

Indicative terms sheet for fixed rate bonds due 17 November 2028

This Terms Sheet is prepared in respect of an offer by Auckland International Airport Limited (**Auckland Airport**) of up to NZ\$100,000,000 (with the ability to accept up to NZ\$50,000,000 in oversubscriptions at Auckland Airport's discretion) of fixed rate bonds (**Bonds**) under its master trust deed dated 9 July 2004 (as amended and restated from time to time), as modified and supplemented by the supplemental trust deed dated 5 May 2023 entered into between Auckland International Airport Limited and The New Zealand Guardian Trust Company Limited (**Supervisor**) (together, **Trust Documents**).

Important Notice

The offer of Bonds is being made in reliance upon the exclusion in clause 19 of schedule 1 of the Financial Markets Conduct Act 2013 (**FMCA**). Except for the interest rate and maturity date, the Bonds will have identical rights, privileges, limitations and conditions as Auckland Airport's:

- (a) 3.97% NZ\$225,000,000 fixed rate bonds maturing on 2 November 2023 which are quoted on the NZX debt market under the ticker code AIA210;
- (b) 3.51% NZ\$150,000,000 fixed rate bonds maturing on 10 October 2024 which are quoted on the NZX debt market under the ticker code AIA230;
- (c) 3.29% NZ\$150,000,000 fixed rate bonds maturing on 17 November 2026 which are quoted on the NZX debt market under the ticker code AIA240; and
- (d) 5.67% NZ\$225,000,000 fixed rate bonds maturing on 9 May 2028 which are quoted on the NZX debt market under the ticket code AIA250,

(together, **Quoted Bonds**) and therefore are of the same class as the Quoted Bonds for the purposes of the FMCA and the Financial Markets Conduct Regulations 2014 (**FMC Regulations**).

Auckland Airport 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/AIA>.

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

Dated 8 May 2023

Issuer	Auckland International Airport Limited.	
Description of Bonds	Direct, unsecured, unsubordinated, fixed rate debt obligations of Auckland Airport ranking equally and without preference among themselves and equally with all other outstanding unsecured and unsubordinated indebtedness of Auckland Airport (except indebtedness preferred by law).	
Purpose	General corporate purposes.	
Joint Lead Managers	Bank of New Zealand and Westpac Banking Corporation (ABN 33 007 457 141) (acting through its New Zealand Branch).	
Credit Ratings	Expected Long-Term Issue Credit Rating	Long-Term Issuer Credit Rating
	A- S&P Global Ratings	A- S&P Global Ratings
	Further information about S&P Global Ratings credit rating scale is available at www.standardandpoors.com . A credit rating is not a recommendation to invest in the Bonds and may be subject to revision, suspension or withdrawal at any time.	
Issue Amount	Up to NZ\$100,000,000 with the ability to accept up to NZ\$50,000,000 in oversubscriptions at Auckland Airport's discretion.	
Opening Date	Monday, 08 May 2023, immediately following release via NZX of the notice required by the FMC Regulations in connection with the offer.	
Closing Date	Wednesday, 10 May 2023.	
Rate Set Date	Wednesday, 10 May 2023.	
Issue Date and allotment date	Wednesday, 17 May 2023.	
Maturity Date	Friday, 17 November 2028.	

Interest Rate	The aggregate of the Base Rate and the Margin on the Rate Set Date. The Interest Rate will be announced by Auckland Airport via NZX on or shortly after the Rate Set Date. The Interest Rate will not change after the Rate Set Date.
Base Rate	The semi-annual mid-market swap rate for an interest rate swap of a term matching the period from the Issue Date to the Maturity Date as calculated by the Joint Lead Managers in accordance with market convention with reference to Bloomberg page ICNZ4 on the Rate Set Date and expressed on a semi-annual basis, rounded to 2 decimal places, if necessary with 0.005 being rounded up.
Indicative Margin and actual Margin	The indicative margin range is 1.00 per cent to 1.05 per cent per annum for the Bonds. The actual Margin for the Bonds, (which may be above or below the abovementioned indicative margin range), will be set by Auckland Airport (in consultation with the Joint Lead Managers) on the Rate Set Date following a bookbuild by the Joint Lead Managers. The actual Margin will be announced by Auckland Airport via NZX on or shortly after the Rate Set Date.
Interest Payment Dates	17 May and 17 November in each year until and including the Maturity Date.
First Interest Payment Date	17 November 2023.
Frequency of interest payments	Semi-annually (half annual amount) in arrears on each Interest Payment Date. If an Interest Payment Date falls on a day that is not a Business Day, the relevant payment will be made on the next day which is a Business Day, without adjustment, interest or further payment as a result thereof.
Issue price / Principal Amount	NZ\$1.00 per Bond.
Minimum Principal Amount and minimum holding amount	The Minimum Principal Amount and minimum holding amount in respect of the Bonds is NZ\$10,000 and multiples of NZ\$1,000 thereafter.

Record Date	10 calendar days before an Interest Payment Date or, if not a Business Day, the immediately preceding Business Day.
Business Day	A day (other than a Saturday or Sunday) on which registered banks are generally open for business in Wellington and Auckland.
Quotation	The Bonds will be quoted under NZX Debt Market Ticker Code: AIA260.
Expected date of initial quotation and trading on the NZX Debt Market	It is expected that quotation on the NZX Debt Market will occur on 18 May 2023.
Registrar	Link Market Services Limited.
ISIN	NZAIAD0260L7.
Repo-eligibility	Auckland Airport intends to apply to the Reserve Bank of New Zealand for the Bonds to be included as eligible securities for domestic market operations.
Early repayment	<p>In the case of an event of default as set out in the Trust Documents, which is continuing unremedied, the Supervisor may, and immediately upon being directed to do so by an extraordinary resolution (as defined under the Trust Documents) of holders of Bonds of this series must, declare the principal amount and accrued interest on the Bonds to be immediately due and payable.</p> <p>If the Bonds are declared due and payable prior to the Maturity Date, interest will be payable at the Interest Rate from the most recent Interest Payment Date to and including the date of repayment.</p>
Governing law	New Zealand.

Who may apply	<p>All of the Bonds are reserved for clients of the Joint Lead Managers, primary market participants and other approved financial intermediaries.</p> <p>There is no public pool for the offer. Investors wishing to purchase the Bonds should contact their broker or financial adviser. In respect of any oversubscriptions or generally, any allotment of Bonds will be at Auckland Airport's discretion, in consultation with the Joint Lead Managers. Auckland Airport reserves the right to refuse to make any allotment (or part thereof) without giving any reason.</p> <p>Each investor's broker or financial adviser will be able to advise them as to what arrangements will need to be put in place for the investor to trade the 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>
Singapore Securities and Futures Act Product Classification	Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act 2001 (the SFA), Auckland Airport has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Bonds are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).
Selling restrictions	The selling restrictions set out in the schedule to this Terms Sheet apply.

Important Information

The dates and times set out in this Terms Sheet are indicative only. The indicative margin, issue amount, dates and times are subject to change. Auckland Airport has the right in its absolute discretion and without notice to amend the indicative margin and issue amount, close the offer early, 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.

Any internet site addresses provided in this 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 Terms Sheet.

Copies of the Trust Documents will be made available by Auckland Airport for inspection during usual business hours by any bondholder at the office of Auckland Airport at the address below (or such office as Auckland Airport may notify the bondholders from time to time).

The Joint Lead Managers and their respective directors, officers, employees and agents: (a) have not authorised or caused the issue of, or made any statement in, any part of this Terms Sheet; (b) do not make any representation, recommendation or warranty, express or implied regarding the origin, validity, accuracy, adequacy, reasonableness or completeness of, or any errors or omissions in, any information, statement or opinion contained in this Terms Sheet; and (c) to the extent permitted by law, do not accept any responsibility or liability for this Terms Sheet or for any loss arising from this Terms Sheet or its contents or otherwise arising in connection with the offer of Bonds.

Investors are personally responsible for ensuring compliance with all relevant laws and regulations applicable to them (including any required registrations). Investors should seek qualified, independent legal, financial and taxation advice before deciding to invest.

For further information regarding Auckland Airport, visit <https://www.nzx.com/companies/AIA>.

Address details

Auckland International Airport Limited

First Floor
4 Leonard Isitt Drive
Auckland Airport
Manukau 2022

Bank of New Zealand

Level 6, Deloitte Centre
80 Queen Street
Auckland 1142
New Zealand

Westpac Banking Corporation

(ABN 33 007 457 141)
(acting through its New Zealand branch)
Westpac on Takutai Square
Level 8, 16 Takutai Square
Auckland 1010

Schedule – Selling restrictions

Part A - Initial Selling Restrictions

The Bonds may only be offered in New Zealand in conformity with all applicable laws and regulations in New Zealand. In respect of the initial offer of Bonds by Auckland Airport under this Terms Sheet (**Initial Offer**), no Bonds may be offered in any other country or jurisdiction except in conformity with all applicable laws and regulations of that country or jurisdiction and the selling restrictions set out below in this Part A. This Terms Sheet may not be published, delivered or distributed in or from any country or jurisdiction except under circumstances which will result in compliance with all applicable laws and regulations in that country or jurisdiction and the selling restrictions set out below in this Part A. For the avoidance of doubt, the selling restrictions set out below in this Part A apply only in respect of the Initial Offer.

No action has been or will be taken by the Issuer which would permit an offer of Bonds to the public, or possession or distribution of any offering material, in any country or jurisdiction where action for that purpose is required (other than New Zealand).

By its subscription for or purchase of the Bonds, each bondholder agrees to indemnify the Issuer, the Joint Lead Managers and the Supervisor and each of their respective directors, officers and employees for any loss, cost, claim, fine, damages, liability or expense sustained or incurred by any of them by reason of any breach of the selling restrictions.

United States of America

The Bonds have not been and will not be registered under the Securities Act of 1933, as amended (the **Securities Act**), or the securities laws of any state or other jurisdiction of the United States and may not be offered, sold, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (**Regulation S**)) except in accordance with Regulation S or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws.

None of Auckland Airport, any Joint Lead Manager nor any person acting on its or their behalf has engaged or will engage in any directed selling efforts in relation to the Bonds, and each of Auckland Airport and the Joint Lead Managers has complied and will comply with the offering restrictions requirements of Regulation S under the Securities Act .

The Bonds will not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time, or (ii) otherwise until 40 days after the completion of the distribution of all Bonds of the Tranche of which such Bonds are part, as determined and certified by the Joint Lead Managers, except in accordance with Rule 903 of Regulation S. Any Bonds sold to any distributor, dealer or person receiving a selling concession, fee or other remuneration during the distribution compliance period require a confirmation or notice to the purchaser at or prior to the confirmation of the sale to substantially the following effect:

"The Bonds covered hereby have not been registered under the United States Securities Act of 1933, as amended (the **Securities Act**) or with any securities regulatory authority of any

state or other jurisdiction of the United States and may not be offered or sold within the United States, or to or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering of the Bonds and the closing date except in either case pursuant to a valid exemption from registration in accordance with Regulation S under the Securities Act. Terms used above have the meaning given to them by Regulation S under the Securities Act."

Until 40 days after the completion of the distribution of all Bonds or the Tranche of which those Bonds are a part, an offer or sale of the Bonds within the United States by the Joint Lead Managers or any dealer or other distributor (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Regulation S.

Member States of the European Economic Area

In relation to each Member State of the European Economic Area, no Bonds have been offered and no Bonds will be offered that are the subject of the offering contemplated by this Terms Sheet in relation thereto to the public in that Member State except that an offer of Bonds to the public in the Member State may be made:

- (a) to any legal entity which is a qualified investor as defined in the EU Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation) subject to obtaining the prior consent of the Joint Lead Managers nominated by Auckland Airport for any such offer; or
- (c) in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation,

provided that no such offer of the Bonds shall require Auckland Airport or any Joint Lead Manager to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purposes of this provision, the expression **offer of the Bonds to the public** in relation to any Bonds in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Bonds and the expression **EU Prospectus Regulation** means Regulation (EU) 2017/1129.

United Kingdom

Prohibition of Sales to UK Retail Investors

No Bonds have been offered and no Bonds will be offered that are the subject of the offering contemplated by this Terms Sheet in relation thereto to the public in the United Kingdom except that it may make an offer of the Bonds to the public in the United Kingdom:

- (a) to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom subject to obtaining the prior consent of the Joint Lead Managers for any such offer; or
- (c) in any other circumstances falling within section 86 of the Financial Services and Markets Act 2000 (**FSMA**),

provided that no such offer of the Bonds shall require the Issuer or the Joint Lead Managers to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression **offer of Bonds to the public** in relation to any Bonds means the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Bonds and the expression **UK Prospectus Regulation** means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

Other UK Regulatory Restrictions

No communication, invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) has been or may be made or caused to be made or will be made in connection with the issue or sale of the Bonds in circumstances in which section 21(1) of the FSMA applies to Auckland Airport.

All applicable provisions of the FSMA with respect to anything done in relation to the Bonds in, from or otherwise involving the United Kingdom must be complied with.

Japan

The Bonds have not been and will not be registered in Japan pursuant to Article (4), Paragraph 1 of the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) (the **FIEA**) in reliance upon the exemption from the registration requirements since the offering constitutes the small number private placement as provided for in "ha" of Article (2), Paragraph 3, Item 2 of the FIEA. A Japanese Person who transfers the Bonds shall not transfer or resell the Bonds except where the transferor transfers or resells all the Bonds en bloc to one transferee. For the purposes of this paragraph, **Japanese Person** shall mean any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

Singapore

This Terms Sheet has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Terms Sheet and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Bonds has not been, and will not be, circulated or distributed, nor have the Bonds been, nor will they be, offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other

than (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Bonds are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Bonds pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 276(7) of the SFA; or
- (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Hong Kong

No Bonds have been offered or sold or will be or may be offered or sold in Hong Kong, by means of any document, other than (a) to **professional investors** as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the **SFO**) and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a **prospectus** as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the **C(WUMP)O**) or which do not constitute an offer to the public within the meaning of the C(WUMP)O.

No advertisement, invitation or document relating to the Bonds may be issued or in the possession of any person or will be issued or be in the possession of any person in each case for the purpose of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Bonds which are or are intended to be disposed of only to

persons outside Hong Kong or only to **professional investors** as defined in the SFO and any rules made under the SFO.

Australia

No prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia (**Corporations Act**)) in relation to the Bonds (including this Terms Sheet) has been, or will be, lodged with, or registered by, the Australian Securities and Investments Commission (**ASIC**) or any other regulatory authority in Australia. No person may:

- (a) make or invite (directly or indirectly) an offer of the Bonds for issue, sale or purchase in, to or from Australia (including an offer or invitation which is received by a person in Australia); and
- (b) distribute or publish, any Terms Sheet, information memorandum, prospectus or any other offering material or advertisement relating to the Bonds in Australia,

unless:

- (i) the minimum aggregate consideration payable by each offeree or invitee is at least A\$500,000 (or its equivalent in an alternative currency and, in either case, disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or Chapter 7 of the Corporations Act;
- (ii) the offer or invitation is not made to a person who is a “retail client” within the meaning of section 761G of the Corporations Act;
- (iii) such action complies with all applicable laws, regulations and directives (including, without limitation, the licensing requirements set out in Chapter 7 of the Corporations Act); and
- (iv) such action does not require any document to be lodged with, or registered by, ASIC or any other regulatory authority in Australia.

By applying for the Bonds under this Terms Sheet, each person to whom the Bonds are issued (an **Investor**):

- (a) will be deemed by the Issuer and each of the Joint Lead Managers to have acknowledged that if any Investor on-sells the Bonds within 12 months from their issue, the Investor will be required to lodge a prospectus or other disclosure document (as defined in the Corporations Act) with ASIC unless either:
 - (i) that sale is to an investor within one of the categories set out in sections 708(8) or 708(11) of the Corporations Act to whom it is lawful to offer the Bonds in Australia without a prospectus or other disclosure document lodged with ASIC; or
 - (ii) the sale offer is received outside Australia; and

- (b) will be deemed by the Issuer and each of the Joint Lead Managers to have undertaken not to sell those Bonds in any circumstances other than those described in paragraphs (a)(i) and (a)(ii) above for 12 months after the date of issue of such Bonds.

This Terms Sheet is not, and under no circumstances is to be construed as, an advertisement or public offering of any Bonds in Australia.

Part B - General Selling Restrictions

The Bonds may only be offered for sale or sold in New Zealand in conformity with all applicable laws and regulations in New Zealand. No Bonds may be offered for sale or sold in any other country or jurisdiction except in conformity with all applicable laws and regulations of that country or jurisdiction. No offering document or other offering material in respect of the Bonds may be published, delivered or distributed in or from any country or jurisdiction except under circumstances which will result in compliance with all applicable laws and regulations in that country or jurisdiction. No action has been or will be taken by the Issuer which would permit an offer of Bonds to the public, or possession or distribution of any offering material, in any country or jurisdiction where action for that purpose is required (other than New Zealand).

By its subscription for or purchase of the Bonds, each Holder agrees to indemnify the Issuer, the Joint Lead Managers, and the Supervisor and each of their respective directors, officers and employees for any loss, cost, claim, fine, damages, liability or expense sustained or incurred by any of them by reason of any breach of the selling restrictions.



Auckland Airport

Update for debt investors

May 2023



Important Notice

Debt investor update

Disclaimer

This presentation is for preliminary information purposes only, does not constitute a recommendation by Auckland International Airport Limited (Auckland Airport), Bank of New Zealand (Joint Lead Manager), Westpac Banking Corporation (Joint Lead Manager) or The New Zealand Guardian Trust Company Limited, nor any of their respective directors, employees or agents to subscribe for, or purchase, any of securities and no part of this presentation shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. The information in this presentation is given in good faith and has been obtained from sources believed to be reliable and accurate at the date of preparation, but its accuracy, correctness and completeness cannot be guaranteed. No money is currently being sought and no bonds can be applied for or acquired until the offer opens and the investor has received a copy of the offer documents in relation to the bonds. If Auckland Airport offers the bonds, the offer will be made in accordance with the Financial Markets Conduct Act 2013 (FMCA) as an offer of debt securities of the same class as existing quoted debt securities.

All of the data provided in this presentation is derived from publicly available information in relation to Auckland Airport (including the annual report of Auckland Airport for its financial year ended 30 June 2022 and the interim results presentation of Auckland Airport for its half year ended 31 December 2022), unless otherwise indicated. Any internet site addresses provided in this presentation 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 presentation.

This presentation may contain forward looking statements with respect to the financial condition, results of operations and business, and business strategy, of Auckland Airport. Auckland Airport gives no assurance that the assumptions upon which Auckland Airport based its forward-looking statements on will be correct, or that its business and operations will not be affected in any substantial manner by other factors not currently foreseeable by Auckland Airport or beyond its control. Accordingly, Auckland Airport can make no assurance that the forward-looking statements will be realised.

All currency amounts are in New Zealand dollars unless otherwise stated and figures, including percentage movements, are subject to rounding.

Neither of the Joint Lead Managers nor any of their directors, officers, employees and agents:

1. accept any responsibility or liability whatsoever for any loss arising from this presentation or its contents or otherwise;
2. authorised or caused the issue of, or made any statement in, any part of this presentation; and
3. make any representation, recommendation or warranty, express or implied regarding the origin, validity, accuracy, adequacy, reasonableness or completeness of, or any errors or omissions in, any information, statement or opinion contained in this presentation and accept no liability (except to the extent such liability is found by a court to arise under the FMCA or cannot be disclaimed as a matter of law).

Auckland Airport and their directors, officers, employees and agents expressly disclaim any and all liability relating to or resulting from inaccurate or incomplete information or the use of or reliance on all or any part of the information contained within this presentation, except to the extent such liability is found by a court to arise under FMCA or cannot be disclaimed as a matter of law.

This presentation is dated 2 May 2023.

Agenda

1. Company overview
2. Our continuing journey
3. Financial information

Appendices



Company overview



Auckland Airport, a gateway to New Zealand...

Auckland Airport is the largest and busiest airport in New Zealand with an extensive domestic aeronautical network, connecting Kiwis from Kaitiaki to Invercargill

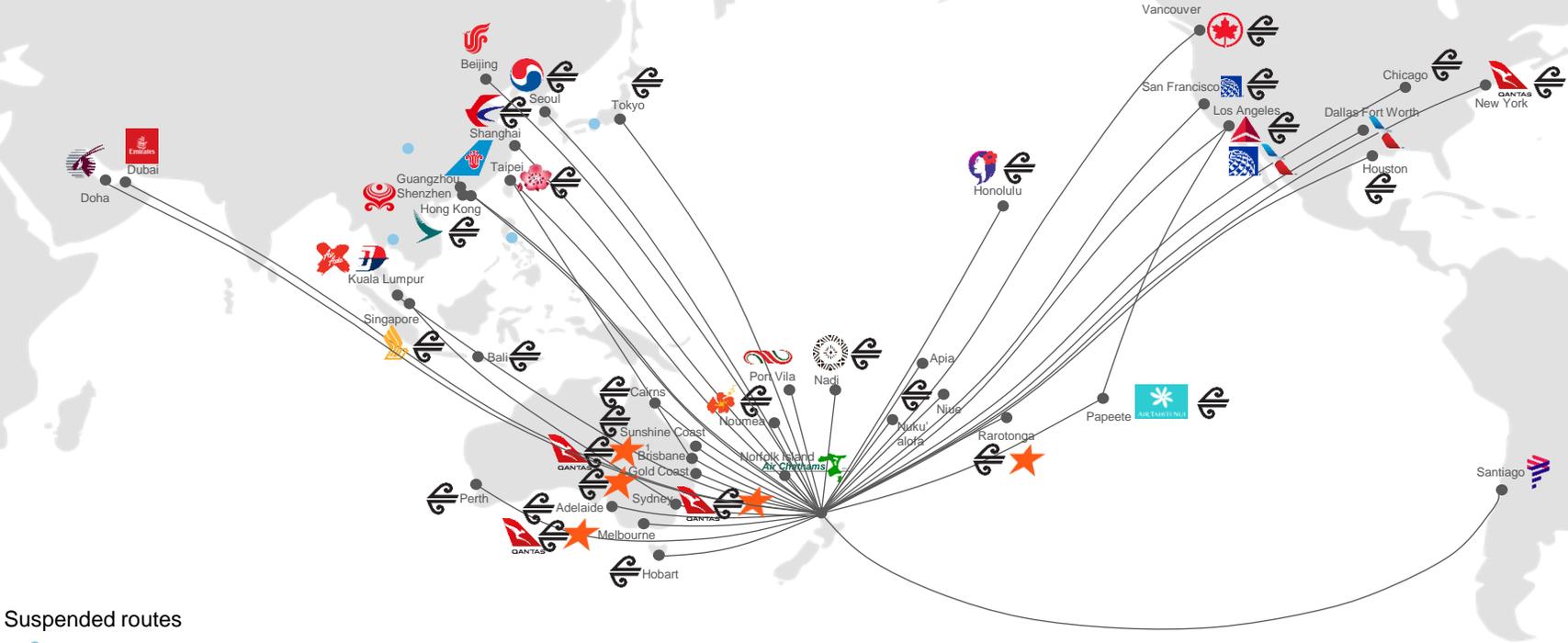


- New Zealand's largest commercial airport serving the country's largest city
- Auckland Airport has an extensive domestic network serving 23 destinations
- Significant market share with 2/3rds of all domestic sectors either originating or ending in Auckland¹
- Processed 9.6 million domestic passengers in the year to 30 June 2019 and 6.9 million in the year to 31 December 2022
- Hub to Air New Zealand, the country's main domestic carrier
- Located on 1,500 hectares of freehold land 26km from Auckland's central business district
- No flight curfew, capable of operating 24 hours a day, 7 days a week from a single 3,635m runway
- Provision for a second runway in the future will cater for Auckland's aviation requirements for the foreseeable future

Reconnecting New Zealand to the world

Prior to COVID Auckland Airport was connected by 29 airlines to 43 international destinations. As at 31 December 2022 the recovery in aviation saw Auckland Airport connected by 23 airlines to 35 international destinations. With the restart of services and the launch of new routes, 26 airlines will connect Auckland Airport with 37 destinations across the Middle East, Asia, the Americas and the Pacific Islands next summer

- Company Overview
- Our continuing journey
- Financial Information
- Appendices



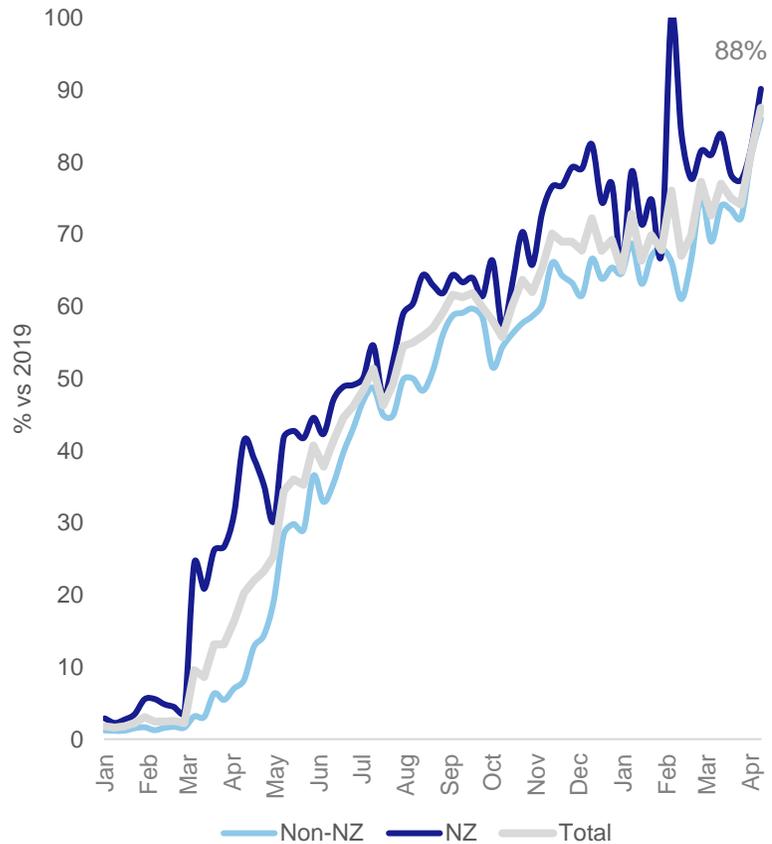
Suspended routes

Suspended airlines

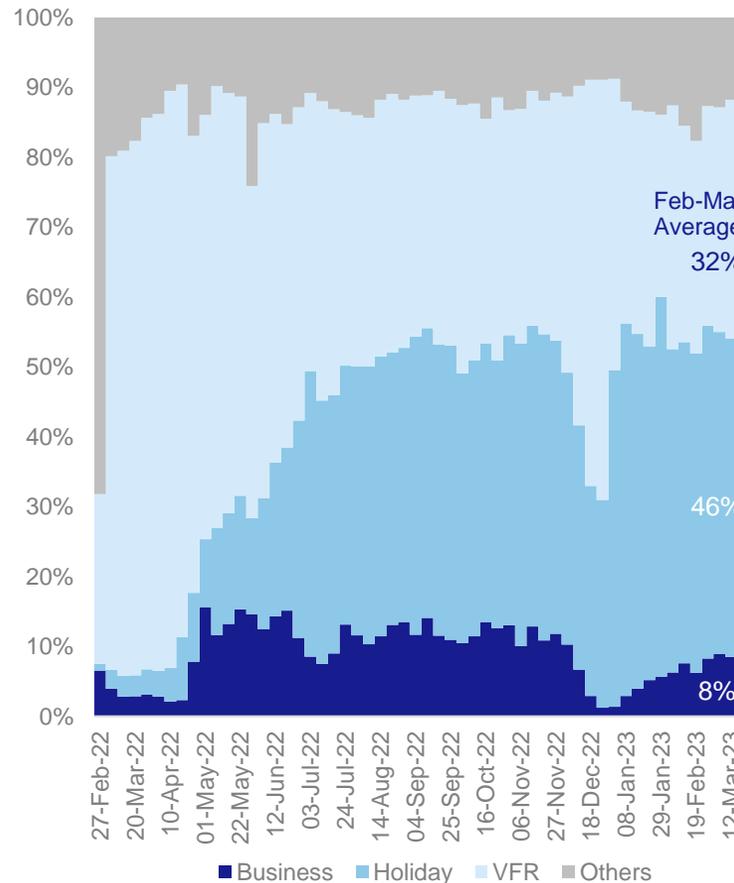
Broad-based recovery driven from PAX mix

The recovery in aviation markets is strengthening as Kiwi outbound travellers are joined by increasing numbers of international visitors. Diverse reasons for travel and strong load factors are further supporting industry confidence

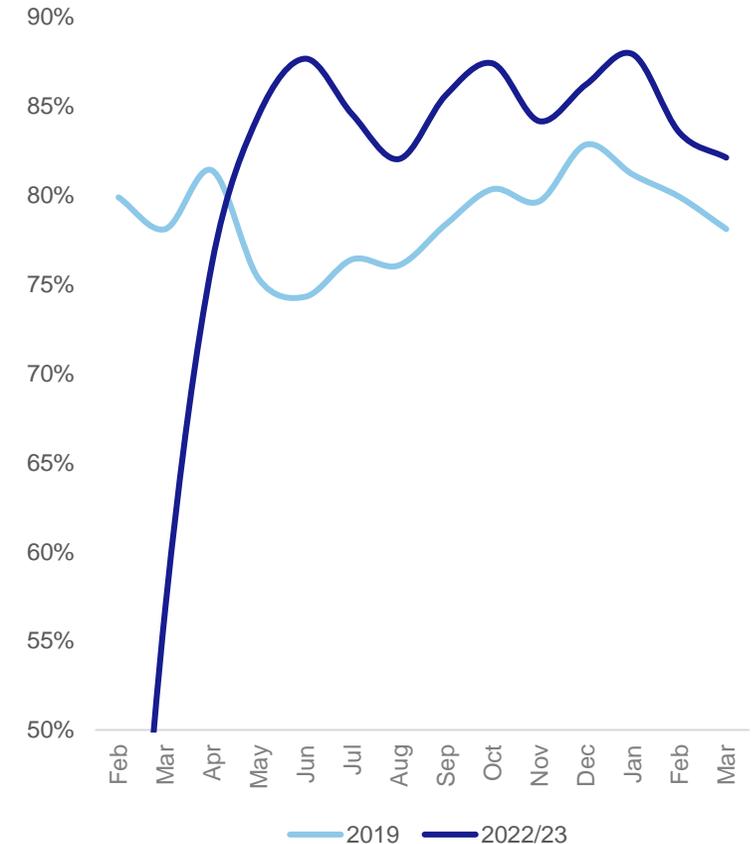
Recovery in New Zealand arrivals versus 2019



Weekly visitor arrivals' purpose of travel



International passenger load factors at Auckland



Source: Ministry of Business, Innovation & Employment

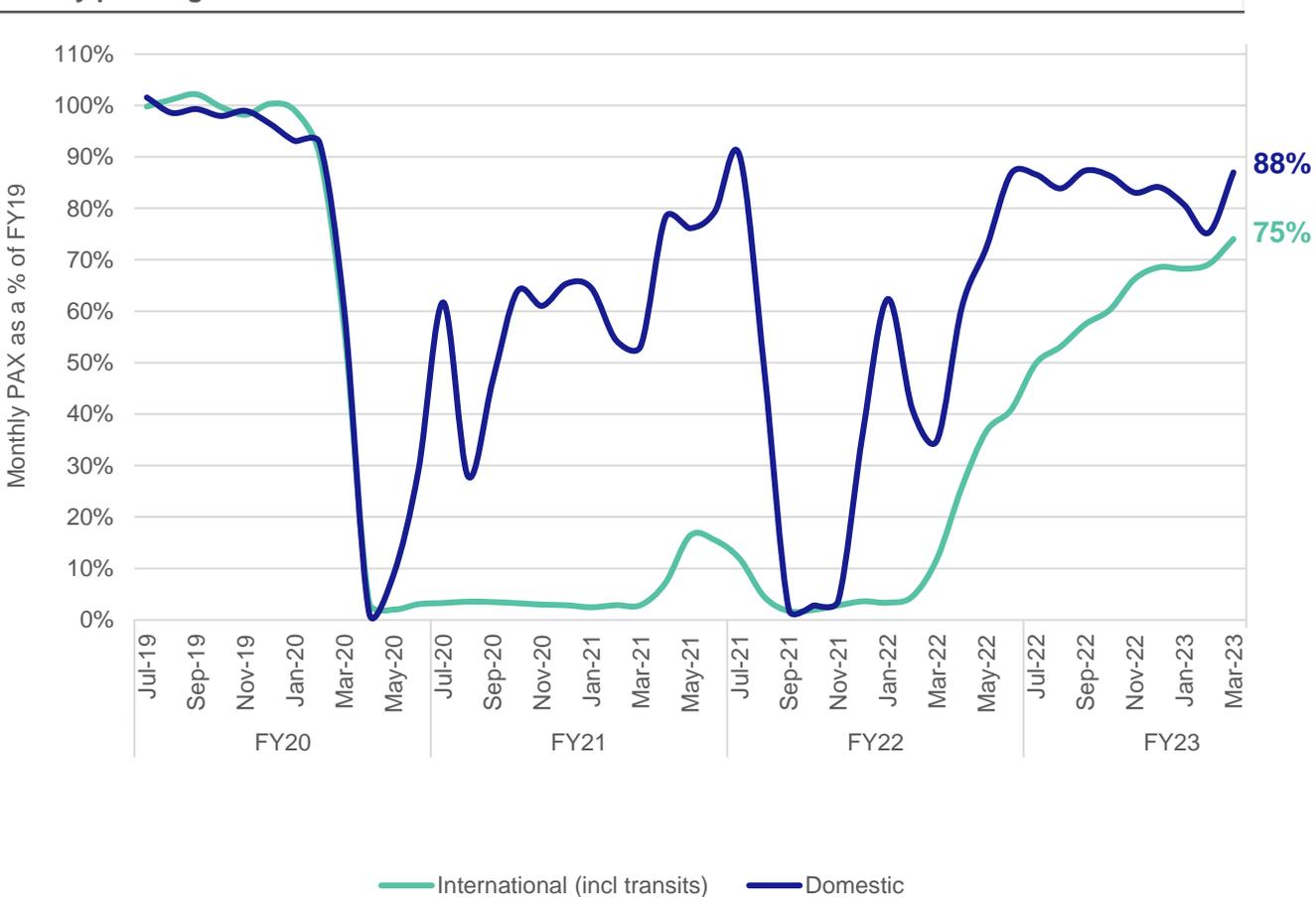
Source: Ministry of Business, Innovation & Employment

Passenger numbers recovering

No domestic and international travel restrictions for most of 1H23 enabled further recovery of international PAX in the six months to 31 December 2022. Total passenger numbers are expected to be back to pre-pandemic levels during 2025

- Domestic passenger volumes quickly recovered, but stabilised below pre-COVID-19 levels in 1H23 reflecting lower capacity deployed from domestic operators
- International air travel has continued to strengthen in the period as connectivity has improved, connecting New Zealand to more global destinations, and the addition of further capacity to existing routes
- International air travel demand is now stronger than at any time since COVID-19 first closed our border and is expected to progressively recover further as additional capacity is deployed

Monthly passenger numbers



The recovery is not without its challenges

From labour shortages, poor on-time performance, lost baggage and cost inflation to high ticket prices, a number of factors are presenting as challenges to the recovery in the aviation system

Worker shortages



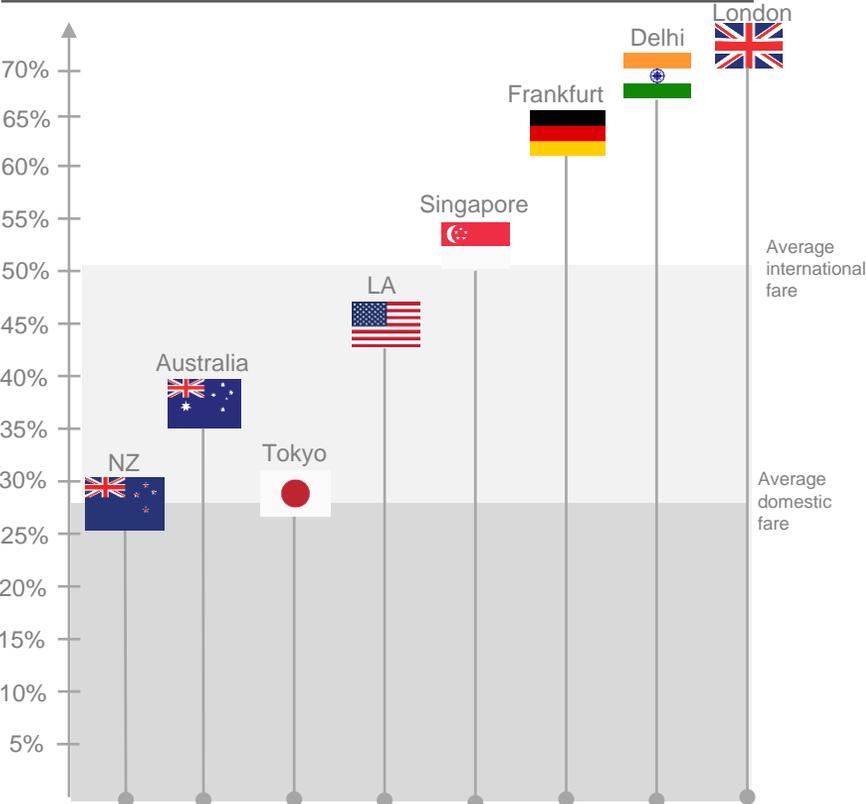
Queues at the outbound international departure hall

Displaced baggage



Displaced baggage in the arrivals hall

Elevated ticket prices from Auckland



Average Auckland international fares are forecast to be 51% higher than their pre-COVID-19 equivalent and domestic 27% higher¹

1. Based on the average non-stop or one-stop economy return airfare from Auckland between February 2023 and July 2023.. Source Skyscanner Travel Insights

Results at a glance

Revenue

\$287.8m

▲ 128% on 1H22
(78% of 1H19)

Reported profit after tax

\$4.8m

▼ 96% on 1H22
(3% of 1H19)

1H23 earnings per share of 0.33cps

Passenger movements

7.6m

▲ 341% on 1H22
(71% of 1H19)

Operating Cashflow

\$140.3m

▲ 374% on 1H22
(90% of 1H19)

EBITDAFI ¹

\$189.0m

▲ 213% on 1H22
(68% of 1H19)

1H23 EBITDAFI margin of 65.7%

Underlying profit after tax

\$67.9m

▲ 690% on 1H22
(50% of 1H19)

1H23 underlying profit per share of 4.62cps

Aircraft movements

69,936

▲ 117% on 1H22
(77% of 1H19)

Capital investment ²

\$261.6m

▲ 124% on 1H22
(198% of 1H19)

1. Auckland Airport recognises EBITDAFI and underlying profit or loss are non-GAAP measures. A reconciliation between reported profit after tax and underlying loss after tax is included in the appendix

2. Net capital expenditure additions after \$0.1m of capital expenditure impairments

Credit highlights

Key gateway to New Zealand



Significant freehold asset base



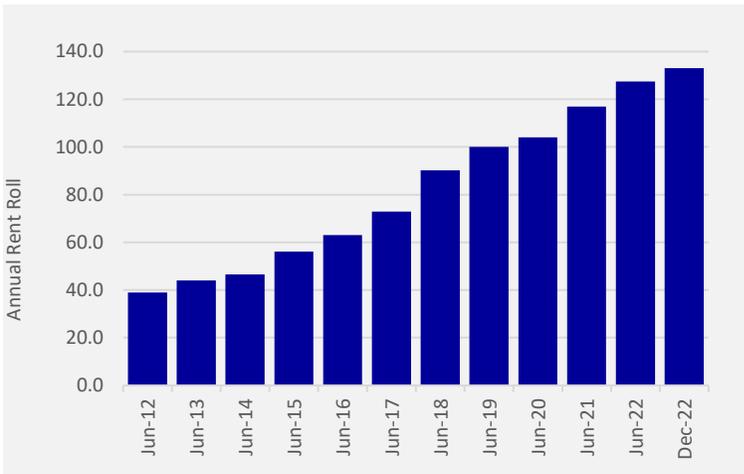
Benefiting from the recovery post COVID-19



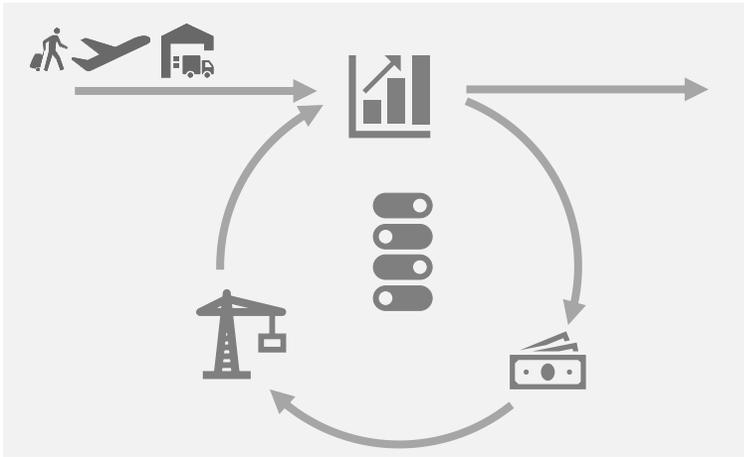
Investment grade credit rating



Significant commercial property portfolio



Proactive capital management



Our continuing journey



Our continuing journey

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Diverse and complementary business activities

Aeronautical



Retail



Transport



Investment Property



Hotels



Queenstown Airport



Five key projects underway whilst three remain on hold



Significant progress towards terminal integration

Substantial enabling work continues on the design of an integrated terminal that is planned to be tightly integrated with the existing international terminal building

- Construction on key enabling work projects well underway including:
 - the relocation of the airport operations centre to a new purpose-built facility that enables closer collaboration between airport stakeholders;
 - construction of the new Eastern Bag Hall including provision of increased capacity; and
 - relocation of eastern airfield operations including livestock, ULDs, airside waste disposal facility and Checkpoint Charlie
- In March 2023 Auckland Airport announced its commitment to terminal integration with the project moving to the final stages of design as part of a circa \$3.9b construction programme
- Construction of the \$2.2b integrated terminal is expected to take place over the next five to six years.



Artist impression of the new Transport Hub



Future Mass
Transit

Transport Hub

Driving the recovery in our consumer business



Exciting fashion outlet centre under construction



 100+ stores

 23,000+

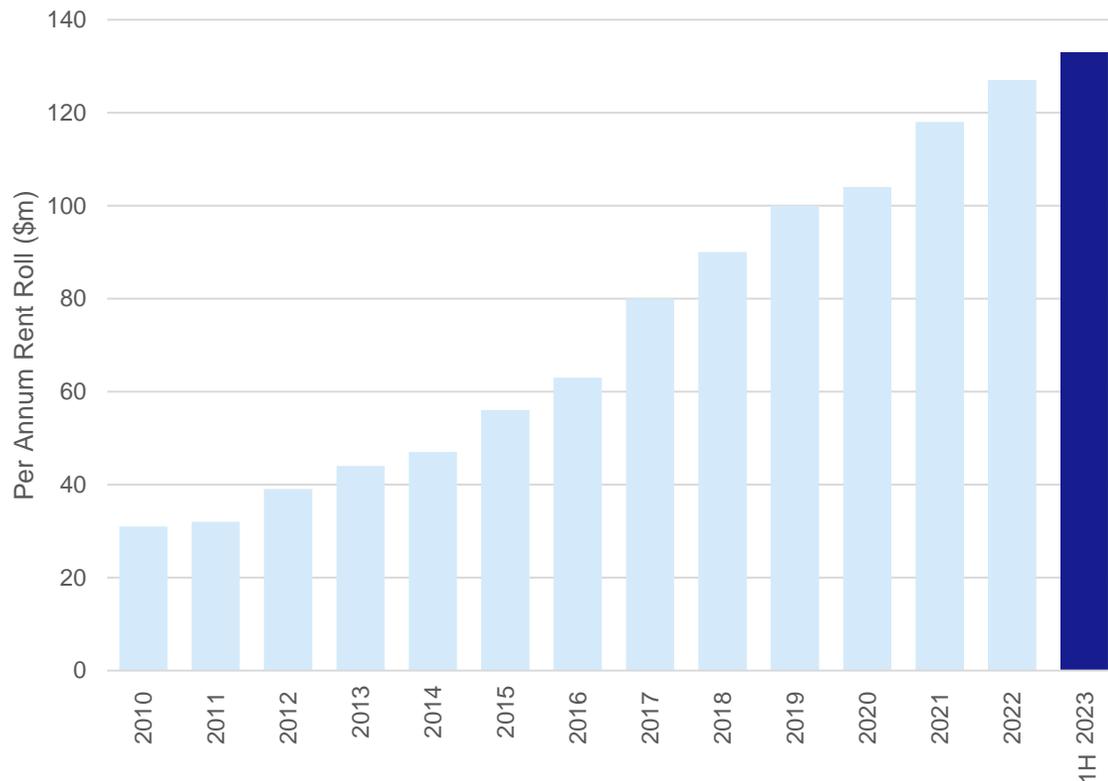


Illustrative only, actual layout will vary

Commercial property remains well positioned

Auckland Airport's commercial property portfolio has grown rapidly in recent years, leveraging an exceptional track record of design and delivery, and the precinct's high quality, high covenant tenancy characteristics. Despite the disruption of COVID, these characteristics continue to resonate with existing and prospective tenants resulting in a strong forward order book.

Commercial property rental income



Current development activity



Sustainability is central to who we are

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Purpose Kaupapa

85%

Customers rate their overall experience as 'excellent' or 'very good' by 2030

100%

Of procurement activity is aligned with sustainable procurement guidelines ISO20400 by 2030

TSR

Rolling 3 year total shareholder return exceeds cost of equity by 1%

Place Kaitiakitanga

Net Zero

90% reduction in scope 1 and 2 carbon emissions by 2030 from a 2019 baseline

20%

Reduction in potable water use by 2030 from 2019 levels

20%

Reduction in waste to landfill by 2030 from 2019 levels

People Whānau

40 | 40 | 20

Gender balance across Auckland Airport's Board, Leadership Team and its direct report populations by 2025

20%

Of people leaders of Māori / Pasifika ethnicity by 2025

Ethnicity

Workforce reflective of the ethnicity of New Zealand by 2030

Community Hapori

40%

Of employees participating in community volunteer programme by 2030

Apprenticeship

Create a pathway for women, Māori and Pasifika into trades with

30%

of total trade staff sourced from a targeted apprenticeship scheme by 2030

Re-energising the airport with solar



Artist's illustration

Auckland Airport is looking skywards as we take our first steps to generate onsite renewable energy, with plans for rooftop solar systems atop two of our newest buildings

- A 2.3-megawatt solar array is planned for Mānawa Bay to support more than 80 per cent of the centre's anticipated power usage when it opens in 2024
- Expected to be the largest rooftop solar system in New Zealand
- A solar array of 1.2 megawatts will be installed on the 14,000m² roof of the Transport Hub opposite the International Terminal
- Output will power the attached office building and electric vehicle charging stations within its car park

Continuing on our decarbonisation pathway



Reducing Auckland Airport's carbon footprint through the use of electric heat pumps for heating in terminal buildings

- Auckland Airport is taking our first steps away from fossil-fuelled heating with the installation of the company's first electric heat pump in Pier B of the International Terminal
- The heat pump is expected to save 30 tonnes of carbon per annum
- The new heat pump can heat and cool simultaneously across multiple zones, saving overall energy use
- Once all heat pumps have been installed, this will save 1,500 tonnes of carbon per annum

Financial information



Return to underlying profit

For the year ended 30 June (1H23 6 months to 31 December 2022) \$m	1H23	2022	Restated 2021 ³	2020	2019
Revenue	287.8	300.3	281.1	567.0	743.4
Expenses ¹	98.8	155.8	110.0	306.6	188.6
Earnings before interest, taxation, depreciation, fair value adjustments and investments in associates (EBITDAFI)	189.0	144.5	171.1	260.4	554.8
<i>EBITDAFI Margin</i>	66%	48%	61%	46%	75%
Share of profit / (loss) from associates	3.0	(12.8)	21.1	8.4	8.2
Impairment on investment in JV	-	-	-	(7.7)	-
Derivative fair value movement	(0.3)	1.7	(0.5)	(1.9)	(0.6)
Property, plant and equipment revaluation	-	(1.4)	(7.5)	(45.9)	(3.8)
Investment property revaluation	(93.8)	204.4	527.3	168.6	254.0
Depreciation expense	68.7	113.1	120.9	112.7	102.2
Interest expense	30.7	53.7	94.0	71.8	78.5
Taxation expense	(6.3)	(22.0)	30.0	3.5	108.4
Reported profit after tax	4.8	191.6	466.6	193.9	523.5
Underlying profit/(loss) after tax²	67.9	(11.6)	(39.4)	188.5	274.7

1. 2020 includes capital expenditure write-offs, impairments and contractor termination costs of \$117.5 million, redundancy costs of \$5.9 million and credit losses of \$7.3 million in 2020. 2021 includes a net reversal of \$16.9 million of fixed asset impairment and termination costs and a \$4.2 million reversal of expected credit losses

2. A reconciliation between profit after tax and underlying profit after tax for 1H23 is included in the Appendix. Reconciliations for years ended 2019 – 2022 are available in the Annual Results report

3. The 2021 comparatives are restated following the IFRIC decision on cloud computing. Refer to note 2 of the Financial Statements to the Annual Results for the year ended 30 June 2022

Higher PAX numbers driving improved performance

For the year ended 30 June (1H23 6 months to 31 December 2022) \$m	1H23	2022	2021	2020	2019
Airfield income	40.9	60.9	64.0	100.6	127.6
Passenger services charge	60.6	33.8	24.2	133.0	185.1
Retail income	59.4	22.7	17.8	141.5	225.8
Car park income	27.5	26.2	28.7	50.3	64.2
Rental income	78.8	129.7	115.2	109.2	107.8
Other income	20.6	27.0	31.2	32.4	32.9
Total revenue	287.8	300.3	281.1	567.0	743.4

- Aeronautical income rose significantly in the period as the recovery in aviation flowed through to higher airfield and passenger revenues. Auckland Airport provided a total of \$3.7 million of incentives to airlines in the period to stimulate connectivity, the majority via discounts in landing charges
- With the removal of the remaining travel restrictions occurring in the six months to 31 December 2022, income from passenger charges rose significantly as the number of higher-paying international passengers increased
- With travellers returning, the reopening of retail stores in the international terminal drove a significant increase in retail income. As a result of a high proportion of the stores open for peak periods of the day during the summer holiday season, passengers showed a willingness to spend with retail income per passenger rising to 74% of the pre-pandemic equivalent
- Carparking income increased significantly on the prior period also as the combined effects of strong propensity to park, no domestic lockdowns in the year and the reopening of all parking products for the period drove revenues
- Property rental income increased by 19% on the prior period driven by rental growth in the existing portfolio, new leases, and a part-period contribution from new developments

Balance sheet remains strong

As at 30 June \$m	Dec-2022	2022	Restated 2021 ¹	2020	2019
Cash	62.8	24.7	79.5	765.3	37.3
Trade and other receivables	58.7	28.5	25.4	34.7	69.0
Other current assets	21.7	21.6	20.9	37.0	-
Current assets	143.2	74.8	125.8	837.0	106.3
Property, plant and equipment	7,130.3	6,986.1	6,826.5	6,060.8	6,577.1
Investment properties	2,848.4	2,897.4	2,641.4	2,054.2	1,745.4
Investment in associates	175.3	166.5	154.4	114.7	105.7
Derivative financial instruments	50.3	28.1	29.2	230.4	162.6
Total assets	10,347.5	10,152.9	9,777.3	9,297.2	8,697.1
Borrowings	1,611.1	1,476.6	1,392.8	2,145.2	2,190.5
Other liabilities	562.7	525.4	455.0	514.9	473.7
Total liabilities	2,173.8	2,002.0	1,847.8	2,660.1	2,664.2
Equity	8,173.7	8,150.9	7,929.5	6,637.1	6,032.9
Total liabilities and equity	10,347.5	10,152.9	9,777.3	9,297.2	8,697.1

1. The 2021 comparatives are restated following the IFRIC decision on cloud computing. Refer to note 2 of the Financial Statements to the Annual Results for the year ended 30 June 2022

Strong liquidity position with improved credit metrics

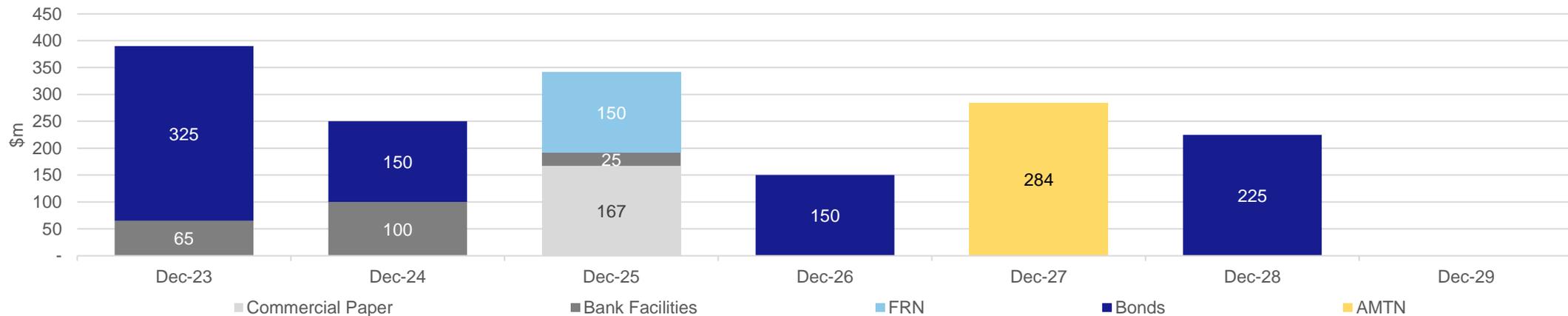
Liquidity of \$1,076 million to support the business

- Total drawn debt of \$1,611 million at 31 December 2022, an increase of 9% or \$134 million on June 2022
- Committed undrawn bank facility headroom of circa \$1,013 million (Jun-22: \$955 million), and \$63 million in available cash (Jun-22: \$25 million)
- Raised \$375 million of new borrowings through two NZDCM issues in the period: a \$150 million wholesale floating rate note and a \$225 million listed fixed rate bond
- Stronger financial metrics support the return to a 'business as usual' position with our banking syndicate
- A- credit rating maintained

Key credit metrics

	Test	Dec-22	Jun-22
Gearing covenant ¹	≤ 60%	17.0%	15.6%
Interest coverage covenant ²	≥ 1.5x	4.99x	2.58x
Debt to enterprise value		12.3%	12.3%
Net debt to enterprise value		11.9%	12.1%
Funds from operations interest cover ³	≥ 2.5x	4.2x	2.6x
Funds from operations to net debt ³	≥ 11.0%	14.0%	6.5%
Weighted average interest cost		4.77%	4.32%
Average debt maturity profile (years)		2.96	2.29
Percentage of fixed borrowings		64.9%	71.5%

Drawn debt maturity profile for the 12 months ending



1. Gearing defined as nominal value of debt plus derivative liabilities divided by nominal value of debt plus derivative liabilities plus the book value of equity
2. Interest coverage defined as reported NPAT plus taxation, interest expense, depreciation, revaluations and derivative changes (broadly EBITDA) divided by interest
3. Test is S&P's A- rating threshold for Auckland Airport. The metrics provided for June 2022 are per S&P's October 2022 report and December 2022 are Auckland Airport estimates.

Economic Regulation

Airline consultation on PSE4 aeronautical prices due to complete by June 2023 with price changes effective from 1 July 2023. Separately, the revision of the Civil Aviation Bill now been passed into law retaining the ability for airports to set aeronautical prices

Aeronautical pricing

- Prices for FY23-27 (PSE4) will be determined following airline consultation over the remainder of the financial year considering the “building block” forecasts:
 - commissioning of aeronautical infrastructure projects;
 - operational expenditure;
 - recovery in passengers and aircraft movements; and
 - weighted average cost of capital / target return
- Charges for FY23 have been held constant at FY22 prices while this consultation is undertaken¹. A decision on aeronautical prices for FY24 through FY27 is scheduled to be made by June 2023 with changes to take effect from 1 July 2023
- Aeronautical prices for PSE4 will be set to achieve a full target return over the five years, including making up the FY23 shortfall
- Commerce Commission currently reviewing the “Input Methodologies” – i.e., the rules and processes that underpin regulatory information disclosures including the Commission’s WACC determination for monitoring purposes. This review is due to be completed no later than December 2023

Other regulation:

- Separately, the Civil Aviation Bill has now been passed into law retaining the ability for airports to set aeronautical prices



View of Auckland Airport's runway

Outlook

- As we look to the remainder of the 2023 financial year, we continue to see positive signs in the recovery of the aviation industry
- Increased connectivity, combined with the reopening of Auckland Airport's commercial operations, is supporting earnings for the remainder of the financial year
- As a result, we have raised our underlying earnings guidance for the 2023 financial year to between \$125 million and \$145 million
- In addition, Auckland Airport revises capital expenditure¹ guidance for the 2023 financial year to between \$525 million and \$600 million
- This guidance is subject to any material adverse events, significant one-off expenses, non-cash fair value changes to property and any deterioration due to global market conditions or other unforeseeable circumstances



Building a better future...

Re-establishing our aeronautical network and supporting the recovery in travel



Delta Airlines announced a daily Auckland-Los Angeles service commencing October 2023

Driving the recovery in our commercial business



Reopening of Aelia Duty Free in October 2022

Continued disciplined approach to investment in infrastructure and commercial opportunities



Construction of the Transport Hub

Thank you



Appendices



Appendix: Board of directors

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Dr Patrick Strange
Chair



Tania Simpson
Director



Dean Hamilton
Director



Christine Spring
Director



Julia Hoare
Director



Mark Binns
Director



Liz Savage
Director



Mark Cairns
Director

Appendix: Management team



Carrie Hurihanganui
Chief Executive



Melanie Dooney
Chief Corporate Services Officer



To be appointed
Chief Digital Officer



André Lovatt
Chief Infrastructure Officer



Phil Neutze
Chief Financial Officer



Chloe SurrIDGE
Chief Operations Officer



Scott Tasker
Chief Customer Officer



Mark Thomson
Chief Commercial Officer



Mary-Liz Tuck
Chief Sustainability & Master Planning Officer

Appendix: Underlying profit reconciliation

For the six months ended 31 December (\$m)	2022			2021		
	Reported profit	Adjustments	Underlying profit / (loss)	Reported profit	Adjustments	Underlying profit / (loss)
EBITDAFI per income statement	189.0	-	189.0	60.3	-	60.3
Investment property fair value change	(93.8)	93.8	-	131.5	(131.5)	-
Fixed asset write-offs and impairment	-	0.1	0.1	-	0.1	0.1
Derivative fair value movement	(0.3)	0.3	-	(0.6)	0.6	-
Share of profit / (loss) of associate and joint ventures	3.0	0.0	3.0	(17.4)	19.8	2.4
Depreciation	(68.7)	-	(68.7)	(53.7)	-	(53.7)
Interest expense and other finance costs	(30.7)	-	(30.7)	(26.8)	-	(26.8)
Taxation benefit / (expense)	6.3	(31.1)	(24.8)	15.5	(9.3)	6.2
Profit / (loss) after tax	4.8	63.1	67.9	108.8	(120.3)	(11.5)

- Auckland Airport recognises EBITDAFI and underlying profit or loss are non-GAAP measures.
- We have made the following adjustments to show underlying profit / (loss) after tax for the six months ended 31 December 2022 and 2021:
 - reversed out the impact of revaluations of investment property. An investor should monitor changes in investment property over time as a measure of growing value. However, a change in one particular year is too short to measure long-term performance. Changes between years can be volatile and, consequently, will impact comparisons. Finally, the revaluation is unrealised and, therefore, is not considered when determining dividends in accordance with the dividend policy;
 - reversed out the impact of fixed asset write-offs. Related costs and cost reversals are not considered to be an element of the group's normal business activities and on this basis have been excluded from underlying profit;
 - reversed out the impact of derivative fair value movements. Derivative fair value movements are unrealised and relate to basis swaps that do not qualify for hedge accounting, as well as the ineffective valuation movements in other financial derivatives. The group holds its derivatives to maturity, so any fair value movements are expected to reverse out over their remaining lives;
 - adjusted the share of profit of associates and joint ventures to reverse out the impacts on those profits from revaluations of investment property and financial derivatives; and
 - reversed out the taxation impacts of the above movements in both six-month periods.
- The underlying profit / (loss) reconciliation for years ended 30 June 2022 and prior are provided in the relevant annual results for that year.

Glossary

Debt investor update

Auckland Airport

COVID

EBITDA

EBITDAFI

JV

NPAT

PAX

TSR

VFR

Auckland International Airport Limited

COVID-19

Earnings before interest, taxation and depreciation

Earnings before interest, taxation, depreciation, fair value adjustments and investments in associates

Joint venture

Net profit after tax

Passenger

Total shareholder return

Visiting friends and relatives