



**HALF YEAR FINANCIAL STATEMENTS FOR THE SIX
MONTHS ENDED 30 SEPTEMBER 2014**

WELLINGTON INTERNATIONAL AIRPORT LIMITED
STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 30 SEPTEMBER 2014

	Notes	Consolidated		
		6 months 30 Sep 2014 \$000 Unaudited	6 months 30 Sep 2013 \$000 Unaudited	12 months 31 Mar 2014 \$000 Audited
Landing and terminal charges		30,940	32,403	65,900
Retail and trading activities		16,929	16,981	33,713
Property rent and lease income		5,692	5,603	11,277
Total revenue		53,561	54,987	110,890
Operating expenses	4	(8,680)	(8,300)	(16,143)
Subvention payment	11	(38,230)	(35,330)	(35,330)
Employee remuneration and benefits		(4,473)	(4,229)	(8,715)
Total operating and other expenditure		(51,383)	(47,859)	(60,188)
Investment property revaluation net (decrease)/increase		(27)	-	511
Depreciation	8	(8,089)	(7,690)	(15,781)
(Loss)/gain on sale of property, plant and equipment		(3)	8	118
Impairment of assets held for sale		(251)	(656)	(959)
Operating earnings before interest and financing expense		(6,192)	(1,210)	34,591
Interest income		320	643	1,311
Interest expense		(9,413)	(10,368)	(19,981)
Increase in value of financial instruments designated at fair value through profit or loss		289	6,700	10,168
Net financing expense		(8,804)	(3,025)	(8,502)
Net (loss)/profit before taxation		(14,996)	(4,235)	26,089
Taxation income/(expense)	7	7,756	5,529	(2,634)
Total taxation income/(expense)		7,756	5,529	(2,634)
Net (loss)/profit after taxation		(7,240)	1,294	23,455
Other comprehensive income				
Items that may be reclassified to profit or loss:				
Effective portion of changes in fair value of cash flow hedges		-	280	-
Income tax relating to components of other comprehensive income that may be reclassified		-	(81)	-
Other comprehensive income, net of tax		-	199	-
Total comprehensive income		(7,240)	1,493	23,455

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

WELLINGTON INTERNATIONAL AIRPORT LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30 SEPTEMBER 2014

6 months	Attributable to Equity Holders of the Group					Total Equity \$000 Unaudited
	Capital \$000 Unaudited	Asset		Hedge/other Reserve \$000 Unaudited	Retained Earnings \$000 Unaudited	
		Revaluation Reserve \$000 Unaudited				
Balance as at 1 April 2014	9,050	333,829	74	97,379	440,332	
Total comprehensive income						
Net loss	-	-	-	(7,240)	(7,240)	
Total comprehensive income	-	-	-	(7,240)	(7,240)	
Contributions by and distributions to owners						
Dividend to equity holders	-	-	-	(11,966)	(11,966)	
Total contributions by and distributions to owners	-	-	-	(11,966)	(11,966)	
Balance as at 30 September 2014	9,050	333,829	74	78,173	421,126	

6 months	Attributable to Equity Holders of the Group					Total Equity \$000 Unaudited
	Capital \$000 Unaudited	Asset		Hedge/other Reserve \$000 Unaudited	Retained Earnings \$000 Unaudited	
		Revaluation Reserve \$000 Unaudited				
Balance as at 1 April 2013	9,050	333,829	57	84,752	427,688	
Total comprehensive income						
Net profit	-	-	-	1,294	1,294	
Total comprehensive income	-	-	-	1,294	1,294	
Other comprehensive income						
Change in fair value of cash flow hedges, net of deferred taxation	-	-	199	-	199	
Total other comprehensive income	-	-	199	-	199	
Total comprehensive income	-	-	199	1,294	1,493	
Contributions by and distributions to owners						
Dividend to equity holders	-	-	-	(10,828)	(10,828)	
Total contributions by and distributions to owners	-	-	-	(10,828)	(10,828)	
Balance as at 30 September 2013	9,050	333,829	256	75,218	418,353	

12 months	Attributable to Equity Holders of the Group					Total Equity \$000 Audited
	Capital \$000 Audited	Asset		Hedge/other Reserve \$000 Audited	Retained Earnings \$000 Audited	
		Revaluation Reserve \$000 Audited				
Balance as at 1 April 2013	9,050	333,829	57	84,752	427,688	
Total comprehensive income						
Net profit	-	-	-	23,455	23,455	
Total comprehensive income	-	-	-	23,455	23,455	
Contributions by and distributions to owners						
Executive redeemable shares issued	-	-	45	-	45	
Executive redeemable shares converted	-	-	(28)	-	(28)	
Dividend to equity holders	-	-	-	(10,828)	(10,828)	
Total contributions by and distributions to owners	-	-	17	(10,828)	(10,811)	
Balance as at 31 March 2014	9,050	333,829	74	97,379	440,332	

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

WELLINGTON INTERNATIONAL AIRPORT LIMITED
STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2014

	Notes	Consolidated		
		30 Sep 2014 \$000 Unaudited	30 Sep 2013 \$000 Unaudited	31 Mar 2014 \$000 Audited
Cash and cash equivalents		1,646	55,770	28,927
Trade receivables		10,076	9,022	11,373
Prepayments and sundry receivables		4,699	2,477	2,548
Assets held for sale		405	6	-
Current assets		16,826	67,275	42,848
Property, plant and equipment	8	737,857	742,804	739,097
Investment properties		60,159	54,705	59,980
Derivative financial instruments		-	280	401
Non current assets		798,016	797,789	799,478
Total assets		814,842	865,064	842,326
Trade and other payables		438	1,263	776
Taxation payable		6,796	7,063	14,967
Accruals and other liabilities		9,437	9,055	8,717
Accrued employee benefits		1,640	1,372	1,896
Bank debt	5	-	23,881	-
Retail bonds	6	-	99,947	-
Derivative financial instruments		-	4	-
Current liabilities		18,311	142,585	26,356
Retail and wholesale bonds	6	273,768	199,330	273,727
Deferred taxation liability	7	92,605	92,009	92,189
Derivative financial instruments		9,032	12,787	9,722
Non current liabilities		375,405	304,126	375,638
Attributable to shareholders of the Company		421,126	418,353	440,332
Total equity		421,126	418,353	440,332
Total equity and liabilities		814,842	865,064	842,326

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

WELLINGTON INTERNATIONAL AIRPORT LIMITED

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30 SEPTEMBER 2014

	Notes	Consolidated		
		6 months 30 Sep 2014 \$000 Unaudited	6 months 30 Sep 2013 \$000 Unaudited	12 months 31 Mar 2014 \$000 Audited
Cash flows from operating activities				
<i>Cash was provided from:</i>				
Receipts from customers		54,791	56,968	110,477
Interest received		320	40	1,311
		55,111	57,008	111,788
<i>Cash was disbursed to:</i>				
Payments to suppliers and employees		(15,664)	(12,694)	(26,006)
Subvention payment	11	(38,230)	(35,330)	(35,330)
Interest paid		(8,989)	(10,665)	(20,701)
		(62,883)	(58,689)	(82,037)
Net cash flows from operating activities	10	(7,772)	(1,681)	29,751
Cash flows from investing activities				
<i>Cash was provided from:</i>				
Proceeds from sale of property, plant and equipment		6	10	14
		6	10	14
<i>Cash was disbursed to:</i>				
Costs of disposal of assets held for sale		(400)	-	(956)
Purchase of property, plant and equipment		(7,149)	(11,456)	(19,779)
		(7,549)	(11,456)	(20,735)
Net cash flows from investing activities		(7,543)	(11,446)	(20,721)
Cash flows from financing activities				
<i>Cash was provided from:</i>				
Drawdown of loans and borrowings	5	12,000	24,000	31,000
Issue of bonds	6	-	50,000	125,000
		12,000	74,000	156,000
<i>Cash was disbursed to:</i>				
Repayment of matured bonds	6	-	-	(100,000)
Repayment of loans and borrowings	5	(12,000)	-	(31,000)
Dividend paid	11	(11,966)	(10,828)	(10,828)
		(23,966)	(10,828)	(141,828)
Net cash flows from financing activities		(11,966)	63,172	14,172
Net movement in cash and cash equivalents		(27,281)	50,045	23,202
Cash and cash equivalents balance at the beginning of the period		28,927	5,725	5,725
Cash and cash equivalents balance at the end of the period		1,646	55,770	28,927

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

WELLINGTON INTERNATIONAL AIRPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2014

(1) Accounting policies

(a) Reporting entity

Wellington International Airport Limited ("WIAL" and the "Company") is a profit orientated company domiciled in New Zealand and registered under the Companies Act 1993. It was established under the Wellington Airport Act 1990 and was incorporated in September 1990. The commencing assets of WIAL were vested in the Company on 16 October 1990 by an Order in Council. The Company commenced trading on 16 October 1990. Its registered office is located at Wellington Airport Terminal, Stewart Duff Drive, Wellington, New Zealand. In terms of the Financial Markets Conduct Act 2013 and Securities Act 1978, the Company is a FMC Reporting Entity as it has bonds listed on the NZDX.

These unaudited condensed consolidated half year financial statements comprising the Company and Wellington Airport Noise Treatment Limited ("WANT Limited"), its subsidiary, (the "Group"), have been prepared in accordance with New Zealand equivalent to International Accounting Standard 34 Interim Financial Reporting (NZ IAS 34). These condensed consolidated half year financial statements also comply with International Accounting Standard 34 Interim Financial Reporting (IAS 34).

The unaudited condensed consolidated half year financial statements for the six months to 30 September 2014 have been prepared in accordance with the accounting policies stated in the Group's published Annual Report for the year ended 31 March 2014 and should be read in conjunction with the Annual Report. No changes have been made from the accounting policies used in the Annual Report, which can be obtained from WIAL's registered office or from its website www.wellingtonairport.co.nz/corporate.

These financial statements are presented in New Zealand Dollars which is the Group's functional currency. Where indicated values are rounded to the nearest thousand dollars (\$000).

(2) Nature of business

The Group operates in Wellington providing integrated airport and commercial facilities and services to various airlines and other airport users. A commercial retail park adjacent to the airport site is available to the public. Revenues include landing and terminal charges, property leases, retail and trading income. WANT Limited, the Company's wholly owned subsidiary, provides noise mitigation activities to manage the impact of noise generated from the airport on the surrounding community.

The Land Use Management and Insulation for Airport Noise Study was undertaken by WIAL in conjunction with its airlines, Board of Airline Representatives New Zealand Inc, Wellington City Council and the local Air Noise Management Committee in order to fulfil WIAL's obligations arising from the Environment Court proceedings in 1997. The work identified from this study includes the acquisition and removal of noise affected houses and the provision of noise mitigation and insulation activities for others. WIAL commenced charging the airlines operating at Wellington Airport for these activities from 1 April 2012 and this charge is currently 40 cents per passenger. These charges and noise mitigation activities are managed in WANT Limited, a wholly owned subsidiary of WIAL. WANT Limited has forecast that it will have predominantly concluded the noise management activities by the end of the year ending 31 March 2022 and it is expected that the charges will recover the noise mitigation costs over the ten year period from 1 April 2012 to 31 March 2022.

(3) Reconciliation of Earnings before Interest, Taxation, Depreciation, Amortisation, Fair Value Movements of Financial Instruments, Realisations and Impairments, Subvention payments and Investment property revaluations (EBITDAF before subvention payment)

The Group's EBITDAF before subvention payment is presented to provide further information on the operating performance of the Group. EBITDAF before subvention payment is a useful non-GAAP financial measure as it shows the contribution to earnings prior to non-cash items such as depreciation, amortisation and fair value adjustments, and before the cost of financing, subvention payments and taxation. It is calculated by adjusting net (loss)/profit after taxation for the period for the subvention payments and for items that are non-operating such as interest, taxation, depreciation, revaluations and impairments.

	Consolidated		
	6 months	6 months	12 months
	30 Sep 2014	30 Sep 2013	31 Mar 2014
	\$000	\$000	\$000
	Unaudited	Unaudited	Audited
Net (loss)/profit after taxation	(7,240)	1,294	23,455
Subvention payment	38,230	35,330	35,330
Net interest expense	9,093	9,725	18,670
Taxation (income)/expense	(7,756)	(5,529)	2,634
Depreciation	8,089	7,690	15,781
Investment property revaluation net decrease/(increase)	27	-	(511)
Loss/(gain) on sale of property, plant and equipment	3	(8)	(118)
Impairment of assets held for sale	251	656	959
Increase in value of financial instruments designated at fair value through profit or loss	(289)	(6,700)	(10,168)
EBITDAF before subvention payment	40,408	42,458	86,032

WELLINGTON INTERNATIONAL AIRPORT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 30 SEPTEMBER 2014

(4) Operating expenses

	Consolidated		
	6 months 30 Sep 2014	6 months 30 Sep 2013	12 months 31 Mar 2014
	\$000 Unaudited	\$000 Unaudited	\$000 Audited
Fees paid to auditors:			
Audit of statutory financial statements	45	47	90
Taxation services	35	4	17
Other assurance services	35	24	25
Donations	2	-	-
Directors' fees	169	169	328
Regulatory compliance and statutory consultation	397	310	436
Marketing and development	743	610	1,439
Cleaning and energy	1,059	1,014	1,858
Rates	965	922	1,951
Insurance	1,010	1,070	2,031
Repairs and maintenance	1,161	1,228	2,506
Operating lease expenses	403	394	805
Administration and other expenses	2,656	2,508	4,657
Total operating expenses	8,680	8,300	16,143

Taxation services relate to tax compliance and assurance work. Other assurance services comprise fees paid in relation to the audit of the Company's Annual Information Disclosures, assurance review of the airline pricing consultation model and price setting event disclosures.

(5) Bank debt

This note provides information about the contractual terms of the bank interest-bearing loans and borrowings. For more information about the Group's exposure to interest rate risk, refer to the 2014 Annual Report.

	Consolidated		
	6 months 30 Sep 2014	6 months 30 Sep 2013	12 months 31 Mar 2014
	\$000 Unaudited	\$000 Unaudited	\$000 Audited
Current liabilities			
Bank credit facility	-	24,000	-
Less facility fees to be expensed	-	(119)	-
Total current liabilities	-	23,881	-
Facilities utilised at reporting date			
Committed cash advance facilities	-	24,000	-
Facilities not utilised at reporting date			
Committed cash advance facilities	100,000	66,000	90,000

Financing arrangements

The Group's debt includes bank facilities with negative pledge arrangements, which with limited exceptions do 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. The Group has complied with its debt covenant requirements during the period.

Committed cash advance facilities

At 30 September 2014, the Group had unsecured committed cash advance facilities of \$100.0 million (30 September 2013: \$90.0 million and 31 March 2014: \$90.0 million) of which \$70.0 million expires in June 2018 and \$30.0 million expires in June 2019. Interest rates are determined by reference to prevailing money market rates plus a margin. Interest rates paid during the period ranged from 4.18% to 4.42% (30 September 2013: 3.32% to 3.34%, 31 March 2014: 3.32% to 3.46%).

WELLINGTON INTERNATIONAL AIRPORT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 30 SEPTEMBER 2014

(6) Retail and wholesale bonds

	Consolidated		
	6 months	6 months	12 months
	30 Sep 2014	30 Sep 2013	31 Mar 2014
	\$000	\$000	\$000
	Unaudited	Unaudited	Audited
Current			
Retail bonds maturing in November 2013, fixed 7.50% p.a.	-	100,000	-
Less transaction costs from issue still to be expensed	-	(53)	-
Total current bonds	-	99,947	-
Non current			
Wholesale bonds maturing August 2017, 3.96% p.a. to 1 November 2014, then repriced quarterly at BKBM plus 25bp	150,000	150,000	150,000
Wholesale bonds maturing June 2019, 5.01% p.a. to 1 December 2014, then repriced quarterly at BKBM plus 130bp	25,000	25,000	25,000
Wholesale bonds maturing June 2020, 5.27% p.a.	25,000	25,000	25,000
Retail bonds maturing May 2021, fixed 6.25% p.a.	75,000	-	75,000
Less transaction costs from issue still to be expensed	(1,232)	(670)	(1,273)
Total non current bonds	273,768	199,330	273,727
Balance at the end of the period	273,768	299,277	273,727

At 30 September 2014, the bonds had a fair value of \$279.3 million (30 September 2013: \$303.1 million, 31 March 2014: \$274.7 million).

All bonds issued with floating rate exposures have been fixed with interest rate swaps.

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. The Group complied with its debt covenant requirements during the period.

(7) Taxation

	Consolidated		
	6 months	6 months	12 months
	30 Sep 2014	30 Sep 2013	31 Mar 2014
	\$000	\$000	\$000
	Unaudited	Unaudited	Audited
Net (loss)/profit from continuing operations before taxation	(14,996)	(4,235)	26,089
Taxation for the period at 28%	(4,199)	(1,186)	7,305
Subvention payment made in respect to prior period	10,704	9,892	9,892
Taxation effect on non deductible expenses	106	42	(38)
Loss offset	(4,298)	(4,419)	(4,419)
Over provision in prior periods	(10,069)	(9,858)	(10,106)
Taxation (income)/expense	(7,756)	(5,529)	2,634
Current taxation	(8,172)	(6,679)	1,223
Deferred taxation	416	1,150	1,411
Taxation (income)/expense	(7,756)	(5,529)	2,634

WELLINGTON INTERNATIONAL AIRPORT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 30 SEPTEMBER 2014

(8) Property, plant and equipment

Consolidated	Land at fair value \$000	Civil at fair value \$000	Buildings at fair value \$000	Vehicles, Plant and Equipment at cost \$000	Capital work in progress at cost \$000	Total \$000
30 September 2014 unaudited						
Cost or valuation						
Balance at 1 April 2014	290,130	151,874	309,323	39,769	10,474	801,570
Additions	-	-	65	312	6,946	7,323
Transfer from capital work in progress	1	3,747	449	544	(4,741)	-
Transfer from capital work in progress to investment properties	-	-	-	-	(270)	(270)
Transfer from property, plant and equipment to assets held for sale	(200)	-	-	-	-	(200)
Disposals	-	(14)	-	(30)	-	(44)
Balance at 30 September 2014	289,931	155,607	309,837	40,595	12,409	808,379
Accumulated depreciation and impairment losses						
Balance at 1 April 2014	-	17,059	22,659	22,755	-	62,473
Depreciation for the period	-	2,584	3,777	1,728	-	8,089
Disposals	-	(14)	-	(26)	-	(40)
Balance at 30 September 2014	-	19,629	26,436	24,457	-	70,522
Net book value at 30 September 2014	289,931	135,978	283,401	16,138	12,409	737,857

Consolidated	Land at fair value \$000	Civil at fair value \$000	Buildings at fair value \$000	Vehicles, Plant and Equipment at cost \$000	Capital work in progress at cost \$000	Total \$000
30 September 2013 unaudited						
Cost or valuation						
Balance at 1 April 2013	289,701	147,736	305,659	35,128	9,021	787,245
Additions	580	41	776	462	9,796	11,655
Transfer from capital work in progress	1	204	158	361	(724)	-
Transfer from capital work in progress to investment properties	-	-	(6)	(75)	-	(81)
Transfer from property, plant and equipment to assets held for sale	-	-	-	-	(544)	(544)
Disposals	-	-	(28)	(110)	-	(138)
Balance at 30 September 2013	290,282	147,981	306,559	35,766	17,549	798,137
Accumulated depreciation and impairment losses						
Balance at 1 April 2013	-	12,063	15,151	20,564	-	47,778
Depreciation for the period	-	2,481	3,745	1,464	-	7,690
Disposals	-	-	(28)	(107)	-	(135)
Balance at 30 September 2013	-	14,544	18,868	21,921	-	55,333
Net book value at 30 September 2013	290,282	133,437	287,691	13,845	17,549	742,804

WELLINGTON INTERNATIONAL AIRPORT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 30 SEPTEMBER 2014

(8) Property, plant and equipment (continued)

Consolidated	Land at fair value \$000	Civil at fair value \$000	Buildings at fair value \$000	Vehicles, Plant and Equipment at cost \$000	Capital work in progress at cost \$000	Total \$000
31 March 2014 audited						
Cost or valuation						
Balance at 1 April 2013	289,701	147,736	305,659	35,128	9,021	787,245
Additions	581	-	161	4,159	15,563	20,464
Transfer from capital work in progress	-	4,142	4,085	1,602	(9,829)	-
Transfer from capital work in progress to investment properties	-	-	-	-	(4,281)	(4,281)
Transfer from property, plant and equipment assets to investment properties	(152)	-	(350)	(64)	-	(566)
Disposals	-	(4)	(232)	(1,056)	-	(1,292)
Balance at 31 March 2014	290,130	151,874	309,323	39,769	10,474	801,570
Accumulated depreciation and impairment losses						
Balance at 1 April 2013	-	12,063	15,151	20,564	-	47,778
Depreciation for the year	-	4,998	7,568	3,215	-	15,781
Disposals	-	(2)	(60)	(1,024)	-	(1,086)
Balance at 31 March 2014	-	17,059	22,659	22,755	-	62,473
Net book value at 31 March 2014	290,130	134,815	286,664	17,014	10,474	739,097

WELLINGTON INTERNATIONAL AIRPORT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 30 SEPTEMBER 2014

(8) Property, plant and equipment (continued)

Consolidated	Land \$000	Civil \$000	Buildings \$000	Vehicles, Plant and Equipment \$000	Capital work in progress \$000	Total \$000
30 September 2014 unaudited						
Revalued assets at deemed cost						
Cost	86,633	127,206	236,460	40,815	10,474	501,588
Additions	-	-	65	312	6,946	7,323
Transfer from capital work in progress to investment properties	-	-	-	-	(270)	(270)
Transfer from capital work in progress to assets held for sale	(200)	-	-	-	-	(200)
Transfer from capital work in progress	1	3,747	449	544	(4,741)	-
Disposals	-	(41)	-	(30)	-	(71)
Less accumulated depreciation	-	(35,770)	(61,636)	(24,555)	-	(121,961)
Net book value at 30 September 2014	86,434	95,142	175,338	17,086	12,409	386,409
30 September 2013 unaudited						
Revalued assets at deemed cost						
Cost	86,204	123,071	233,053	35,150	9,021	486,499
Additions	580	41	776	462	9,796	11,655
Transfer from capital work in progress to investment properties	-	-	-	(72)	-	(72)
Transfer from capital work in progress	1	204	158	361	(724)	-
Disposals	-	-	(5)	(110)	(544)	(659)
Less accumulated depreciation	-	(32,979)	(55,796)	(22,074)	-	(110,849)
Net book value at 30 September 2013	86,785	90,337	178,186	13,717	17,549	386,574
31 March 2014 audited						
Revalued assets at deemed cost						
Cost	86,204	123,066	232,584	35,150	9,021	486,025
Additions	581	-	161	4,159	15,563	20,464
Transfer from capital work in progress to investment properties	(152)	-	(350)	(64)	-	(566)
Transfer from capital work in progress	-	4,142	4,085	1,602	(14,110)	(4,281)
Disposals	-	(2)	(20)	(32)	-	(54)
Less accumulated depreciation	-	(34,365)	(58,915)	(23,908)	-	(117,188)
Net book value at 31 March 2014	86,633	92,841	177,545	16,907	10,474	384,400

Revaluation

Land, buildings and civil assets are valued at least every 5 years. Buildings and civil assets were last revalued by independent registered valuers as at 31 March 2011 in accordance with the New Zealand Institute of Valuers asset valuation standards. Land was last revalued by independent registered valuers at 31 March 2012. Management last revalued the carpark business as at 31 March 2013. Details of the valuations are set out in the 2014 Annual Report.

Capital work in progress

During the period ended 30 September 2014, construction was completed on a number of significant projects including installation of airfield infrastructure.

For the period ended 30 September 2014, capitalised borrowing costs relating to capital work in progress amounted to \$0.2 million (30 September 2013: \$0.2 million, 31 March 2014: \$0.4 million), with an average capitalisation rate of 6.21% (30 September 2013: 6.74%, 31 March 2014: 6.43%).

WELLINGTON INTERNATIONAL AIRPORT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 30 SEPTEMBER 2014

(9) Investment in subsidiary

The Company holds shares in the following operating companies:

Subsidiary	Balance Date	30 Sep 2014 Holding	30 Sep 2013 Holding	31 Mar 2014 Holding	Principle activity	Country of incorporation
WANT Limited	31 March	100%	100%	100%	Noise mitigation	New Zealand

WANT Limited commenced trading on 1 April 2012.

(10) Reconciliation of net (loss)/profit with cash flow from operating activities

	Consolidated		
	6 months 30 Sep 2014 \$000 Unaudited	6 months 30 Sep 2013 \$000 Unaudited	12 months 31 Mar 2014 \$000 Audited
Net (loss)/profit	(7,240)	1,294	23,455
Adjustments for:			
Investment property revaluation net decrease/(increase)	27	-	(511)
Change in value of financial instruments designated as fair value through profit or loss	(289)	(6,700)	(10,168)
Depreciation	8,089	7,690	15,781
Loss/(gain) on disposal of property, plant and equipment	3	(8)	(118)
Impairment of assets held for sale	251	659	959
Movement in deferred tax	416	1,150	1,411
Amortisation of transaction costs from issue of bonds	41	-	(443)
Interest capitalised	(171)	(161)	(375)
Movements in working capital:			
Decrease/(increase) in trade receivables	1,297	2,007	(131)
Increase in prepayments and sundry receivables	(2,151)	(767)	(826)
(Decrease)/increase in trade and other payables	(338)	(24)	(511)
Increase/(decrease) in accruals and other liabilities	464	(140)	5
(Decrease)/increase in taxation payable	(8,171)	(6,681)	1,223
Net cash flows from operating activities	(7,772)	(1,681)	29,751

WELLINGTON INTERNATIONAL AIRPORT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 30 SEPTEMBER 2014

(11) 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.

Noise mitigation service fees were paid to WANT Limited during the period totalling \$1,081,841 (30 September 2013: \$1,105,406, 31 March 2014: \$2,204,570). WANT Limited also made payments to WIAL which includes the charging of administrative services. During the period, WIAL has sold residential properties to WANT Limited at a market value of \$200,000 (30 September 2013: \$544,382, 31 March 2014: \$721,477). The trade receivables owed by WANT Limited as at 30 September 2014 was \$2,913,417 (30 September 2013: \$2,902,108, 31 March 2014: \$2,633,011) and the trade payables owed to WANT Limited as at 30 September 2014 was \$211,350 (30 September 2013: \$205,352, 31 March 2014: \$223,223).

	Consolidated		
	6 months	6 months	12 months
	30 Sep 2014	30 Sep 2013	31 Mar 2014
	\$000	\$000	\$000
	Unaudited	Unaudited	Audited
Transactions made during the period			
Wellington City Council			
Dividend payment	(11,966)	(10,828)	(10,828)
Directors' fees	(23)	-	(18)
Rates	(1,106)	(1,104)	(2,183)
Grants	214	-	257
Other	(228)	(69)	(106)
Infratil and its subsidiaries			
Infratil Group - subvention payment	(38,230)	(35,330)	(35,330)
Cityline NZ Limited - Airport Flyer Bus services	116	141	305
H.R.L. Morrison & Co Limited - Consultancy fees	(7)	(7)	(18)
- Directors' fees	(117)	(74)	(182)
iSite Limited	685	784	1,357
Infratil associate			
Z Energy	194	208	178
Balance receivable/(payable) as at the end of the period			
Cityline NZ Limited	17	22	23
iSite Limited	123	140	157
Wellington City Council	-	(1)	280
Z Energy	40	(170)	40

Directors fees were paid during the period to H.R.L. Morrison & Co, the company responsible of the day to day management of Infratil Limited, of \$116,623 for the services of T Brown, P Coman, S Fitzgerald and J Boyes as Directors and J Boyes and S Fitzgerald as Audit and Risk Committee Members (30 September 2013: \$74,444, 31 March 2014: \$181,962). Directors fees of \$23,018 (30 September 2013: Nil, 31 March 2014: \$17,513) were paid during the period to the Wellington City Council, for the services of C Wade-Brown as a Director.

From time to time Directors of the Group, or their related entities, may enter into transactions with the Group as members of the public. These transactions are entered into on an arm's length commercial basis.

(12) Financial commitments

Capital commitments

	Consolidated		
	6 months	6 months	12 months
	30 Sep 2014	30 Sep 2013	31 Mar 2014
	\$000	\$000	\$000
	Unaudited	Unaudited	Audited
Contracted but not provided for	1,803	4,493	3,029

The capital commitments contracted but not provided for comprise terminal developments, civil works and sundry other projects.

(13) Contingent liabilities

There were no contingent liabilities outstanding at 30 September 2014 (30 September 2013 and 31 March 2014: \$nil).

(14) Seasonality of operations

There is no material seasonality to the Group's operations.

WELLINGTON INTERNATIONAL AIRPORT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 30 SEPTEMBER 2014

(15) Events after balance date

On 31 October 2014, WIAL awarded a contract for the construction of a 6,000 square metre extension of the southern end of the main terminal building.