRPORT LIMITED

Conclusion

We have reviewed the condensed consolidated interim financial statements ('interim financial statements') of Auckland International Airport Limited ('the Company') and its subsidiaries ('the Group') on pages 2 to 19 which comprise the consolidated interim statement of financial position as at 31 December 2024, and the consolidated interim income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the six months ended on that date, and notes to the interim financial statements, including material accounting policy information.

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements of the Group do not present fairly, in all material respects, the financial position of the Group as at 31 December 2024 and its financial performance and cash flows for the six months ended on that date in accordance with NZ IAS 34 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting*.

Basis for Conclusion

We conducted our review in accordance with NZ SRE 2410 (Revised) Review of Financial Statements Performed by the Independent Auditor of the Entity ('NZ SRE 2410 (Revised)'). Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Interim Financial Statements section of our report.

We are independent of the Group in accordance with the relevant ethical requirements in New Zealand relating to the audit of the annual financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our firm carries out other assignments for the Group in the area of greenhouse gas inventory assurance reporting, trustee reporting and assurance reporting for airport-related regulatory disclosures, as well as non-assurance services provided to the Corporate Taxpayers Group of which the Company is a member. These services have not impaired our independence as auditor of the Company and Group. In addition to this, partners and employees of our firm deal with the Company and its subsidiaries on normal terms within the ordinary course of trading activities of the business of the Company and its subsidiaries. The firm has no other relationship with, or interest in, the Company or any of its subsidiaries.

Directors' responsibilities for the interim financial statements

The directors are responsible on behalf of the Company for the preparation and fair presentation of the interim financial statements in accordance with NZ IAS 34 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting* and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of the interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the interim financial statements

Our responsibility is to express a conclusion on the interim financial statements based on our review. NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements, taken as a whole, are not prepared, in all material respects, in accordance with NZ IAS 34 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting*.

A review of the interim financial statements in accordance with NZ SRE 2410 (Revised) is a limited assurance engagement. We perform procedures, primarily consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand) and consequently do not enable us to obtain assurance that we might identify in an audit. Accordingly we do not express an audit opinion on the interim financial statements.

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This report is made solely to the company's shareholders, as a body. Our review has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in a review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company's shareholders as a body, for our engagement, for this report, or for the conclusions we have formed.

Deloitte Limited

**Andrew Dick, Partner
for Deloitte Limited**
Auckland, New Zealand
19 February 2025

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Shareholder information

Reporting entity

The company was incorporated on 20 January 1988, under the Companies Act 1955, and commenced trading on 1 April 1988. The company was re-registered under the Companies Act 1993 on 6 June 1997. On 25 June 1998, the company adopted a revised constitution, approved as appropriate for a publicly listed company. Further revisions of the constitution were adopted on 21 November 2000, 18 November 2002, 23 November 2004 and 23 October 2019 to comply with NZX and ASX Listing Rule requirements.

The company was registered in Australia as a foreign company under the Corporations Law on 22 January 1999 (ARBN 085 819 156) and was granted Foreign Exempt Listing Entity status by ASX on 22 April 2016.

Stock exchange listings

The company's shares were quoted on the NZX on 28 July 1998. The company's shares were quoted on the ASX effective 1 July 2002. The company is not subject to chapters 6, 6A, 6B and 6C of the Australian Corporations Act dealing with the acquisition of shares (i.e. substantial holdings and takeovers).

The total number of voting securities on issue as at 31 December 2024 was 1,681,824,789.

Auditors

Deloitte Limited has continued to act as external auditor of the company and has undertaken a review of the interim financial statements for the six months ended 31 December 2024. The external auditor is subject to a partner rotation policy.

Credit rating

As at 31 December 2024, the S&P Global Ratings' long-term credit rating for the company was A- Stable Outlook.

Company publications

The company informs investors of the company's business and operations by issuing an annual report (with notice of meeting) and interim financial statements.

Enquiries

Shareholders with enquiries about transactions, changes of address or dividend payments should contact MUFG Corporate Markets on +64 9 375 5998. Other questions should be directed to the Company Secretary at the registered office.

Share registrars

New Zealand:

MUFG Corporate Markets
Level 30, PwC Tower
15 Customs Street West
Auckland 1010

PO Box 91976
Auckland 1142

Australia:

MUFG Corporate Markets
Level 12
680 George Street
Sydney
NSW 2000

Locked Bag A14
Sydney South
NSW 1235

Financial calendar	Half-year	Full-year
Results announcement	February	August
Reports published	February	August
Annual meeting	-	October
Disclosure financial statements	-	November

Corporate directory

DIRECTORS

Julia Hoare, chair
Mark Binns
Mark Cairns
Grant Devonport
Dean Hamilton
Liz Savage
Tania Simpson
Christine Spring

SENIOR MANAGEMENT

Carrie Hurihanganui
chief executive

Stewart Reynolds
chief financial officer

Melanie Dooney
chief corporate services officer

Darren Evans
chief safety and risk officer

Chloe SurrIDGE
chief operations officer

Scott Tasker
chief customer officer

Mark Thomson
chief commercial officer

Mary-Liz Tuck
chief strategic planning officer

Richard Wilkinson
chief digital officer

REGISTERED OFFICE NEW ZEALAND

4 Leonard Isitt Drive
Auckland Airport Business District
Manukau 2022
New Zealand

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Freephone: 0800 Airport (0800 247 7678)
Facsimile: +64 9 275 4927
Email: tellus@aucklandairport.co.nz
Website: www.aucklandairport.co.nz

REGISTERED OFFICE AUSTRALIA

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147 Collins Street
Melbourne
Victoria 3000
Australia

Phone: +61 3 9288 5555
Facsimile: +61 3 9288 6666
Website: www.kpmg.com.au

MAILING ADDRESS

Auckland International Airport Limited
PO Box 73020
Auckland Airport
Manukau 2150
New Zealand

COMPANY SECRETARY

Louise Martin

AUDITORS

External auditor – Deloitte Limited
Internal auditor – PwC
Share registry auditor – Grant Thornton

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Interim results presentation

20 February 2025

Carrie Hurihanganui
Chief Executive

Stewart Reynolds
Chief Financial Officer



Important notice

Disclaimer

This presentation is given on behalf of Auckland International Airport Limited (NZX: AIA; ASX: AIA; ADR: AUKNY). Information in this presentation:

- is provided for general information purposes only, and is not an offer or invitation for subscription, purchase, or recommendation of securities in Auckland International Airport Limited (Auckland Airport);
- should be read in conjunction with, and is subject to, Auckland Airport's unaudited financial statements for the six months ended 31 December 2024, prior annual and interim reports, and Auckland Airport's market releases on the NZX and ASX;
- may include forward-looking statements about Auckland Airport and the environment in which it operates which are subject to uncertainties and contingencies outside of Auckland Airport's control. Auckland Airport's actual results or performance may differ materially from these statements;
- includes statements relating to past performance, which should not be regarded as a reliable indicator of future performance; and
- may contain information from third parties believed to be reliable; however, no representations or warranties are made as to the accuracy or completeness of such information.

All information in this presentation is current at the date of this presentation unless otherwise stated. Auckland Airport is not under any obligation to update this presentation at any time after its release, whether as a result of new information, future events, or otherwise.

All currency amounts are expressed in New Zealand dollars unless otherwise stated and figures, including percentage movements, are subject to rounding.

Refer to page 37 for a glossary of the key terms used in this presentation.

Non-GAAP measures

This presentation contains references to non-GAAP measures including EBITDAFI, EBITDA and underlying profit or loss. A reconciliation between reported profit after tax and the non-GAAP measure of underlying profit or loss is included in the supplementary slides.

The directors and management of Auckland Airport understand the importance of reported profits meeting accounting standards. Because we comply with accounting standards, investors know that comparisons can be made with confidence between different companies and that there is integrity in our reporting approach. However, we believe that an underlying profit or loss measurement can also assist investors to understand what is happening in a business such as Auckland Airport, where revaluation changes can distort financial results or where one-off transactions, both positive and negative, can make it difficult to compare profits between years.

For several years Auckland Airport has referred to underlying profit or loss alongside reported results. We do so when we report our results, but also when we give our market guidance (where we exclude fair value changes and other one-off items) or when we consider dividends and our policy to pay 70% to 90% of underlying profit after tax (excluding unrealised gains and losses arising from revaluation of property or treasury instruments and other one-off items).

In referring to underlying profits or losses, we acknowledge our obligation to show investors how we have derived this result.

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1H25 highlights

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Aeronautical

9.5m

passenger movements
up 2%

- 4.3m domestic PAX up 0.1%
- 4.8m international PAX up 4%
- 0.4m transit PAX up 3%
- 26 international airlines serving 42 international destinations
- 85,811 tonnes of international cargo movements worth \$14.9b, up 10% and 5% respectively

Financial

\$499.9m

revenue
up 13%

- EBITDAFI¹ of \$349.6m, up 13%
- NPAT of \$187.3m, up 58%
- Underlying profit¹ of \$148.1m, up 2%
- \$1.4b of equity raised to support the investment programme
- Interim dividend per share for the 2025 financial year of 6.25 cents per share

Customer experience

4.33

 out of 5

International Terminal ASQ²,
up 3%, a second year of
improvement

Introduction of self-service kiosks and automatic bag drop technology delivering a smoother check-in experience

Upgrades to in-terminal food and beverage product range, bathrooms and dwell areas

Collaboration with airport partners delivers 29% improvement in international arrivals journey times³

Opening of Transport Hub and upgraded plaza, together with new commercial transport pick-up area close to international arrivals

Aeronautical investment

\$461m

Aeronautical
capital expenditure

Key projects:

- Significant progress on terminal integration, building for the future and a critical enabler of national economic growth
- Progress on seven new aircraft remote stands
- Continued investment in airfield pavement, ground lighting, stormwater and fuel systems

Airport Masterplan for 20-year precinct vision will soon be released for consultation

Commercial investment

\$139m

Commercial
capital expenditure

Key projects:

- Upper levels of the Transport Hub opened providing 1,880 covered, proximate parking for international passengers
- Completion of Mānawa Bay, with 109 occupied stores and kiosks
- Completion of pre-leased commercial property development for Ikea

A busy six months building for the long haul



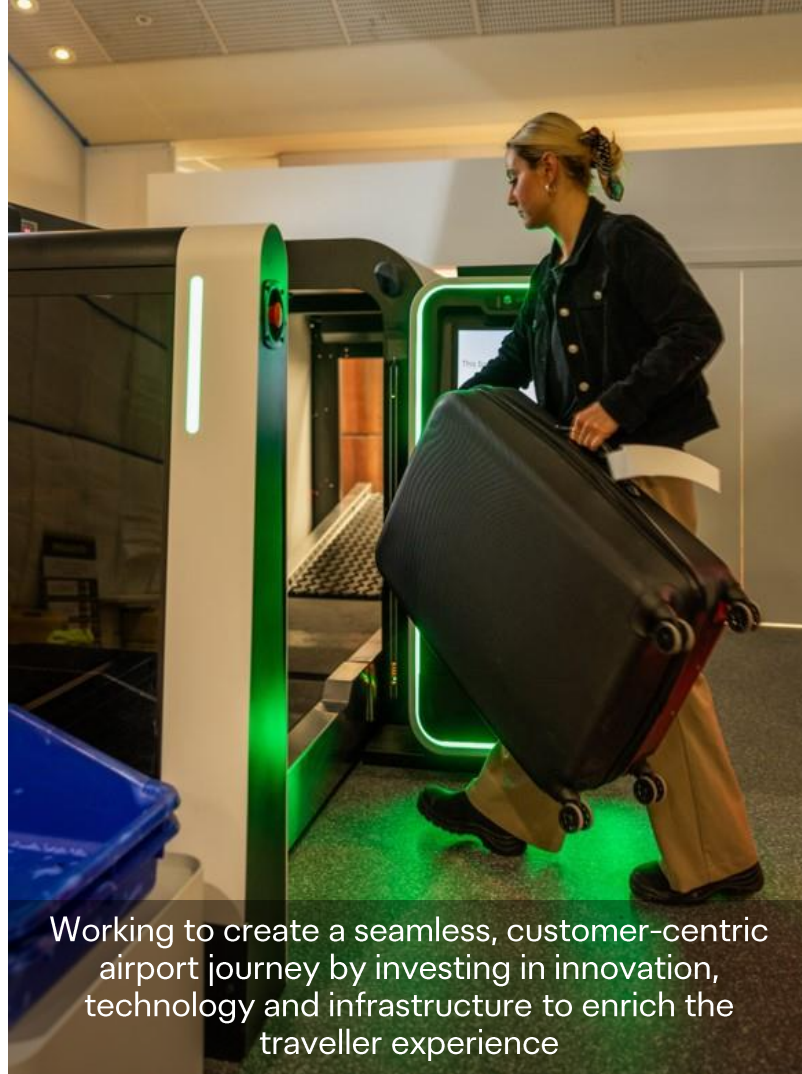
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We are getting on with building a better future

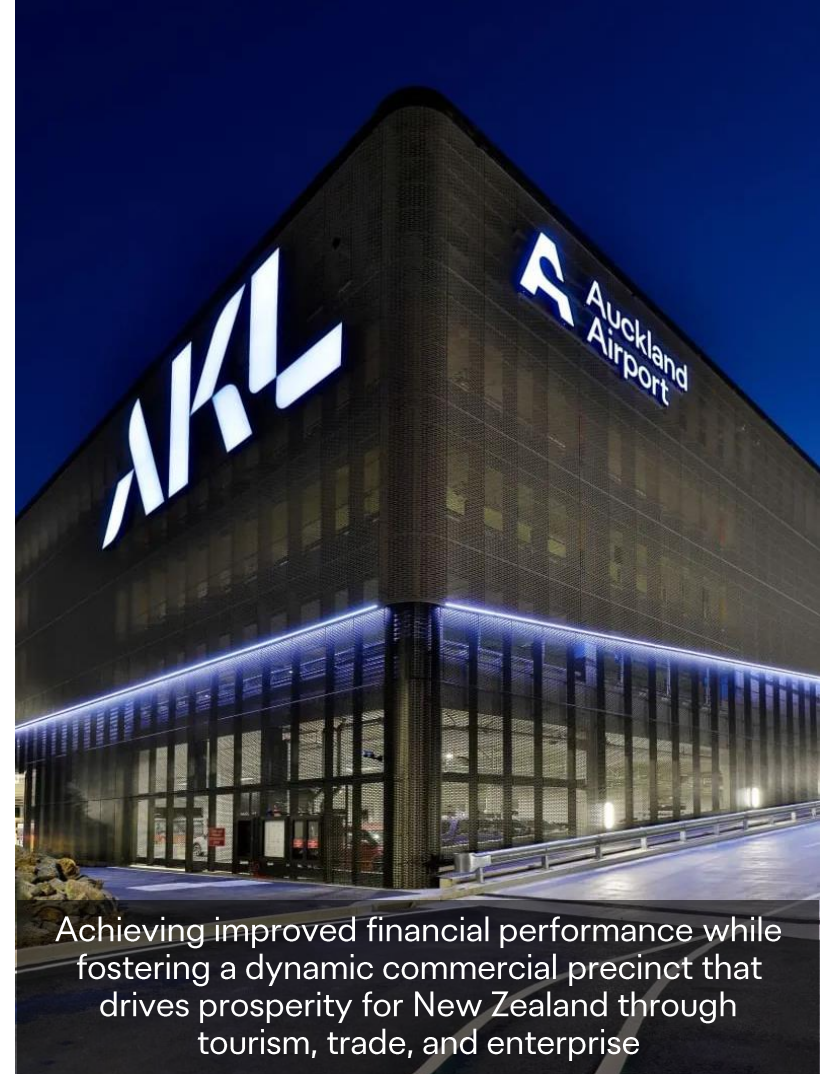
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Designing and building a fit-for-purpose and resilient airport that has the necessary capacity and capability to meet New Zealand's travel, trade and tourism needs for the long haul



Working to create a seamless, customer-centric airport journey by investing in innovation, technology and infrastructure to enrich the traveller experience



Achieving improved financial performance while fostering a dynamic commercial precinct that drives prosperity for New Zealand through tourism, trade, and enterprise

...and we continue to be a critical gateway enabler for NZ's economy

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9.3m

annual international passenger movements

8.5m

annual domestic passenger movements

\$7b

Annual NZ economic output generated from domestic tourism

\$27b

Annual NZ economic output supported via international arrivals

150k+

jobs supported by International / Domestic Tourism

\$1.4b

economic output from employment at airport precinct

\$17.4b

worth of goods imported

\$9.2b

worth of goods exported

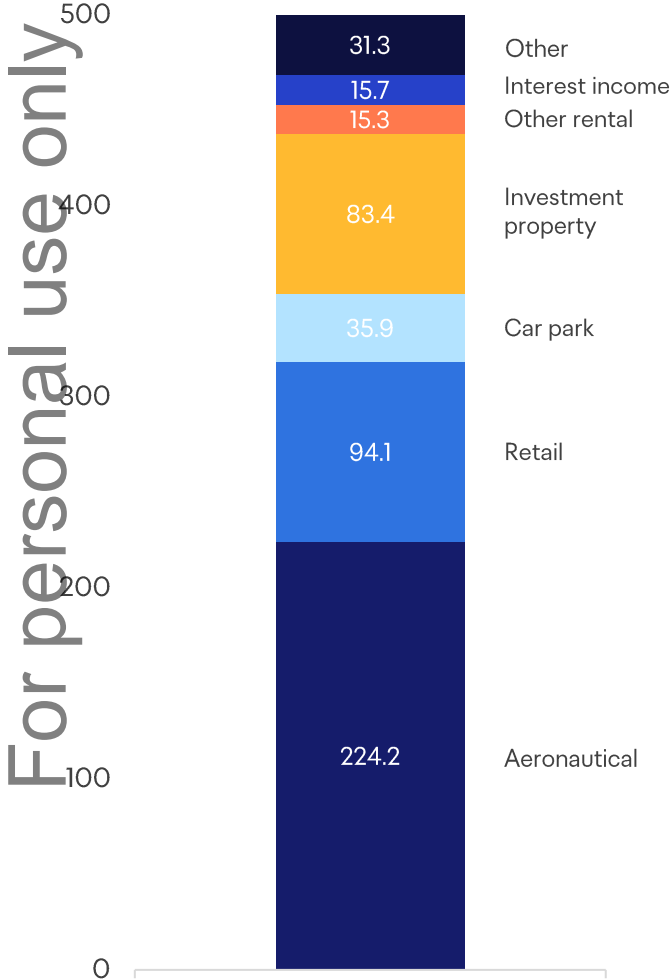
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Financial results



Financial results at a glance

1H25 revenue by category \$m



Revenue

\$499.9m

▲ 13%

Net profit after tax

\$187.3m

▲ 58%

Cash flow from operations before interest and tax

\$310.8m

▲ 19%

Net cash flow from financing activities

\$683.9m

▲ 103%

EBITDAFI margin⁴

69.9%

▼ -0.5ppts

Underlying profit⁴

\$148.1m

▲ 2%

Capital expenditure

\$599.5m

▼ -1%

Interim dividend

6.25cps

▼ down from 6.75cps in 1H24

4. Auckland Airport recognises that EBITDAFI and underlying profit or loss are non-GAAP measures. A reconciliation between reported profit after tax and underlying profit after tax is included in the supplementary slides

Underlying profit up 2%

For the six months ended 31 December	2024	2023	Change
Revenue	499.9	440.5	13%
Expenses	(150.3)	(130.3)	(15)%
EBITDAFI⁵	349.6	310.2	13%
Share of profit / (loss) from associate and joint ventures	3.5	4.7	(26)%
Derivative fair value change	(0.5)	(0.3)	(67)%
Investment property fair value change	50.5	(27.1)	286%
Depreciation	(99.2)	(84.3)	(18)%
Interest expense and other finance costs	(43.9)	(33.1)	(33)%
Taxation expense	(72.7)	(51.4)	(41)%
Reported profit after tax	187.3	118.7	58%
Underlying profit after tax⁵	148.1	145.7	2%

⁵ Auckland Airport recognises that EBITDAFI and underlying profit or loss are non-GAAP measures. A reconciliation between reported profit after tax and underlying profit after tax is included in the supplementary slides

- Revenue rose 13% in the period reflecting increases in both aeronautical charges and passenger numbers, higher commercial income and higher interest income driven by the proceeds from the equity raise. Excluding interest income, revenue rose by 11%
- Operating costs increased 15% reflecting investment in enhancing the traveller experience, continued cost pressures and the opening of new transport and retail activities
- EBITDAFI margin declined from 70.4% to 69.9%
- Share of profit of associate and joint ventures of \$3.5 million driven by resilient trading at both Queenstown Airport and the Novotel, partially offset by a loss at the Pullman hotel, as it operates at lower occupancy levels following its opening in December 2023
- Depreciation expense increased 18% in the period to \$99.1 million, reflecting the upwards revaluation of the buildings and services asset class in June 2024, new assets commissioned and accelerated depreciation for demolished assets
- Interest expense increased to \$43.9 million in the period reflecting an increase in drawn debt compared to 1H24
- Underlying profit in 1H25 impacted by additional operating costs and investment in infrastructure which are expected to contribute positively in 2H25

Momentum across the business through continued growth and investment

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For the six months ended 31 December	2024	2023	Change
Airfield income	84.5	75.3	12%
Passenger services charge	139.7	119.5	17%
Retail income	94.1	90.3	4%
Car park income	35.9	33.8	6%
Investment property rental income	83.4	72.5	15%
Other rental income	15.2	14.9	3%
Flood-related income	4.0	10.0	(60)%
Other income	27.4	21.7	25%
Revenue excluding interest income	484.2	438.0	11%
Interest income	15.7	2.5	528%
Total revenue	499.9	440.5	13%

- Revenue from airfield and the passenger services charge grew a combined 15% primarily driven by higher aeronautical charges that reflect the investment in aeronautical infrastructure and the price freeze in FY23, combined with an increase in passenger numbers
- The growth in international passengers and resilient trading performance drove a 4% increase in Retail income
- The investment in car parking capacity resulted in a lift in exits and with it, car parking income in the period
- Investment property rental income rose reflecting new developments completed in the period and a full period contribution from earlier developments
- Auckland Airport's insurers agreed to a further payment of \$4 million in relation to the January 2023 flooding event, which has been recognised as income
- Interest income rose significantly to \$15.7 million reflecting the proceeds from the equity raise during 1H25

Operating costs rise to support the enhanced traveller experience

For the six months ended 31 December	2024	2023	Change
Staff	(42.9)	(36.9)	(16)%
Asset management, maintenance and airport operations	(65.3)	(51.9)	(26)%
Rates and insurance	(20.6)	(17.5)	(18)%
Marketing and promotions	(5.4)	(4.0)	(35)%
Professional services and levies	(4.1)	(4.0)	(2)%
Flood-related expense	(1.5)	(8.6)	83%
Other expenses	(10.6)	(7.0)	(51)%
Expected credit losses	0.1	(0.4)	125%
Total operating expenses	(150.3)	(130.3)	(15)%
Depreciation	(99.2)	(84.3)	(18)%
Interest expense and other finance costs	(43.9)	(33.1)	(33)%
Taxation expense/(benefit)	(72.7)	(51.4)	(41)%

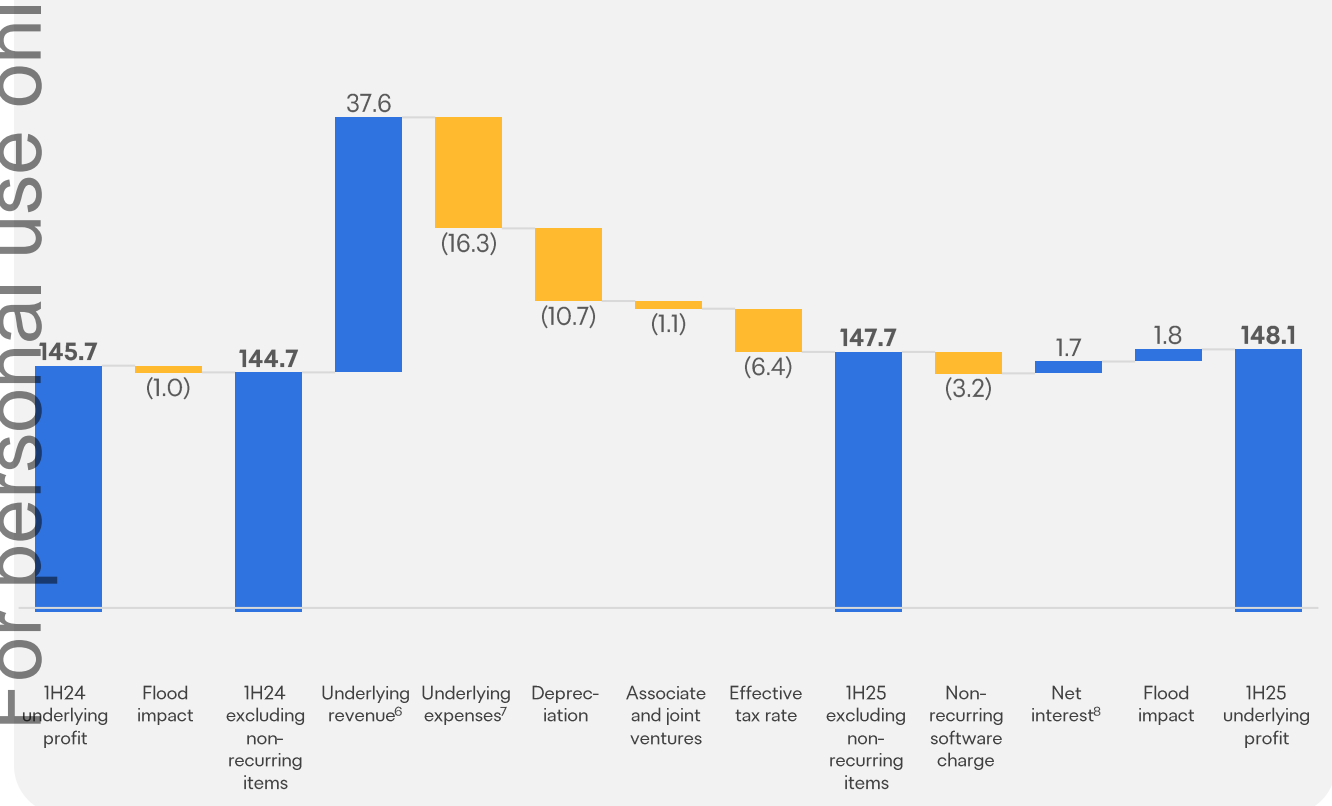
- Increased staff costs reflects the combined effects of increased aeronautical and commercial activity and additional headcount to support the continued elevated levels of aeronautical and commercial investment
- Increased asset management, maintenance and airport operations reflects higher outsourced operations to support the growth in both aeronautical and commercial activities, including the opening of Mānawa Bay, Park & Ride South and the upper floors of the Transport Hub
- Marketing and promotional expenses increased to \$5.4 million in the period reflecting both aeronautical incentives and an increase in activity for the commercial lines of business
- Expenses relating to professional services and levies increased by 2% to \$4.1 million reflecting targeted investment in operational processes and passenger experience
- Other expenses increased by \$3.6 million reflecting a non-recurring software charge
- \$1.5 million of flood-related expenses were incurred in the period in relation to the January 2023 flooding event
- Interest costs rose in the period reflecting higher drawn debt compared to 1H24
- Tax expense increased reflecting the combined effects of an increase in earnings and the higher effective tax rate as a result of the change in government policy on depreciation of building structures

Underlying profit bridge

Improved underlying performance partially offset by additional operating expenses and depreciation

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Underlying profit (\$m)



6. Excluding interest income and flood-related income
 7. Excluding non-recurring SaaS charge and flood-related costs
 8. Higher interest income, net of higher interest expense

- In the six months to 31 December 2024, increased aeronautical activity and the completion of new commercial developments drove a significant increase in revenue
- Targeted investment in operating costs in the six months to support business activity and improved customer journeys
- Higher depreciation reflecting the upwards revaluation of the buildings and services asset class in June 2024, new assets commissioned and accelerated depreciation for demolished assets reduced underlying profit by \$10.7 million
- The effective tax rate in the first half of the financial year was 29.4% compared to 26.1% in the equivalent period in the prior financial year primarily driven by the removal of tax depreciation on non-residential buildings
- One-off items in the period relating to:
 - a non-recurring SaaS charge relating the implementation of new core airport systems;
 - the impact of the equity raise in the period reducing net interest expense; and
 - the net impact of flood-related income and expenses increased underlying profit by \$1.8 million

Continuation of investment across the precinct

\$599.5 million of capital expenditure in the period spanning both aeronautical and commercial investment

Aeronautical

Terminal integration: \$239.8 million

- Significant construction activity on the new Domestic Jet Terminal with foundation works well underway
- Progress on Terminal Integration continues with key milestones reached across a number of the work packages including the 'Stitch' to join the existing International Terminal to the Domestic Jet Terminal, Western Truck Dock, baggage system and inner terminal road

Airfield: \$159.3 million

- Works well advanced on northern stands projects
- Continued investment in renewal of pavement and ground lighting and fuel systems
- Commenced physical works on the Contingent Runway

Other Aeronautical \$30.1 million

- Refresh of the existing Domestic Terminal amenities completed with and asset renewals progressing

Commercial, Infrastructure & Other

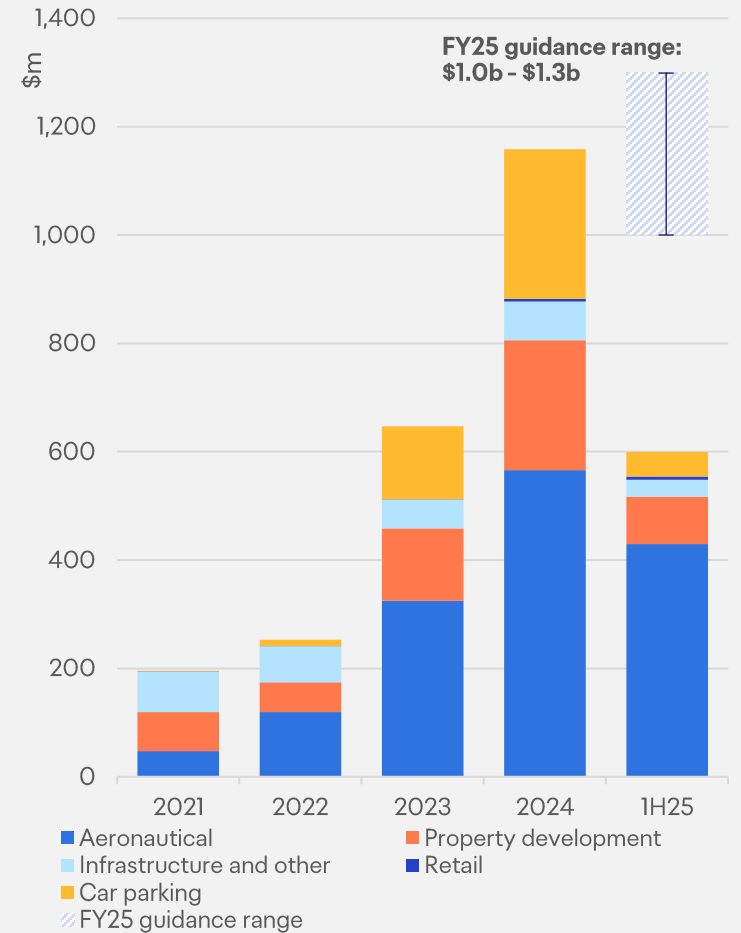
Commercial \$139.0 million

- Mānawa Bay Premium Outlet Shopping Centre and the Transport Hub completed and operational
- Ikea development completed with second development for DHL well underway
- Refresh of the retail landside areas for International Arrivals and the Domestic Terminal Food court

Infrastructure and Other: \$31.2 million

- Upgrades of core digital network to improve airport resilience and security
- Ongoing investment and renewals roading and utility infrastructure including upgrades and capacity expansion to the storm water network

FY21 - FY25 capital expenditure

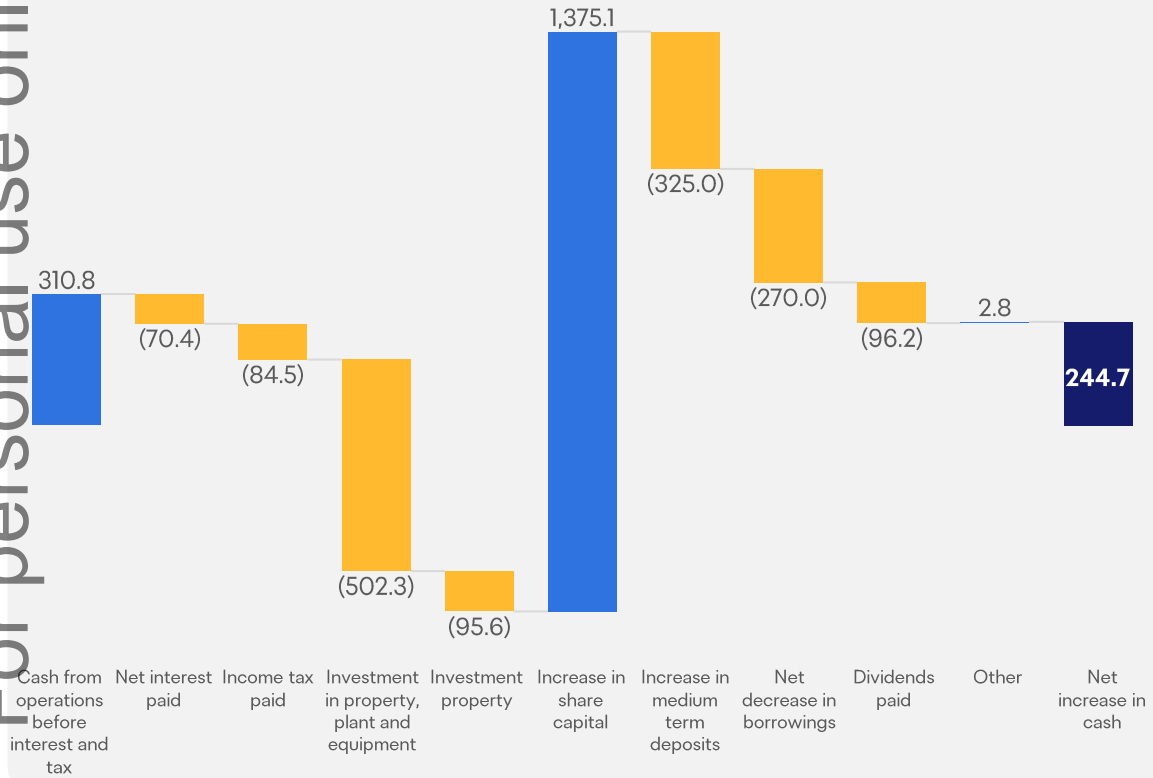


Proceeds of equity raise drives reduction in borrowings and continued investment

Proceeds from equity raise and continued strong operating cash flows, partially offset by the impact of the ongoing investment programme contributed to a net \$244.7m increase in cash during the period

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1H25 Cash Flow



- Cash inflow from operating activities before interest and tax increased 19% in the period to \$310.8 million driven by increasing EBITDAFI
- Net interest paid increased to \$70.4 million compared to \$53.3 million in the equivalent period in the prior year reflecting increased level of borrowings partially offset by interest income from the proceeds of the equity raise
- \$597.9 million was invested in the year on property, plant and equipment and investment property projects across the precinct. This investment will support future earnings
- The ongoing investment plan was funded by \$1,375.1 million proceeds from the equity raise, partially offset by a decrease in net borrowings of \$270.0 million
- \$96.2 million of dividends were paid to shareholders in the six months to 31 December 2024
- Other cash flow of \$2.8 million reflects the dividends received from associates partially offset by an investment in a joint venture

\$1.4b equity raise supports liquidity and credit metrics

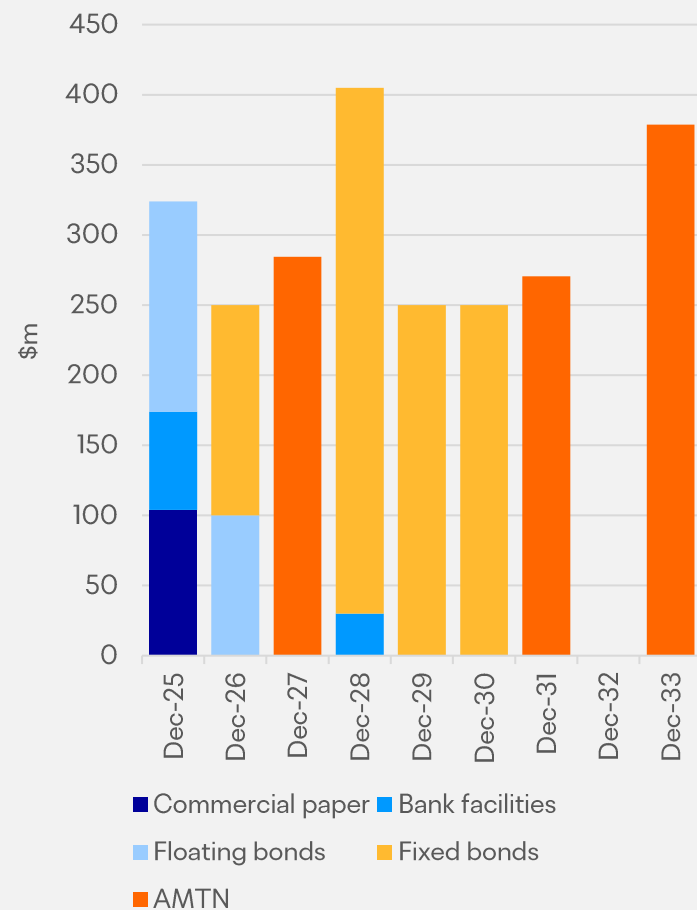
Proceeds will support the planned investment programme

- Total drawn debt of \$2,463 million as at 31 December 2024, a decrease of 8% or \$221 million on June 2024
- Funds received from the equity raise have been applied to reduce unhedged debt
- Prudent reduction in facilities to remove excess bank facilities
- Committed undrawn bank facility headroom of circa \$625 million (Jun-24: \$1,000 million), and \$789 million in available cash and deposits (Jun-24: \$210 million)
- Interim dividend for 1H25 of 6.25 cents per share, down from 6.75 cents per share in 1H24. Total dividend declared of \$105.1 million, up from \$99.6 million in 1H24
- Dividend reinvestment scheme active for the 1H25 dividend with a 2.5% discount
- A- credit rating reaffirmed by S&P

Key credit metrics

	Test	Dec-24	Jun-24
Gearing covenant ⁹	≤ 60%	19.6%	23.9%
Interest coverage covenant ¹⁰	≥ 2.0x	7.80x	8.45x
Debt to enterprise value		15.1%	19.5%
Net debt to enterprise value		10.3%	17.9%
FFO interest cover	≥ 2.5x	3.8x	4.8x
FFO to net debt	≥ 11.0%	24.7%	18.8%
Weighted average interest cost		5.76%	5.79%
Average debt maturity profile		5.40yrs	4.70yrs
Percentage of fixed borrowings		78.0%	64.8%

Drawn debt maturity profile by financial year



9. Gearing is defined as nominal value of debt plus derivative liabilities divided by nominal value of debt plus derivative liabilities plus the book value of equity

10. Interest coverage is defined as reported NPAT plus taxation, interest expense, depreciation, revaluations and derivative changes (broadly EBITDA) divided by interest

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Building a better future

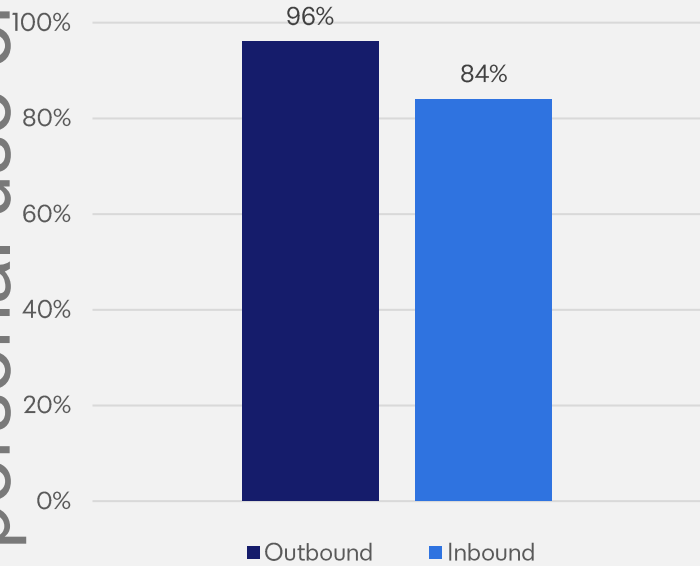


New Zealand's tourism recovery behind regional international peers

For all of New Zealand, international air capacity remains 9% down on pre-COVID and has not grown in the past year. Inbound tourism is lagging outbound, 16% below pre-COVID levels

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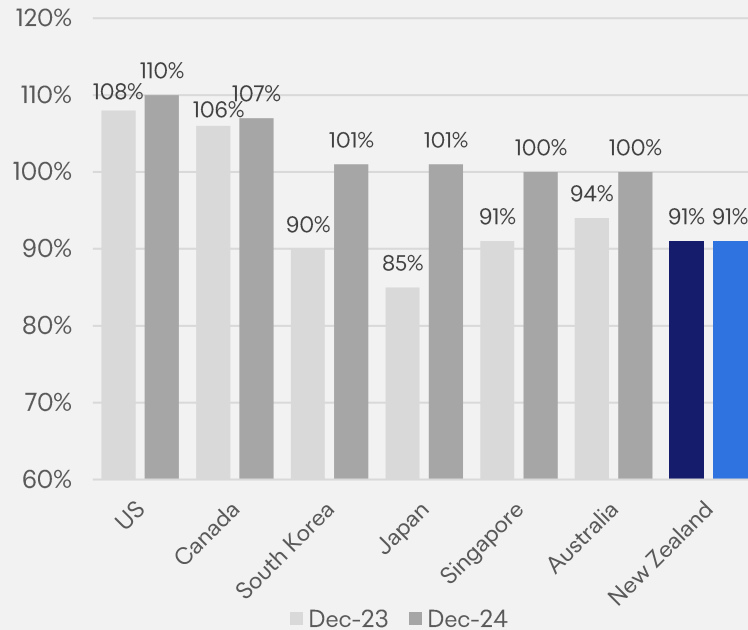
Tourism PAX recovery



Note: 12 months to Nov-24 vs 12 months to Nov-19. Source: Stats NZ

Outbound tourism by New Zealanders has almost fully recovered, whereas inbound tourism remains 16% below pre-COVID levels, particularly in key markets such as Australia

NZ international seat capacity recovery vs peers



Each daily widebody flight to New Zealand has an average annual tourism value of \$150 million. The 9% capacity gap to pre-COVID equates to \$1.5b in tourism spend that New Zealand is missing out on, as well as high value export growth (valued at >\$500m per daily widebody flight)

Industry recovery dependent on key elements



Grow supply: Air capacity well down on pre-COVID. No government-supported aviation incentive scheme in New Zealand vs peers



Grow demand: Inbound tourism down, especially in key markets such as Australia. Tourism New Zealand funding has fallen



Remove friction: Visitor visa costs and processing times not competitive with other markets

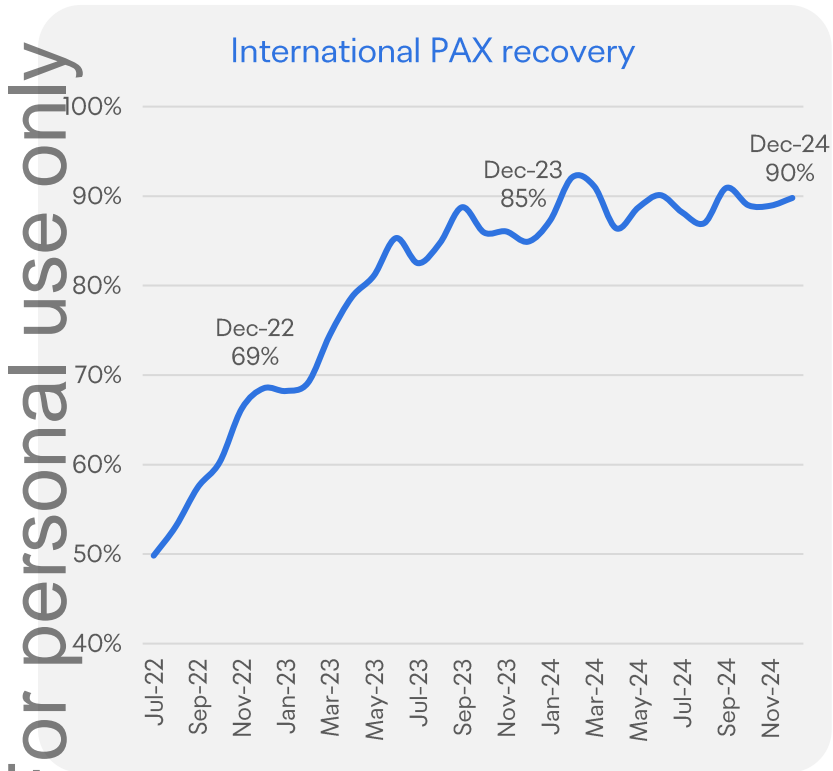


Grow infrastructure: Auckland Airport's new Domestic Jet Terminal is now 31% complete

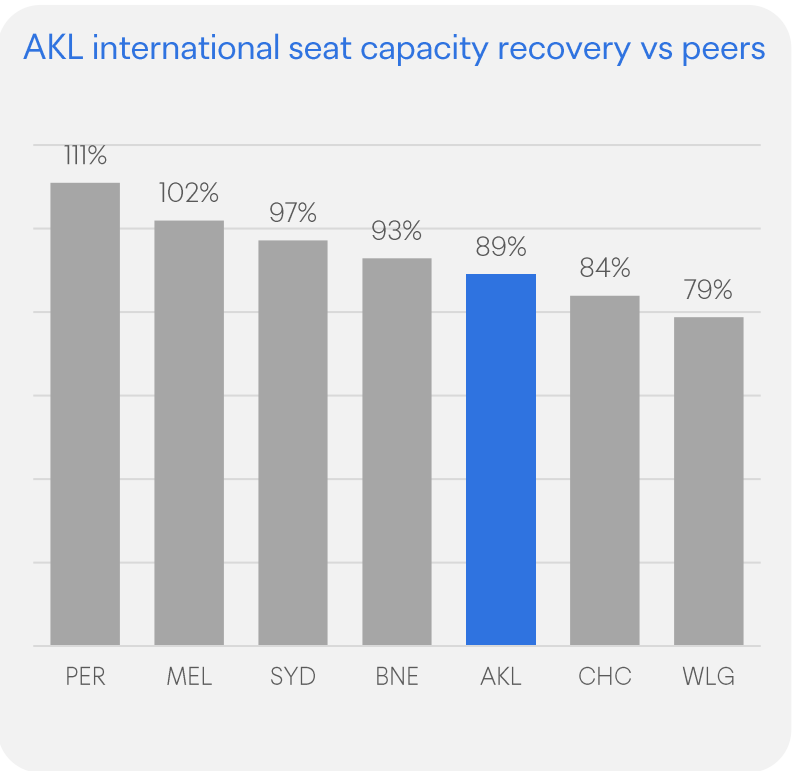
Unlocking tourism growth requires collaboration across industry and government

International passenger growth driven by long-haul markets

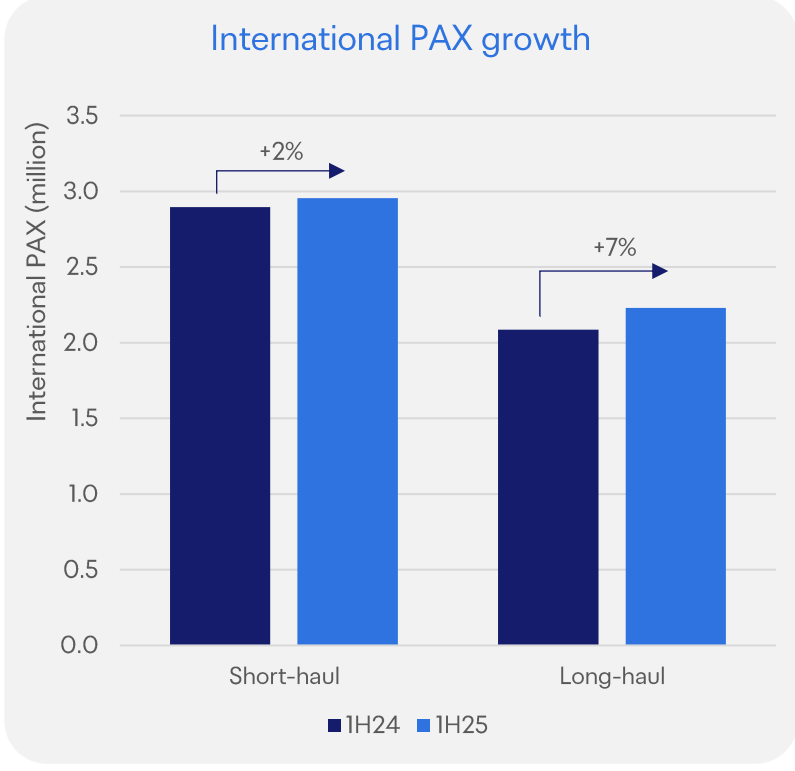
International passenger movements in 1H25 recovered to 89% of the pre-COVID equivalent, with growth in the period driven by Asia



Note: vs equivalent month in 2019 financial year



Note: 12 months to Dec-24 vs 12 months to Dec-19. AKL is also 89% for the six months to Dec-24



Recovery of Australian visitation remains below average, with Asia the key growth market

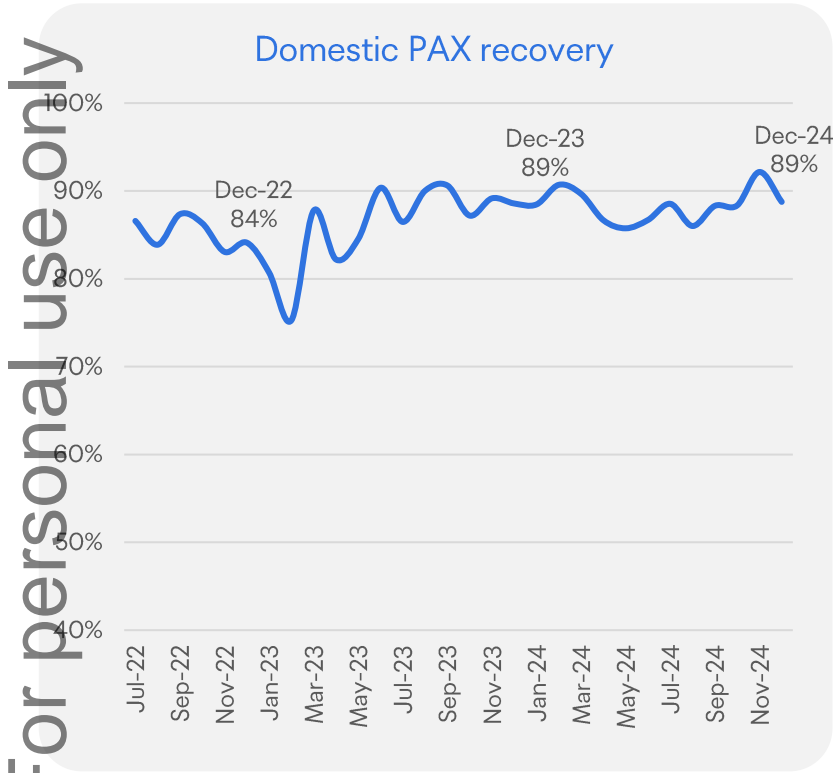
During the six months ended 31 December 2024, 26 airlines connected Auckland Airport with 42 destinations across the Middle East, Asia, the Americas and the Pacific Islands

International recovery impacted by stalling of Australian visitation and airline capacity constraints

Domestic recovery remains challenged

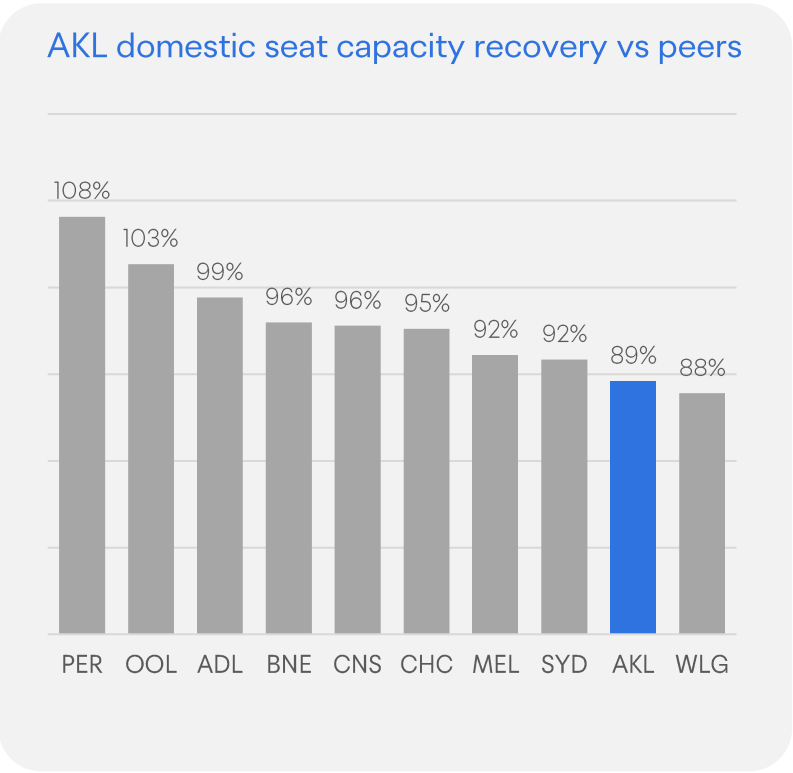
Auckland Airport's domestic recovery continues to lag peers, driven by fleet constraints impacting the national carrier

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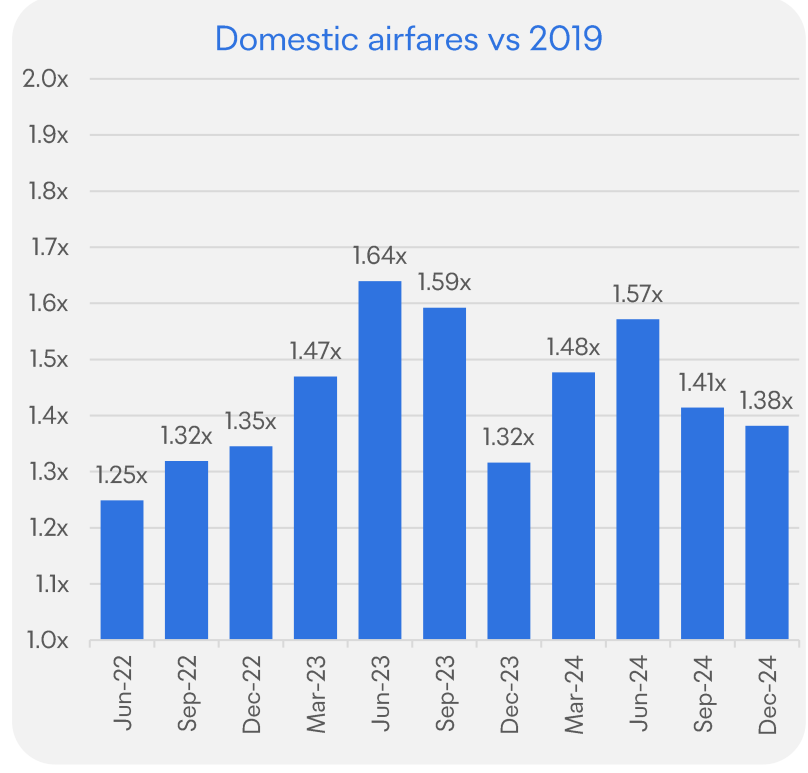
Note: vs equivalent month in 2019 financial year

Domestic passenger numbers were flat in the six months to December 2024 compared to the equivalent period in FY24



Note: 12 months to Dec-24 vs 12 months to Dec-19. AKL is 88% for the six months to Dec-24

AKL domestic seat capacity is lagging its major regional peers



Source: Stats NZ domestic air transport CPI

With capacity down relative to pre-COVID levels, load factors have remained at historic highs and airfares are significantly more expensive

Investing in improvements across the precinct and customer journey

Continued investment in new capabilities are delivering reduced customer journey times and a smoother travel experience



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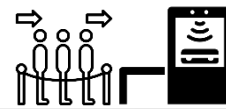
Transport Hub

The new Transport Hub and upgrade of the plaza area outside the international terminal are delivering important customer benefits, with an improved undercover pick up and drop off area and new parking options right outside the terminal



Automated bag drop

Traditional check-in counters are being replaced with modern self-service kiosks and bag drops which will help to smooth travellers' journeys and progress towards a future where all domestic and international travellers will use the same check-in space



Faster processing times

Use of technology such as Computed Tomography (CT) scanning machines and ongoing collaboration with airport partners delivering smoother passenger journeys with less variability



Retail

Renovations being undertaken across the domestic and international terminals will provide travellers with a greater food and beverage offering and an improved customer experience

Delivering on key projects across the precinct to create capacity and increase resilience

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The Landing commercial property development
Ongoing



Mānawa Bay
Opened: Sep 2024

Roading: Tom Pierce Drive
Complete: Aug 2024



Transport hub
Opened: Apr-Nov 2024

Park & Ride South
Opened: Jun 2024



Northern airfield expansion
Complete: Aug 2025



Roading: Laurence Stevens Drive
Complete: Aug 2024

Domestic processor, contingent runway
Complete: 2029/30

Kohia Island (formerly Wiroa Island)

The integrated terminal is taking shape



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Significant airfield expansion on track to deliver important capacity for tourism and trade

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Continued growth in a challenging retail environment



Retail at a glance

\$94.1 million

of retail income in the period

\$10.16

of retail income per PAX¹¹

0.3%

Increase in PSR compared to 1H24

104

occupied terminal retail stores as at 31 December 2024

¹¹ Income per PAX is calculated as total retail income divided by total PAX, including half of the transit PAX movements



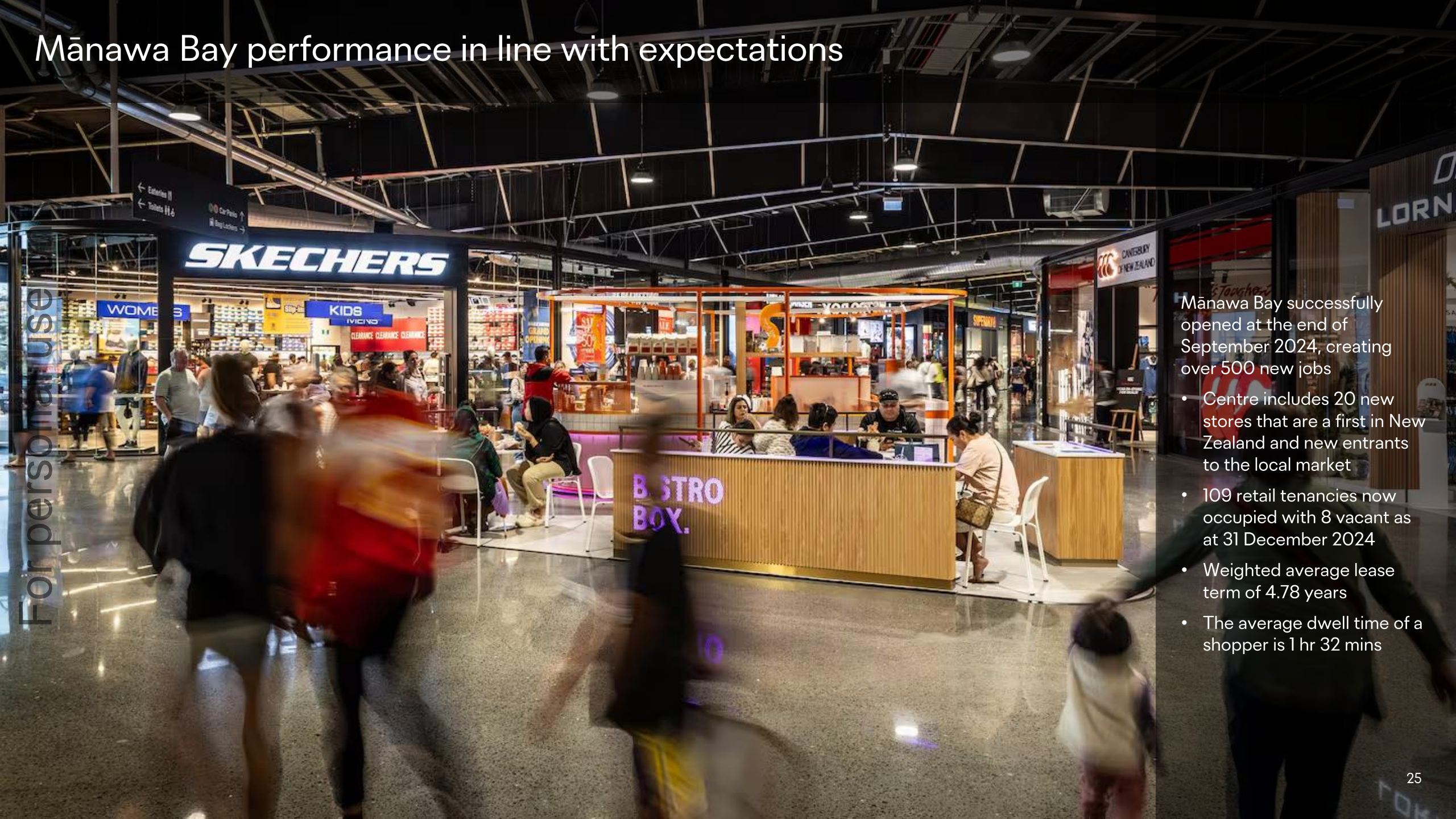
Retail Performance

- Retail income rose by \$3.8 million in the period, reflecting the growth in international passenger numbers, new store openings and promotions
- Total PSR rose 0.3% with international declining 1.5% reflecting a fall in foreign exchange sales
- Income per passenger¹¹ was \$10.16, up from \$9.97 in the 1H24
- Pleasing performance in the categories of Duty-Free and Food & Beverage, partially offset by softer income in some luxury categories and FX
- The Duty-Free retender process is underway with an announcement on the successful operator expected in 2H25



Mānawa Bay performance in line with expectations

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Mānawa Bay successfully opened at the end of September 2024, creating over 500 new jobs

- Centre includes 20 new stores that are a first in New Zealand and new entrants to the local market
- 109 retail tenancies now occupied with 8 vacant as at 31 December 2024
- Weighted average lease term of 4.78 years
- The average dwell time of a shopper is 1 hr 32 mins

Step change in car park capacity and customer experience



At a glance

\$35.9 million of car park income in the period

11,402 number of public car parks

0.8 million number of exits¹²

12. Exits which generated parking income

Performance

- Parking revenue is up 6% to \$35.9 million in the period underpinned by the opening of new parking facilities and increased international PAX
- Total carpark exits lifted 2% on the previous year, in line with passenger growth with international up 2% and Park & Ride up 95%
- 7% reduction in domestic terminal exits owing to weaker corporate demand and the challenging domestic macro-economic environment
- The period's results were impacted by the staged opening of the Transport Hub. International terminal exits for December were 9% higher than in the year prior along with a lift in average transaction values

Significant investment improves passenger amenity

- A net 4,207 additional public car parking spaces have been added to the precinct:
 - Park & Ride South opened to the public in June 2024, easing congestion on the eastern approach to the airport and providing an additional 3,011 spaces for vehicles
 - Staged opening of the Transport Hub from October with all floors fully operational from mid-November providing an additional 1,880 spaces
- Successful transition to a new carpark access solution with full licence plate recognition across the International parking facilities
- Electric buses operating from January on the Park & Ride South route

Investment property rental growth continues



At a glance

\$3.3 billion	Investment property portfolio value
\$168.8 million	Commercial property rent roll ¹³
99.0%	Commercial property portfolio occupancy ¹⁴
7.54 years	Commercial property weighted average lease term
151 ha	of land available for property development

13. Includes contractual rental income (excluding hotel income) from all existing investment, aeronautical and retail properties and those under development

14. Excludes 21,603m² of net lettable areas that is being held vacant for the future cargo precinct relocation. Including this land, portfolio occupancy is 96.3%



Performance

- Commercial property rent roll up 3.9% to \$168.8 million on the back of growth of the existing portfolio and Mānawa Bay leasing
- Quality tenant mix delivering market leading vacancy rates
- One completed development in the period for IKEA with a further industrial development underway at The Landing, adding a further 21,000sqm to net lettable area



Hotels

- Hotel portfolio occupancy of 78% for the period, compared with 91% in the equivalent period in the prior year, which did not include the Pullman

Sustainability

We continue to work to minimise the impact of aviation on the environment and to build greater resilience into the airfield



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Carbon

We continue to progress our scope 1 and 2 decarbonisation pathway

- The 1.2 megawatt solar array on the Transport Hub is now operational, reducing the airport's energy needs
- 600 new efficient LEDs have been installed on the airport runway

Infrastructure upgrades

We are building additional climate resilience and increased environmental performance into our infrastructure

- 3,500 metres of stormwater piping is nearing completion as part of the Northern Stands project
- A new stormwater pond, using an innovative method to treat more water before discharge, is also nearing completion
- Additional water quality measures have been included in Taxiway upgrades and stormwater upgrades to increase flood resilience of the terminal have progressed

Waste

- Waste minimisation facilities incorporated into the Domestic Jet Terminal design
- In collaboration with MPI, food waste separation to the airside lounges has been introduced, safely diverting some of this waste from biosecurity treatment and landfill
- Donations of confiscated goods (e.g. batteries) to community groups

Regulatory context

Auckland Airport's aeronautical charges remain amongst the lowest in the region and a small part of overall cost of the ticket price

Aeronautical returns

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Aeronautical returns are exposed to industry volatility and trail the PSE4 forecast reflecting:

- lower passenger numbers driven by airline capacity constraints and a weak domestic economy; and
- Auckland Airport incurring costs to improve the passenger journey during the recovery in travel and disruption associated with the investment programme

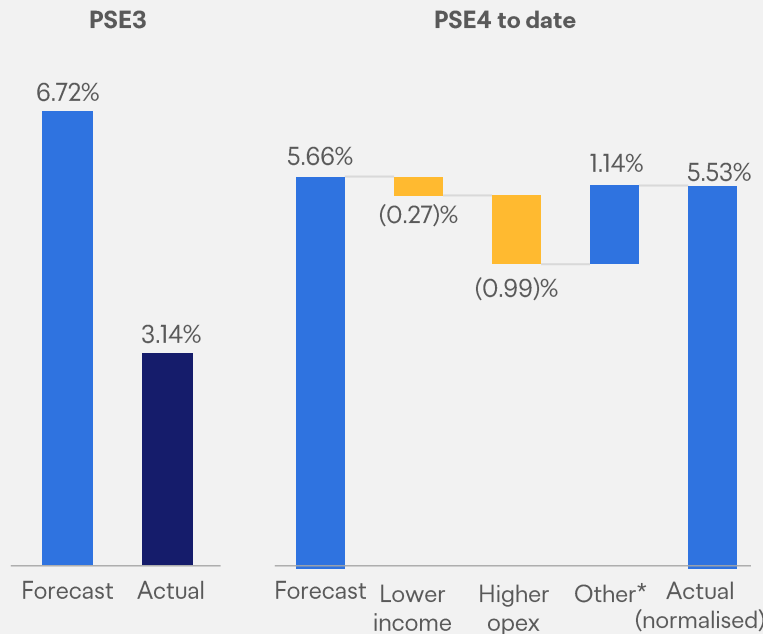
Review of PSE4 aeronautical charges

Awaiting the final report from the Commerce Commission on Auckland Airport's aeronautical pricing for PSE4, expecting by end of 1Q25

Input methodology review

Work continues on the appeal to the 2023 Input Methodology WACC determination

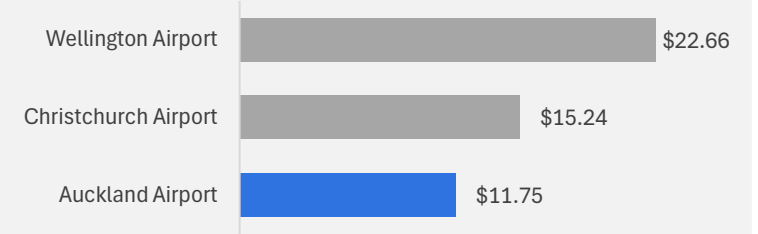
Auckland Airport regulated post-tax IRR



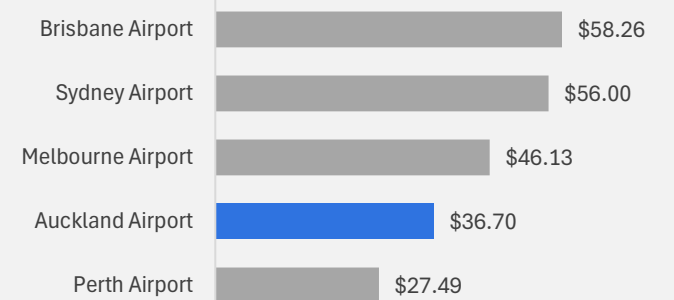
* Timing of asset commissioning

AKL returns under PSE3 were impacted by COVID-19 travel restrictions, with PSE4 also impacted by the slower than expected recovery in passenger volumes and higher operational costs

Domestic Jet landing charges



International landing charges



NZD equivalent of current landing charges at 17/2/25 FX rate

AKL landing charges benchmark well across the region and will remain so at the end of the PSE4 pricing period

Outlook

Guidance

- As we look ahead to the remaining six months of the year, we continue to see consistent demand for our aeronautical and commercial products and services

However, uncertainty around the health of domestic economy remains, as well as ongoing constraints to airline seat capacity are expected to continue

Reflecting this, Auckland Airport remains cautious around the outlook for the remainder of the financial year and provides the following guidance for FY25:

- narrowing underlying earnings guidance to between \$290 million and \$320 million reflecting anticipated domestic and international passenger numbers of circa 8.4 million and circa 10.5 million respectively; and
- reconfirms capital expenditure guidance of between \$1,000 million and \$1,300 million in the year reflecting the significant investment across the airport precinct, including terminal integration

This guidance is subject to any material adverse events, significant one-off expenses and any deterioration due to global market conditions or other unforeseeable circumstances



Auckland Airport airfield

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Ngā mihi nui
Thank you



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Supplementary
information

Underlying profit reconciliation

For the six months ended 31 December (\$m)	2024			2023		
	Reported profit	Adjustments	Underlying profit ¹⁵	Reported profit	Adjustments	Underlying profit ¹⁵
EBITDAFI¹⁵ per income statement	349.6	-	349.6	310.2	-	310.2
Investment property fair value change	50.5	(50.5)	-	(27.1)	27.1	-
Derivative fair value change	(0.5)	0.5	-	(0.3)	0.3	-
Share of profit / (loss) of associate and joint ventures	3.5	(0.2)	3.3	4.7	(0.3)	4.4
Depreciation	(99.2)	-	(99.2)	(84.3)	-	(84.3)
Interest expense and other finance costs	(43.9)	-	(43.9)	(33.1)	-	(33.1)
Taxation (expense) / benefit	(72.7)	11.0	(61.7)	(51.4)	(0.1)	(51.5)
Profit after tax	187.3	(39.2)	148.1	118.7	27.0	145.7

¹⁵ Auckland Airport recognises that EBITDAFI and underlying profit or loss are non-GAAP measures

We have made the following adjustments to show underlying profit after tax for the six months ended 31 December 2024 and 2023:

- reversed out the impact of revaluations of investment property. An investor should monitor changes in investment property over time as a measure of growing value. However, a change in one particular year is too short to measure long-term performance. Changes between years can be volatile and, consequently, will impact comparisons. Finally, the revaluation is unrealised and, therefore, is not considered when determining dividends in accordance with the dividend policy;
- reversed out the impact of derivative fair value movements. These are unrealised and relate to basis swaps that do not qualify for hedge accounting on foreign exchange hedges, as well as any ineffective valuation movements in other financial derivatives. The group holds its derivatives to maturity, so any fair value movements are expected to reverse out over their remaining lives;
- adjusted the share of profit of associates and joint ventures to reverse out the impacts on those profits from revaluations of investment property and financial derivatives; and
- reversed out the taxation impacts of the above movements in both years.

Aircraft movements and MCTOW

For the six months ended 31 December	2024	2023	2022	2021	2020	2019
Aircraft movements						
International aircraft movements	26,260	26,576	19,133	8,349	6,760	28,616
Domestic aircraft movements	52,835	53,011	50,803	23,846	37,975	59,974
Total aircraft movements	79,095	79,587	69,936	32,195	44,735	88,590
MCTOW (tonnes)						
International MCTOW	2,579,659	2,579,894	1,815,742	1,815,742	825,803	2,914,921
Domestic MCTOW	1,083,813	1,079,814	1,001,246	1,001,246	760,720	1,168,864
Total MCTOW	3,663,472	3,659,707	2,816,988	2,816,988	1,586,523	4,083,785

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Supplementary slides:

Total passenger movements

For the six months ended 31 December	2024	2023	2022	2021	2020	2019
International passengers excluding transits	4,788,774	4,596,403	3,183,179	251,918	153,975	5,289,398
Transit passengers	397,128	386,200	291,450	6,506	33,028	547,448
Total international passengers	5,185,902	4,982,603	3,474,629	258,424	187,003	5,836,846
Domestic passengers	4,274,865	4,269,617	4,103,116	1,461,142	2,636,379	4,757,573
Total passengers	9,460,767	9,252,220	7,577,745	1,719,566	2,823,382	10,594,419

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Supplementary slides: Balance sheet

As at (\$m)	Dec-24	Jun-24	Jun-23	Jun-22	Jun-21	Jun-20
Current assets	904.6	303.2	160.8	74.8	125.8	853.9
Cash	464.4	219.7	106.2	24.7	79.5	765.3
Other current assets	440.2	83.5	54.6	50.1	46.3	88.6
Non-current assets	12,687.4	12,113.0	10,668.5	10,078.1	9,651.5	9,288.1
Property, plant and equipment	9,168.5	8,755.0	7,548.3	6,986.1	6,826.5	6,060.8
Investment property	3,273.8	3,123.9	2,882.1	2,897.4	2,641.4	2,882.1
Other non-current assets	245.1	234.1	238.1	194.6	183.6	345.2
Total assets	13,592.0	12,416.2	10,829.3	10,152.9	9,777.3	9,297.2
Current liabilities	567.0	565.9	596.2	610.1	326.0	467.3
Non-current liabilities	2,978.2	3,240.2	1,855.6	1,391.9	1,521.8	2,192.8
Term borrowings	2,139.8	2,403.3	1,388.3	961.0	1,172.8	1,824.4
Other non-current liabilities	838.4	836.9	467.3	430.9	349.0	368.4
Equity	10,046.8	8,610.1	8,377.5	8,150.9	7,929.5	6,637.1
Total liabilities and equity	13,592.0	12,416.2	10,829.3	10,152.9	9,777.3	9,297.2

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Glossary

EBITDAFI	Earnings before interest, taxation, depreciation, fair value adjustments and investments in associates
FFO	Funds from operations
FY	Financial year to 30 June
GAAP	Generally accepted accounting principles
LED	Light-emitting diode
MCTOW	Maximum certified take-off weight
MPI	Ministry for Primary Industries
NPAT	Net profit after tax
NZ	New Zealand
PAX	Passenger movement
PSE4	Regulatory price setting event 4
PSR	Passenger spend rate
S&P	Standard and Poor's
SaaS	Software as a service

Results announcement

(for Equity Security issuer/Equity and Debt Security issuer)

Results for announcement to the market		
Name of issuer	Auckland International Airport Limited	
Reporting Period	6 months to 31 December 2024	
Previous Reporting Period	6 months to 31 December 2023	
Currency	NZD	
	Amount (millions)	Percentage change
Revenue from continuing operations	\$499.9	13%
Total Revenue	\$499.9	13%
Net profit/(loss) from continuing operations	\$187.3	58%
Total net profit/(loss)	\$187.3	58%
Final Dividend		
Amount per Quoted Equity Security	\$0.06250000	
Imputed amount per Quoted Equity Security	\$0.02430556	
Record Date	n/a	
Dividend Payment Date	n/a	
	Current period	Prior comparable period
Net tangible assets per Quoted Equity Security	\$5.98	\$5.72
A brief explanation of any of the figures above necessary to enable the figures to be understood	Refer to attached media release, unaudited Interim Financial Statements and Results Presentation	
Authority for this announcement		
Name of person authorised to make this announcement	Louise Martin Company Secretary	
Contact person for this announcement	Stewart Reynolds Chief Financial Officer	
Contact phone number	027 511 9632	
Contact email address	investors@aucklandairport.co.nz	
Date of release through MAP	20 February 2025	

Unaudited financial statements accompany this announcement.

Section 1: Issuer information				
Name of issuer	Auckland International Airport Limited			
Financial product name/description	Ordinary shares			
NZX ticker code	AIA			
ISIN (If unknown, check on NZX website)	NZAI AE0002S6			
Type of distribution (Please mark with an X in the relevant box/es)	Full Year		Quarterly	
	Half Year	X	Special	
	DRP applies	X		
Record date	Close of trading on 20 March 2025			
Ex-Date (one business day before the Record Date)	19 March 2025			
Payment date (and allotment date for DRP)	4 April 2025			
Total monies associated with the distribution ¹	\$105,114,049			
Source of distribution (for example, retained earnings)	Retained earnings			
Currency	NZD – New Zealand Dollar			
Section 2: Distribution amounts per financial product				
Gross distribution ²	\$ 0.08680556			
Gross taxable amount ³	\$ 0.08680556			
Total cash distribution ⁴	\$ 0.06250000			
Excluded amount (applicable to listed PIEs)	\$ N/A			
Supplementary distribution amount	\$ 0.01102941			
Section 3: Imputation credits and Resident Withholding Tax ⁵				
Is the distribution imputed	Fully imputed			
	Partial imputation			
	No imputation			

¹ Continuous issuers should indicate that this is based on the number of units on issue at the date of the form

² "Gross distribution" is the total cash distribution plus the amount of imputation credits, per financial product, before the deduction of Resident Withholding Tax (RWT).

³ "Gross taxable amount" is the gross distribution minus any excluded income.

⁴ "Total cash distribution" is the cash distribution excluding imputation credits, per financial product, before the deduction of RWT. This should include any excluded amounts, where applicable to listed PIEs.

⁵ The imputation credits plus the RWT amount is 33% of the gross taxable amount for the purposes of this form. If the distribution is fully imputed the imputation credits will be 28% of the gross taxable amount with remaining 5% being RWT. This does not constitute advice as to whether or not RWT needs to be withheld.

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If fully or partially imputed, please state imputation rate as % applied ⁶	28%	
Imputation tax credits per financial product	\$ 0.02430556	
Resident Withholding Tax per financial product	\$ 0.00434028	
Section 4: Distribution re-investment plan (if applicable)		
DRP % discount (if any)	2.5%	
Start date and end date for determining market price for DRP	20 March 2025	26 March 2025
Date strike price to be announced (if not available at this time)	27 March 2025	
Specify source of financial products to be issued under DRP programme (new issue or to be bought on market)	New Issue	
DRP strike price per financial product	\$TBC	
Last date to submit a participation notice for this distribution in accordance with DRP participation terms	21 March 2025	
Section 5: Authority for this announcement		
Name of person authorised to make this announcement	Louise Martin, Company Secretary	
Contact person for this announcement	Stewart Reynolds, Chief Financial Officer	
Contact phone number	+64 27 511 9632	
Contact email address	stewart.reynolds@aucklandairport.co.nz	
Date of release through MAP	20 February 2025	

⁶ Calculated as (imputation credits/gross taxable amount) x 100. Fully imputed dividends will be 28% as a % rate applied.