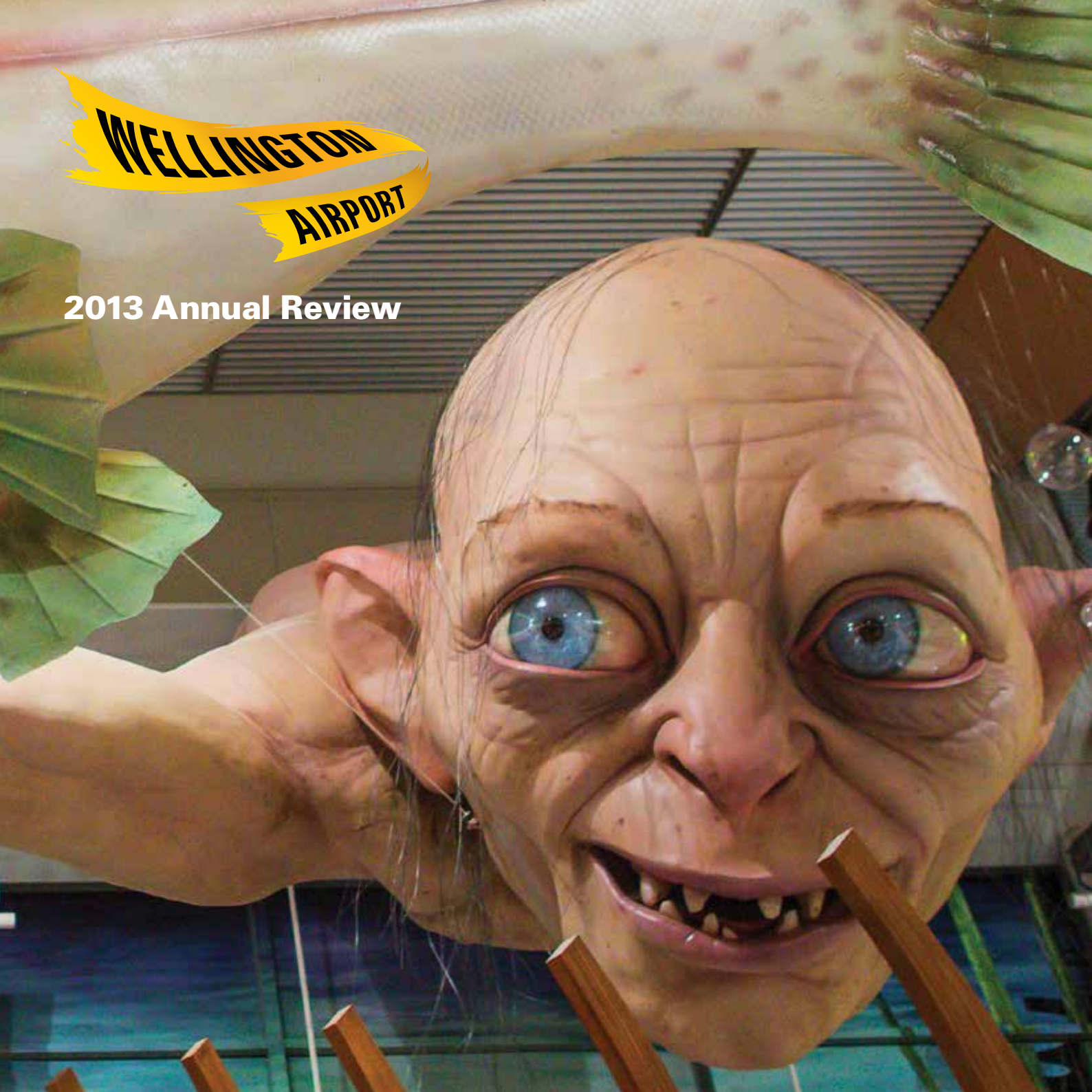




WELLINGTON

AIRPORT

2013 Annual Review

Reaching New Heights

Celebrating 2013 Highlights and Achievements



100,000

aircraft movements.

5.37M

passengers.



1.85B

Views of Gollum around the world.



500,000

Jetstar boosted their capacity with an extra 500,000 seats.



9.8%

Underlying earnings (EBITDAF).



Burger King, Z Energy, Witchery, Antipodes, Subway and Relay in arrivals opened. JR Duty Free Store underwent major refurbishment.



7.8%

increase in capacity to Auckland, including the introduction of Air NZ night rider service.



3ha of new AVANEX bird deterring grass sown.



12.6%

Co2 emissions reduced by 12.6% per passenger since the programme's inception in 2010.

\$12M

Capital development.

\$1.5B

Contribution to the regional economy.



8.8%

Trips to the US made by Wellingtonian's.



The launch of TEAM-WLG has enhanced collaboration and communication across airport organisations.



Online parking increased by 37%.



Expanded the conference centre.



10,000

likes on Facebook.

Chairman & CEO's Report

Since 1998, when Infratil acquired an interest in Wellington Airport, over \$300 million has been invested in terminals, runway upgrades, passenger facilities and property development. This investment in travel and tourism infrastructure for Wellington has enabled the airport to cater for passenger growth from 9,600 a day in 1998 to 15,000 a day in 2013 and become one of the highest rated for service quality in Australasia.



With underlying earnings (EBITDAF) of \$82.9m, Wellington Airport produced another strong year. The result reflects good growth in revenue and a continued focus on efficiency which maintains the airport's position as the most cost efficient Australasia. The result is a \$7.4m or 9.8% increase over the previous year. The 2013 dividend for Wellington City Council equates to around \$120 per ratepayer and the airport's total economic contribution to the region was \$1.5b, sustaining 10,000 jobs.

We value Air New Zealand's continued investment as our largest customer, providing 75% of domestic and international capacity. Strong demand in the domestic market saw Wellington's capacity on main trunk routes increase by 5.7%, driven by a 34% increase in Jetstar capacity for the year and a competitive response from Air New Zealand. With an additional 500,000 seats from the introduction of their ninth aircraft, Jetstar flew 20% of Wellington's domestic capacity. International passengers were up 1.2% with the market consolidating following two years of significant growth which included the RWC 2011.

Travel and tourism infrastructure investment for the next five years is forecast to be \$200m, which includes the 6,000sqm expansion of the Main Terminal to the South, improving transport and access to the drop-off area, two new fire engines and enhancements to the baggage handling system. Wellington Airport invested \$12m in infrastructure over the last 12 months to ensure the highest level of service and promote growth for the Wellington region, which has seen passenger numbers increase to 5.4m.

The airport's service quality rankings place Wellington as the third best in Australasia. We aim to deliver a vibrant retail offering

and present a comprehensive range to meet all visitors' tastes and budgets. Traveller's have more choice than ever with the introduction of Subway, Witchery, Antipodes and a Burger King outlet attached to a new Z Energy site. By the end of this year the original 1930's terminal building will be transformed into a beachfront café with stunning views over Lyall Bay and the touchdown zone. Catering to the different passengers' needs delivered an increase in passenger services income of 3.8%.

The Commerce Commission's report on the effectiveness of the information disclosure regime was issued in February 2013. The report recognised the airport's transparent and consultative approach to price setting, innovation and operational efficiency, and high quality passenger experience with prudent capital investment. The report also concluded that information disclosure as a regulatory regime was not able to impact the airport's profits in the future.

Wellington Airport's current and historic returns are well below the Commission's benchmark. Also, the airport's per passenger charges are in the lower range of airports in Australasia and worldwide. These are both key indicators of actual and future performance, but were not reviewed by the Commission, who mainly focused on future returns that might not eventuate. New Zealand's airport prices are low when compared with airports worldwide. This, coupled with good investment, innovation and strong incentives to drive travel and tourism growth, demonstrates the current regulatory regime and market is functioning well.

Few cities in the world benefit from an airport as conveniently located as Wellington. This accessibility also means that the effects of airport noise on the

local community are carefully managed and monitored. While airport activity has increased over the last 20 years, the overall noise generated has significantly declined. In early 2014 the Airport and Air Noise Management Committee are due to implement the plans announced last year to further protect the community against airport noise with a noise mitigation package for all dwellings, schools and early childhood centres within the air noise boundary.

The Hobbit: An Unexpected Journey placed Wellington on the world stage and it was a privilege to able to support the premiere and welcome visitors with a 13 metre long sculpture of Gollum in the main terminal. The sculpture, developed by Weta Workshop, was broadcast around the world and was viewed 1.85b times on the internet. The airport was also renamed to The Middle of Middle-earth for the duration of the trilogy.

This year marks the 10th anniversary of the Wellington Airport Regional Community Awards and we are looking forward to supporting and recognising the volunteer organisations that contribute so much to the Wellington Region.

The team at the airport has delivered an outstanding result and the board has every confidence in their ability to retain Wellington Airport's position as one of the top Australasian Airports with strong earnings growth.

Steve Sanderson
Chief Executive

David Newman
Chairman

Taking Off

Projects on at Wellington Airport

1,190

Passengers to a long haul destination out of Wellington.

A runway extension to the north will expand capability and options available for existing and next generation aircraft to take off in Wellington.



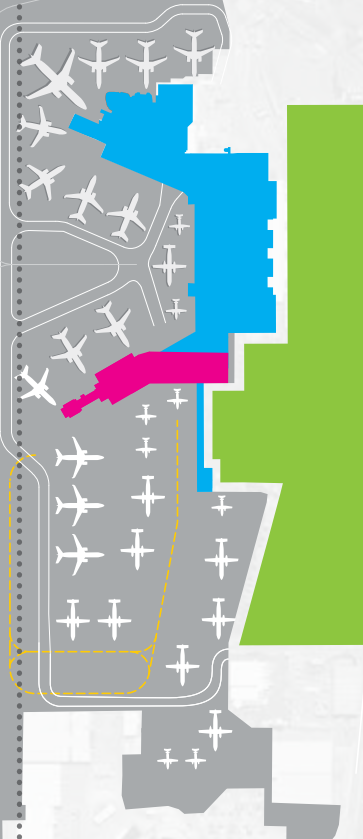
Z Energy & Burger King opened in 2012.



Major improvements to the parking and transportation infrastructure will be complete in August 2013.



Baggage delivery enhancements.



6000m²

The expansion of the Main Terminal Building and South West Pier is set to commence later in 2013.



Level 1 toilet refurbishments complete in March 2013.



Bird deterring grass was sown in September last year, more to be sown this year.



Expansion of the retail park will commence in late 2013.



The Airways Airport Control Tower development underway early 2014.



The historic terminal building and original superintendent's house is currently being restored into a café set to open in spring 2013.



Witchery, Subway, Antipodes and Relay in Arrivals opened. JR Duty Free Store underwent major refurbishment.



Maintenance to the Lyall Bay Seawall.



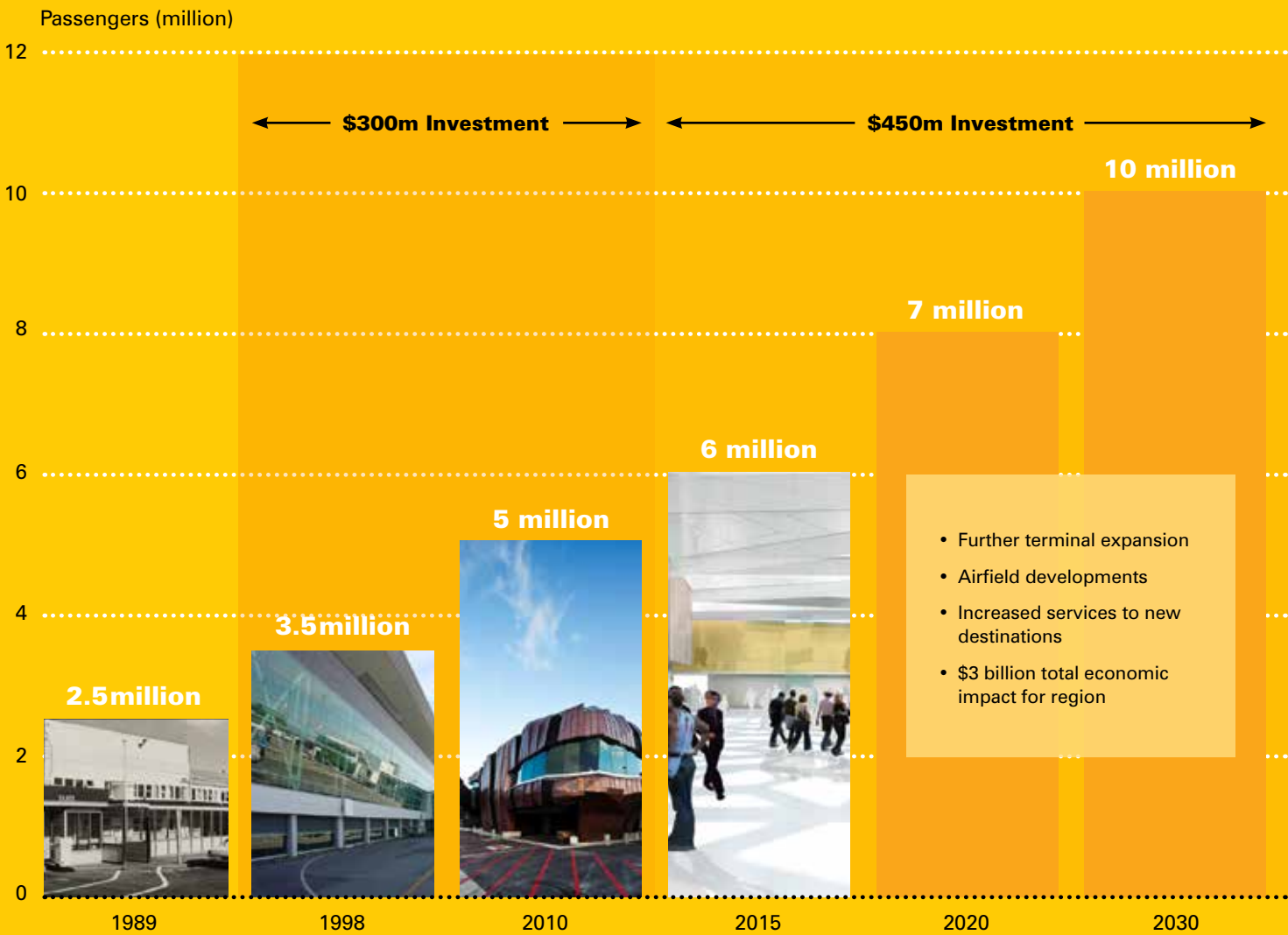
Our new Rosenbauer Panther Fire Trucks will be arriving in late January 2014.

91

34

Growing Together

Regional Economic Contribution



\$200M

Over the next 5 years, we will invest \$200M into travel and tourism infrastructure to develop passenger growth, safety requirements and air service connections.



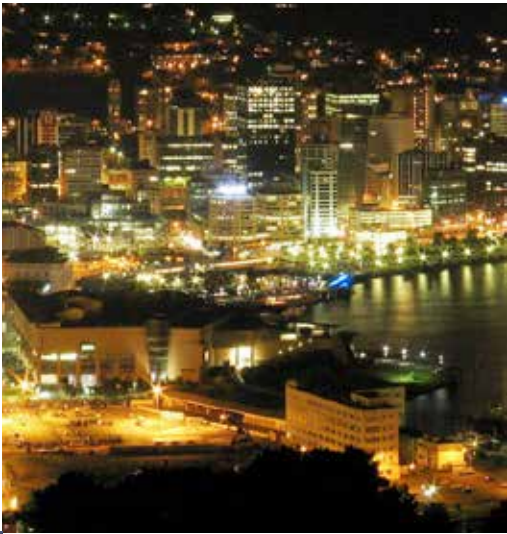
10,000

Wellington Airport is a strategic regional asset with a total economic impact of \$1.5B and sustains 10,000 jobs in the region.



1,190

Wellington Airport is working closely with airlines to improve connectivity. With 1,190 passengers flying long haul out of Wellington per day, the market would support direct daily flights between Wellington and Asia with onward connections to Europe.



In early 2014 the Air Noise Management Committee will implement the plans announced last year to further protect the community against airport noise with a noise mitigation package for all dwellings, schools and early childhood centres within the air noise boundary.



300m

A runway extension of around 300m will expand the options available for existing and next generation aircraft and the commercial case for long haul flights. The regional economic benefit of a long haul service out of Wellington is significant and estimated at \$114m per year from tourism, new jobs and international students.



10M

By 2030 passenger numbers are expected to double to 10M. This will sustain 21,000 jobs in the region.

Supporting Community



Wellington Airport’s 2012 Regional Community Award winner, Kaibosh Food Rescue, went on to win the 2013 National Community Awards!

“At Kaibosh we are working hard to combat the social and environmental issues of food poverty and food waste. The past year has been an exciting time of significance with a highlight being the winning of the Community Awards. While we look forward, it is great to know that we have the support of Wellington Airport.”

Matt Dagger, Director of Kaibosh Food Rescue



Photo: Matt Grace



Wellington Airport has been a loyal sponsor of the International Arts Festival for many years. We are proud of what our city has to offer and the festival is a great example of why we love Wellington.



Wellington Airport now sponsors Kate Mcilroy, Triathlete. Kate had a top 10 finish at the London Olympics last year, and is currently ranked 4th in the world!



Our new partnership with High Performance Swimming NZ saw athletes become part of an expanded programme, with several swimmers and one coach competing at the Olympic Games.



We auctioned off our famous 2011 Rugby World Cup All Blacks sign, with all proceeds going to Mary Potter Hospice.

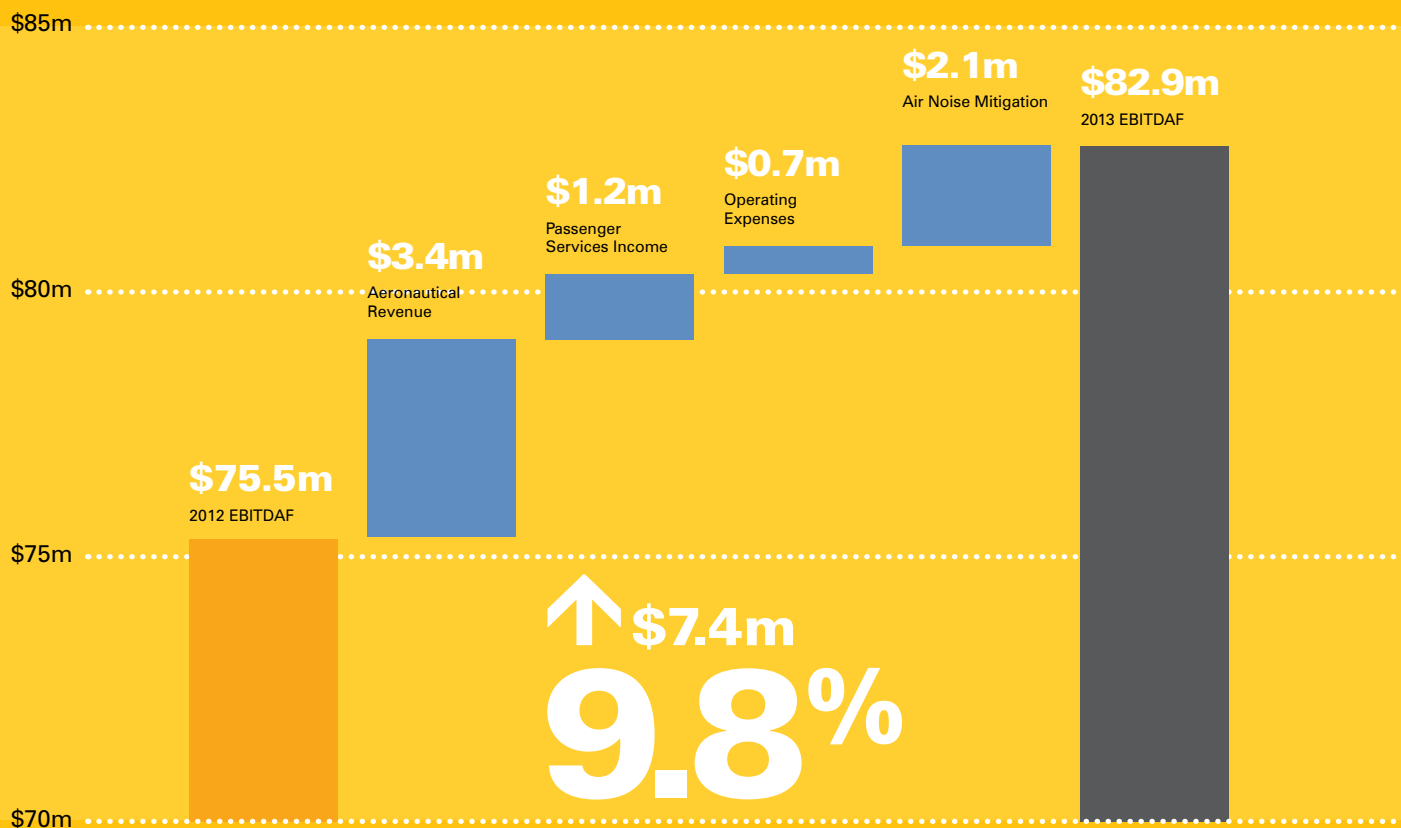


We are proud sponsors of:

- The Wellington Airport Community Awards
- Wild at Heart Spirit Awards
- Wellington Gold Awards
- Wellington High Performance Aquatics
- Kate Mcilroy, Triathlete
- The World of Wearable Arts
- The International Arts Festival
- Wellington Jazz Festival
- The Wellington Phoenix
- The Marine Education Centre
- Life Flight Trust
- NZ Airports Association
- Wellington Aero Club
- Wellington Employers Chamber of Commerce
- Lifelines
- Miramar Golf Club



Financials



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