

Wellington International Airport Limited

Infratil Investor Day

March 2024



Matt Clarke, Chief Executive

Business Overview & FY24 Outlook

Passenger Traffic

Regulatory Environment

Capex Plans

PSE5 Progress

FY25 Drivers



Wellington Airport Overview

Gateway to New Zealand's capital city and central region



Lyall Bay Retail Park & Investment Properties

Western Aviation Leases

Hotel

Retail & Advertising

Ground Transport Business

Logistics & Other Aero Leases

~5.4m Annual Passengers (Estimate for FY24)
85% Domestic / 15% International

+2.7% Average Passenger Growth p.a.
20 years pre-Covid FY00 – FY20

Aeronautical Business ~55% Revenue
Airline charges set every 5 years

Diverse Commercial Business ~45% Revenue
Retail, advertising, property, transport & hotel

FY24 Outlook

Gateway to New Zealand's capital city and central region



FY24 Forecast



Passengers

5.4m



Aero Revenue

\$86 - \$88m



Commercial Revenue

\$70 - \$72m



EBITDA*

\$106 - \$108m

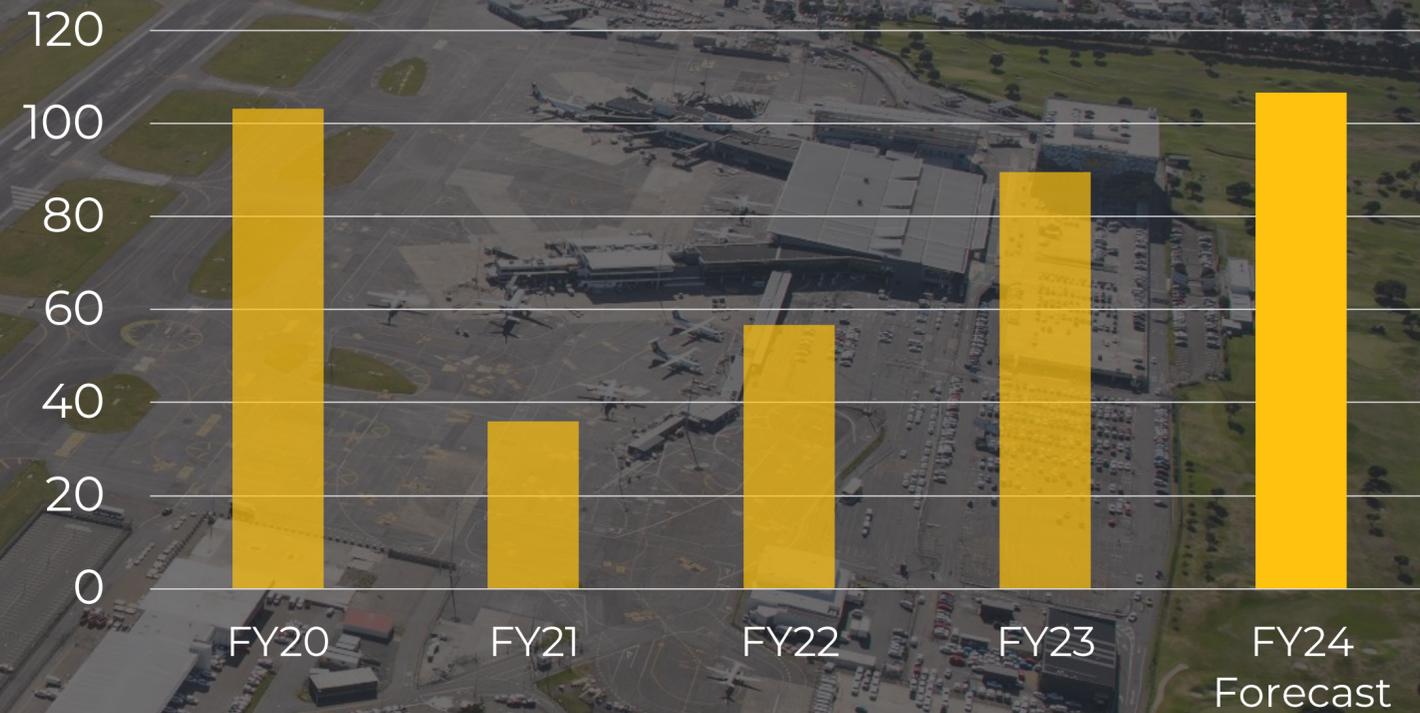


Total Assets

circa \$1.8bn

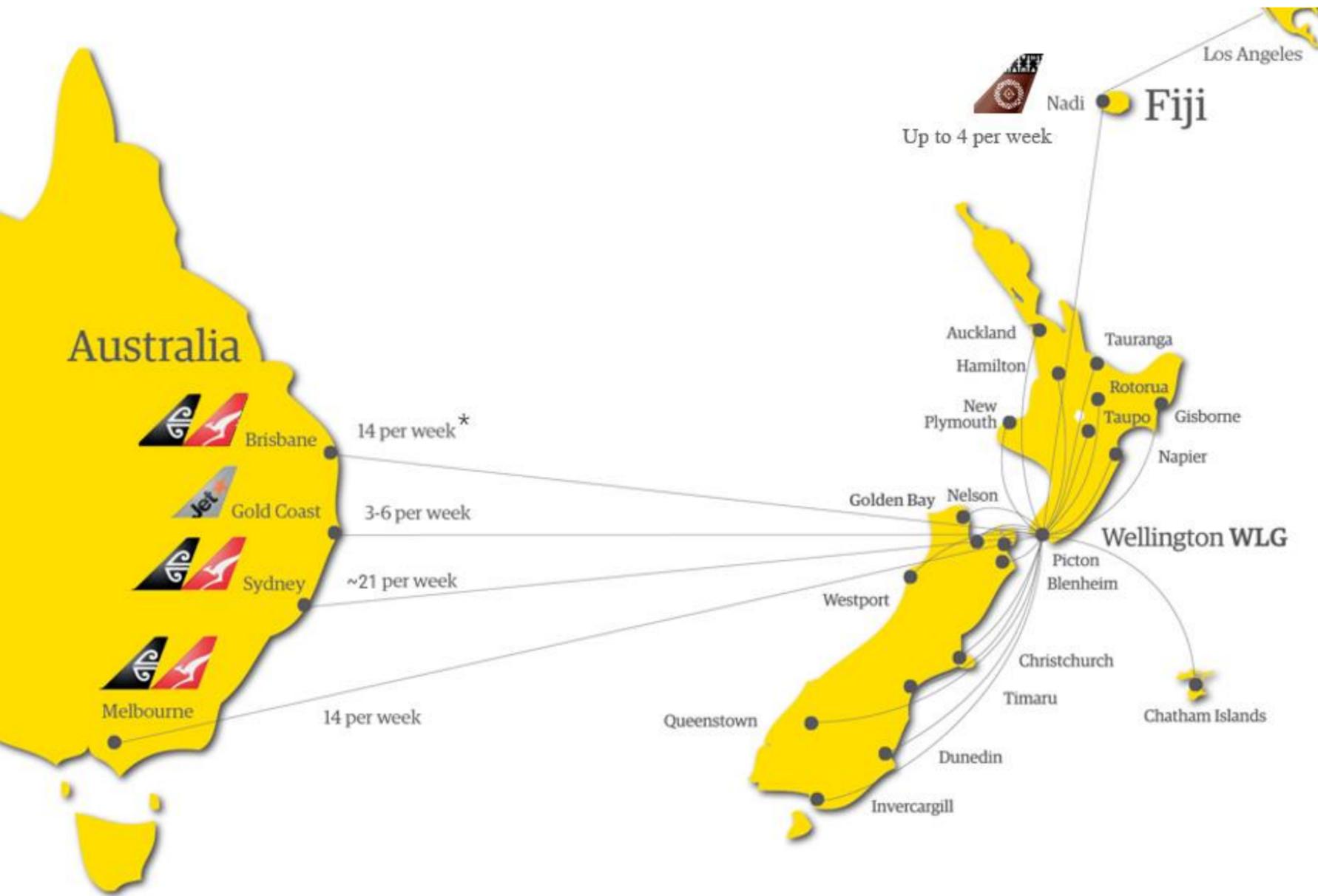
Financial figures are NZ\$.
* EBITDA is pre-subsidy payment.

EBITDA (\$m)



Current Route Network

Domestic hub, trans-Tasman and Pacific services



Domestic Daily Frequencies

Auckland	20	● ●
Blenheim	10	● ●
Chatham Islands	0.5	●
Christchurch	11	● ●
Dunedin	3	●
Gisborne	2	●
Golden Bay	1	●
Hamilton	6	●
Invercargill	2	●
Napier	4	●
Nelson	13	● ● ●
New Plymouth	3	●
Picton	2	●
Queenstown	3	● ●
Rotorua	3	●
Taupo	2	●
Tauranga	5	●
Timaru	2	●
Westport	2	●

International Weekly Frequencies

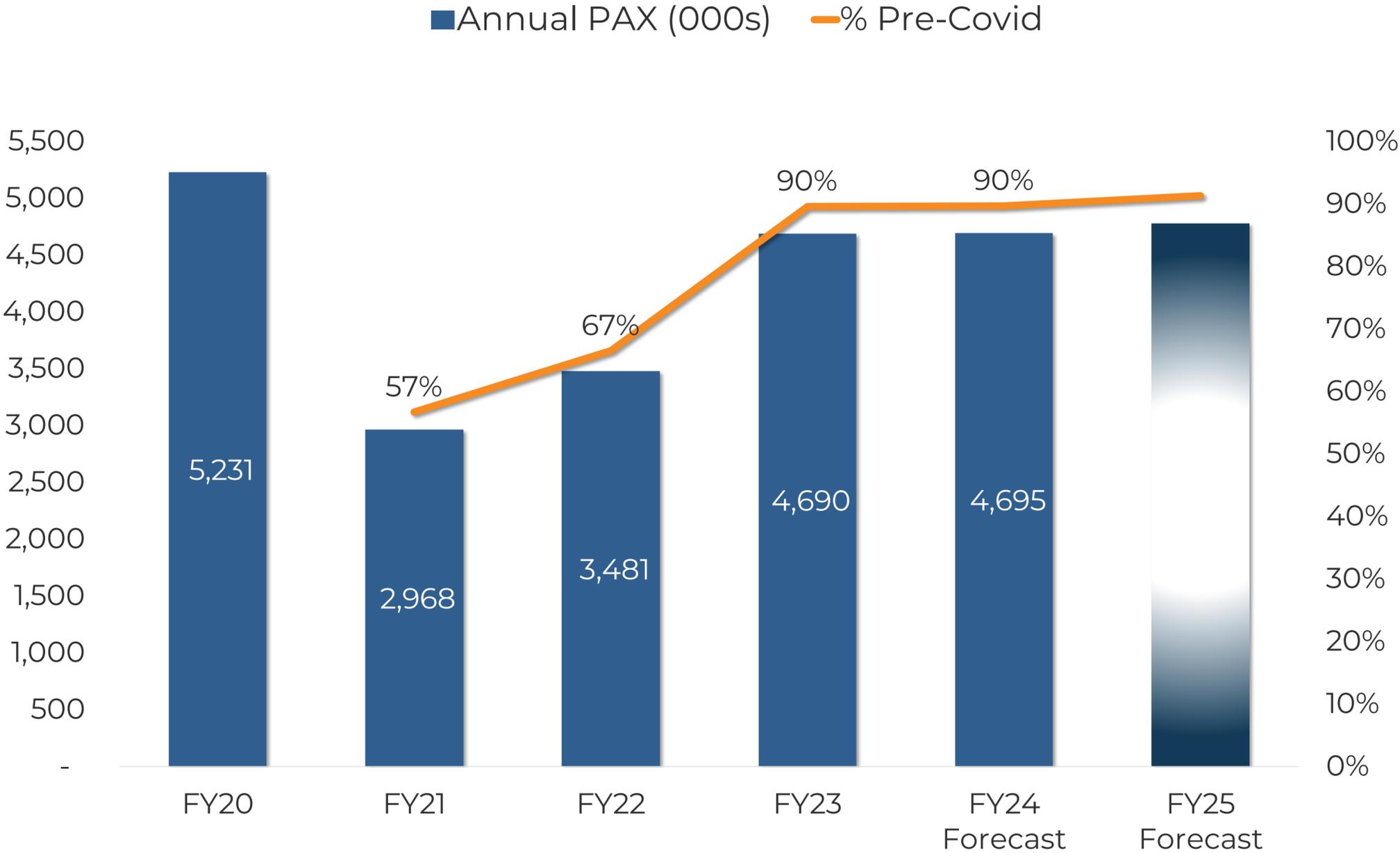
Brisbane	14	● ●
Fiji	Up to 4	●
Gold Coast	Up to 6	●
Melbourne	Up to 14	● ●
Sydney	Up to 28	● ●

Airlines



Update on Passenger Numbers

Domestic



AIR NEW ZEALAND

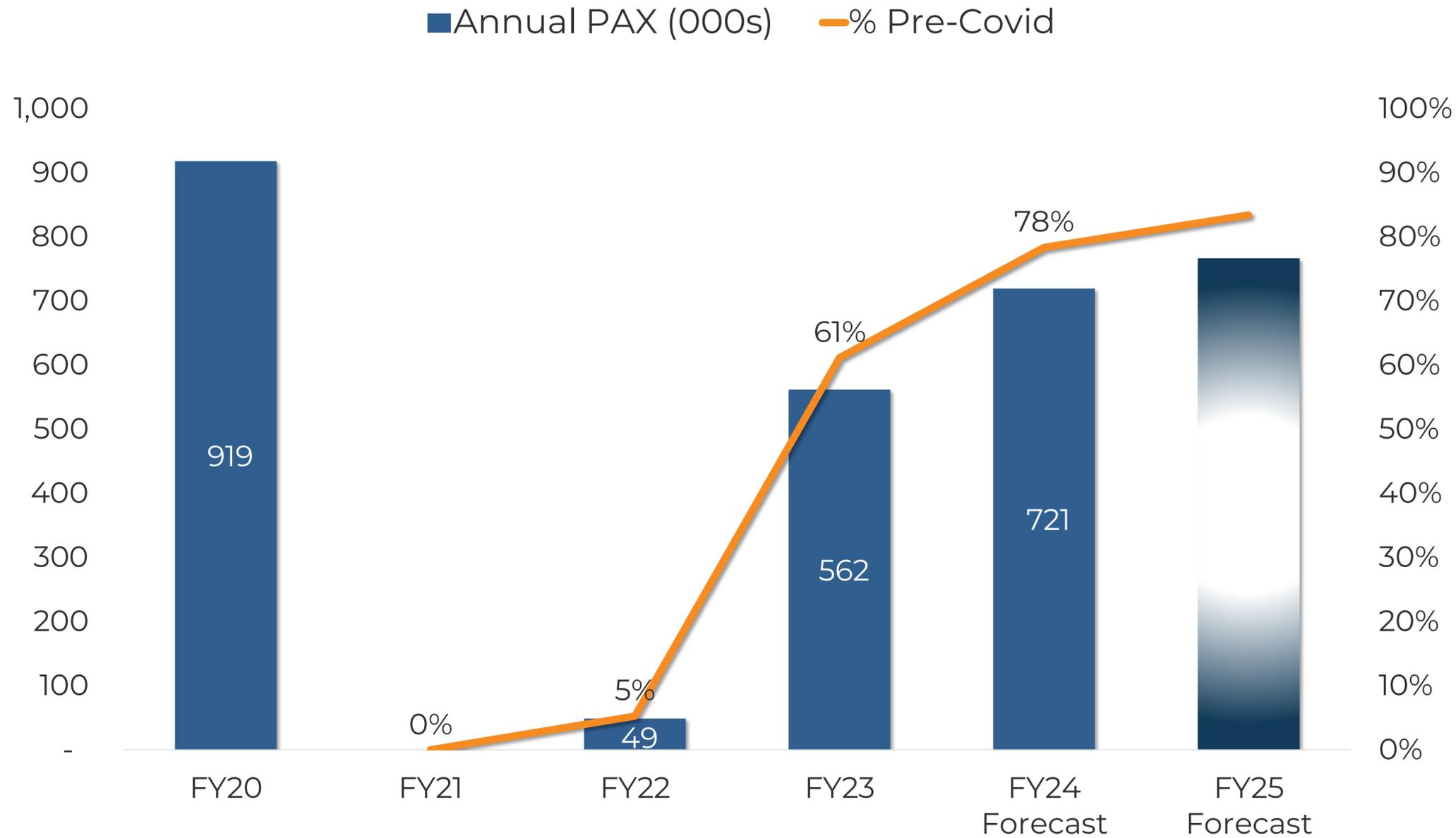
- ~4m PAX
- 95% capacity recovery
- ~83% share



- ~700k PAX
- 77% capacity recovery
- ~15% share

Update on Passenger Numbers

International



- 120% capacity recovery
- ~49% share



AIR NEW ZEALAND

- 100% capacity recovery
- ~38% share



- 118% capacity recovery
- ~8% share



- 187% capacity recovery
- ~5% share

Overview of Commercial Business

Diversified revenue streams contributing ~45% revenue



Property

- Diversified rent roll - 150 tenancies ranging from campus leases and residential, logistics hub, beachfront restaurants and large format retail park.
- Ongoing expansion with acquisition of landholdings around airport, construction of new aircraft maintenance facility, regional transport hub and electric bus depot.

Hotel

- 134 room 4-star hotel, restaurant and conference centre fully integrated with the airport terminal.

Carparking & Transport

- A range of transport products offered from e-bike racks to valet parking.
- 3,500 public spaces available with at grade expansion availability.
- Concessions from taxis, rideshare, buses and rental cars.

Retail & Advertising

- 30 retailers/concessionaires throughout the terminal.
- Duty Free, foreign exchange, advertising, food/beverage and specialty stores.



Regulatory environment

IM Decision a significant progression from the draft



7 yearly review of NZ Commerce Commission Input Methodologies recently concluded

Draft decision contained several departures from the established methodology used to estimate Asset Beta and WACC.

The two primary changes in approach were:

- A shrinking of the airport comparator sample.
- Asset beta reduction to 'correct' for the covid shock.

Taking account of extensive submissions from New Zealand's Airports, the Commission's final decision produced an asset beta uplift to 0.67.

The NZ Airports Association, along with AKL, WLG and CHC have filed a merits review in the High Court.



	2016 IMs	Draft 2023 IMs	Final 2023 IMs
Asset beta	0.60	0.55	0.67
WACC post tax	8.07%	7.81%	8.61%

Thorough consultation process

- High levels of airline engagement
- Board of Airline Representatives invited into process

PSE4 incorporated a passenger wash-up & deferral

- Aero revenue shortfall circa \$35m
- \$15.1m carry forward

WACC uplift – 5.93% PSE4, >8% PSE5

Opex under control

- Lowest cost per passenger in NZ
- Controllable costs per pax held flat in real terms since FY20

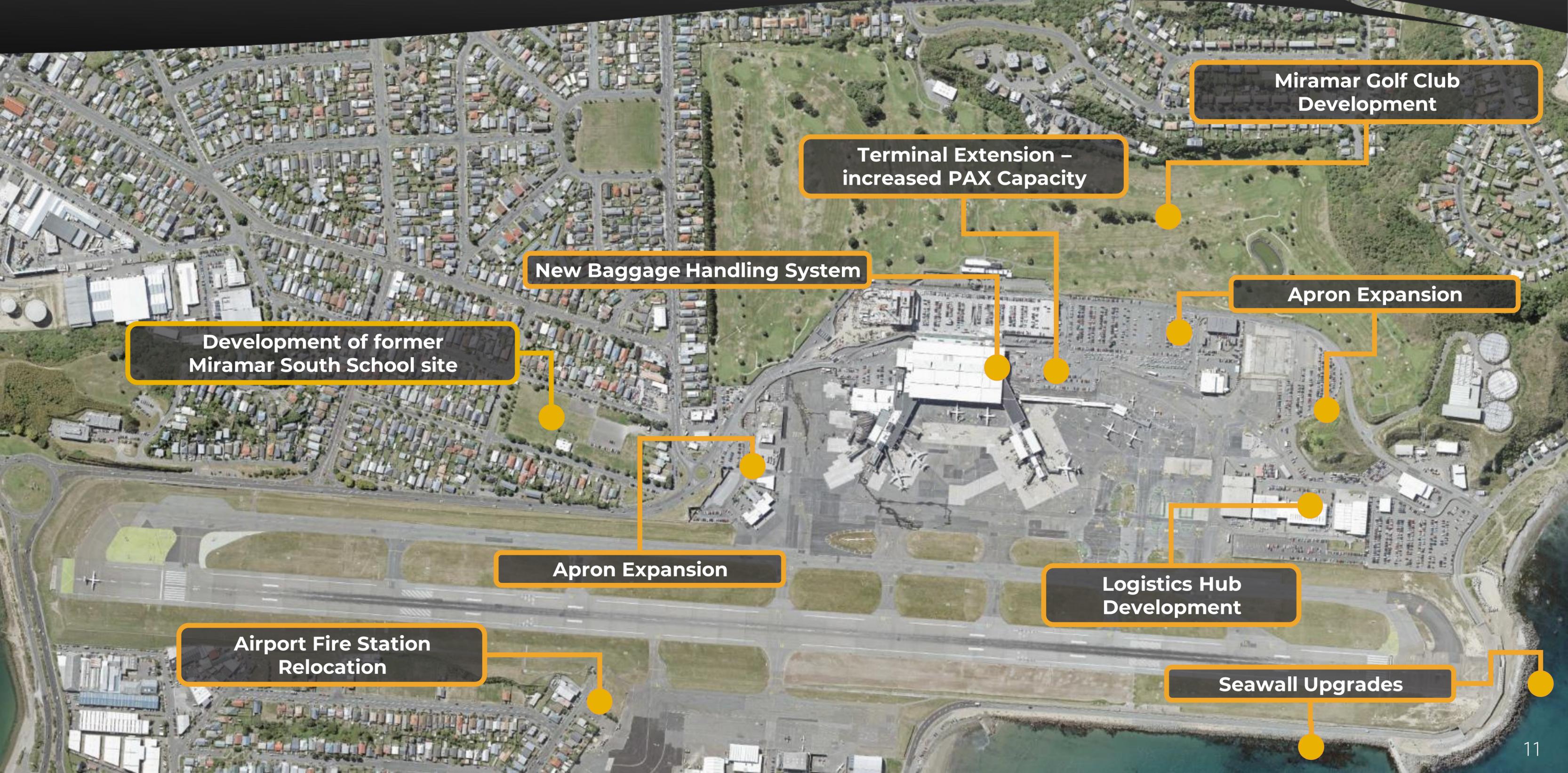
Substantial focus on capital investment

- Re-prioritisation of focus to align with requirements
- Master Plan review incorporating acquisitions and development rights



PSE5 Capex

Collaborative airline engagement, campuswide development



Miramar Golf Club Development

Terminal Extension – increased PAX Capacity

New Baggage Handling System

Apron Expansion

Development of former Miramar South School site

Apron Expansion

Logistics Hub Development

Airport Fire Station Relocation

Seawall Upgrades

Moving mountains

Pathway cleared to 12M apron/terminal configuration

WELLINGTON
AIRPORT



Seawall works

Structural upgrades to increase resilience



Runway extension?

The goalposts have shifted



Project Sunrise Research Flights



Duration
18.5 hours
Distance
17,800km

London

New York

No such thing as a free runway?

Technology has brought WLG closer to the world

Up to 1.2t weight reduction

- * Systems & structures optimization
- * Increased used of advanced materials



Enhanced performance

- * No physical changes to aircraft
- * More payload at challenging airports

3t MTOW increase

- * Additional range or payload
- * The true #LongRangeLeader



Sustainability update

Targeting net zero airport operational emissions (scope 1, 2 and staff travel) by 2030



Airport Operational Emissions – Scope 1 & 2

Targeting net zero scope 1, 2 and staff travel emissions by 2030 and longer term ambition to be absolute zero by 2050. Seeking independent, science-based verification. Improving energy efficiency of assets and electrification of ground fleet.



Scope 3 Emissions

Partnering with industry and airline partners to advance implementation of sustainable fuels/electric aircraft in Wellington. Member of Industry Advisory Board for Heart Aerospace.



Airport Carbon Accreditation

Achieved Level 2 (Reduction) renewal under the Airport Carbon Accreditation programme and aiming to progress up the levels over coming years.



Global Benchmarking

Alongside other airports/infrastructure assets under the GRESB framework. 2023 score of 96/100, 5th out of airports globally, and 85th of total 681 entities.



Linking to Financing Strategy

\$100m of bank facilities transitioned to sustainability linked loans. Interest rates linked to performance against a suite of ambitious targets.



NZ Climate Related Disclosures

New disclosures mandated from 2024, WIAL voluntarily made early disclosure in 2023.



FY25 Drivers

Platform set for growth



Passenger Recovery



WACC Uplift



PSE4 Washup



PSE4 Revenue Deferral



PSE5 Capex Delivery



