

Wellington International Airport Limited

18 March 2019. Investor Presentation – 11 Year, Resetting, Retail Bond Offer



Joint Lead
Managers



Deutsche
CRAIGS



Co-
managers

FNZC

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W E A L T H
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This presentation has been prepared by Wellington International Airport Limited (**WIA** or the **Issuer**) in relation to the offer of bonds described in this presentation (**Bonds**). The offer of the Bonds is made in reliance upon the exclusion in Clause 19 of schedule 1 of the Financial Markets Conduct Act 2013 (**FMCA**). The Bonds have identical rights, privileges, limitations and conditions (except for the interest rate and maturity date) as:

- WIA's bonds maturing on 15 May 2021, which have a fixed interest rate of 6.25% per annum and are currently quoted on the NZX Debt Market under the ticker code WIA020;
- WIA's bonds maturing on 12 May 2023, which have a fixed interest rate of 4.25% per annum and are currently quoted on the NZX Debt Market under the ticker code WIA030;
- WIA's bonds maturing on 5 August 2024, which have a fixed interest rate of 4.00% per annum and are currently quoted on the NZX Debt Market under the ticker code WIA040, and
- WIA's bonds maturing on 16 June 2025, which have a fixed interest rate of 5.00% per annum and are currently quoted on the NZX Debt Market under the ticker code WIA050, (together the **Existing Bonds**)

WIA is subject to a disclosure obligation that requires it to notify certain material information to NZX Limited (NZX) for the purpose of that information being made available to participants in the market and that information can be found by visiting <https://www.nzx.com/companies/WIA>. The Existing Bonds are the only debt securities of WIA that are currently quoted in the same class as the Bonds. Investors should look to the market price of the Existing Bonds to find out how the market assesses the returns and risk premium for those bonds. The information in this presentation is of general nature and does not constitute financial product advice, investment advice or any recommendation by the Issuer, the Supervisor, the Arranger, the Joint Lead Managers, the Co-managers or any of their respective directors, officers, employees, affiliates, agents or advisers to subscribe for, or purchase, any of the Bonds. Nothing in this presentation constitutes legal, financial, tax or other advice. The information in this presentation does not take into account the particular investment objectives, financial situation, tax position or needs of any person. You should make your own assessment of an investment in the Issuer and should not rely on this presentation. In all cases, you should conduct your own research on the Issuer and analysis of any offer, the financial condition, assets and liabilities, financial position and performance, profits and losses, prospects and business affairs of the Issuer, and the contents of this presentation.

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WIA has an issuer credit rating of BBB+ (stable) from S&P Global Ratings. A rating is not a recommendation by an organisation to buy, sell or hold Bonds. The WIA issuer credit rating is current as at the date of this presentation and is subject to suspension, revision or withdrawal at any time by S&P Global Ratings.

Unless the context otherwise requires, capitalised terms used in this presentation have the same meaning given to them in the Term Sheet for the offer.

Overview of the Offer



Issuer

Wellington International Airport Limited

Instrument

Unsecured unsubordinated resetting fixed rate bonds

Volume

Up to \$75 million plus up to \$25 million over subscriptions

Maturity Date

1 April 2030 – 11 Year Bond

Joint Lead Managers

ANZ, Deutsche Craigs, Forsyth Barr

Co-managers

First NZ Capital, Hobson Wealth Partners

The bond issue objectives

Refinance the \$25m June 2019 bond maturity and to fund the ongoing capital expenditure programme

Term out funding and achieve longer funding tenor, consistent with WIA's long dated infrastructure assets

Retain diversification of funding market access – Bank funding, commercial paper markets, retail bond market and USPP

Agenda

- › Business Overview
- › Aeronautical Business
- › Commercial Business
- › Recently Completed Infrastructure Projects
- › Future Developments
- › Financial Results
- › Economic Regulatory Environment
- › Treasury
- › Key Credit Considerations
- › Bond Offer Issue Terms & Timetable
- › Questions

Business Overview

Wellington Airport is the gateway to New Zealand's capital city and central region



A solid and growing business



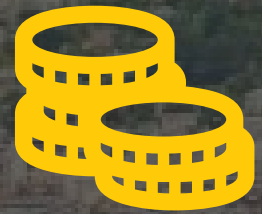
80,000 Flights/year



6.1 million Passengers/year



\$95.4 million EBITDAF



\$24.7 million NPAT



\$1.2 billion Total Assets



107 FTE Staff

Data above is from WIA's audited FY18 annual report



Business Overview

Focus on business growth, high quality service and efficiency



- › **Business Diversification & Growth**

Successful delivery of new multi level transport hub and hotel in the last 6 months

- › **High Quality Service**

Rated 2nd for service quality across Australasian airports

- › **Cost Efficient**

Most cost efficient of the major airports in New Zealand

- › **Private/public ownership model**

Infratil (NZ listed infrastructure company) 66%, Wellington City Council 34%

- › **BBB+/Stable Outlook**

Long term issuer credit rating from Standard & Poor's

- › **Light handed economic regulatory regime**

Information disclosure regime for the aeronautical business of the main NZ airports



Photo credit: Shane Saheem

Executive Team

Experienced and energetic leadership



Steven Sanderson - Chief Executive Officer

Steven Sanderson joined WIA in February 2012. Prior to joining WIA, he was the Chief Executive for Queenstown Airport for 5 years. His career background is predominantly in infrastructure businesses including airports, ports and electricity. Steven was also Chief Executive for Dynamic Controls from 2004 to 2007, the world's largest wheelchair controller manufacturer.



Martin Harrington - Chief Financial Officer

Martin Harrington is responsible for financial and management reporting, regulatory affairs, treasury and funding, taxation and risk management. Prior to joining WIA in December 2008, he held a number of senior finance roles within various industry sectors in both NZ and the UK, including transport, tourism and financial services. He is a Chartered Accountant.



Matt Clarke - Chief Commercial Officer

Matt Clarke joined WIA in 2010 and is responsible for WIA's aeronautical and commercial revenue. He has 17 years of airport senior management experience spanning operational and commercial roles with responsibility for a wide range of growth related expansion projects across six airports in New Zealand and abroad. Matt joined Infratil in 2006 from his role as Chief Executive at Rotorua Airport and was based in the UK as the Chief Executive of Infratil's Manston Airport.



Leanne Gibson - General Manager Facilities and IT

Leanne is responsible for all the information and communications technology at the airport. She joined the Wellington Airport team in 2014 having previously held CIO roles at the Ministry of Education and the Ministry of Agriculture and Forestry.



John Howarth - General Manager Infrastructure

John was the Chief Operating Officer, from 2002 till 2013 and returned to WIA in March 2017. John trained as a civil engineer and has worked in the construction industry for over 30 years. With more than 20 years of his career involved in the planning, development and maintenance of airports John is unashamedly an aviation enthusiast.



Ayolt Wiertsema - General Manager Aeronautical Operations

Ayolt Wiertsema has significant aviation experience with 12 years at Amsterdam Airport Schiphol. Ayolt also has a background in service management consultancy and marketing. He is responsible for all airport operations and joined WIA in 2011.



Greg Thomas - General Manager Communications

Greg Thomas joined WIA in 2011 and is responsible for communications, marketing, public relations, brand management and sponsorship. He has 18 years experience in service marketing, communications and market research in the telecommunications, postal, and training industries.



Jackie Holley - General Manager People and Culture

Jackie has over 16 years of HR experience, having worked in various HR roles for a diverse range of organisations, including PwC, AXA, Intergen and ACC. Jackie has a Masters in Psychology and her most recent role at ACC was as the Deputy Head of Assurance Services.

Aeronautical Business

Resilient and growing passenger base



> Aeronautical charges

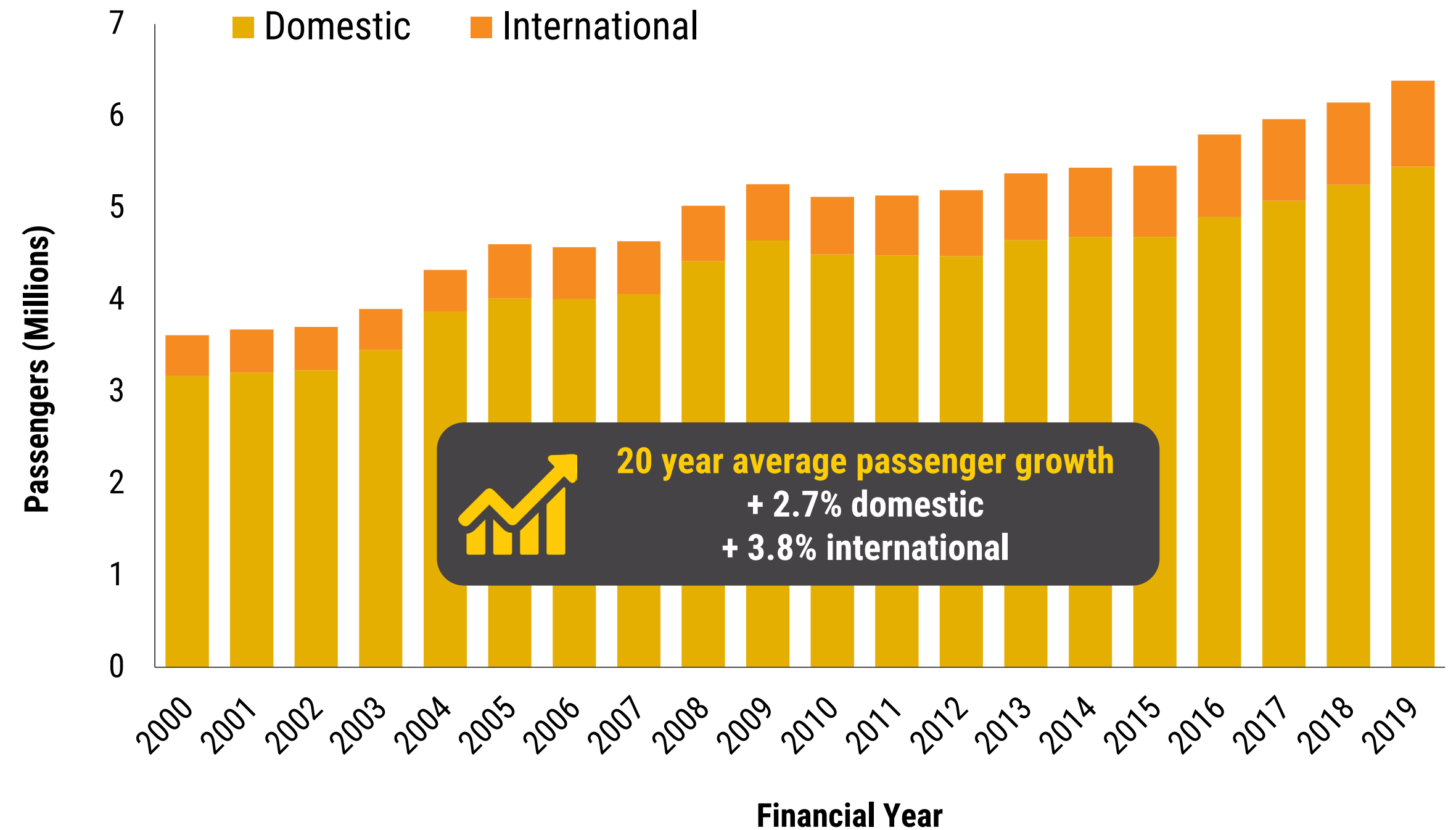
Contributing 60% of total revenue

> Approx. 85% of passengers are domestic

High proportion of business travellers and passengers visiting friends/family

> Proven resilience to negative external events

such as pandemics, GFC, earthquakes and airline entry/exit. Positive passenger growth has been achieved in all but two of the last 20 years



Note: 2019 passengers based on unaudited forecast



Domestic and International Route Network

Network expanding with new airlines & competition

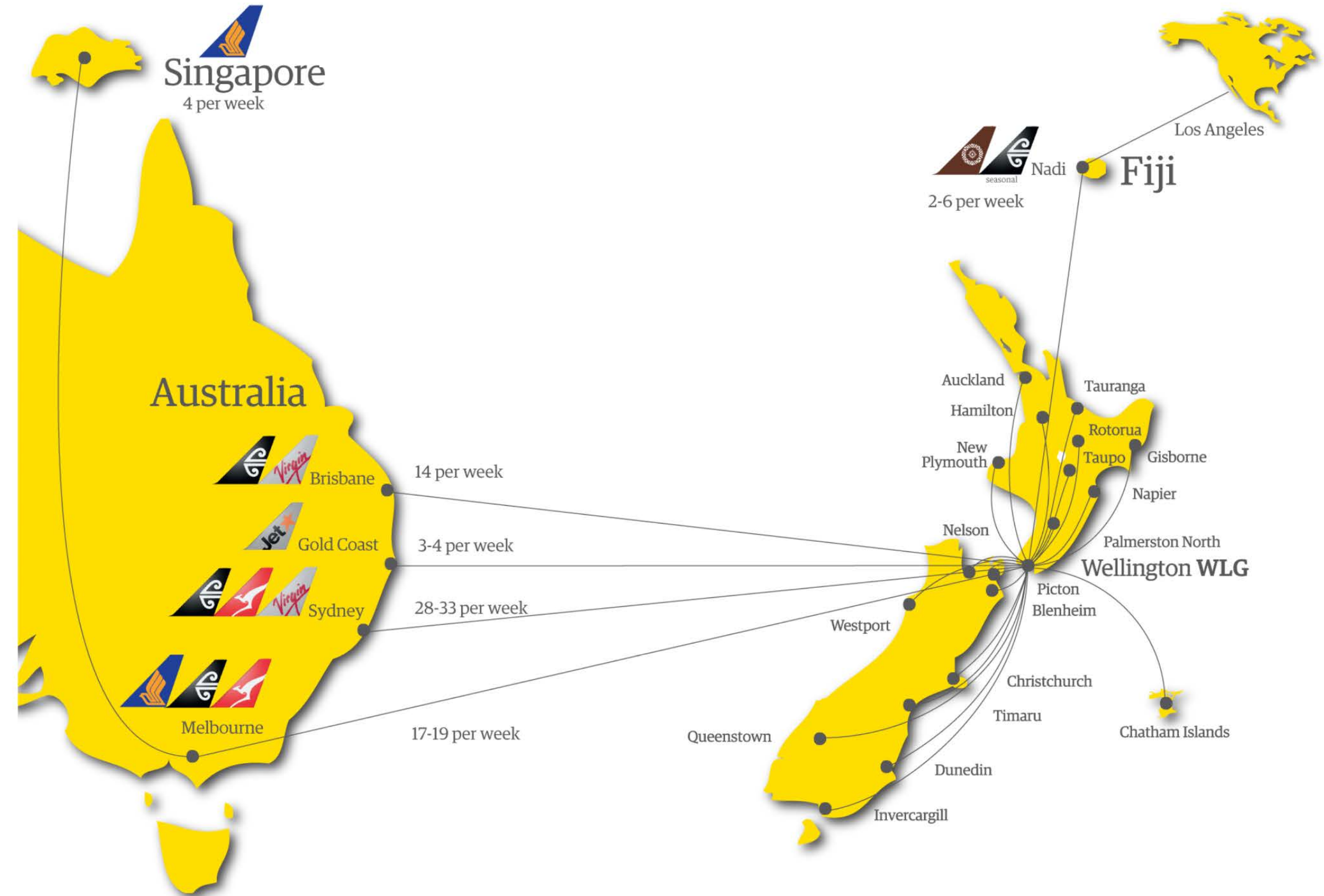


Domestic

- › Strong demand on main trunk (Auckland and Christchurch) and regional routes, driven by an increase in Jetstar capacity, competition and emergence of smaller regional carriers (e.g. Sounds Air)
- › Introduction of Jetstar regional services to Nelson and Queenstown
- › Load factors at historical highs and airlines are looking to push further with revised pricing
- › Air NZ introducing larger aircraft in FY21 (A321 Neo's)

International

- › 64 – 70 return flights per week to Australia/Fiji with very little seasonality
- › Now have true competition (3 carriers) to each East Coast Australian state
- › Significant improvement in loads on Singapore Airlines; exploring new aircraft
- › Significant increase in connecting traffic to long haul markets via Australia



Commercial Business

Capital investment driving growth and diversity in revenue

Transport

2018 revenue \$25.1m

- › Carparking, taxis, ride share, car rentals and buses
- › Multi-Level Transport Hub opened in 2018, providing 1,000 new parking spaces, EV charging and better bus/taxi access
- › Dedicated ride-sharing zone now in place and growing in popularity



Retail

2018 revenue \$14.9m

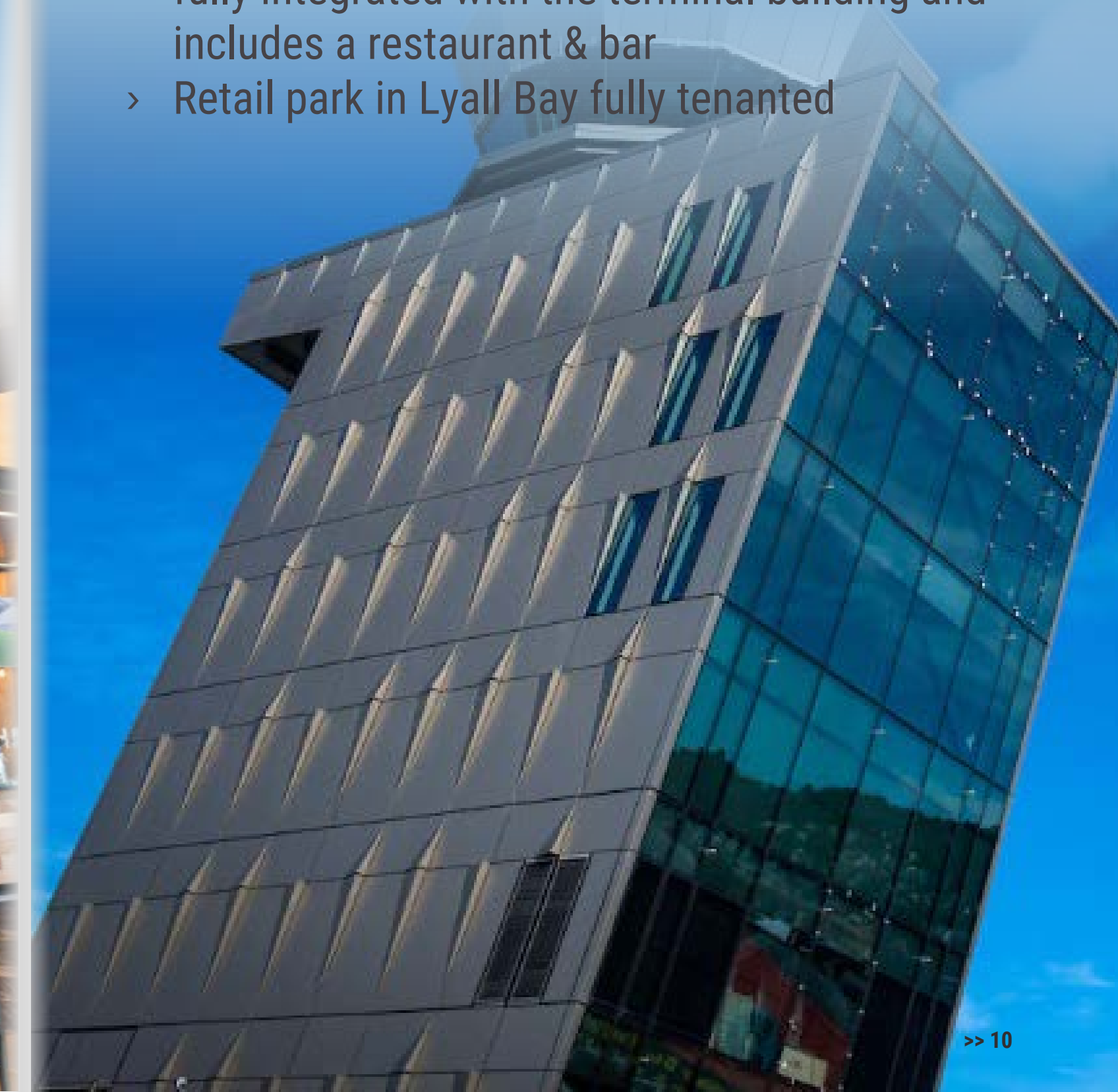
- › Food and beverage, clothing, beauty and lifestyle offerings
- › 6,000m² Terminal South Extension in 2016 meeting future passenger growth
- › Work currently underway to optimise main terminal hall and introduce new and revitalised retail offering



Property

2018 revenue \$8.3m

- › Commercial leases within airport boundary and on surrounding properties
- › 4-star, 130 room hotel opened February 2019, under management of Rydges. The Hotel is fully integrated with the terminal building and includes a restaurant & bar
- › Retail park in Lyall Bay fully tenanted



Recently Completed Infrastructure Projects

Track record of successfully delivering projects on budget



Rydges Airport Hotel

Opened February 2019



Taxiway Overlay

Completed June 2018



Multi Level Transport Hub

Opened October 2018



Future Developments

Preparing for growth – Consulting on draft 2040 Masterplan and infrastructure investment



Our draft 2040 Masterplan is currently being developed.

This will provide a roadmap for future investment, ensuring the airport is well positioned for continued growth in passengers numbers and aircraft traffic.

Maintaining high quality and efficient services will require investment in:

- › Terminal capacity
- › Passenger processing
- › Aircraft parking
- › Aircraft movement areas

Stakeholder engagement and consultation with airlines will help to shape the design, timing and funding of investments. The estimated cost of all projects being considered is \$1.2 billion, mainly aeronautical infrastructure.



Future Developments

Runway Extension to unlock new markets – particularly high value long haul to the Wellington Region

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- › 350 metre extension at circa \$300m to accommodate long haul flights
- › Required funding would be on commercial terms – likely to require support from central and/or local Government
- › 90m RESA length challenged by NZ Airline Pilots' Association
- › WIA has re-submitted an application to Civil Aviation Authority on a 140m RESA, incorporating clarifications from court decision - feedback expected mid-2019
- › At least a 10 year option to construct (subject to consent)
- › **Further information available at www.connectwellington.co.nz**



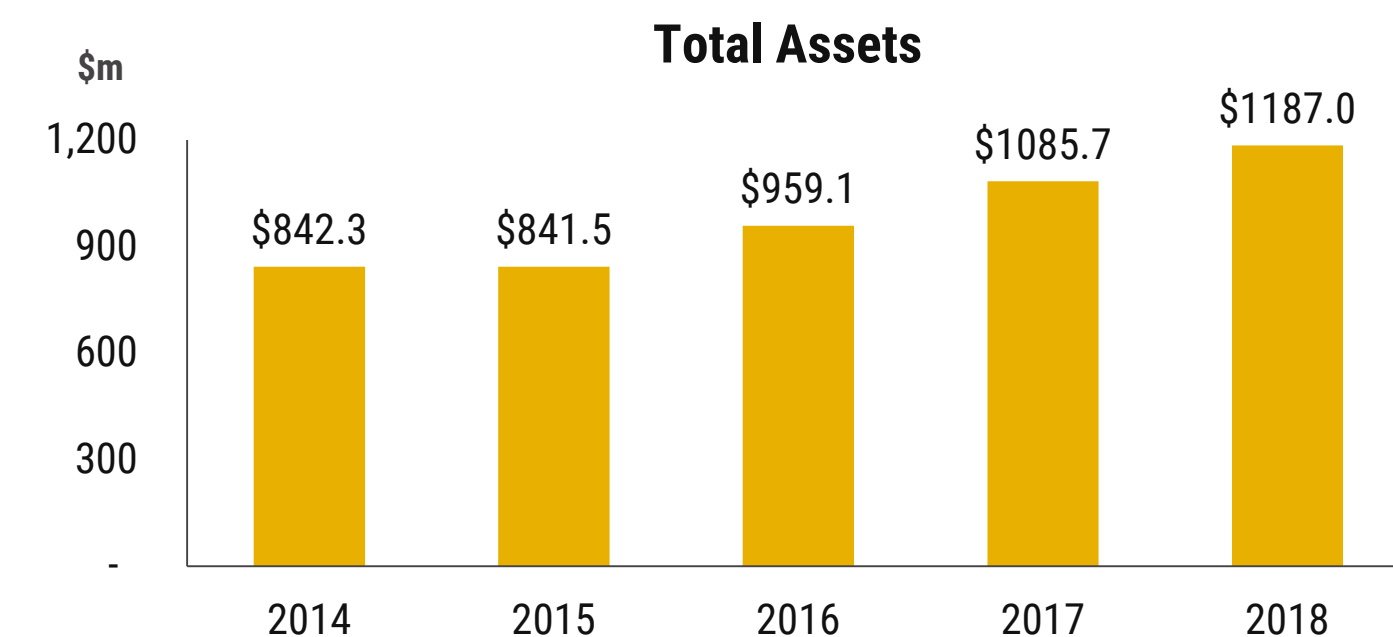
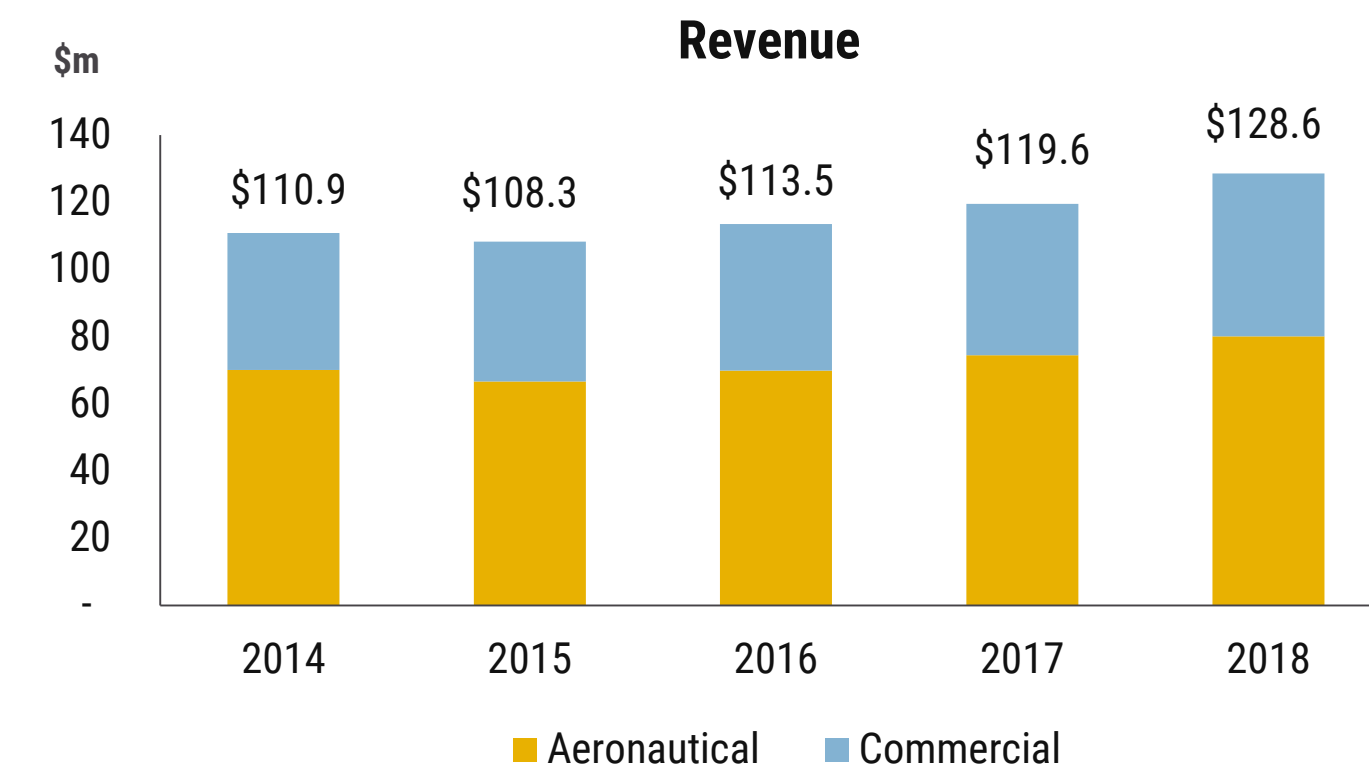
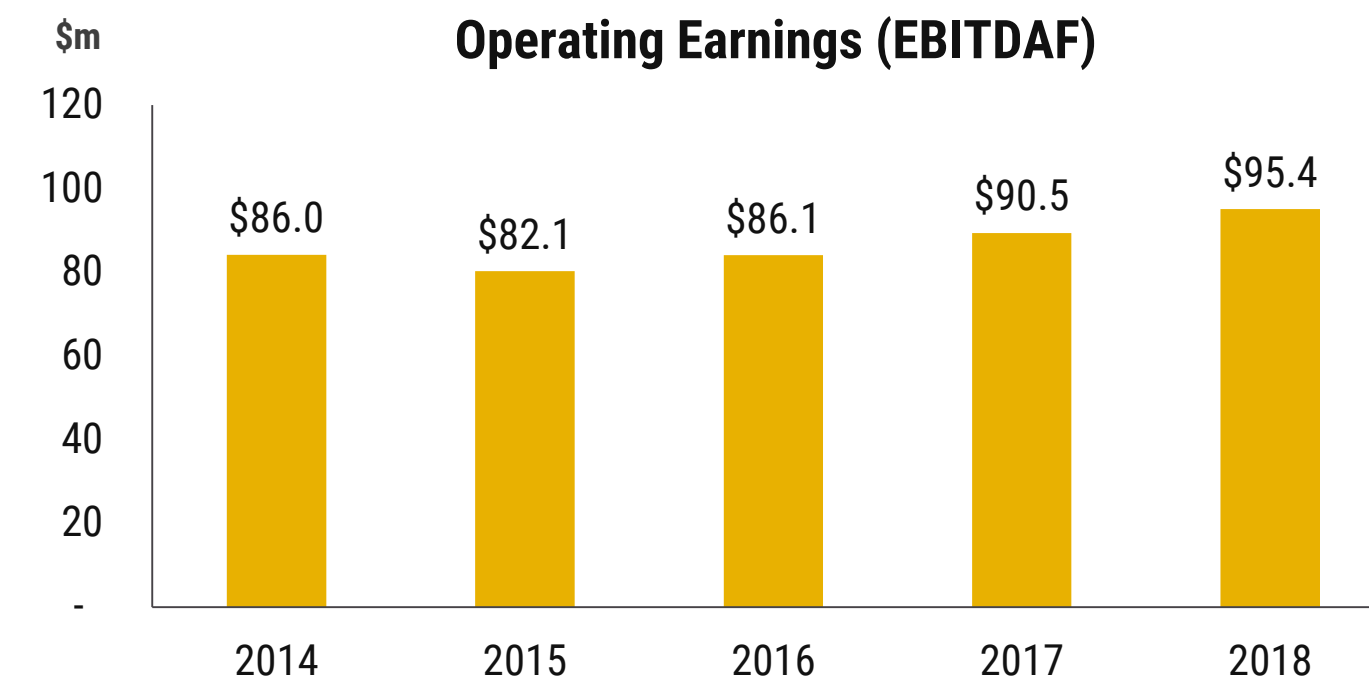
Financial Results

Strong cash earnings and growing asset base



- > FY18 Net Profit After Tax of \$24.7 million
- > FY18 EBITDAF* of \$95.4 million up 5.4% on prior year, half-year FY19 unaudited EBITDAF up 4.8% on prior half-year
- > Domestic passenger growth +3.4% in FY18 with strong growth on Auckland, Christchurch, Queenstown and Dunedin routes
- > International passenger numbers 900k following a significant 16% increase in FY16 – new airlines, additional capacity and the marketing of Wellington as a destination
- > Total assets of \$1.2 billion and growing
- > Revenue and EBITDAF expected to continue to increase – aeronautical and commercial business investments, passenger growth and new route development

*EBITDAF – Earnings before interest, tax, depreciation, amortisation, subvention payments and fair value movements. Used as an appropriate representation of the airport’s operating cash flows and ability to repay interest on its borrowings.



Economic Regulatory Environment

Commerce Act Information Disclosures for the main NZ Airports

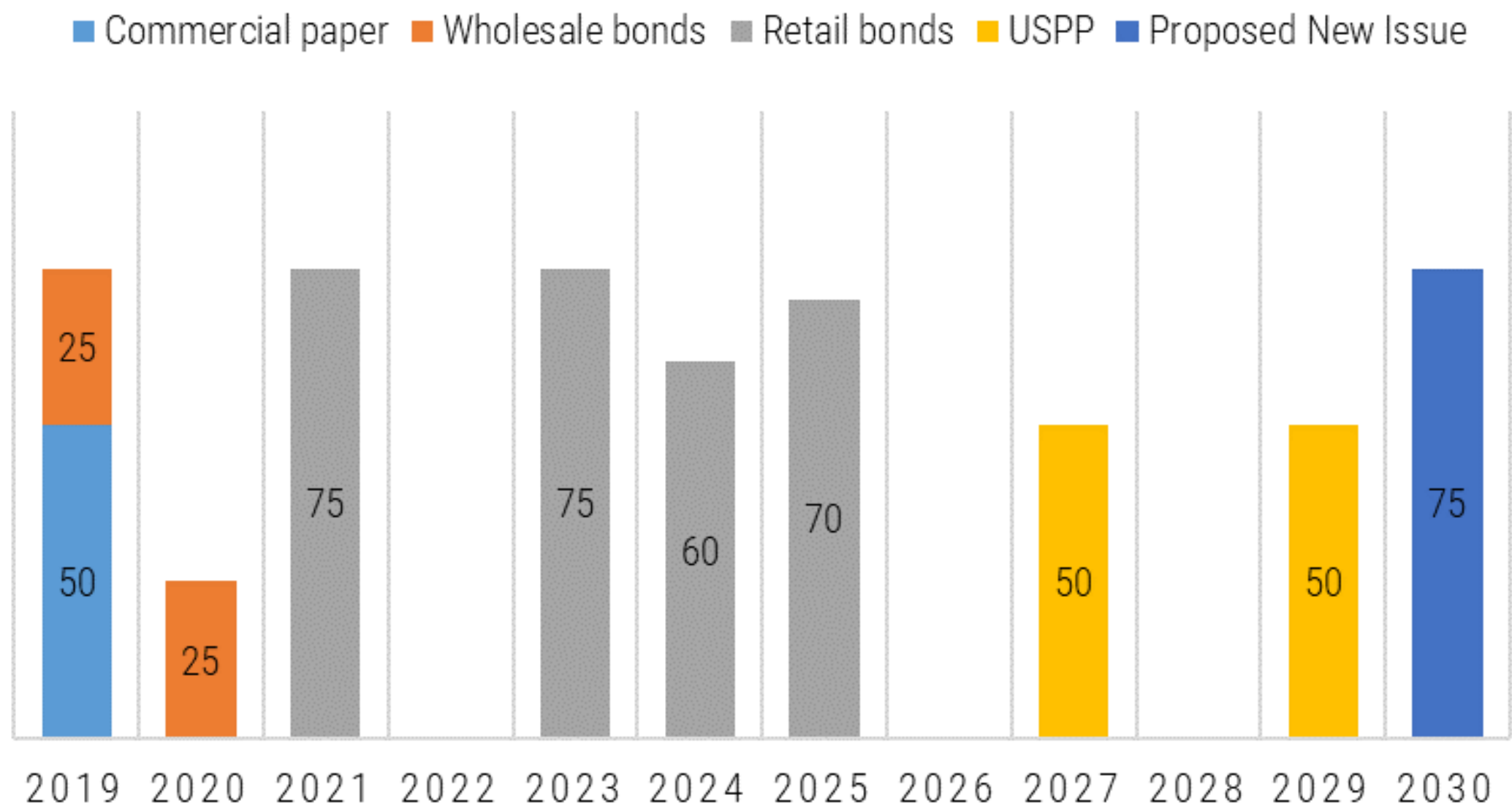


- Aeronautical business faces reduced market competition and is required to comply with light handed Information Disclosure (ID) regulation
- Commerce Commission monitors Wellington, Auckland and Christchurch Airports under Part 4 of the Commerce Act
- WIA must set aeronautical prices following consultation with its substantial airline customers under the Airport Authorities Act (AAA) at least every 5 years
- Aeronautical charges currently in place for 1 June 2014 to 31 March 2019 with 6 months extension to 30 September 2019. Consultation for next 5 year period is underway and expected to be concluded by 30 September 2019
- Commercial (non-aeronautical) business is not regulated



New bond issue to extend the maturity profile of debt, repay \$25 million wholesale bond maturity in June 2019 and provide funding for ongoing infrastructure investment

Existing Debt and Maturities (\$m)



Treasury Management Policy

- › Maintain a minimum of \$20m undrawn bank facilities and facilities to be refinanced at least 6 months before maturity (currently \$100m undrawn across four banks)
- › Specifies minimum and maximum debt and bank facilities maturity profile bands to manage refinancing risk
- › Specifies minimum and maximum hedging levels to ensure interest rate risk is sufficiently mitigated
- › Actual and forecast financial covenant positions are monitored and reported to the Board each month
- › Core airport assets must be retained per the Master Trust Deed
- › Debt refinancing strategies provided to the Board at least 12 months before maturity, and agreed not less than 2 months before maturity
- › WIA's long term issuer credit rating BBB+/Stable Outlook from S&P Global Ratings
- › Policy last updated in May 2018 and reviewed annually

Key Credit Considerations

Stable and predictable cash flows

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Strong Competitive Advantage

- › Gateway to New Zealand's second most populous region
- › Key regional infrastructure – high barriers to entry

Robust Business Model

- › History of consistent cashflows and steady growth
- › Capex developing diversified revenue streams

Regulatory Environment

- › Aeronautical charges regulated under AAA and ID regime
- › Active working relationship with regulators

Financial & Economic Resilience

- › Supportive and financially stable shareholders
- › S&P issuer rating BBB+/Stable outlook



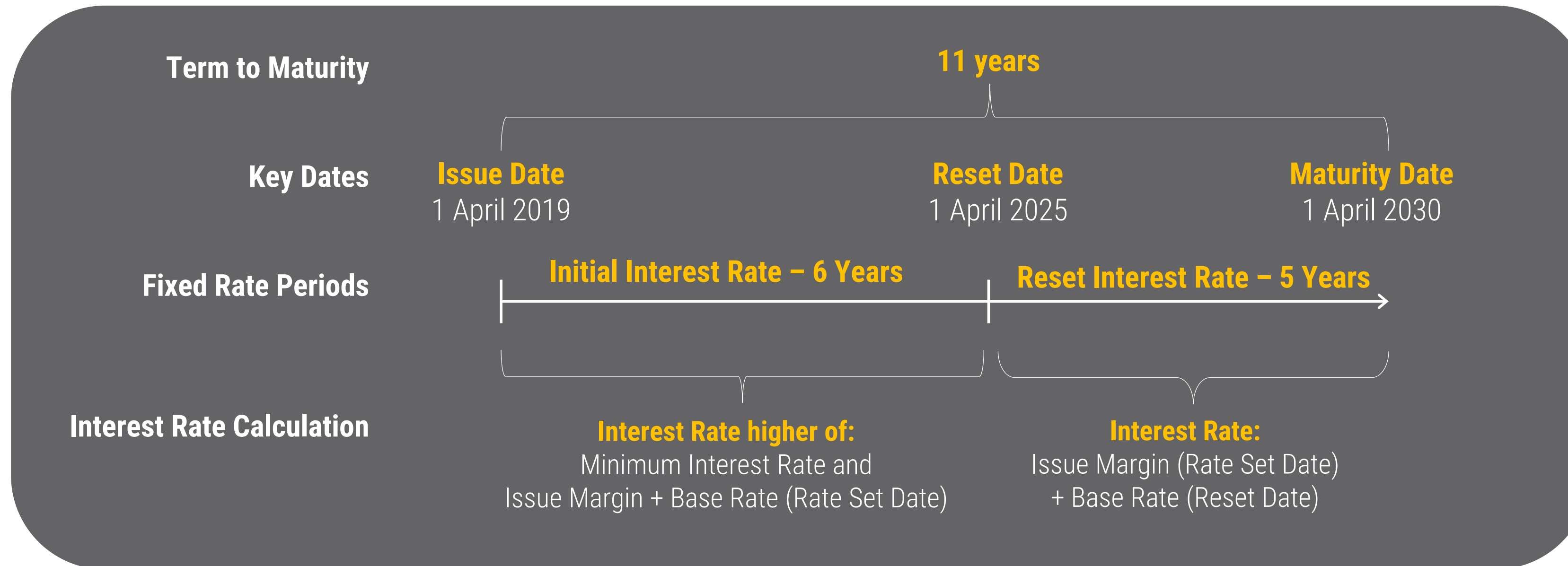
Photo credit: Ryan McCauley

Bond Offer Issue Terms



Issuer	Wellington International Airport Limited	
Status	Unsecured, unsubordinated, resetting fixed rate bonds	
Issuer Credit Rating	BBB+ (Stable) (S&P Global Ratings)	
Issue Amount	Up to \$75,000,000 plus \$25,000,000 oversubscriptions	
Maturity	11 Year term - 1 April 2030	
Two fixed interest rates	<u>Initial Interest Rate (6 Years)</u> From (and including) the Issue Date to (but excluding) the Reset Date	<u>Reset Interest Rate (5 Years)</u> From (and including) the Reset Date to (but excluding) the Maturity Date
Indicative Issue Margin	To be announced via the NZX on the opening date (18 March 2019). The issue margin is applicable to both interest rates.	
Base Rate	<u>Initial Interest Rate</u> The Base Rate will be a 6 year swap rate	<u>Reset Interest Rate</u> The Base Rate will be a 5 year swap rate
Interest Payment Dates	Payable semi-annually in arrear in equal amounts on 1 April and 1 October	
Listing	Expected to be listed on the NZDX (ticker code WIA060).	
Brokerage	0.50% brokerage, 0.50% firm fee payable	
Denominations	Minimum \$10,000 holding then \$1,000 increments	
Joint Lead Managers	ANZ Bank New Zealand Limited, Deutsche Craigs Limited and Forsyth Barr Limited	
Co-Managers	First NZ Capital Securities Limited, Hobson Wealth Partners Limited	
Change to interest rate	If on any Test Date (Semi-annual), Total Interest Bearing Debt exceeds 60% of Total Tangible Assets (TTA), then the Interest Rate for the next Interest Period shall increase by 0.50% per annum over the Initial Interest Rate or Reset Interest Rate (as applicable)	
Early Redemption	WIA may elect to redeem some or all of the Bonds. On early redemption, WIA will pay to Holders the greater of: (a) the Principal Amount plus accrued interest; or (b) the volume weighted average price on the NZX Holders of the Bonds have no right to require WIA to redeem prior to the Maturity Date, except in accordance with the Trust Documents following an Event of Default.	
Financial covenants	Total Secured Debt cannot exceed 10% of TTA Total Interest Bearing Debt cannot exceed 70% of TTA	

Bond Offer Issue Terms



- > The issue has an 11 year term – the issue margin will reflect an 11 year risk premium
- > The minimum interest rate only applies in respect of the Initial Interest Rate
- > The margin will remain unchanged for the duration of the bonds
- > As per existing WIA bond issues, the 2030 Bonds have an early redemption option. If utilised, investors would get the higher of par or market price. WIA currently has no intention to use this feature on the Reset Date or at any other time. However this intention could change and investors should be aware that the early redemption option could be used at any time
- > Investors are not exposed to a fixed interest rate for the full 11 year term
 - > 6 year period – from and including the Issue Date to, but excluding, the Reset Date
 - > 5 year period – from and including the Reset Date to, but excluding, the Maturity Date
- > The Interest Rate from the Reset Date to the Maturity Date will not be known until the Reset Date. Investors should consider the risk that the interest rate for the second fixed rate period could be:
 - (i) Lower than;
 - (ii) the same as; or
 - (iii) higher than
 the Initial Interest Rate as part of their investment decision

Bond Offer Timetable



18 March 2019	Offer Opens
18-19 March 2019	Roadshow
22 March 2019	Offer Closes Bids due 12pm
22 March 2019	Allocations & Rate Set
1 April 2019	Issue date
2 April 2019	Expected quotation date
1 October 2019	First interest payment date
1 April 2025	Rate reset date
1 April 2030	Bond maturity date

Questions?



INDICATIVE

TERMS SHEET

11 year fixed rate resetting bonds maturing on 1 April 2030

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Joint Lead Managers



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This Indicative Terms Sheet sets out the key terms of the offer (“Offer”) by Wellington International Airport Limited (“WIA”) of up to NZ\$75,000,000 (with the ability to accept oversubscriptions of up to NZ\$25,000,000 at WIA’s discretion) unsecured, unsubordinated 11 year fixed rate bonds maturing on 1 April 2030, with the interest rate resetting on 1 April 2025 (“2030 Bonds”). The 2030 Bonds are offered under WIA’s master trust deed dated 1 December 2008 (as amended and/or restated from time to time) (“Trust Deed”) as modified and supplemented by the supplemental trust deed dated 18 March 2019 (together, “Trust Documents”) entered into between WIA and Trustees Executors Limited (“Supervisor”). Unless the context otherwise requires, capitalised terms used in this Terms Sheet have the same meaning given to them in the Trust Documents.

Important Notice

The offer of debt securities by WIA is made in reliance upon the exclusion in clause 19 of schedule 1 of the Financial Markets Conduct Act 2013 (“FMCA”).

The offer contained in this Terms Sheet is an offer of bonds that have identical rights, privileges, limitations and conditions (except for the interest rate and maturity date) as:

- WIA’s bonds maturing on 15 May 2021, which have a fixed interest rate of 6.25% per annum and are currently quoted on the NZX Debt Market under the ticker code WIA020;
- WIA’s bonds maturing on 12 May 2023, which have a fixed interest rate of 4.25% per annum and are currently quoted on the NZX Debt Market under the ticker code WIA030;
- WIA’s bonds maturing on 5 August 2024, which have a fixed interest rate of 4.00% per annum and are currently quoted on the NZX Debt Market under the ticker code WIA040; and
- WIA’s bonds maturing on 16 June 2025, which have a fixed interest rate of 5.00% per annum and are currently quoted on the NZX Debt Market under the ticker code WIA050,

(together the “Existing Bonds”).

Accordingly, the 2030 Bonds are the same class as the Existing Bonds for the purposes of the FMCA and the Financial Markets Conduct Regulations 2014.

WIA is subject to a disclosure obligation that requires it to notify certain material information to NZX Limited (“NZX”) for the purpose of that information being made available to participants in the market and that information can be found by visiting www.nzx.com/companies/WIA.

The Existing Bonds are the only debt securities of WIA that are currently quoted and in the same class as the 2030 Bonds.

Investors should look to the market price of the Existing Bonds referred to above to find out how the market assesses the returns and risk premium for those bonds.



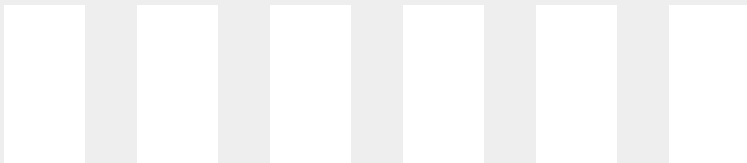
KEY TERMS OF THE 2030 BONDS

Issuer	Wellington International Airport Limited (" WIA ")
Description	The 2030 Bonds are unsecured, unsubordinated, 11 year resetting fixed rate interest bearing debt obligations of WIA.
Guarantee	The obligations of WIA with respect to the 2030 Bonds are guaranteed by the Guaranteeing Group Members under the Trust Deed. The Guarantee is an unsecured, unsubordinated obligation of each Guaranteeing Group Member. Currently Wellington Airport Noise Treatment Limited and Whare Manaakitanga Limited are the only Guaranteeing Group Members (in addition to WIA).
Purpose	The proceeds of the Offer will be used for general corporate purposes including the refinancing of maturing debt and capital expenditure.
Credit Ratings	<p style="text-align: center;">Issuer Credit Rating</p> <p>S&P Global Ratings BBB+ (Stable)</p> <p>A rating is not a recommendation by any rating organisation to buy, sell or hold 2030 Bonds. The above issuer credit rating is current as at the date of this Indicative Terms Sheet and is subject to suspension, revision or withdrawal at any time by S&P Global Ratings.</p>
Issue Amount	WIA is offering up to NZ\$75,000,000 of 2030 Bonds with the ability to accept oversubscriptions of up to NZ\$25,000,000 at WIA's discretion. The offer is not underwritten.
Opening Date	Monday, 18 March 2019
Closing Date	Bids due by 12pm, Friday, 22 March 2019
Rate Set Date	Friday, 22 March 2019
Issue Date and Allotment Date	Monday, 1 April 2019
Reset Date	Tuesday, 1 April 2025
Maturity Date	Monday, 1 April 2030
Interest Rate	<p>The rate of interest payable on the 2030 Bonds will be:</p> <ul style="list-style-type: none"> • the Initial Interest Rate for the first six year period; and • the Reset Interest Rate for the next five year period.
Change to Interest Rate	If on any Test Date, Total Interest Bearing Debt exceeds 60% of Total Tangible Assets, then the applicable Interest Rate for the next Interest Period shall increase by 0.50% per annum over the Initial Interest Rate or Reset Interest Rate (as applicable).
Initial Interest Rate	<p>The initial interest rate ("Initial Interest Rate") will be the sum of:</p> <ul style="list-style-type: none"> • the Issue Margin; and • the relevant Base Rate on the Rate Set Date, <p>but in any case will be no less than the minimum interest rate of 4.00% per annum.</p> <p>The Initial Interest Rate will apply for the six year period from (and including) the Issue Date to (but excluding) the Reset Date, and will be announced by WIA via NZX on or shortly after the Rate Set Date.</p>

<p>Indicative Issue Margin</p>	<p>The indicative range of the Issue Margin is 1.95% – 2.05% per annum.</p>																				
<p>Issue Margin</p>	<p>The Issue Margin will be determined by WIA in consultation with the Joint Lead Managers following completion of the book-build process and announced via NZX on or shortly after the Rate Set Date at the same time as the announcement of the Initial Interest Rate.</p>																				
<p>Reset Interest Rate</p>	<p>The Interest Rate will be reset on the Reset Date to be the reset interest rate ("Reset Interest Rate"). The Reset Interest Rate will be the sum of:</p> <ul style="list-style-type: none"> • the Issue Margin (as determined on the Rate Set Date); and • the relevant Base Rate on the Reset Date. <p>The Reset Interest Rate will apply for the five year period from (and including) the Reset Date to (but excluding) the Maturity Date, and will be announced by WIA via NZX on or shortly after the Reset Date.</p> <p>The minimum Interest Rate is only applicable to the Initial Interest Rate and is not relevant to the calculation of the Reset Interest Rate.</p>																				
<p>Base Rate</p>	<ul style="list-style-type: none"> • Initial Interest Rate – The Base Rate will be a 6 year mid-market rate for a NZD interest rate swap from (and including) the Issue Date to (but excluding) the Reset Date, determined on the Rate Set Date as calculated by the Arranger in consultation with WIA; and • Reset Interest Rate – The Base Rate will be a 5 year mid-market rate for a NZD interest rate swap from (and including) the Reset Date to (but excluding) the Maturity Date, determined on the Reset Date as calculated by the Rate Set Calculation Agent in consultation with WIA, <p>in each case according to market convention, with reference to ICAP New Zealand Limited (Bloomberg: ICNI > NZD Interest Rate Swaps) (or its successor page) rounded to 2 decimal places, if necessary, with 0.005 being rounded up.</p>																				
<p>Rate Set Calculation Agent</p>	<p>A third party appointed by WIA to calculate the Base Rate on the Reset Date, which may include the Arranger, a Joint Lead Manager or a Co-manager.</p>																				
<p>Interest Rate Structure</p>	<p>The 2030 Bonds have an 11 year term. However the Interest Rate will be set for two separate periods comprising an initial six years and then a further five years, with the first fixed rate period being from (and including) the Issue Date to (but excluding) the Reset Date and the second fixed rate period being from (and including) the Reset Date to (but excluding) the Maturity Date.</p> <table border="1" data-bbox="464 1464 1474 1809"> <tr> <td></td> <td colspan="3" style="text-align: center;">11 years</td> </tr> <tr> <td>Term to Maturity</td> <td colspan="3" style="text-align: center;"> ----- ----- ----- ----- ----- ----- ----- ----- ----- ----- ----- </td> </tr> <tr> <td>Key Dates</td> <td style="text-align: center;">Issue Date 1 April 2019</td> <td style="text-align: center;">Reset Date 1 April 2025</td> <td style="text-align: center;">Maturity Date 1 April 2030</td> </tr> <tr> <td>Fixed Rate Periods</td> <td style="text-align: center;">Initial Interest Rate - 6 Years</td> <td colspan="2" style="text-align: center;">Reset Interest Rate - 5 Years</td> </tr> <tr> <td>Interest Rate Calculation</td> <td colspan="2" style="text-align: center;">Interest Rate higher of: Minimum Interest Rate and Issue Margin + Base Rate (Rate Set Date)</td> <td style="text-align: center;">Interest Rate: Issue Margin (Rate Set Date) + Base Rate (Reset Date)</td> </tr> </table> <p>The Interest Rate for the second period referred to above will be determined on the Reset Date, and that rate could be higher, the same or lower than the Initial Interest Rate calculated at the Rate Set Date. The minimum Interest Rate will only apply for the six year period from the Issue Date to the Reset Date.</p> <p>Potential investors should consult their financial adviser about this risk before investing in the 2030 Bonds.</p>		11 years			Term to Maturity	----- ----- ----- ----- ----- ----- ----- ----- ----- ----- -----			Key Dates	Issue Date 1 April 2019	Reset Date 1 April 2025	Maturity Date 1 April 2030	Fixed Rate Periods	Initial Interest Rate - 6 Years	Reset Interest Rate - 5 Years		Interest Rate Calculation	Interest Rate higher of: Minimum Interest Rate and Issue Margin + Base Rate (Rate Set Date)		Interest Rate: Issue Margin (Rate Set Date) + Base Rate (Reset Date)
	11 years																				
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Interest Rate Calculation	Interest Rate higher of: Minimum Interest Rate and Issue Margin + Base Rate (Rate Set Date)		Interest Rate: Issue Margin (Rate Set Date) + Base Rate (Reset Date)																		

Interest Payment Dates and Interest Periods	<p>Interest will accrue from the Issue Date and will be payable semi-annually in arrear in equal amounts on 1 April and 1 October of each year up to and including the Maturity Date. The first Interest Payment Date will be 1 October 2019.</p> <p>If an Interest Payment Date is not a Business Day, the due date for the payment to be made on that date will be the next following Business Day and no adjustment will be made to the amount payable as a result of the delay in payment.</p> <p>Each Interest Period in respect of an Interest Payment Date is the period from, and including, the preceding Interest Payment Date (or the Issue Date) to, but excluding, that Interest Payment Date.</p>
Business Days	<p>A day (other than a Saturday or Sunday) on which registered banks are generally open for banking business in Wellington and Auckland.</p>
Early Redemption	<p>WIA may elect to redeem some or all of the 2030 Bonds by giving written notice to the Supervisor and the Holders of the 2030 Bonds no later than five Business Days prior to any Record Date. Such notice must be given at a date not less than 25 Business Days before the Maturity Date. On early redemption, WIA will pay to Holders of the 2030 Bonds the greater of:</p> <ul style="list-style-type: none"> (a) the Principal Amount plus accrued interest for the period from, and including, the preceding Interest Payment Date to, but excluding, the redemption date (less any withholding taxes and other deductions); and (b) the average price, weighted by volume, of all trades of 2030 Bonds through NZX over the 10 Business Days up to the fifth Business Day before the relevant redemption date (except that if 2030 Bonds have not been sold through NZX on at least five of the 10 Business Days referred to above, the average price will be determined by an independent adviser selected by the Supervisor and approved by the Issuer). <p>Holders of the 2030 Bonds have no right to require WIA to redeem their 2030 Bonds prior to the Maturity Date, except in accordance with the Trust Documents following an Event of Default.</p>
Brokerage	<p>WIA will pay brokerage of 0.50% of the aggregate principal amount of 2030 Bonds issued plus 0.50% on firm allocations. Such amounts will be paid to the Arranger who will distribute them as appropriate to primary market participants and approved financial intermediaries.</p>
Record Date	<p>The tenth calendar day before the due date for that payment or, if that day is not a Business Day, the preceding Business Day or such other date as is advised by the Registrar to Holders from time to time.</p>
Issue Price	<p>NZ\$1.00 per 2030 Bond.</p>
Minimum Application	<p>The minimum application is NZ\$10,000, with multiples of NZ\$1,000 thereafter.</p>
Registrar and Paying Agent	<p>Link Market Services Limited</p> <p>The 2030 Bonds will be accepted for settlement within the NZClear system.</p>
Further Indebtedness	<p>WIA may, without the consent of the Holders of the 2030 Bonds, issue additional securities or other debt obligations on such other terms and conditions as WIA may think fit.</p>
Financial Covenants	<p>WIA shall ensure that, on each Test Date:</p> <ul style="list-style-type: none"> (a) Total Secured Debt does not exceed 10% of Total Tangible Assets; and (b) Total Interest Bearing Debt does not exceed 70% of Total Tangible Assets, <p>(as those terms are defined in the supplemental trust deed for the 2030 Bonds).</p> <p>Non-compliance with material obligations (which would include a breach of a financial covenant) is an Event of Default, subject to remedy where the non-compliance is capable of remedy. Please refer to the Trust Documents for more detail.</p>

How to apply	<p>All of the 2030 Bonds, including oversubscriptions, are reserved for clients of the Joint Lead Managers, Co-managers, institutional investors and other primary market participants invited to participate in the book-build. There will be no public pool for the offer. Accordingly, retail investors should contact a Joint Lead Manager, Co-manager, their financial adviser or any primary market participant for details on how they may acquire 2030 Bonds. You can find a primary market participant by visiting https://www.nzx.com/services/market-participants/find-a-participant.</p> <p>In respect of oversubscriptions or generally, any allotment of 2030 Bonds will be at WIA's discretion, in consultation with the Joint Lead Managers. WIA reserves the right to refuse all or any part of an application without giving any reason.</p> <p>Each investor's financial adviser will be able to advise them as to what arrangements will need to be put in place for the investors to trade the 2030 Bonds including obtaining a common shareholder number (CSN), an authorisation code (FIN) and opening an account with a primary market participant as well as the costs and timeframes for putting such arrangements in place.</p>
Transfers	<p>Holders are entitled to sell or transfer their 2030 Bonds at any time subject to the terms of the Trust Documents, the Selling Restrictions set out below and applicable securities laws and regulations. WIA may decline to register a transfer of 2030 Bonds for the reasons set out in the Trust Documents.</p> <p>The minimum amount of 2030 Bonds a Holder can transfer is NZ \$1,000, and integral multiples of NZ \$1,000 thereafter. No transfer of 2030 Bonds will be registered if the transfer would result in the transferor or the transferee holding or continuing to hold 2030 Bonds with an aggregate principal amount of less than the minimum holding of NZ \$10,000 (other than zero).</p>
ISIN	NZWIAD0060L5
NZX Quotation	<p>WIA will take any necessary steps to ensure that the 2030 Bonds are, immediately after issue, quoted on the NZX Debt Market. Application has been made to NZX for permission to quote the 2030 Bonds on the NZX Debt Market and all the requirements of NZX relating thereto that can be complied with on or before the distribution of this Indicative Terms Sheet have been duly complied with. However, NZX accepts no responsibility for any statement in this Indicative Terms Sheet. NZX is a licensed market operator and the NZX Debt Market is a licensed market under the FMCA.</p>
Quotation Date	Expected to be 2 April 2019.
NZX Debt Market Ticker Code	WIA060
Selling restrictions	<p>This is an offer of 2030 Bonds to institutional investors and members of the public who are resident in New Zealand only.</p> <p>WIA has not taken and will not take any action which would permit a public offering of 2030 Bonds, or possession or distribution of any offering material in respect of the 2030 Bonds, in any country or jurisdiction where action for that purpose is required (other than New Zealand).</p> <p>The 2030 Bonds may only be offered for sale or sold in a jurisdiction other than New Zealand in compliance with all applicable laws and regulations in any jurisdiction in which they are offered, sold or delivered.</p> <p>By purchasing any 2030 Bonds, each Holder agrees to indemnify the Issuer, the Arranger, the Joint Lead Managers, the Co-managers, the Supervisor and each of their respective directors, officers and employees (as applicable) for any loss, cost, liability or expenses sustained or incurred by the Issuer, the Arranger, the Joint Lead Managers, the Co-managers and the Supervisor, as the case may be, as a result of the breach by that Holder of these selling restrictions.</p>
Governing Law	New Zealand



The dates set out in this Indicative Terms Sheet are indicative only and are subject to change. WIA has the right in its absolute discretion and without notice to close the Offer early, to accept late applications, to extend the Closing Date or to choose not to proceed with the Offer. If the Closing Date is extended, subsequent dates may be extended accordingly.

Other Information

Copies of the Trust Documents are available on the New Zealand Companies Office Register at <https://companies-register.companiesoffice.govt.nz/>

Any internet site addresses provided in this Indicative Terms Sheet are for reference only and, except as expressly stated otherwise, the content of any such internet site is not incorporated by reference into, and does not form part of, this Indicative Terms Sheet.

Investors should seek qualified independent financial and taxation advice before deciding to invest. In particular, you should consult your tax adviser in relation to your specific circumstances. Investors will also be personally responsible for ensuring compliance with relevant laws and regulations applicable to them (including any required registrations).

For further information regarding WIA, visit www.nzx.com/companies/WIA.

Issuer

**Wellington International
Airport Limited**

Wellington Airport Terminal
Stewart Duff Drive
PO Box 14 175
Wellington

Registrar

Link Market Services Limited

Level 11, Deloitte Centre
80 Queen Street
Auckland

Arranger and Joint Lead Manager

ANZ Bank New Zealand Limited

Level 10, ANZ Centre
171 Featherston Street
Wellington 6011
0800 269 476

Joint Lead Managers

Deutsche Craigs Limited

Level 36, Vero Centre
48 Shortland Street
Auckland 1010
0800 226 263

Forsyth Barr Limited

Level 9, Forsyth Barr House
The Octagon
Dunedin 9016
0800 367 227

Co-managers

First NZ Capital Securities Limited

ANZ Centre
Level 14, 171 Featherston Street
Wellington 6011
0800 005 678

Hobson Wealth Partners Limited

Level 17, Lumley Centre
88 Shortland Street
Auckland 1010
0800 742 737

Supervisor

Trustees Executors Limited

Level 5, 10 Customhouse Quay
Wellington 6140

Legal advisers to WIA

Chapman Tripp

Level 14, 10 Customhouse Quay
Wellington 6011

