



WELLINGTON INTERNATIONAL AIRPORT LIMITED

**Consolidated Financial Statements
for the Six Months Ended 30 September 2024**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

	Note	6 months 30 Sep 2024 \$000 Unaudited	6 months 30 Sep 2023 \$000 Unaudited	12 months 31 Mar 2024 \$000 Audited
Aircraft movement and terminal charges		53,904	40,310	86,013
Retail and trading activities		27,047	27,026	54,289
Property rent and lease income		9,962	9,328	18,856
Total revenue		90,913	76,664	159,158
Operating expenses	A2	(19,594)	(18,021)	(35,992)
Employee remuneration and benefits		(8,296)	(8,066)	(16,048)
Subvention payment	D1	(38,982)	(21,596)	(23,336)
Total operating and other expenditure		(66,872)	(47,683)	(75,376)
Investment properties revaluation net decrease	B2	(2,292)	(2,600)	(2,700)
Depreciation	B1	(14,017)	(14,821)	(29,862)
Operating earnings before financing expense		7,732	11,560	51,220
Interest income		2,137	1,352	1,893
Interest expense		(18,634)	(17,459)	(33,775)
Other finance income/(expense)		(16)	338	870
Net financing expense		(16,513)	(15,769)	(31,012)
Net profit/(loss) from operations before taxation		(8,781)	(4,209)	20,208
Taxation income/(expense)		8,075	1,969	(49,052)
Net profit/(loss) after taxation		(706)	(2,240)	(28,844)
Other comprehensive income				
Items that will not be reclassified to profit or loss:				
Property, plant and equipment revaluation	B1	26,319	20,931	70,841
Income tax on property, plant and equipment revaluation		(2,456)	(1,433)	(12,670)
Total items that will not be reclassified to profit or loss		23,863	19,498	58,171
Items that may subsequently be reclassified to profit or loss:				
Fair value movements recognised in the cash flow hedge reserve		(8,098)	5,490	192
Tax effect of movements in the cash flow hedge reserve		2,267	(1,537)	(54)
Total items that may subsequently be reclassified to profit or loss		(5,831)	3,953	138
Total other comprehensive income		18,032	23,451	58,309
Total comprehensive income		17,326	21,211	29,465

The accompanying notes form part of and are to be read in conjunction with these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

	Attributable to Equity Holders				Total Equity \$000
	Capital	Asset Revaluation Reserve	Cash Flow Hedge Reserve	Retained Earnings	
	\$000	\$000	\$000	\$000	
Balance as at 1 April 2024	9,050	802,915	6,284	44,372	862,621
Comprehensive income					
Net profit/(loss)	-	-	-	(706)	(706)
Other comprehensive income	-	23,863	(5,831)	-	18,032
Total comprehensive income	-	23,863	(5,831)	(706)	17,326
Contributions by and distributions to owners					
Dividends to equity holders	-	-	-	(12,022)	(12,022)
Total contributions by and distributions to owners	-	-	-	(12,022)	(12,022)
Unaudited balance as at 30 September 2024	9,050	826,778	453	31,644	867,925
Balance as at 1 April 2023	9,050	744,744	6,146	117,667	877,607
Comprehensive income					
Net profit/(loss)	-	-	-	(2,240)	(2,240)
Other comprehensive income	-	19,498	3,953	-	23,451
Total comprehensive income	-	19,498	3,953	(2,240)	21,211
Dividends to equity holders	-	-	-	(44,451)	(44,451)
Total contributions by and distributions to owners	-	-	-	(44,451)	(44,451)
Unaudited balance as at 30 September 2023	9,050	764,242	10,099	70,976	854,367
Balance as at 1 April 2023	9,050	744,744	6,146	117,667	877,607
Comprehensive income					
Net profit/(loss)	-	-	-	(28,844)	(28,844)
Other comprehensive income	-	58,171	138	-	58,309
Total comprehensive income	-	58,171	138	(28,844)	29,465
Dividends to equity holders	-	-	-	(44,451)	(44,451)
Total contributions by and distributions to owners	-	-	-	(44,451)	(44,451)
Audited balance as at 31 March 2024	9,050	802,915	6,284	44,372	862,621

The accompanying notes form part of and are to be read in conjunction with these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2024

	Note	30 Sep 2024 \$000 Unaudited	30 Sep 2023 \$000 Unaudited	31 Mar 2024 \$000 Audited
Cash and cash equivalents		14,053	17,658	40,162
Short-term deposits and investments		7,555	4,155	51,994
Receivables		14,253	13,286	12,588
Prepayments and sundry receivables		8,565	4,512	11,708
Current assets		44,426	39,611	116,452
Property, plant and equipment	B1	1,648,137	1,533,649	1,606,387
Investment properties	B2	94,119	129,582	125,282
Sundry receivables		11,444	8,663	12,781
Derivative financial instruments		7,398	14,552	14,794
Non current assets		1,761,098	1,686,446	1,759,244
Total assets		1,805,524	1,726,057	1,875,696
Trade and other payables		5,152	3,836	4,393
Current tax payable		9,583	9,905	15,898
Accruals and other liabilities		29,116	15,588	30,117
Accrued employee benefits		6,029	4,439	5,528
Lease liabilities		-	2,362	2,362
Loans and borrowings	C1	95,000	60,000	60,000
Current liabilities		144,880	96,130	118,298
Deferred taxation		189,941	136,734	191,526
Lease liabilities		-	31,472	31,389
Derivative financial instruments		773	-	-
Other liabilities		-	16,800	-
Loans and borrowings	C1	602,005	590,554	671,862
Non current liabilities		792,719	775,560	894,777
Attributable to shareholders		867,925	854,367	862,621
Total equity		867,925	854,367	862,621
Total equity and liabilities		1,805,524	1,726,057	1,875,696

The accompanying notes form part of and are to be read in conjunction with these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

	Note	6 months 30 Sep 2024	6 months 30 Sep 2023	12 months 31 Mar 2024
		\$000	\$000	\$000
		Unaudited	Unaudited	Audited
Cash flows from operating activities				
<i>Cash was provided from:</i>				
Receipts from customers		92,394	77,236	156,310
Interest received		2,137	1,690	1,893
<i>Cash was disbursed to:</i>				
Payments to suppliers and employees		(26,631)	(24,993)	(49,955)
Interest paid		(17,694)	(17,597)	(34,254)
Subvention payment	D1	(38,982)	(21,596)	(23,336)
Net cash flows from operating activities		11,224	14,740	50,658
Cash flows from investing activities				
<i>Cash was provided from:</i>				
Proceeds from sale of investment property		-	-	4,200
<i>Cash was disbursed to:</i>				
Purchase of property, plant and equipment		(29,465)	(24,741)	(67,713)
Purchase of investment property		(4,485)	-	-
Net cash flows from investing activities		(33,950)	(24,741)	(63,513)
Cash flows from financing activities				
<i>Cash was provided from:</i>				
Issue of retail bonds		-	-	100,000
Maturity of short-term investments		44,439	9,950	-
Drawdown of bank facilities		25,000	25,000	-
<i>Cash was disbursed to:</i>				
Investment in short-term investments		-	-	(37,889)
Repayment of bonds		(60,000)	(75,000)	(75,000)
Debt issue costs		(110)	(494)	(15)
Dividend payment	D1	(12,022)	(44,451)	(44,451)
Repayment of lease liabilities		(690)	(80)	(2,362)
Net cash flows from financing activities		(3,383)	(85,075)	(59,717)
Net (decrease)/increase in cash and cash equivalents		(26,109)	(95,076)	(72,572)
Cash and cash equivalents balance at the beginning of the period		40,162	112,734	112,734
Cash and cash equivalents balance at the end of the period		14,053	17,658	40,162

		6 months 30 Sep 2024	6 months 30 Sep 2023	12 months 31 Mar 2024
		\$000	\$000	\$000
		Unaudited	Unaudited	Audited
Reconciliation of net profit/(loss) after taxation to net cash flows from operating activities:				
Net profit/(loss) after taxation		(706)	(2,240)	(28,844)
Other finance (income)/expense		16	(338)	(870)
Depreciation	B1	14,017	14,821	29,862
Investment properties revaluation net decrease	B2	2,292	2,600	2,700
Deferred tax impact from change in depreciation rules		-	-	44,128
Other movements not involving cash flows		(7,472)	(184)	2,094
Movements in working capital		3,077	81	1,588
Net cash flows from operating activities		11,224	14,740	50,658

The accompanying notes form part of and are to be read in conjunction with these consolidated financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

REPORTING ENTITY

The unaudited, condensed and consolidated half year financial statements presented are those of the Wellington International Airport Limited Group (the Group), comprising Wellington International Airport Limited (WIAL and/or the Company) and its subsidiaries: Whare Manaakitanga Limited (Rydges Wellington Airport hotel company), Wellington Airport Noise Treatment Limited (WANT Limited - which provides noise mitigation activities to manage the impact of noise generated from the airport on the surrounding community) and Meitaki Limited (captive insurance company incorporated in the Cook Islands).

The Group operates predominantly in Wellington, New Zealand, providing integrated airport and commercial facilities and services to various airlines and other airport users. The Group also operates a commercial retail park adjacent to the airport site.

STATUTORY BASE

The parent company, WIAL, is a profit oriented company incorporated and domiciled in New Zealand as a limited liability company registered under the Companies Act 1993. The company has bonds listed on the NZX Debt Market (NZDX) and on that basis meets the definition of a Reporting Entity under the Financial Markets Conduct Act 2013 and the Financial Reporting Act 2013.

BASIS OF PREPARATION

These financial statements for the six month period to 30 September 2024 have been prepared using Generally Accepted Accounting Practice in New Zealand (NZ GAAP) and comply with IAS 34: *Interim Financial Reporting* and NZ IAS 34: *Interim Financial Reporting*, as appropriate for a for-profit entity.

These financial statements have been prepared in accordance with the accounting policies stated in the Group's published Annual Report for the year ended 31 March 2024 and should be read in conjunction with the Annual Report.

Accounting estimates and judgements

Unless otherwise stated, the key accounting estimates and judgements are consistent with those used in preparing the financial statements for the year ended 31 March 2024 as published in the 2024 Annual Report.

NOTES CATEGORIES

The summary notes include information which is required to understand the consolidated half year financial statements and is material and relevant to the operations, financial position and performance of the Group.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

A. FINANCIAL PERFORMANCE

A1. Segment reporting and non-NZ GAAP measure

Operating segments are identified based on the nature of the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker of the Group has been identified as the Chief Executive Officer. Based on the internal reporting to the Chief Executive Officer, the Group is considered to have one operating segment.

The Group refers to a non-NZ GAAP financial measure of earnings before interest, tax, depreciation, amortisation, change in fair value of financial instruments, revaluations, impairments, gain/(loss) on sale of assets and subvention payment (EBITDAF) within these consolidated financial statements. The Board and management consider it a useful non-NZ GAAP financial measure as it shows the contribution to earnings prior to non-cash items, cost of financing and subvention and is used by management, in conjunction with other measures, to monitor financial performance. The limited use of this non-NZ GAAP measure is intended to supplement NZ GAAP measures and is not a substitute for NZ GAAP measures. As these measures are not defined by NZ GAAP, NZ IFRS, or any other body of accounting standards, the Group's calculations may differ from similarly titled measures presented by other companies.

	6 months 30 Sep 2024	6 months 30 Sep 2023	12 months 31 Mar 2024
	\$000	\$000	\$000
	Unaudited	Unaudited	Audited
Net profit/(loss) after taxation	(706)	(2,240)	(28,844)
Subvention payment	38,982	21,596	23,336
Net financing expense	16,513	15,769	31,012
Taxation (income)/expense	(8,075)	(1,969)	49,052
Depreciation	14,017	14,821	29,862
Investment properties revaluation net decrease	2,292	2,600	2,700
EBITDAF	63,023	50,577	107,118

A2. Operating expenses

	6 months 30 Sep 2024	6 months 30 Sep 2023	12 months 31 Mar 2024
	\$000	\$000	\$000
	Unaudited	Unaudited	Audited
Fees paid to auditors:			
Audit of statutory financial statements	126	108	226
Taxation and other services	-	50	32
Regulatory and assurance services (Note 1)	21	20	38
Directors' fees	327	322	655
Regulatory compliance and airline pricing consultation	242	240	312
Marketing and development	1,537	1,217	2,298
Cleaning and energy	2,118	1,744	3,246
Rates and insurance	6,433	5,806	12,302
Repairs and maintenance	1,158	1,264	2,396
Software support	1,112	1,079	2,012
Noise mitigation program	1,181	828	1,761
Expected credit loss provision	-	-	120
Administration and other expenses	5,339	5,343	10,594
Total operating expenses	19,594	18,021	35,992

Note 1 - Includes audit of WIAL's regulatory Annual Disclosures and PSE5 pricing disclosures.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

B. FIXED ASSETS

B1. Property, plant and equipment	6 months 30 Sep 2024	6 months 30 Sep 2023	12 months 31 Mar 2024
	\$000	\$000	\$000
	Unaudited	Unaudited	Audited
Opening balance	1,606,387	1,502,798	1,502,798
Additions	42,388	24,741	62,610
Transfer from capital work in progress	(8,112)	-	-
Transfer from property, plant and equipment to investment property	(4,828)	-	-
Depreciation	(14,017)	(14,821)	(29,862)
Movement in asset revaluation	26,319	20,931	70,841
Closing balance	1,648,137	1,533,649	1,606,387

Assessment of Fair Value

Fair value is determined by independent external valuation experts, or by management, using recognised valuation techniques. Independent external valuations are undertaken on a systematic basis at least every five years. In the intervening years and at each reporting date, a material change assessment of each asset class is performed to assess whether carrying amount differs materially from fair value. Further details of the valuations, including the last independent external valuations performed for each asset class, are set out in the 2024 Annual Report.

As at 30 September 2024, the Group made an assessment of whether the carrying amounts of assets differed materially from fair value. This assessment is undertaken by management and based on the latest available information at the time of preparation of these financial statements, and includes passenger and cashflow forecasts. It also includes reference to key indices including the Capital Goods Price index and NZTA Waka Kotahi Construction index, internal discounted cash flow models, land values and investment property (as relevant to each class of asset) as an indicator of material change in fair value of property, plant and equipment. Based on this assessment, and with reference to the relevant indices, the following adjustments to carrying value were made as at 30 September 2024:

Land

The Group's assessment of land includes reference to NZ and Wellington house price indices published by Real Estate Institute of NZ, changes in commercial and industrial property values and consideration of other key inputs including developers WACC (Weighted Average Cost of Capital). Based on this assessment, the Group has indexed the carrying value of land resulting in an increase to carrying value of \$17.6 million (30 September 2023: \$15.9 million increase, 31 March 2024: \$25.5 million increase) being recognised in the Asset Revaluation Reserve and Other Comprehensive Income.

Buildings

Buildings are assessed as three main components; (Specialised buildings, Vehicle business assets and Hotel business assets).

Specialised buildings - based on the Group's assessment, which includes reference to the cost of construction, including the Capital Goods Price index and Consumers Price index, a fair value increase of \$3.8 million (30 September 2023: \$7.4 million, 31 March 2024: \$12.6 million) has been recognised in the Asset Revaluation Reserve and Other Comprehensive Income.

Vehicle and Hotel business assets - based on the Group's assessment, which includes reference to passenger forecasts and discounted cash flow modelling, no material change in the carrying value of these assets was identified.

Civil Assets

Based on the Group's assessment, which includes reference to the NZTA Waka Kotahi Construction index and the Producers Price index, a fair value increase of \$5.0 million (30 September 2023: \$2.3 million decrease, 31 March 2024: \$9.1 million increase) has been recognised in the Asset Revaluation Reserve and Other Comprehensive Income.

B2. Investment properties

As at 30 September 2024, the fair value of investment properties owned by the Group were assessed on a desktop basis by independent valuers Jones Lang Lasalle (JLL). This valuation estimated a fair value of \$89.3 million (30 September 2023: \$94.8 million, 31 March 2024: \$90.5 million). Further details of the last full valuation including key assumptions are included in the 2024 Annual Report.

The investment property balance as at 30 September 2024 no longer includes Right-of-Use assets as defined under NZ IFRS 16 (30 September 2023: \$34.8 million, 31 March 2024: \$34.8 million). These leases were all surrendered during the period and the related lease liabilities were extinguished.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

C. FUNDING

C1. Loans and borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings. For more information about the Group's exposure to and management of interest rate and foreign currency risk, refer to the 2024 Annual Report.

				6 months 30 Sep 2024	6 months 30 Sep 2023	12 months 31 Mar 2024
				\$000	\$000	\$000
	Issue Date	Maturity	Interest Rate	Unaudited	Unaudited	Audited
Drawn bank facilities	Aug-23	Feb-25	Floating	25,000	25,000	-
Retail bonds WIA040	Aug-16	Aug-24	4.00%	-	60,000	60,000
Retail bonds WIA050	Dec-16	Jun-25	5.00%	70,000	70,000	70,000
Retail bonds WIA060	Apr-19	Apr-30	4.00%	99,082	96,989	98,134
Retail bonds WIA070	Aug-20	Aug-26	2.50%	100,000	100,000	100,000
Retail bonds WIA080	Sep-21	Sep-31	3.32%	123,306	119,983	121,709
Retail bonds WIA090	Feb-23	Aug-28	5.78%	75,000	75,000	75,000
Retail bonds WIA100	Mar-24	Sep-30	6.02%	100,000	-	100,000
USPP Notes - Series A (US\$36 million)	Jul-17	Jul-27	3.47%	53,982	53,722	55,238
USPP Notes - Series B (US\$36 million)	Jul-17	Jul-29	3.59%	53,982	53,722	55,238
Total interest-bearing borrowings				700,352	654,416	735,319
Unamortised transaction costs				(3,347)	(3,862)	(3,457)
Carrying value of interest-bearing borrowings				697,005	650,554	731,862
Current				95,000	60,000	60,000
Non-current				602,005	590,554	671,862

Bank facilities

As at 30 September 2024 WIAL had bank facilities amounting to \$100 million (30 September 2023: \$100 million, 31 March 2024: \$100 million), with \$25 million drawn bank debt (30 September 2023: \$25 million, 31 March 2024: nil). The Group's debt includes unsecured and unsubordinated bank facilities with a negative pledge arrangement, which with limited exceptions does not permit the borrower to grant any security over its assets. The bank facilities require the borrower to maintain certain levels of shareholder funds and operate within defined performance and gearing ratios. The banking arrangements also include restrictions over the sale or disposal of certain assets.

Financial covenants

WIAL's bank facilities and USPP Notes have similar financial covenants, with which WIAL was compliant as at 30 September 2024.

Retail Bonds

The Trust Deeds for the bonds require the Group to operate within defined performance and debt gearing ratios. The arrangements under the Trust Deeds create restrictions over the sale or disposal of certain assets. As at 30 September 2024, the bonds had a fair value of \$576.7 million (30 September 2023: \$500.7 million, 31 March 2024: \$616.6 million).

USPP Notes

WIAL's USPP Note issuances comprised two equal tranches, a US\$36 million 10 year note with a coupon of 3.47% and a US\$36 million 12 year note with a coupon of 3.59%. In conjunction with the USPP issuance, WIAL entered into Cross Currency Interest Rate Swaps (CCIRS) to hedge the exposure to foreign currency risk over the term of the notes. As at 30 September 2024, the USPP notes had a fair value of \$114.0 million (30 September 2023: \$115.0 million, 31 March 2024: \$117.4 million). This debt is carried in the Consolidated Statement of Financial Position at amortised cost, translated to New Zealand dollars using foreign exchange rates at balance date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 30 SEPTEMBER 2024

D. OTHER NOTES

D1. Related parties

WIAL is 66% owned by NZ Airports Limited, which is wholly owned by Infratil Limited. Wellington City Council owns the remaining 34% of the Company. During the period, WIAL made a subvention payment of \$39.0 million (30 September 2023: \$21.6 million, 31 March 2024: \$23.3 million and paid dividend of Nil (30 September 2023: \$24.1 million, 31 March 2024: \$24.1 million) to the Infratil Group. A dividend of \$12.0 million (30 September 2023: \$20.4 million, 31 March 2024: \$20.4 million) was also paid to Wellington City Council.

D2. Capital commitments

	6 months 30 Sep 2024	6 months 30 Sep 2023	12 months 31 Mar 2024
	\$000	\$000	\$000
	Unaudited	Unaudited	Audited
Contracted but not provided for	54,650	46,850	44,520

The commitments contracted but not provided for largely comprises of the Airport Fire Station construction costs and property acquisitions.

D3. Contingent and subsequent events

The Group is in arbitration with Fletcher Construction Company Limited (FCC), the main contractor on WIAL's multi-level carpark construction project. WIAL has claims against FCC for remediation works, costs and related losses and a range of final outcomes exist. WIAL continues to work with FCC, with the final outcome, timing and expected settlement amounts being unknown at 30 September 2024 and at the time of signing these financial statements (30 September 2023: Nil, 31 March 2024: Nil). There has been no recognition of any claims in these Consolidated Financial Statements.

On 30 September 2024 the Group committed to acquiring 100% of the shares in a property holding company Jean Batten Street Limited. This was settled on 9 October 2024 and the company will form part of the consolidated group from this date. The purchase price of the shares is included above in the Capital Commitments Note D2.

There were no other events after the reporting date requiring adjustment or disclosure.