Interim Results Presentation

24 February 2022

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Chief Executive

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Important notice

Disclaimer

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- 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 Interim Financial Statements for the six months ended 31 December 2021, prior annual and interim reports, and Auckland Airport's market releases on the NZX and ASX;
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The 2021 comparative financial information has been restated following the IFRIC decision on cloud computing. Refer to note 2 of the Interim Financial Statements.

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 32 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 Appendix.

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 100% 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.

Welcome to our new CEO

Auckland Airport is delighted to have Carrie Hurihanganui join as our new Chief Executive

- Ms Hurihanganui joined Auckland Airport on 8 February 2022 from Air New Zealand where she worked for 21 years, most recently in the role of Chief Operating Officer with responsibility for pilots, cabin crew, airports, engineering and maintenance, properties and infrastructure, supply chain, resourcing and airline operations teams
- Ms Hurihanganui has a Bachelor of Business Studies from Massey University and has completed various programmes of study, including INSEAD and Harvard
- Carrie Hurihanganui is Auckland Airport's first female Chief Executive in its 55-year history

Highlights

Results at a glance

Revenue	Reported profit after tax[1]	Passenger movements	Interim dividend
$126.2m	$108.8m	1.7m	0.0cps
-4.0%	273.9%	-39.1%	
	Earnings per share 7.39 cps		

EBITDAFI	Underlying loss after tax[2]	Aircraft movements	Capital investment[3]
$60.3m	$11.5m	32,195	$116.6m
-31.4%	21.1%	-28.0%	24.4%
	Loss per share 0.71 cps		

1. The 2021 comparative financial information has been restated following the IFRIC decision on cloud computing. Refer to note 2 of the 1H22 Interim Financial Statements
2. Auckland Airport recognises EBITDAFI and underlying profit or loss are non-GAAP measures. A reconciliation between reported profit after tax and underlying loss after tax is included in the Appendix
3. Net capital expenditure additions after $0.9m of capex impairments. Includes contributions to investments in Joint Ventures (Pullman)

Results continue to reflect the impact of the pandemic

Aeronautical

$34.4m revenue -14.6%

1,720k passengers comprising:
252k International (+63.6%)
7k Transits (-80.3%)
1,461k Domestic (-44.6%)

Retail

$6.9m income -1.4%

Majority of international retail closed
c.92% of contracted revenue abated

Transport

$8.7m revenue -30.4%

Lower activity reflecting ongoing travel restrictions
-37.3% parking exits

Property

$54.8m revenue 16.6%

$2.8b portfolio valuation
$119m annual rent roll

Hotels

$8.2m revenue[4] –40.4%

Travel restrictions impacted demand
43.7% average occupancy across both hotels[5]

Queenstown

$13.6m revenue -53.3%

PAX volumes impacted by COVID-19
13k International
482k Domestic

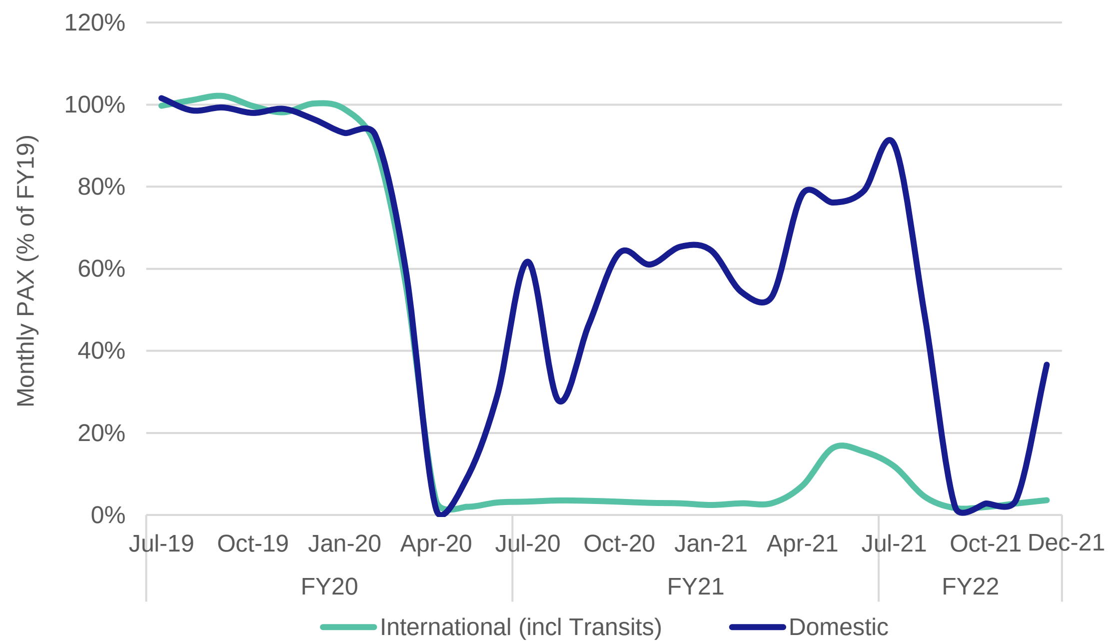
4. *Includes ibis Budget Hotel and 100% of Novotel Hotel revenues*
5. *The Novotel Hotel has been solely occupied by the Ministry of Health in the 6 months to 31 December 2021 as a managed isolation and quarantine facility*

Passenger numbers remain impacted by COVID

The Delta outbreak has had a significant impact on airport operations in 1H22 with the imposition of domestic and international travel restrictions resulting in significantly reduced passenger numbers for the first six months of the year

- The Delta outbreak on both sides of the Tasman and the associated imposition of domestic and international travel restrictions resulted in significantly reduced passenger numbers for the first six months of the 2022 financial year
- The current Omicron outbreak is expected to continue to dampen aeronautical demand in the short-term
- The Government's recent border announcement should enable a gradual recovery in international travel over calendar 2022, but the removal of mandatory self-isolation is necessary for a significant recovery
- Domestic air travel is expected to progressively recover after Omicron peaks in New Zealand

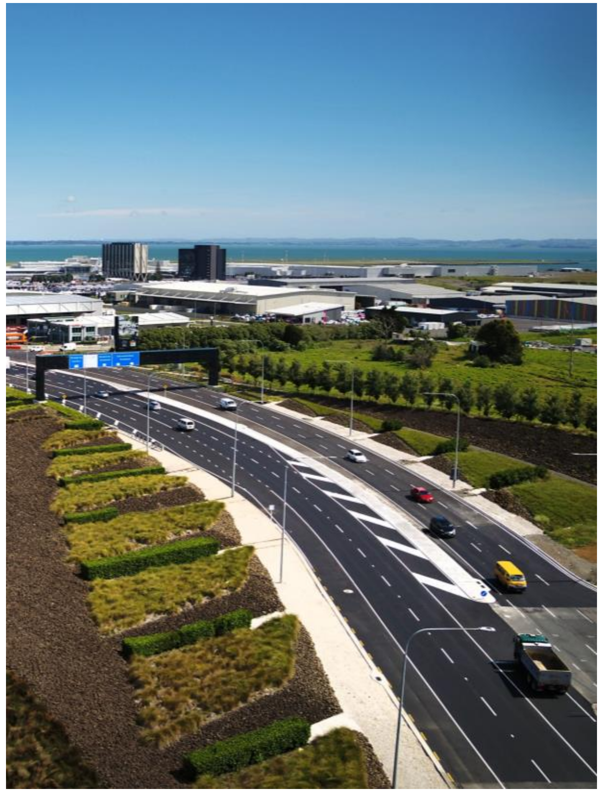
Monthly passenger numbers



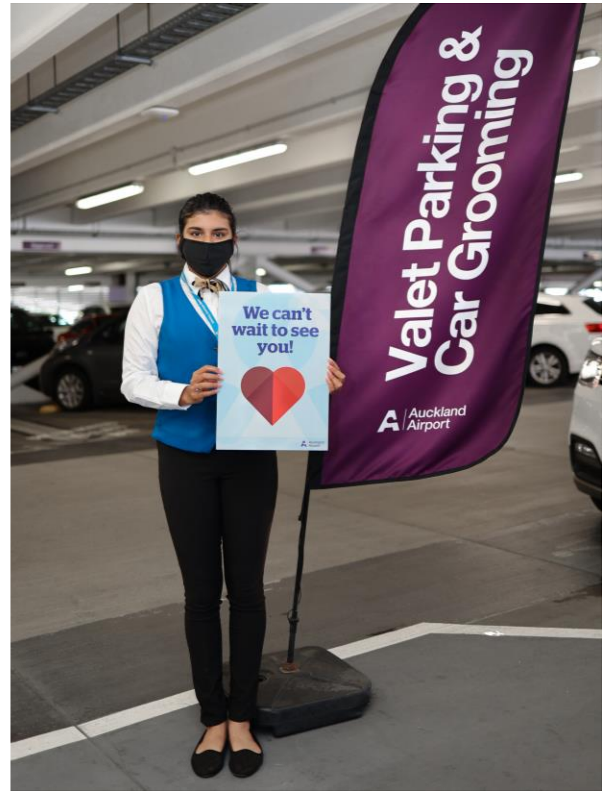
We continue to focus on what is under our control

Continued focus on the safe operation of the airport and management of border

Disciplined investment in asset resilience, core aeronautical infrastructure and commercial property developments



Stabilising existing commercial business and establishing new foundations



Financial performance

Total passenger numbers significantly down on prior year

For the six months ended 31 December	2021	2020	Change	Pre-COVID 2018[6]
International arrivals	114,400	65,210	75.4%	2,724,021
International departures	137,518	88,765	54.9%	2,570,486
International passengers excluding transits	**251,918**	**153,975**	**63.6%**	**5,294,507**
Transit passengers	6,506	33,028	-80.3%	533,200
Total international passengers	**258,424**	**187,003**	**38.2%**	**5,827,707**
Domestic passengers	1,461,142	2,636,379	-44.6%	4,816,706
Total passengers	**1,719,566**	**2,823,382**	**-39.1%**	**10,644,413**

- Total PAX volumes decreased 39.1% in the period as a result of the imposition of domestic and international travel restrictions
- Whilst international PAX numbers remained significantly down on pre-COVID levels in 1H22, they were up off a very low base compared with the prior period due to some Q1 quarantine-free travel to Australia and the Cooks
- Domestic PAX volumes decreased by 44.6% on the prior period reflecting elevated Alert Levels in Auckland from August to December 2021

6. *Comparative information for the six month period to Dec-18 has been included to compare the 1H22 performance against 1H19, i.e. the last financial year that immediately preceded the COVID-19 pandemic*

Aircraft movements and MCTOW

For the six months ended 31 December	2021	2020	Change	Pre-COVID 2018
Aircraft movements				
International aircraft movements	8,349	6,760	23.5%	29,101
Domestic aircraft movements	23,846	37,975	-37.2%	61,776
Total aircraft movements	**32,195**	**44,735**	**-28.0%**	**90,877**
MCTOW (tonnes)				
International MCTOW	996,752	825,803	20.7%	3,003,550
Domestic MCTOW	487,280	760,720	-35.9%	1,203,153
Total MCTOW	**1,484,033**	**1,586,523**	**-6.5%**	**4,206,703**

- International aircraft movements and MCTOW increased by 23.5% and 20.7% respectively in 1H22 vs 1H21 off a very low base owing to the short period of quarantine-free travel with Australia and the Cook Islands in July / early August 2021
- International load factors remained very subdued at 31.2% due to border restrictions. Most international airlines concentrated mainly on transporting cargo imports / exports
- The domestic network briefly reached 90% of its pre-COVID-19 capacity during the July 2021 school holiday period
- Domestic aircraft movements and MCTOW decreased by 37.2% and 35.9% respectively reflecting the impact of the domestic travel restrictions from August 2021 through to December 2021

Travel restrictions driving an underlying loss

For the six months ended 31 December ($m)	2021	Restated 2020	Change
Revenue	126.2	131.5	-4.0%
Expenses	65.9	43.6	51.1%
Earnings before interest, taxation, depreciation, fair value adjustments and investments in associates (EBITDAFI)	**60.3**	**87.9**	-31.4%
Share of (loss) / profit from associates	(17.4)	3.2	-643.8%
Derivative fair value change	(0.6)	0.8	-175.0%
Investment property fair value change	131.5	29.8	341.3%
Depreciation expense	53.7	57.7	-6.9%
Interest expense	26.8	35.0	-23.4%
Taxation expense	(15.5)	(0.1)	15,400.0%
Reported profit after tax	**108.8**	**29.1**	**273.9%**
Underlying loss after tax[7]	**(11.5)**	**(9.5)**	**-21.1%**

- Prior period expenses include the one-off benefit of reversing $14.1m of the FY20 provision for termination costs and $3.4m of the FY20 provision for expected credit loss provisions
- 1H22 Interest costs reduced on 1H21 following the repayment of the USPP notes in 2H21

7. A reconciliation between reported profit after tax and underlying profit / (loss) after tax is included in the Appendix

Lower PAX numbers impacted key income streams

For the six months ended 31 December ($m)	2021	2020	Change
Airfield income	26.2	30.8	-14.9%
Passenger charges	8.2	9.5	-13.7%
Retail income	6.9	7.0	-1.4%
Car park income	8.7	12.5	-30.4%
Investment property rental income	54.8	47.0	16.6%
Other rental income	8.2	8.4	-2.4%
Other income	13.2	16.3	-19.0%
Total revenue	**126.2**	**131.5**	**-4.0%**

- Airfield income decreased 14.9%, with aircraft movements reducing less than PAX as airlines maintained connectivity with reduced passenger load factors but with higher cargo loads
- Down 13.7%, passenger charges fell by less than the 39.1% reduction in total PAX. This reflected the $2.00+GST charge per international and transit passenger applying from 1 October 2021 to recover the additional costs of segregating the international terminal to enable quarantine free travel as well as the small scheduled passenger charge increases implemented in FY22
- Retail income remained low in the period with over 90% of contracted retail rental income abated to support Retail tenants
- Car parking income decreased 30.4% in the period reflecting the combined effects of ongoing international travel restrictions and the regional lockdown impacting Auckland after the Delta outbreak in August 2021
- Property rental income increased by 16.6% driven by rental growth in the existing portfolio, new leases, and a part year contribution from the new Foodstuffs distribution centre. This was partly offset by increased rental abatements in 1H22

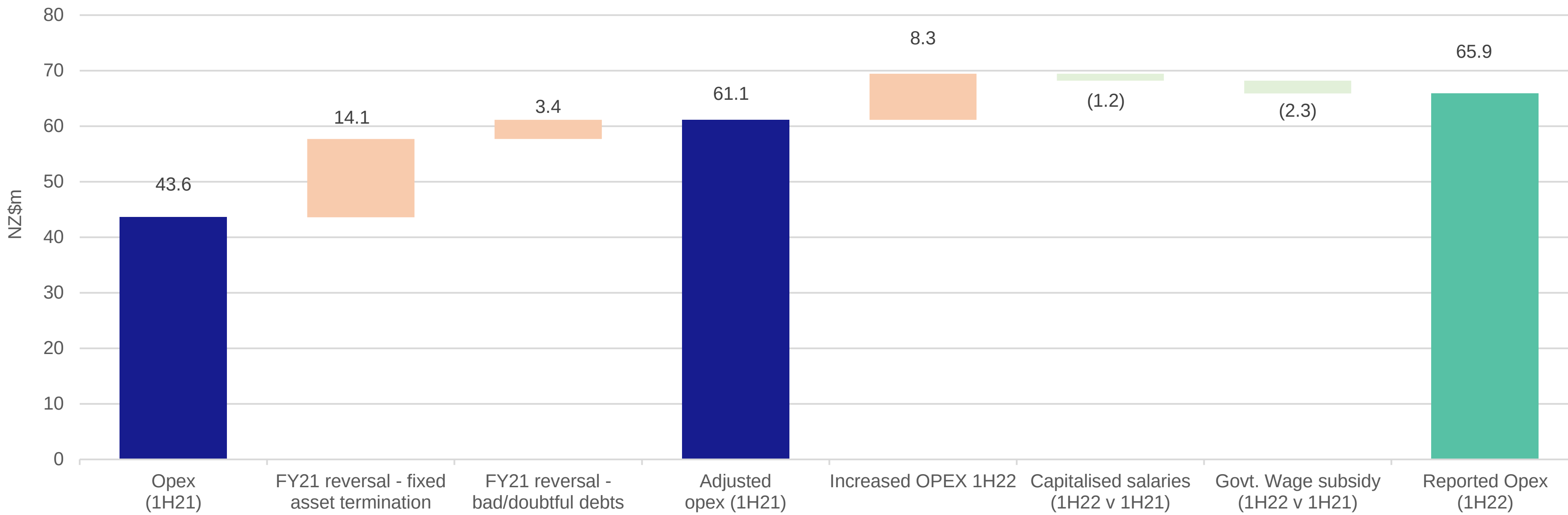
Operating costs

For the six months ended 31 December ($m)	2021	Restated 2020	Change
Staff	21.7	21.0	3.3%
Asset management, maintenance and airport operations	29.5	24.5	20.4%
Rates and insurance	10.4	10.6	-1.9%
Marketing and promotions	0.8	0.2	300.0%
Professional services and levies	1.2	1.8	-33.3%
Fixed asset impairment and write-offs	0.1	0.9	-88.9%
Reversal of fixed asset termination costs	-	(14.9)	-100.0%
Other expenses	2.6	3.3	-21.2%
Reversal of expected credit losses	(0.4)	(3.8)	89.5%
Total operating expenses	**65.9**	**43.6**	**51.1%**
Depreciation	53.7	57.7	-6.9%
Interest	26.8	35.0	-23.4%

- Adjusting for the circa $19 million one-off reversals recorded in the prior period, we still incurred higher operating costs in the first half of this financial year reflecting the planned ramp up in staffing, outsourced operations, repairs and maintenance and compliance activities in preparation for the budgeted aeronautical recovery for the second half of this financial year, plus additional costs associated with the operation of quarantine free travel to Australia and the Cook Islands
- 1H22 Interest costs reduced on 1H21 following the repayment of the USPP Notes in 2H21

Normalised opex increased for the expected recovery

1H22 v 1H21 operating expenditure



- Operating costs increased $8.3 million in 1H22 vs 1H21 before the benefits of increased capitalisation of infrastructure team salaries and increased wage subsidy receipts. These increases reflected preparations for a recovery in passenger numbers and additional costs associated with the operation of quarantine free travel to Australia

- Operating expense increases in the period included a $4.2 million increase in staff costs (before the wage subsidy offset), mainly in Operations, a $2.3 million increase in outsourced operations reflecting increased aeronautical and car parking activity, and repairs and maintenance up $2.1 million reflecting a more intense work program whilst the airport was quieter

- These increases were partially offset by $2.3 million of extra wage subsidies and $1.2 million of extra capitalised salaries versus 1H21

Disciplined approach to capital expenditure

Lower aeronautical activity has facilitated the upgrade and renewal of key assets where it was prudent to do so in a low demand environment and the completion of revenue generating investment property projects

Capital expenditure in the half year of $116.6 million[8] on roading, core airfield renewals, terminal development and new property developments

Roading ($33.1 million)

- Completed major upgrade of the northern airport access road, (George Bolt Memorial Drive) and the new terminal exit road to provide a one-way loop past the International Terminal

Airfield ($32.8 million)

- Progressing renewal and upgrade works of airfield fuel network and runway slab and aprons

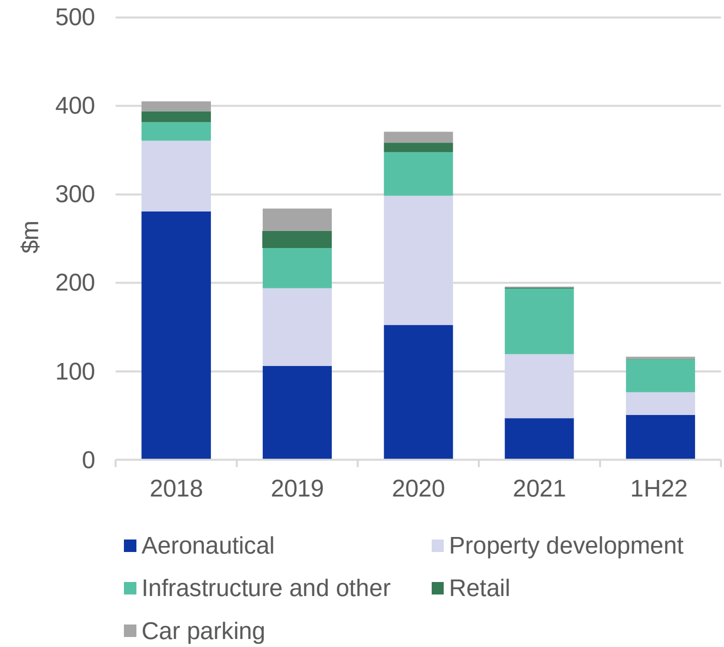
Terminal Integration ($14.1 million)

- Progressed work on the preliminary design of the integrated domestic terminal and transport hub

Property ($25.9 million)

- Completed the Geodis Wilson and Hellmann developments
- Construction of pre-leased developments and progressed design of the new shopping centre

PSE3 capital expenditure



8. Net capital expenditure additions after $0.1m of capex impairments. Includes contributions to investments in Joint Ventures (Pullman).

Strong liquidity position

Liquidity of $965 million to support the business

- Committed undrawn bank facility headroom of c.$929 million (Jun-21: $832 million), and $35 million in available cash (Jun-21: $79 million)
- $150 million NZDCM issue in November
- Waivers for any interest coverage and gearing covenant breaches until 31 December 2021
- Banking group approval in February 2022 of revised EBITDA based interest coverage covenant as follows:

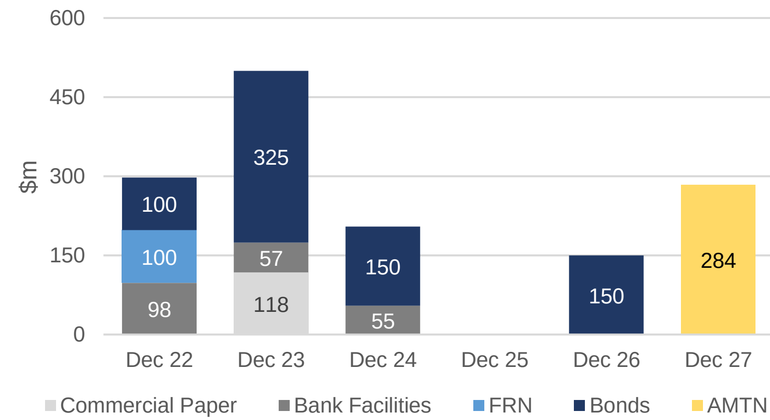
	Jun-22	Dec-22	Jun-23	Dec-23	Jun-24	Dec-24
Previous ICR test	2.00x	2.00x	2.50x	2.50x	3.00x	3.00x
New ICR test	**1.25x**	**1.25x**	**2.00x**	**2.00x**	**2.50x**	**3.00x**
Change	▼ 0.75x	▼ 0.75x	▼ 0.50x	▼ 0.50x	▼ 0.50x	-

- A- credit rating maintained

Key credit metrics

	Test	Dec-21	Jun-21
Gearing covenant[9]	≤ 60%	15.4%	15.3%
Interest coverage covenant[10]	≥ 1.5x	0.28x	0.75x
Debt to enterprise value		11.4%	11.6%
Net debt to enterprise value		11.1%	10.9%
Funds from operations interest cover[11]	2.5x	1.7x	1.5x
Funds from operations to net debt[11]	11.0%	3.6%	3.9%
Weighted average interest cost		4.32%	5.43%
Average debt maturity profile (years)		2.77	2.92
Percentage of fixed borrowings		74.1%	80.4%

Drawn debt maturity profile for the twelve months ending



9. Gearing 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 defined during the covenant waiver period to 31 December 2021 as reported NPAT plus taxation, interest expense, revaluations and derivative changes (broadly EBIT) divided by interest
11. S&P's A- rating threshold for Auckland Airport. Estimates per Auckland Airport calculation. Excludes the one-off interest costs associated with interest rate swap close outs and USPP prepayment as non-underlying in nature.

Balance sheet remains strong

As at ($m)	Dec-21	Restated Jun-21	Change
Non-current assets	**9,820.8**	**9,651.5**	1.8%
Property, plant and equipment	6,863.3	6,826.5	0.5%
Investment properties	2,801.3	2,641.4	6.1%
Other non-current assets	156.2	183.6	-14.9%
Current assets	**77.4**	**125.8**	-38.5%
Cash	35.1	79.5	-55.8%
Other current assets	42.3	46.3	-8.6%
Non-current liabilities	**1,342.5**	**1,521.8**	-11.8%
Term borrowings	1,037.9	1,172.8	-11.5%
Other non-current liabilities	304.6	349.0	-12.7%
Current liabilities	**485.5**	**326.0**	48.9%
Accounts payable and accruals	69.0	103.4	-33.3%
Short term borrowings	415.9	220.0	98.1%
Other current liabilities	0.6	2.6	-76.9%
Equity	**8,070.2**	**7,929.5**	1.8%

Our continuing journey

Safe management of the border

The community outbreak of the Delta variant in August 2021 and the subsequent imposition of travel restrictions ensured COVID continued to have a profound impact on Auckland Airport

- The short-lived positive start to the year with a domestic rebound underway and quarantine free travel across the Tasman was halted by the community outbreak of the Delta variant in Australia
- Our primary objective throughout the pandemic has been ensuring the safe and secure operation of the airport with clear protocols for personal protective equipment, cleaning, physical distancing and testing. We have also focused on communications to assist staff, travellers and support the border requirements
- The airport's continued focus on the safety of staff, contractors, customers and the travelling public has ensured the safe operation of the border for the 631k arrivals since March 2020 with no Auckland Airport employee contracting COVID whilst at work
- Given its transmissibility, Omicron represents further challenges for critical infrastructure businesses, however Auckland Airport has procedures in place both to minimise the risk of illness in its workforce, and to ensure business continuity

Enhanced cleaning in the Domestic Terminal

Continuing to invest in critical infrastructure

Low aeronautical activity continues to facilitate infrastructure upgrades with reduced passenger disruption. New projects will be triggered based on regulatory requirements, asset replacement or aeronautical demand with significant additions of new capacity to be triggered by a recovery in aviation

Roading

Completion of the upgrade to George Bolt Memorial Drive

Completion of a new terminal exit road

Airfield

Completion of an upgrade to elements of the fuel ring main around the international terminal

Continued upgrade to airfield payment works

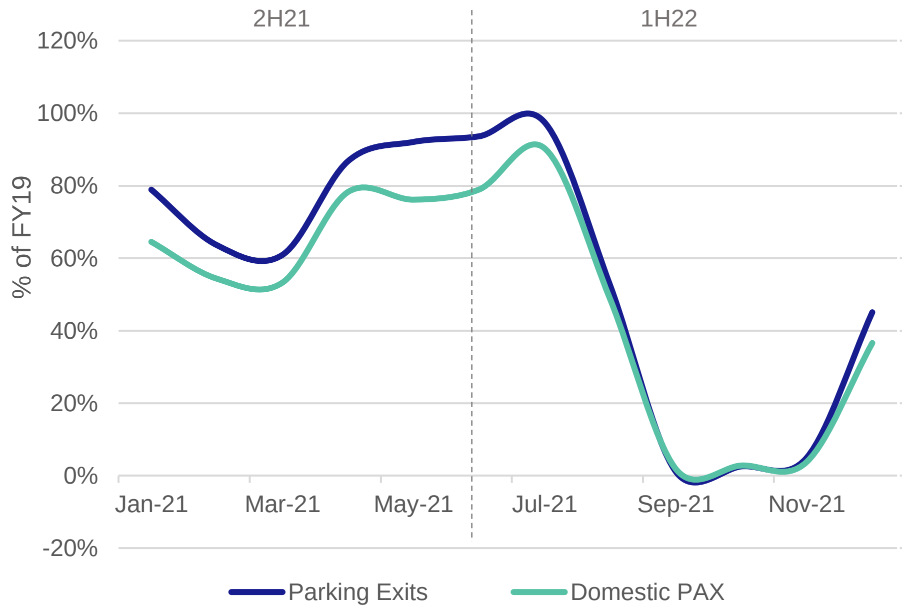
Positioning for the recovery

Domestic activity continues to drive the recovery in our retail and transport businesses

Retail

- Retail income down 1.4% down on the prior period reflecting the ongoing disruption caused by both domestic and international travel restrictions in 1H22
- Low retailer vacancy rates from a collaborative and tailored approach to rent relief with c.92% ($94.4 million) of contracted retail revenue abated in the period

Transport



- Transport revenue 30.4% down on the prior period reflecting domestic PAX reductions after Delta-induced Auckland lockdowns imposed
- When COVID Alert Levels permitted, full suite of parking products were opened to the public

Positioning for the recovery (cont'd)

Development momentum and quality of tenants continue to provide income growth

- The 5-year rent roll CAGR of 10% demonstrates the strength of Auckland Airport's property development proposition
- Auckland Airport continues to enjoy one of the longest weighted average lease terms amongst Australasian property companies
- Completed developments in the six months include:
  - 5,700m^2 facility for Geodis Wilson; and
  - 16,400m^2 Hellmann Worldwide Logistics office and warehouse facility
- With the completion of the new Geodis Wilson facility, the Timberly Road precinct is now complete and fully leased
- Design of the Outlet Centre continues. The Centre will offer a net lettable area of more than 23,000m^2 covering +100 stores and food outlets

Hotels

- Construction of the façade of the Te Arikinui Pullman is now complete, with fit-out construction commencing in Jan-22 and completion expected in 1H24. The Mercure hotel remains on hold, with the fit-out ready to reactivate as demand recovers
- Novotel revenue underpinned by MIQ contract

$119 million Rent roll

98.5% Occupancy

9.4 years WALT

185 hectares of land available for investment property development

Completed development for Geodis Wilson

Façade completion at the Te Arikinui Pullman Hotel

Delivering on our sustainability agenda

Having set our new long-term ambitions as part of our Sustainability Pathway to 2030, we are defining the steps to get there and focusing on what matters

Purpose
Kaupapa

Key activities:

- Achievements recognised by ongoing inclusion in the Dow Jones Sustainability Asia Pacific and FTSE4Good Indices
- Conducted modern slavery training and procurement review and issued second Modern Slavery Statement

Outcomes:

- More comprehensive sustainability disclosure

Place
Kaitiakitanga

Key activities:

- Defined the pathway to phase out natural gas use and decarbonise our corporate vehicle fleet
- Incorporated sustainability principles into Infrastructure Design Standards
- Broadening GHG disclosure to include aircraft LTO emissions[12]

Outcomes:

- A clear pathway to achieve net zero emissions by 2030
- New development has strong sustainability performance and considers whole-of-life outcomes

People
Whānau

Key activities:

- Māori leadership development expanded to include Pasifika employees, development opportunities created for graduates
- Leadership in COVID H&S response for our people by:
  - working with government for approval for rapid antigen testing
  - wellbeing programme for employees
- Infection prevention controls in the Terminals

Outcomes:

- Strengthening Māori and Pasifika leaders and broadening diversity in the workforce
- Health & safety remains at our core

Community
Hapori

Key activities:

- Supported New Zealand's vaccination drive by providing vaccinations at the airport Park & Ride, and direct into the local community with Park & Ride mobile buses
- Continuing to support ARA Education Trust initiatives through providing land and offices
- Launched paid volunteering leave for Auckland Airport employees

Outcomes:

- 210,000 vaccinations delivered in support of New Zealand's vaccination drive
- Airport employees contributed in excess of 350 hours of volunteering at the Park & Ride vaccination centre

12. Landing and take-off emissions up to 1000m, aircraft auxiliary power unit emissions and engine run-ups

Uncertainty remains around timing of the recovery

Auckland Airport remains well positioned for the expected recovery in aviation

- Whilst we continue to face considerable uncertainty regarding the ongoing impact of COVID and the recovery in both international and domestic air travel, Auckland Airport remains positive given:
  - substantial progress in the country's vaccination programme;
  - rebound in overseas markets where self-isolation requirements have been removed;
  - the expectation that the Government's self-isolation requirements will fall away after Omicron peaks in New Zealand; and
  - Australia's recently announced reopening to international visitors from 21 February 2022
- Auckland Airport remains focused on:
  - the ongoing safe operation of the airport to ensure a safe travel environment and facilitate the Government's border requirements and
  - maintaining engagement with airline partners who have indicated they are unlikely to commit to New Zealand until the Government's position on self isolation changes

Border reopening stages:

1. From 27 February: Kiwis and critical workers from Australia can return
2. From 13 March: Kiwis from all other countries can return
3. From 12 April: open to non-citizens with visas (offshore temporary visa holders, international students and skilled workers) from any country
4. By July: open to anyone from Australia and visa-waiver travel from countries like the USA, Canada, UK, Europe, Singapore, Japan and South Korea.
5. October: open to visitors from anywhere in the world, all visa categories fully reopen

Outlook

Aeronautical pricing

Support from airlines to hold aeronautical charges flat for the first year of PSE4, providing stability in the short-term whilst preserving long-term value

- Aeronautical prices to be held constant for FY23, the first year of PSE4[13]
- Prices for the remainder of PSE4 to be determined following further airline consultation over next 18 months including on the infrastructure plan
  - these prices will be based on then forecast parameters and be set to achieve Auckland Airport's target return on aeronautical capital for the full 5-year PSE4 pricing period
- Supported by Air New Zealand and BARNZ, this is a pragmatic solution to deal with the continued uncertainty of passenger demand, and to assist airlines during this early phase of the COVID-recovery

13. *Auckland Airport will consult with airlines on the costs and revenues collected under the Regulatory and Requested Investment Policy adjustment to date, and whether a further adjustment to charges is needed under this policy in FY23 to recover actual costs*

Outlook

Guidance

- As we look to the remainder of the 2022 financial year, we continue to face significant uncertainty regarding the recovery of international passengers
- Despite this uncertainty, we are providing underlying earnings guidance for the 2022 financial year of a loss of between $25 million and $50 million. Although the Government remains committed to reopening the border, this guidance assumes that:
  - the requirement for mandatory self-isolation will significantly dampen international demand over the remainder of FY22, with Tasman passenger numbers somewhere between 10-30% of pre-COVID levels from March 2022 onwards and long-haul international passenger numbers unlikely to exceed 5%;
  - New Zealand's community Omicron outbreak will cap the domestic passenger recovery at somewhere between 45-90% of pre-COVID levels over the remainder of 2H22; and
  - FY22 operating costs will be constrained to $5-10 million below the bottom of the $160-$175 million range previously guided;
- In addition, Auckland Airport reconfirms its capital expenditure[14] guidance for the 2022 financial year of between $250 million to $300 million
- This guidance is subject to any material adverse events, significant one-off expenses, non-cash fair value changes to property and any deterioration due to global market conditions or other unforeseeable circumstances

Emirates 777 landing at Auckland Airport

14. *Capital expenditures net of any impairments and excluding the impact of reduced termination cost provisions. Includes contributions to investments in Joint Ventures (Pullman)*

Thank you

Appendix: Associates' performance

For the six months ended 31 December ($m)	2021	2020	Change
Queenstown Airport (24.99% ownership)			
Total Revenue	12.7	13.6	-6.6%
EBITDA	6.3	9.1	-30.8%
Underlying Earnings (Auckland Airport share)	0.2	0.6	-66.7%
Domestic Passengers	482,005	678,836	-29.0%
International Passengers	12,960	-	N/A
Aircraft movements	4,027	5,919	-32.0%
Novotel Tainui Holdings (50.00% ownership)			
Total Revenue	11.4	12.6	-9.5%
EBITDA	4.2	5.8	-27.6%
Underlying Earnings (Auckland Airport share)	2.2	2.2	N/A
Average occupancy[15]	53.9%	73.0%	

15. *The Novotel Hotel has been solely occupied by the Ministry of Health in the 6 months to 31 December 2021 and 31 December 2020 as a managed isolation and quarantine facility*

Appendix: Underlying profit / (loss) reconciliation

For the six months ended 31 December ($m)	2021			Restated 2020		
	Reported profit	Adjustments	Underlying profit / (loss)	Reported profit	Adjustments	Underlying profit / (loss)
EBITDAFI per Income Statement	**60.3**	**-**	**60.3**	**87.9**	**-**	**87.9**
Investment property fair value increase	131.5	(131.5)	-	29.8	(29.8)	-
Fixed asset write-offs and impairment	-	0.1	0.1	-	0.9	0.9
Reversal of fixed asset termination costs	-	-	-	-	(14.9)	(14.9)
Derivative fair value movement	(0.6)	0.6	-	0.8	(0.8)	-
Share of profit of associates and joint ventures	(17.4)	19.8	2.4	3.2	(0.1)	3.1
Depreciation	(53.7)	-	(53.7)	(57.7)	-	(57.7)
Interest expense and other finance costs	(26.8)	-	(26.8)	(35.0)	-	(35.0)
Taxation expense	15.5	(9.3)	6.2	0.1	6.1	6.2
Profit after tax	**108.8**	**(120.3)**	**(11.5)**	**29.1**	**(38.6)**	**(9.5)**

- We have made the following adjustments to show underlying profit / (loss) after tax for the six months ended 31 December 2021 and 2020:
  - 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 fixed asset project write-offs, impairments and termination costs. The termination or writing-off of live capital expenditure projects is extremely rare and is the direct consequence of COVID-19. Therefore, related costs and cost reversals are not considered to be an element of the group's normal business activities and on this basis have been excluded from underlying profit;
  - reversed out the impact of derivative fair value movements. Derivative fair value movements are unrealised and relate to basis swaps that do not qualify for hedge accounting, as well as the 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 six-month periods.

Glossary

CPS	Cents per share
BARNZ	Board of Airline Representatives of New Zealand Inc.
EBITDA	Earnings before interest, taxation and depreciation
EBITDAFI	Earnings before interest, taxation, depreciation, fair value adjustments and investments in associates
GAAP	Generally accepted accounting principles
GHG	Green house gas emission
LTO	Landing and take-off
MCTOW	Maximum certified take off weight
MIQ	Managed Isolation and Quarantine facility
NPAT	Net profit after tax
NZDCM	New Zealand debt capital markets issue
PAX	Passenger
PSE4	Regulatory price setting event 4
USPP	United States Private Placement
WALT	Weighted average lease term