

Results at a glance

June 2019

	30 June 2019 \$m	30 June 2018 \$m	Movement %
Financial Results			
Income	743.4	683.9	8.7
Operating expenses	188.6	177.5	6.3
Earnings before interest, taxation, depreciation, fair value adjustments and investments in associates (EBITDAFI)	554.8	506.4	9.6
Share of profit of associates	8.2	16.7	(50.9)
Investment property fair value increases	254.0	152.2	66.9
Property, plant and equipment revaluation movement	(3.8)	–	–
Gain on sale of associate	–	297.4	(100.0)
Derivative fair value movement	(0.6)	(0.7)	(14.3)
Depreciation	102.2	88.9	15.0
Interest expense	78.5	77.2	1.7
Taxation expense	108.4	155.8	(30.4)
Reported profit after taxation	523.5	650.1	(19.5)
Earnings per share	43.4 c	54.3 c	(20.1)
Underlying profit after taxation ¹	274.7	263.1	4.4
Underlying profit per share	22.8 c	22.0 c	3.6
Dividends			
Total proposed dividend for the year (cents per share)	22.25 c	21.75 c	2.3
Total value of distributions for the year (\$ million)	269.1	261.1	3.1
Financial Position			
Shareholders' equity	6,032.9	5,682.1	6.2
Total assets	8,697.1	8,196.8	6.1
Debt to debt plus equity	26.6%	26.6%	
Debt to enterprise value ²	15.5%	20.3%	
Capital expenditure	284.1	405.2	(29.9)
Passenger and aircraft statistics – Auckland Airport			
International passenger movements including transits	11,517,988	11,266,382	2.2
Domestic passenger movements	9,593,625	9,263,666	3.6
Maximum certificated take-off weight (tonnes)	8,266,524	8,139,717	1.6
Aircraft movements	178,771	174,276	2.6
Queenstown Airport performance³			
International passenger movements	655,950	596,444	10.0
Domestic passenger movements	1,665,397	1,544,225	7.8
Revenue	49.6	45.7	8.5
EBITDAFI	34.3	31.6	8.5
Profit after taxation	16.6	14.9	11.4

Note:

1. Excluding investment property fair value increases, derivatives fair value movements, property, plant and equipment revaluations in the company and its associates and the tax effect of these adjustments in 2019 and 2018. Refer to Appendix A for a reconciliation of these adjustments.
2. Based on the share price as at 30 June 2019 of \$9.85 (30 June 2018 of \$6.78).
3. From non-audited management accounts of Queenstown Airport. The financial results have not been apportioned for Auckland Airport's 24.99% minority interest in Queenstown Airport.
4. The above information is provided for general information purposes only and contains both audited and unaudited information, information from third parties and both GAAP and non-GAAP financial measures. No representations or warranties are made as to the accuracy or completeness of the above information and therefore it should be read in conjunction with, and is subject to, Auckland Airport's audited Annual Report for the year ended 30 June 2019, prior annual and interim reports and Auckland Airport's market releases on the NZX and ASX.



2.8%

Total passengers up
2.8% to 21,111,613



3.6%

Underlying earnings
per share up
3.6% to 22.8c

Results at a glance

continued

Appendix A

Reconciliation of reported profit to underlying profit

	2019			2018		
	Reported profit \$M	Adjustments \$M	Underlying profit \$M	Reported profit \$M	Adjustments \$M	Underlying profit \$M
EBITDAFI per Income Statement	554.8	-	554.8	506.4	-	506.4
Share of profit of associates	8.2	-	8.2	16.7	-	16.7
Gain on sale of an associate	-	-	-	297.4	(297.4)	-
Derivative fair value movement	(0.6)	0.6	-	(0.7)	0.7	-
Investment property fair value increases	254.0	(254.0)	-	152.2	(152.2)	-
Property, plant and equipment revaluation	(3.8)	3.8	-	-	-	-
Depreciation	(102.2)	-	(102.2)	(88.9)	-	(88.9)
Interest expense and other finance costs	(78.5)	-	(78.5)	(77.2)	-	(77.2)
Taxation expense	(108.4)	0.8	(107.6)	(155.8)	61.9	(93.9)
Profit after tax	523.5	(248.8)	274.7	650.1	(387.0)	263.1

We have made the following adjustments to show underlying profit after tax for the 12-month periods ended 30 June 2019 and 30 June 2018:

- We have reversed out the gain arising from the sale of our investment in North Queensland Airports that occurred in the prior financial year. This sale was a one-off transaction that does not reflect normal business activities;
- We have reversed out the impact of revaluations of investment property in 2019 and 2018. 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;
- Consistent with the approach to revaluations of investment property, we have also reversed the revaluation of the building and services class of assets within property, plant and equipment for the 2019 financial year. The fair value changes in property, plant and equipment are less frequent than are investment property revaluations, which also makes comparisons between years difficult;
- We have reversed out the impact of derivative fair value movements. These are unrealised and relate to basis swaps that do not qualify for hedge accounting as well as the ineffective valuation movement 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. Further information is included in note 18.2 of the financial statements;
- In addition, to be consistent, we have adjusted the revaluations of investment property and financial derivatives that are contained within the share of profit of associates in the prior year; and
- We have also reversed the taxation impacts of the above movements in both the 2019 and 2018 financial years.



9.6%

EBITDAFI up
9.6% to \$554.8m



Online report

View our interactive report at
aucklandairport.co.nz/report
It has been designed for ease of
online use, with tablets in mind.

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