

Appendix 1

Preliminary half year report
Auckland International Airport Limited

Results for announcement to the market

(This report is based on unaudited accounts)

| | |
|---------------------------|------------------------------|
| Reporting Period | 6 months to 31 December 2016 |
| Previous Reporting Period | 6 months to 31 December 2015 |

Results for announcement to the market

The financial statements have been prepared in accordance with New Zealand generally accepted accounting practice and comply with New Zealand Equivalent to International Accounting Standard NZ IAS 34 and IAS 34 Interim Financial Reporting. The financial statements have not been audited.

| | 6 months to 31 December 2016 \$NZ'M | 6 months to 31 December 2015 \$NZ'M | Variance \$NZ'M | Variance % |
|--|--|--|--------------------|---------------|
| Income from ordinary activities | 310.9 | 280.6 | 30.3 | 10.8 |
| Profit after taxation from ordinary activities attributable to members | 141.8 | 115.8 | 26.0 | 22.5 |
| Profit after taxation for the period attributable to members | 141.8 | 115.8 | 26.0 | 22.5 |

Reported profit after taxation for the six months ended 31 December 2016 under New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) is \$141.8 million. Directors have also referred to underlying profit of \$123.5 million in various releases, an increase of 18.6% from the underlying profit of \$104.1 million for the six months ended 31 December 2015. Below is a table reconciling reported profit to underlying profit:

| | Six months to 31 December 2016 | | | Six months to 31 December 2015 | | |
|--|--------------------------------|---------------|---------------------|--------------------------------|---------------|---------------------|
| | Reported earnings | Adjustments | Underlying earnings | Reported earnings | Adjustments | Underlying earnings |
| EBITDAFI per Income Statement | 235.9 | - | 235.9 | 213.5 | - | 213.5 |
| Share of profit of associates ¹ | 10.0 | (2.4) | 7.6 | 4.1 | 2.7 | 6.8 |
| Derivative fair value decreases ² | 1.5 | (1.5) | - | (0.7) | 0.7 | - |
| Investment property fair value increase ³ | 17.4 | (17.4) | - | 16.0 | (16.0) | - |
| Depreciation | (37.4) | - | (37.4) | (36.6) | - | (36.6) |
| Interest expense and other finance costs | (36.8) | - | (36.8) | (40.9) | - | (40.9) |
| Other taxation expense ⁴ | (48.8) | 3.0 | (45.8) | (39.6) | 0.9 | (38.7) |
| Profit after tax | 141.8 | (18.3) | 123.5 | 115.8 | (11.7) | 104.1 |

¹ Auckland Airport's share of the fair value movement in the derivative financial instruments of associates that do not qualify for hedge accounting.

² The fair value movement of Auckland Airport's derivative financial instruments in the income statement that either do not qualify for hedge accounting or hedge accounting ineffectiveness that relate to the counterparty risk of the particular derivatives entered into by Auckland Airport.

³ Non cash revaluations of Auckland Airport's investment property in the period to 31 December 2016.

⁴ Taxation adjustments as a result of adjustments 1 to 3 above.

Rationale for these reconciling items can be found in the 2017 interim company report.

Amount per security

| | Amount per security \$NZ | Imputed amount per security \$NZ |
|-------------------------------|-----------------------------|--|
| Final dividend | | |
| Current period | N/A | N/A |
| Previous corresponding period | 0.090 | 0.03500 |
| Interim dividend | | |
| Current period | 0.100 | 0.03889 |
| Previous corresponding period | 0.085 | 0.03306 |

The total amount of the dividend payable is \$ 119,089,235

Record date for entitlements to the dividend: 21 March 2017

Dividend payment date 04 April 2017

Dividend reinvestment plan At the election of the shareholder the dividend payable may be reinvested in new shares. The price of such shares will be the 5 day volume weighted average price following the record date. The last date for the registrar to receive election notices or changes to election notices is 5pm on the record date.

| | 31-Dec-16 \$NZ | 31-Dec-15 \$NZ |
|-------------------------------|-------------------|-------------------|
| Earnings per share | 0.1191 | 0.0973 |
| Net Tangible Assets per share | 3.31 | 2.58 |

Details of associates and joint venture entities

| Name | Percentage Holding | Share of underlying profit 31 December 2016 | Share of underlying profit 31 December 2015 |
|---|--------------------|---|---|
| | | \$NZ'M | \$NZ'M |
| Stapled Securities of North Queensland Airports Limited | 24.55% | 5.1 | 4.5 |
| Queenstown Airport Corporation Limited | 24.99% | 1.5 | 1.5 |
| Auckland Airport Hotel Limited Partnership | 20.00% | 1.0 | 0.8 |
| | Total | 7.6 | 6.8 |

Comments

Refer to the following attachments:

- 2017 interim company report
- Interim financial statements for the six months ended 31 December 2016
- Results at a glance
- Interim results presentation

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