

**WELLINGTON
AIRPORT**



2015 Annual Review

Engine room of the region

Celebrating 2015 Highlights and Achievements

5.5m passengers

775k international passengers

\$22m capital investment

20,152 passengers on our busiest day

6,000m² main terminal extension commenced

2nd

for Overall Airport Satisfaction in Australasia



Jetstar new service to Gold Coast



Jetstar new service to Melbourne



Fiji Airlines to start flying year-round to Nadi connecting to North America

165,000

increase in seat capacity from new international services

30

new volunteer ambassadors assisting passengers



Subway opened in the international terminal



New Beanhive café



Vodafone opened



First Dreamliner 787-8 visit



Trenery opened

4,000

tonnes of asphalt replaced on runway



North Pier domestic lounge expanded and upgraded

1m

coffees purchased



Air New Zealand up gauged from B737s to A320s

CEO & Chairman's Report



Results for the Year Ended 31 March 2015

The Airport delivered another year of safe and efficient operation and laid the basis for future growth with three new international routes secured. Results for the year were a net profit after taxation (NPAT) of \$9.7m. Underlying earnings show an EBITDAF before subvention payment¹ of \$82.1m, down \$3.9m on the previous year due to lower aeronautical charges in the year. Revenue and EBITDAF is expected to increase as passenger numbers continue to grow, scheduled increases in aeronautical charges for 2016-2019 take effect and new investment is undertaken. Capital investment to improve the quality of passenger services and cater for growth was \$22.1m for the year with the expansion of the main terminal underway.

International and domestic traffic

The busiest day ever at the Airport was on 27 March 2015 with over 20,000 passengers. Full year passenger numbers were however flat at 5.5m due to domestic airline changes. International passengers increased 3% to 775,000.

There has been continued strong demand for international services to and from Wellington, with load factors on aircraft being the highest ever experienced at the Airport. Over the next year a marked step-up in international passengers is anticipated with the Airport's international capacity increasing by 15%.

Wellington Airport invests significantly in route development with airlines and was delighted to announce the commencement of Jetstar services to the Gold Coast and Melbourne, and Fiji Airways year round service to Nadi with onward connections to Los Angeles. The three new international services will deliver an annual increase of 165,000 seats.

Domestic passengers are also expected to now increase with the up-gauging of Air New Zealand aircraft and competition from Jetstar. Sounds Air is also growing into a material regional player with five routes and 100,000 seats forecast to be flown in 2016.

Better Passenger Services

A total of \$250m of capital development is planned for the next five years including the expansion of domestic and international terminals, a hotel, multi-storey car park, retail

park expansion and the roll-out of the noise mitigation programme for neighbouring residents.

Construction commenced in November 2014 on the \$58m, 6000sqm extension to the main terminal building after extensive consultation with Air New Zealand. It will markedly improve all aspects of the passenger experience and enhance the Airport's existing use of natural light and the views over Lyall Bay.

The expansion for the domestic lounges at the northern end of the Airport predominantly used by Jetstar passengers was completed during the year, providing a more comfortable experience for travellers.

The next aspect of the terminal experience the Airport plans to improve is the international arrivals area with around \$17m allocated for its development.

Detailed designs and feasibility of the multi-level car park and hotel are being progressed with decisions on both due by late 2015.

The Airport continues moving towards its goal of providing a high street shopping experience. As the terminal expansion nears completion, this experience will be added to with further retail and dining offerings.

On the west side of the Airport the retail park expansion is also underway with three new shops opening in Spring-2015.

Wellington City Council – Wellington Airport joint project to enhance the region's air connectivity

Over 500,000 people travelled between northern hemisphere destinations and Wellington's market catchment over the last year, all having to fly via other New Zealand or Australian Airports. Consequently the Airport and Wellington City Council established a joint venture to seek environmental consents to extend the Airport's runway. This would open the door for long-haul airlines to operate to and from central New Zealand with the aim of delivering more convenient and affordable services and passenger growth.

The initial stage involves feasibility assessment and resource consenting and this is well advanced with the aim of having the necessary approvals in place in mid-2016. In the meantime discussions

are underway with our neighbours and the region's business, civic and tertiary communities to ensure that anyone with an interest is informed about the project.

It is important that the development is widely understood and while most people appreciate the benefits of better and cheaper air services, the Council and Airport must fully evaluate both costs and benefits.

Supporting Wellington events and the community

Every year the Airport is proud to play a supporting role in the region's events and community endeavours.

Common Unity Project Aotearoa won the Wellington Airport regional community award for voluntary services. It is an incredible group of people encouraging the children and families of Epuni School to learn how to grow their own vegetables in a community garden.

The Airport is a major supporter of New Zealand's most successful innovative performing arts and design event the World of Wearable Art. The Airport also partnered with Wellington City to launch the inaugural CubaDupa festival to celebrate dance, music, theatre, live street art, carnival, circus and food in the historic Cuba Street precinct.

The Airport team and community

Behind the Airport's safe, efficient and welcoming gateway are its people. We would like to warmly thank the team at Wellington Airport and the 1500 people who work within the wider Airport community, all our airlines, Air New Zealand, Jetstar, Qantas, Fiji Airways, Virgin, Sounds Air, our 50 volunteer ambassadors, service providers, contractors and stakeholders.

Steve Sanderson
Chief Executive

Tim Brown
Chairman

1. EBITDAF before subvention payment is a non-NZ GAAP measure of earnings. A reconciliation between WIAL's NPAT and EBITDAF before subvention payment is set out in the NZX announcement.

Taking Off

Projects on at Wellington Airport



Hotel

Design and costing is underway completing full feasibility.



Retail

The terminal expansion will make way for new retail, food and beverage offerings in late 2015. The tender process will begin in June 2015.



Airport Retail Park

Work is underway on the 2,400m² extension to the Airport Retail park, and is expected to be open in Spring.



Noise Mitigation Package

The roll out of the noise mitigation package (to protect the community against future air noise) will commence later in 2015.



Runway

Resource consent consultation will be underway mid 2015 for a runway extension that will provide the capability for long haul services to and from Wellington.



International Terminal

Concept designs are underway to enhance the international passenger arrivals process.



Multi-level car park

A new multi-level car park is set to commence in November 2015 following detailed design and feasibility.



Terminal Expansion

The 6000m² expansion of the main Terminal Building and South West Pier is underway and will be completed in early 2016.



Growing Together

International growth

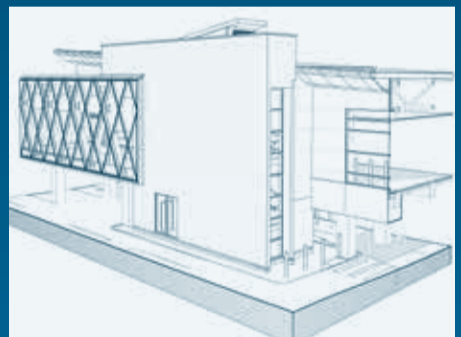
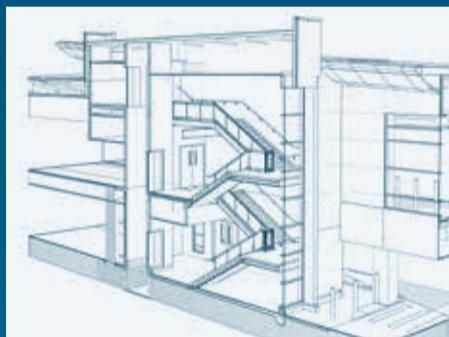
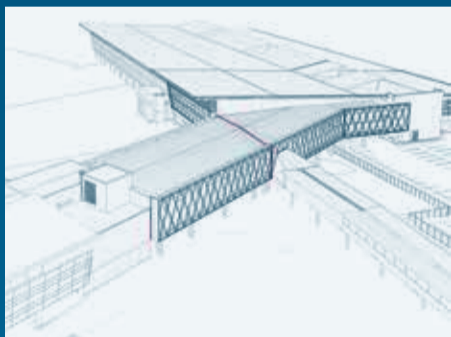
Wellington is now the fastest growing of New Zealand's largest airports. Wellington Airport has invested significantly in route development with airlines and at the end of last year announced new services with Jetstar to Melbourne and Gold Coast and Fiji Airways to Nadi. The three new international services will deliver an annual increase of 165,000 seats, reducing travel costs and improving connectivity to Asia and North America.

Over the last twelve months, 786,000 people flew internationally to and from Wellington and with the new services we are forecasting a 15% increase in seat capacity over the next year. In April this year the Airport achieved its busiest month for international travellers ever - 77,000 people, more than twice the capacity of The Stadium travelled to and from Wellington, an increase of 17%.

WCC and Airport joint project to enable long haul flights

The last major extension to Wellington's runway was 180 metres long into Lyall Bay in 1972. This extension was to enable direct services to Australia on DC8 aircraft. After Boeing announced the pre-launch specifications of the B787 a decade ago, the potential of direct services linking Wellington, Asia and North America has been on the radar of Wellington's business, education and civic communities.

When it became apparent that the B787 and the A350 aircraft would not be able to provide commercially viable direct services from Wellington Airport's existing runway, Wellington City Council and the Airport commenced a joint project to assess the viability of a suitable extension. The initial stage involves feasibility assessment and consenting. This is well advanced with stakeholder consultation from May 2015 with the aim of having the necessary approvals in place in mid-2016.



Extending the main terminal

When the main terminal was opened in 1999 around 9,500 passengers came through the Airport each day. That number has now increased to 15,000 on average with busy days reaching up to 20,000. The extension will add another 6000sqm to the terminal building, providing a refreshing, open space with easy movement throughout the terminal, clear signs, more parking spaces for aircraft, and a centralised security screening point. It will be a very comfortable place to welcome and farewell family and friends, with new retail and food offerings and double the number of toilets. The new terminal will cater for up to 1500 passengers during the busy hour.



"A massive BRAVO! Thanks for making the event such a resounding success. My sincere gratitude for treating Wellington to an unforgettable experience!!"

CUBADUPA ATTENDEE.



Supporting our Community

CubaDupa

CubaDupa transformed Wellington's iconic Cuba Street into a colorful street festival of dance, music, theatre, live street art, carnival, circus and street food. Wellington Airport are proud to have played an integral part in helping the inaugural CubaDupa take off.

"The inaugural CubaDupa festival required a leap of faith for all those who supported it. It was ambitious for a first year festival, and no one quite knew how it would go. Wellington Airport was there from the beginning as the key corporate partner in the festival, and thanks to their support CubaDupa was able to be seeded as a unique and major new event for the city, with an estimated 100,000 attendees and overwhelming positive feedback from all those who participated."

EMMA GIESEN – GENERAL MANAGER CREATIVE CAPITAL ARTS TRUST.



Wellington Airport Community Awards

The Wellington Airport Regional Community Awards recognised 45 community groups across the Wellington region. Common Unity Project Aotearoa won the Supreme Award for their work as a community-based urban farm project, growing food, skills and leadership with local families at Eponi School. The self-funded pilot scheme has created a model that can be emulated around New Zealand.

"Big thanks to Wellington Airport and the Wellington Community Trust for this wonderful honour and a great night celebrating all the goodness in our region. We're so thrilled and humbled. And big love, as always, to all of our lovely volunteers and supporters. Such a proud moment for our Eponi community."

JULIA MILNE,
FOUNDER OF COMMON UNITY PROJECT AOTEAROA.



Phoenix FC

The confronting signage in international arrivals says it all, our Airport is undoubtedly Phoenix territory. We are proud supporters of the Phoenix and congratulate them on their best season yet!



Spirit Awards

The Wild at Heart Spirit Awards are presented annually by Wellington Airport to a Year 13 student from each of the five local Colleges. This year the recipients each received a scholarship of \$3000 towards furthering their education.

We are proud to support:

- The Wellington Airport Community Awards
- Wild at Heart Spirit Awards
- NZ Festival
- CubaDupa
- World of Wearable Arts
- Wellington Phoenix FC
- Wellington Gold Award
- Wellington High Performance Aquatics
- Wellington Jazz Festival
- Wellington on a Plate
- Fringe Festival
- Lyall Bay, Maranui and Worsler Bay Surf Clubs
- The Marine Education Centre
- Life Flight Trust
- NZ Airports Association
- Wellington Aero Club
- Wellington Employers Chamber of Commerce
- Lifelines
- Miramar Golf Club
- Refugee Services

2015 Annual Review

Thank you for your
on-going support
from the team at
Wellington Airport



Executive Leadership Team