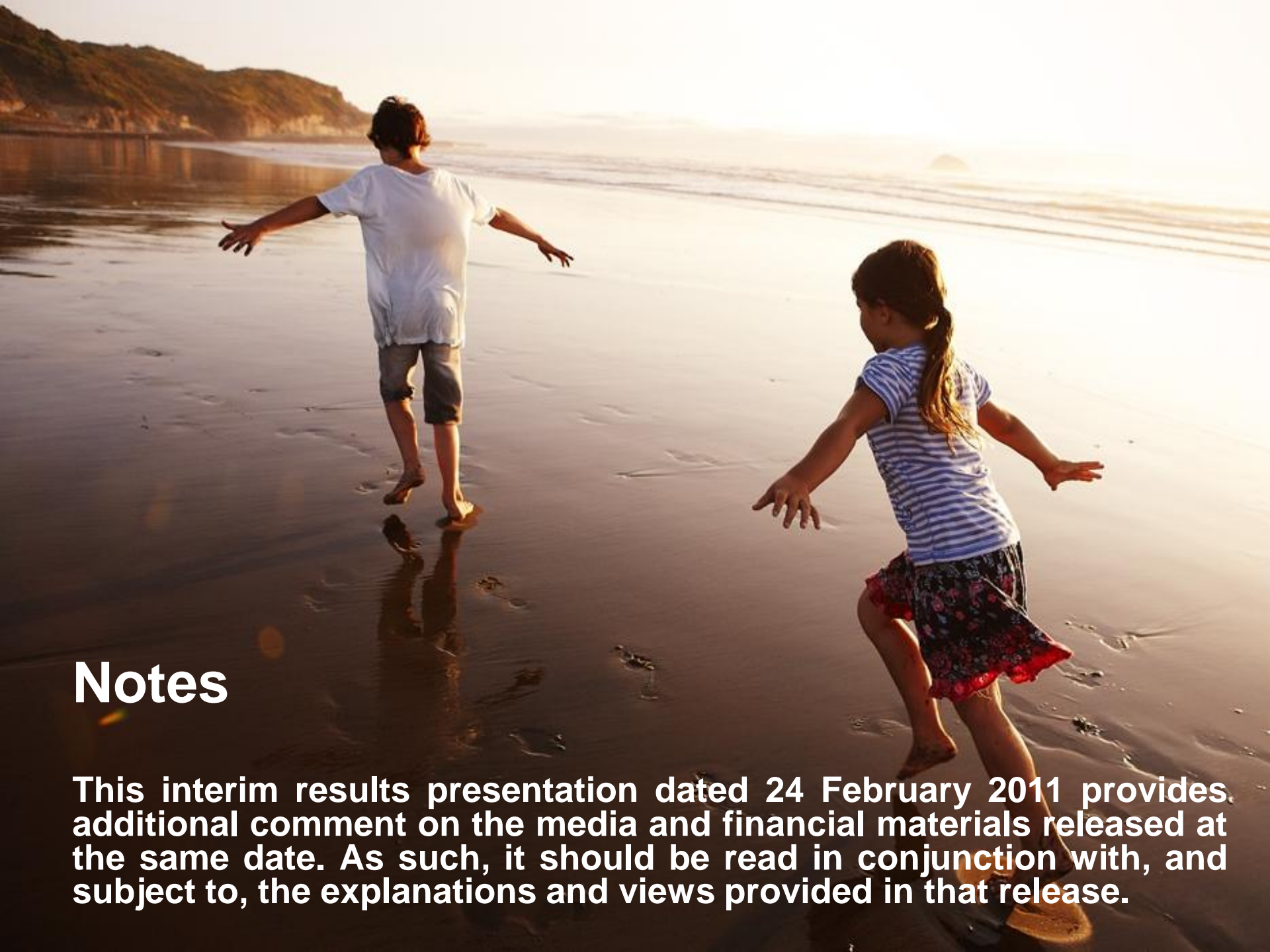


24 February 2011

Auckland Airport

Interim Results
December 2010





Notes

This interim results presentation dated 24 February 2011 provides additional comment on the media and financial materials released at the same date. As such, it should be read in conjunction with, and subject to, the explanations and views provided in that release.

Simon Moutter
Chief Executive

Simon Robertson
Chief Financial Officer

Transformation is paying off

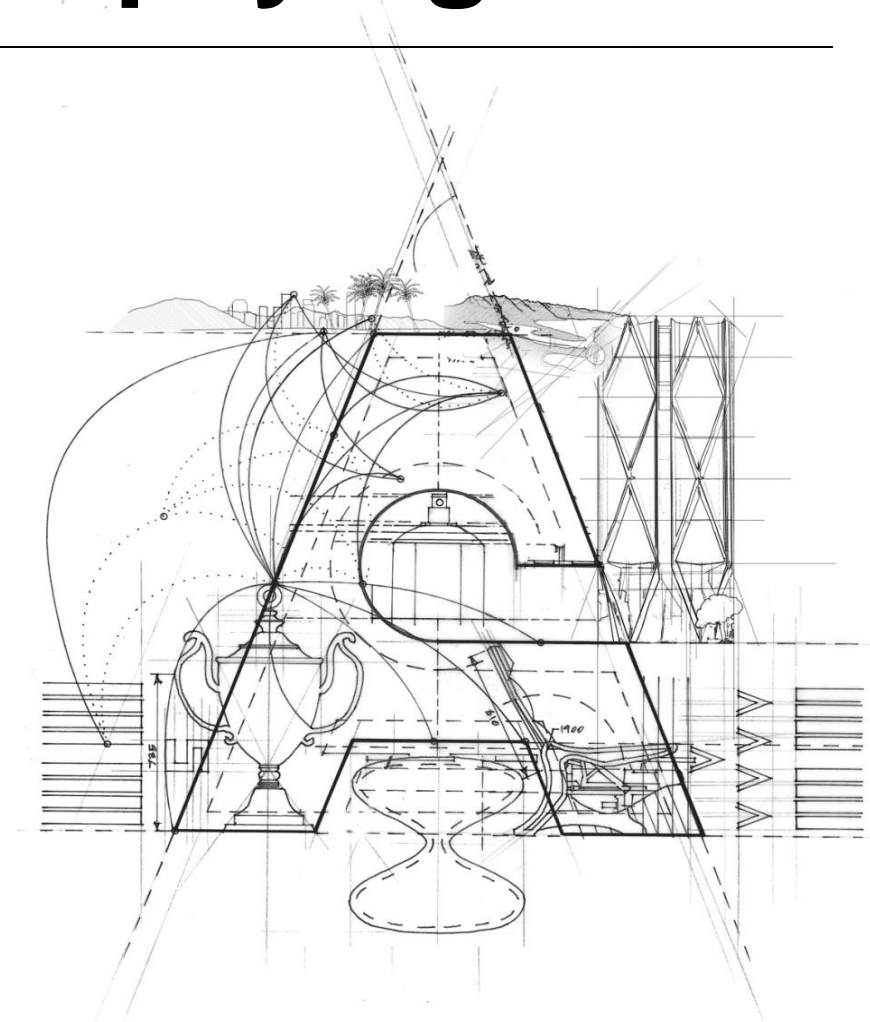
Recent results confirm the successful business change to a sales-led driver of growth.

Increased airline capacity and connectivity from world-class route development and promotional activity.

Expanded airport footprint in Australasia increasing influence with airlines.

Substantial benefits for our markets from the stimulus to travel, trade and tourism.

Increased profits flowing.



Changing shape of travel markets

Our Flight-path for Growth strategy launched in March 2009 had a significant emphasis on Asia passenger growth.

“Rapidly developing markets are shifting the industry’s centre of gravity to the East” - Giovanni Bisignani, Director General of the International Air Transport Association (“IATA”).

Asian passenger growth to NZ was 20% in the six months to December 2010.

Exposure to high growth markets is essential and the link between air services development and economic growth is clear.



Strategy translating to profits

Air services development and route promotional activity underpin international passenger volume increase – our key value driver.

Improved passenger services, facilities and products have grown retail yield.

Disruption of duty-free model, aeronautical price path and retail construction inherent in FY2010 is clearing in FY2011.

Operating leverage delivering uplift to the bottom line and dividends to shareholders.

	6 months 31 Dec 2010	6 months 31 Dec 2009	
Total Income (\$'000)	198,270	182,371	Up 8.7%
EBITDAFI (\$'000)	151,001	138,300	Up 9.2%
Underlying Profit (\$'000)	61,536	53,964	Up 14.0%
Interim Dividends (\$'000)	52,720	48,838	Up 7.9%

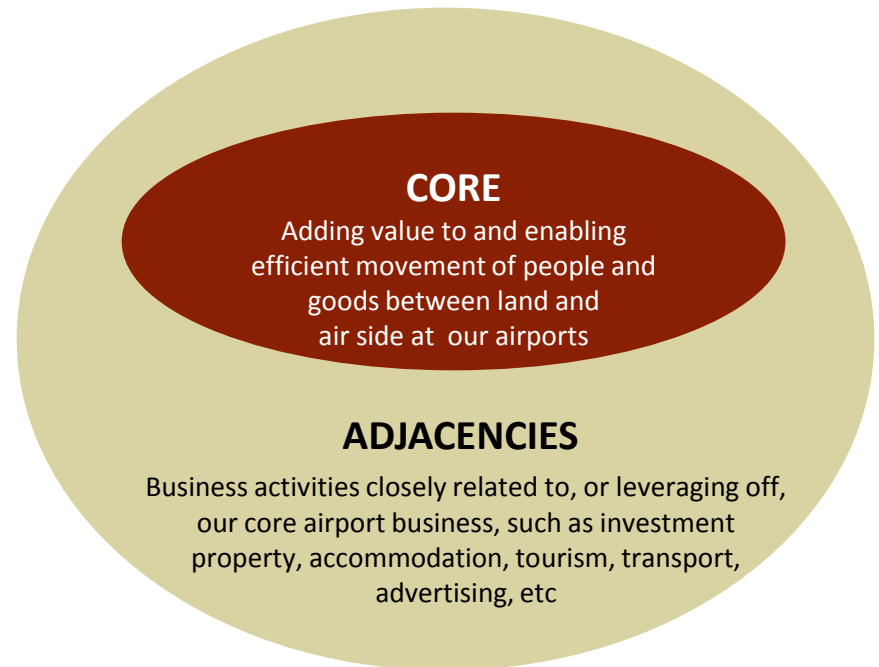
Further evolution of growth strategy

Our vision is to build a great New Zealand business recognised as a world leader in creating value from modern airports

Vision statement refined to reflect our clear airport focus in line with our core competencies.

Reflects today's reality of our interests in four airports.

Core competencies enable the business to add value to the movement of people and goods at our airports and to further leverage this through adjacent business activities.



Delivering on the growth plan

To grow value in our airports for investors we will:

Further increase investment in air services and market development to grow passenger volumes faster than the market organic rate.

Expand and actively market the range of products and services that benefit passengers.

Strive for even more efficient passenger processes.

Provide stimulus for property development opportunities that create value in our land holdings.

Leverage off revenue growth to deliver increasing earnings per share.



Financial results in detail



Results overview

	6 months 31 Dec 2010 \$m	6 months 31 Dec 2009 \$m	% Change
Income	198.3	182.4	8.7%
Expenses	47.3	44.1	7.3%
EBITDAFI (Earnings before interest, taxation, depreciation, fair value adjustments and investments in associates)	151.0	138.3	9.2%
Share of profit of associates	0.8	0.5	69.3%
Gain on sale of associates	1.2	-	-
Investment property fair value increases	2.3	-	-
Derivative fair value change	1.4	-	-
Depreciation	28.7	27.2	5.5%
Interest	35.8	35.0	2.1%
Taxation	26.8	22.6	18.5%
Reported net profit after tax	65.5	54.0	21.4%

Passenger volume growth

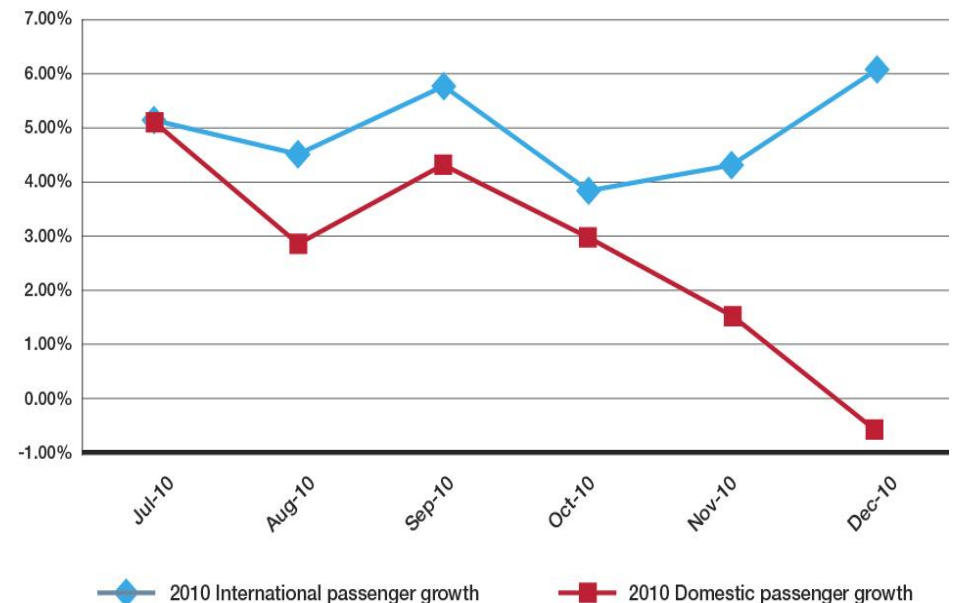
International passengers grew 5.0% in the six months to December 2010 compared with prior year.

Modest domestic passenger growth of 2.6% in the six months to December 2010, but with declining volumes evident post the withdrawal of Pacific Blue.

International passenger growth remains strong with January 2011 up 6.2%.

The reducing growth trend in domestic passengers continued with January 2011 down 7.8% reflecting lack of capacity replacement for Pacific Blue services.

Passenger growth rates July–Dec 2010



Market shift in international arrivals

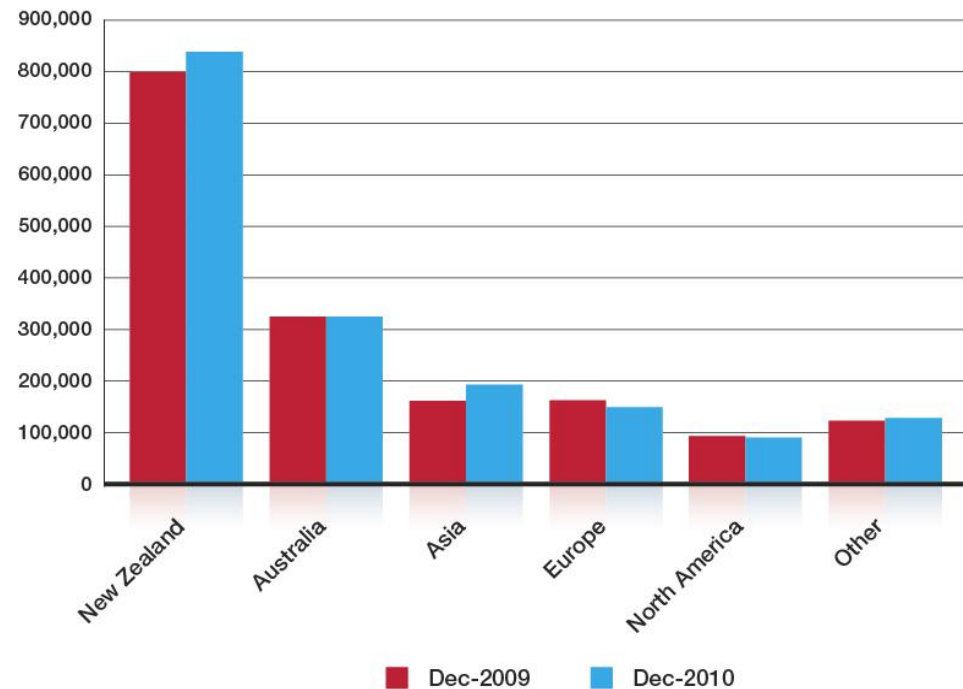
Arrivals from Asia increased 20.0% in the six months to December 2010 over pcp, with significant growth from China (39.3%), Japan (24.1%) and India (26.1%).

New Zealand passengers still a key market at 48.4% of total arrivals and also showing growth.

Australia remained stable, making up 18.9% of total arrivals.

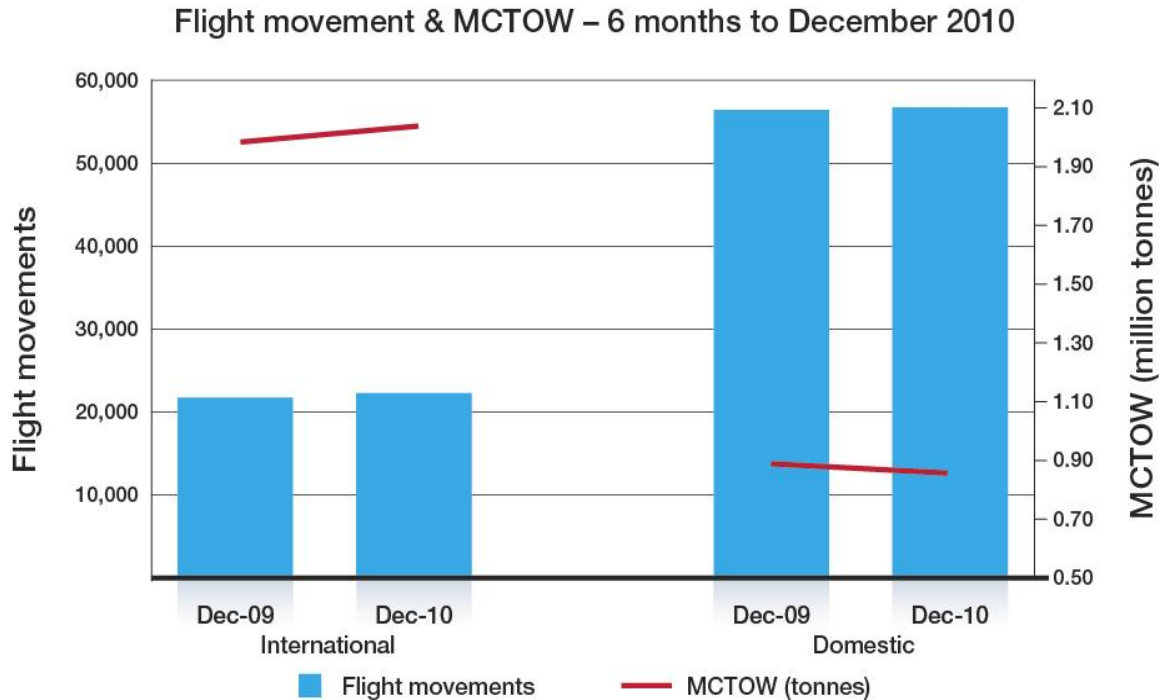
Arrivals from Europe and North America both decreased 9.1% and 2.8% respectively.

International arrival by region – 6 months 2010 vs 2009



Source: Statistics New Zealand

Aircraft movement trends



International flight movements increased 2.3% in the 6 months to December 2010. The use of A330 and B767 aircraft decreased, however an increase in the use of heavier B777 led to an overall increase in international MCTOW of 3.3%.

Domestic flight movements increased 0.3% in the 6 months to Dec 2010. The departure of Pacific Blue was the main contributor to an overall decrease in domestic MCTOW of 4.1%.

Growth strategy evident in revenue

Airfield income increased 11.7% on the back of increased volumes and reversion to the pricing schedule post the GFC discounted landing charge period.

Retail revenue grew significantly through both volume and yield from successful initiatives across a range of retail activities.

Property development set for future growth from developments currently underway and soon to be earning rents.

Car park revenue boosted by new online booking system and marketing approach.

	6 months 31 Dec 2010 \$m	6 months 31 Dec 2009 \$m	% change
Airfield income	36.7	32.8	11.7%
Passenger service charge	39.4	36.5	8.2%
Terminal services charge	13.9	13.9	-0.3%
Retail income	54.8	48.5	12.9%
Rental income	25.6	24.5	4.5%
Car park income	17.1	15.9	7.6%
Interest income	0.6	0.9	-40.6%
Other revenue	10.2	9.3	10.1%
Total revenue	198.3	182.4	8.7%

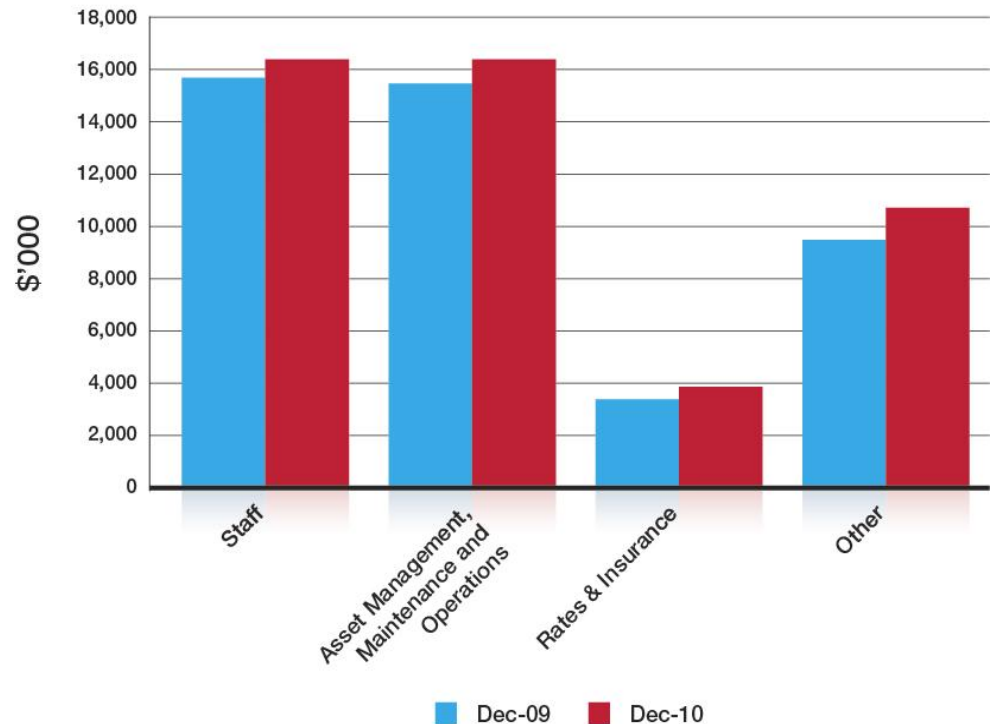
Expenses controlled

Expenses grew by only \$3.2m relative to income increase of \$15.9m

Major component of expenditure increase is \$1.5m increase in marketing and promotional activities associated with aeronautical route development.

Aeronautical marketing and promotions is an essential part of the sales process to assist with the success of new or expanded routes.

Operating Expenditure for six months ending December 2010



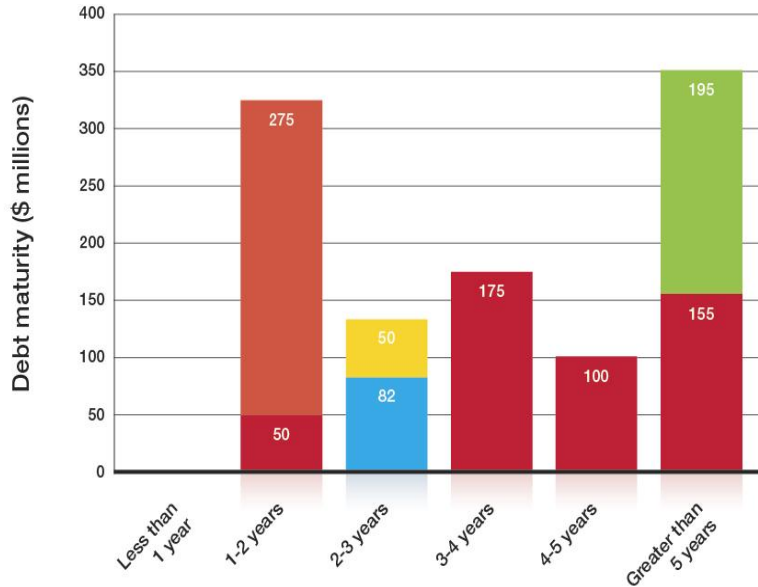
Underlying profit increased

	6 months 31 Dec 2010 \$m	6 months 31 Dec 2009 \$m	% change
Reported net profit after tax	65.5	54.0	21.4
Gain on investment property revaluation	(2.3)	-	-
Gain on derivative fair value changes	(1.4)	-	-
Gain on sale of associates	(1.2)	-	-
Tax effect	0.9	-	-
Underlying Profit	61.5	54.0	14.0

Included in the net profit after tax for the six months ended 31 December 2010 is a gain on investment property revaluations, a gain on derivative financial instruments and a gain on the sale of Auckland Airport's share in the joint venture HMSC-AIAL. There were no fair value changes or other one-off items in the net profit after tax for the six months ended 31 December 2009.

Extended debt maturity profile

Debt maturity profile - after USPP issuance



■ Bonds (Fixed and Floating) ■ Commercial Paper ■ Bank Facility - Syndicate ■ Bank Facility - CBA ■ USPP

Debt is based on contractual maturities at par excluding interest rate swap valuations.

Commercial Paper maturities are less than three months but are supported by committed bank facilities that mature in March 2013.

The above graph shows debt maturities assuming the repayment of \$125 million of the Bank Facility - Syndicate in February 2011 and \$75 million Bonds in July 2011 which have been refinanced with USPP debt issuance which has maturities of February 2021 (\$64.8m), July 2021 (\$65.6m) and February 2023 (\$64.8m).

Finalised agreement on refinancing for US\$150 million in the US Private Placement (USPP) market in December 2010 to replace debt maturing in March and July 2011.

This issuance into a new international debt market achieved:

- attractive pricing;
- delayed draw downs to match the debt repayments; and
- tenors of 10 and 12 years to extend Auckland Airport's average debt maturity to 4.56 years.

Debt ratios improved

	31 Dec 2010	31 Dec 2009
Average Interest Rate	6.63%	6.92%
EBITDAFI interest cover ratio	4.06	3.78
Average debt maturity (years)	4.56	3.50
Debt to Debt + Equity	35.8%	36.3%
Percentage Fixed	67.8%	86.0%

Reduced percentage of fixed rate debt enables benefits from lower floating interest rates, reducing the average interest rate whilst managing interest rate risk.

Increased EBITDAFI and stable interest costs lead to improved interest cover.

The issuance of longer tenor USPP in December 2010 has extended Auckland Airport's average debt maturity.

NQA financial results

Key outcomes in Auckland Airport's business case for the first 12 months in the acquired stake:

- ✓ Completed the domestic terminal on time, scope and budget
- ✓ Turnaround international passenger volumes underway
- ✓ Achieved aeronautical pricing uplift on domestic operations to recover investment
- ✓ On track to establish a plan for the refinancing of NQA debt
- ✓ Received strong cash returns in first year by way of dividends (NZD 8.6m received for first year)
- ✓ Published milestones on track

	6 months 31 Dec 2010	6 months 31 Dec 2009	% change
Passenger movements			
International – Cairns (excluding transits)	360,428	277,507	29.9
Domestic – Cairns	1,727,937	1,613,343	7.1
Domestic – Mackay	535,459	471,082	13.7

	6 months 31 Dec 2010 \$m	6 months 31 Dec 2009 \$m	% change
Financial Performance¹			
Revenue	A\$ 53.4	A\$ 45.7	16.8
Expenses	A\$ 21.1	A\$ 19.6	7.8
EBITDA	A\$ 32.3	A\$ 26.1	23.5
Net profit after tax²	A\$ 0.2	A\$ 2.4	-89.7

1. Sourced from non-audited interim financial statements of North Queensland Airports for the six months ended 31 December 2010. The financial results have not been apportioned for the 24.55% ownership interest. The results disclosed for the previous corresponding period are for information purposes as they do not relate to a period of ownership by Auckland International Airport Limited

2. Depreciation and higher interest costs relating to the recently completed domestic terminal at Cairns are the major drivers of the decrease in net profit after tax

Queenstown financial results

Exceptional passenger growth in the six month period.

Local and global campaigns launched to promote services to the region.

New Jetstar services to Melbourne and Gold Coast commenced in December 2010.

Legal case by Air New Zealand and QSAG a distraction from growing tourism in the region.

Passenger movements	6 months 31 Dec 2010	6 months 31 Dec 2009	% change
International	91,371	66,719	36.9
Domestic	384,213	342,707	12.1

Financial Performance ¹	6 months 31 Dec 2010 \$m	6 months 31 Dec 2009 \$m	% change
Revenue	7.7	6.4	20.9
Expenses	1.9	1.4	29.6
EBITDA	5.9	5.0	18.4
Net profit after tax	3.0	2.0	45.8

1. Sourced from non-audited interim financial statements of Queenstown Airport for the six months ended 31 December 2010. The financial results have not been apportioned for the 24.99% ownership interest. The results disclosed for the previous corresponding period are for information purposes as they do not relate to a period of ownership by Auckland International Airport Limited

Interim dividends



Interim dividend of 4.00 cps, a 6.7% increase from 3.75 cps in FY10, and the first increase in interim dividends since 2005.

Total interim dividend of \$52.7m an 7.9% increase on the \$48.8m interim dividend in FY10.

Record date for dividend is 18 March 2011 to be paid on 1 April 2011.

DRP is in place with the price set at the 5 day VWAP following the record date.

Momentum on growth continues



Valentino's

GELATO

Single \$5.00
Double \$6.50
Triple \$7.50
Kids \$3.50

10:01
Terminal 10
[Flight Information Board]

Growing air services at our airports

Significant route development commencing in the six months to 31 December 2010:

Airline	Service	Airport	Route	Start Date	Annual Capacity
Emirates	Up-gauge	Auckland	Melbourne	Aug-10	72,000
Jetstar	New service	Auckland	Melbourne	Dec-10	130,000
Jetstar	Increase frequency	Auckland	Queenstown	Dec-10	74,000
Jetstar	New service	Queenstown	Melbourne	Dec-10	37,000
Jetstar	New service	Queenstown	Gold Coast	Dec-10	37,000
Qantas	New service	Cairns	Port Moresby	Jul-10	92,000
Tiger	New service	Cairns	Melbourne	Sep-10	131,000
Cathay Pacific	Increase frequency	Cairns	Hong Kong	Nov-10	27,000

Pacific Blue announced their departure from New Zealand domestic services from mid-October 2010. Pacific Blue flew direct flights from Auckland to Christchurch, Wellington, Queenstown and Dunedin with a total annual capacity of 748,000.

Growing air services at our airports

Significant route development announced to start from January 2011:

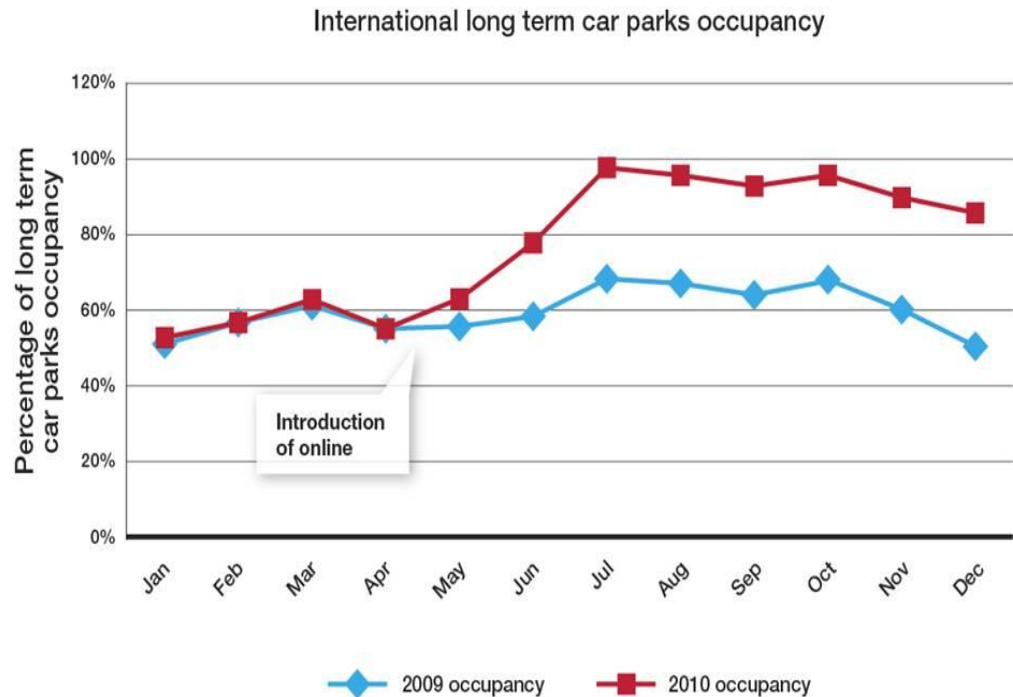
Airline	Service	Airport	Route	Start Date	Annual Capacity
China Airlines	New service	Auckland	Brisbane - Taipei	Jan-11	96,000
Emirates	Up-gauge	Auckland	Brisbane	Jan-11	72,000
Malaysia Airlines	Increase frequency	Auckland	Kuala Lumpur	Mar-11	29,000
Jetstar	New service	Auckland	Singapore	Mar-11	220,000
China Southern	New service	Auckland	Guangzhou	Apr-11	68,000
Jetstar	New service	Auckland	Cairns	Apr-11	56,000
Thai Airways	Increase frequency	Auckland	Bangkok	July-11	60,000
Air NZ	Increase frequency	Auckland	Beijing, Shanghai	Dec-11	17,000
Continental	New service	Auckland	Houston	2012	138,000
Jetstar	Increase frequency	Cairns	Brisbane	Jan-11	55,000
Jetstar	Increase frequency	Cairns	Gold Coast	Jan-11	74,000
Jetstar	Increase frequency	Cairns	Sydney	Apr-11	129,000
Jetstar	Increase frequency	Cairns	Melbourne	Apr-11	129,000

Car parking yield management

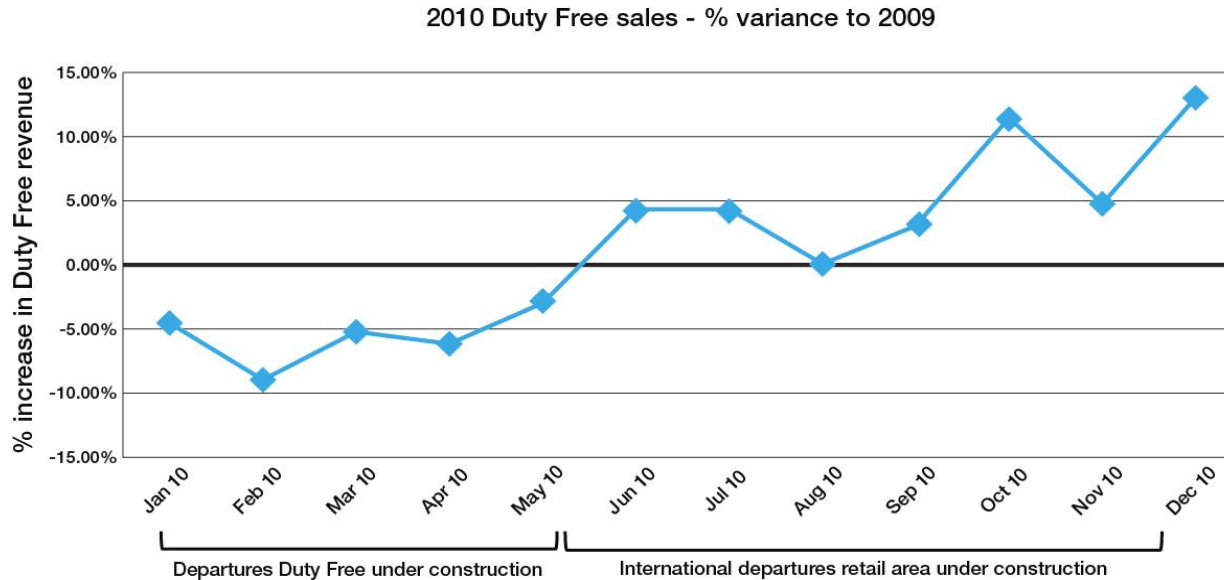
Online parking tool enables sale of the right car park to the right customer for the right price at the right time.

Yield and revenue in long term car parks outstripping passenger growth.

Long term car parking volume (International terminal) increased by 24.8% for the period July 10 to Dec 10 compared to passenger growth (excluding transits) of 4.5% over prior period.



Outstanding retail performance in refurbished offering



Highly confident of surpassing aspirational goal of \$105m for FY11.

Significant uplift in spend evident as stores are established in new locations.

Focus is on refining the offering and increasing quality dwell time.

New tenants opened in the six months to December 2010 include Icebreaker, Moet, Apple, Swatch, MAC cosmetics, and a new temporary Rugby World Cup store.

New tenants opening in the next six months include Zarbo in airside Food & Beverage and KFC, Silk Road and new bars in an expanded landside Food & Beverage range.

Property pipeline

All property development projects are on time, budget and scope:

Hotel developments on target for June and August openings (prior to RWC 2011).

Announcement expected soon on warehouse/office development with approximately \$10m capital expenditure.

Property strategy gaining traction and poised to capitalise when market recovers.

Aspirational target is to grow property segment revenues from \$30m FY09 base to rent roll of \$50-60m in FY14



Regulatory Update

Commerce Commission final determinations on disclosure and input methodologies issued on 23 December 2010.

Majority of decisions in line with original draft determinations:

- **Non-land assets as included in 2009 disclosures plus annual increase at CPI**
- **Land assets in the initial RAB established using Market Value Alternative Use ("MVAU")**
- **Future development land, assets under construction and land conversion costs excluded from RAB**
- **Still information disclosure regime, dual till, and pricing not regulated**

Auckland Airport is appealing the Commerce Commission's final determination on input methodologies for airport information disclosure regulation.

The case for investment

Now invested in four airports all with considerable upside potential.

Growth strategies are succeeding in growing passenger volumes, aero revenues, retail yields and property rents.

First half results are stronger than expected and long-term prospects for our airports and the markets they serve are strengthening

Upgrading FY2011 profit guidance to the top end or a little above the previous guidance range of \$112 to \$118 million (excluding any fair-value changes and other one-off items), with a degree of caution around the potential impact on travel demand relating to the Christchurch earthquake and rising fuel prices.

Capital expenditure forecast of \$80 million to \$85 million is on track, including property development.





A | Auckland
Airport

Top 10 Airport 2009, 2010

