

Taunga Waka
Rererangi o
Kirikiriroa



Hamilton
Airport



KIA ORA



KIA MAIA



KIA MANA

Waikato District Council Performance & Strategy Committee FY2023 Update

Tuesday 20 June 2023

 **Hamilton City Council**
Te kaunihera o Kirikiriroa

Waikato

DISTRICT COUNCIL
Te Kaunihera aa Takiwaa o Waikato


Waipa
DISTRICT COUNCIL


**matamata
piako**
district council


Otorohanga
District Council
Where kīwi can fly
A dynamic, inclusive and unique district

FY23 Overview



Group Performance - exceeds expectations



10 Year – Diversification Strategy



FY23 – Key Challenges

Performance Against SOI

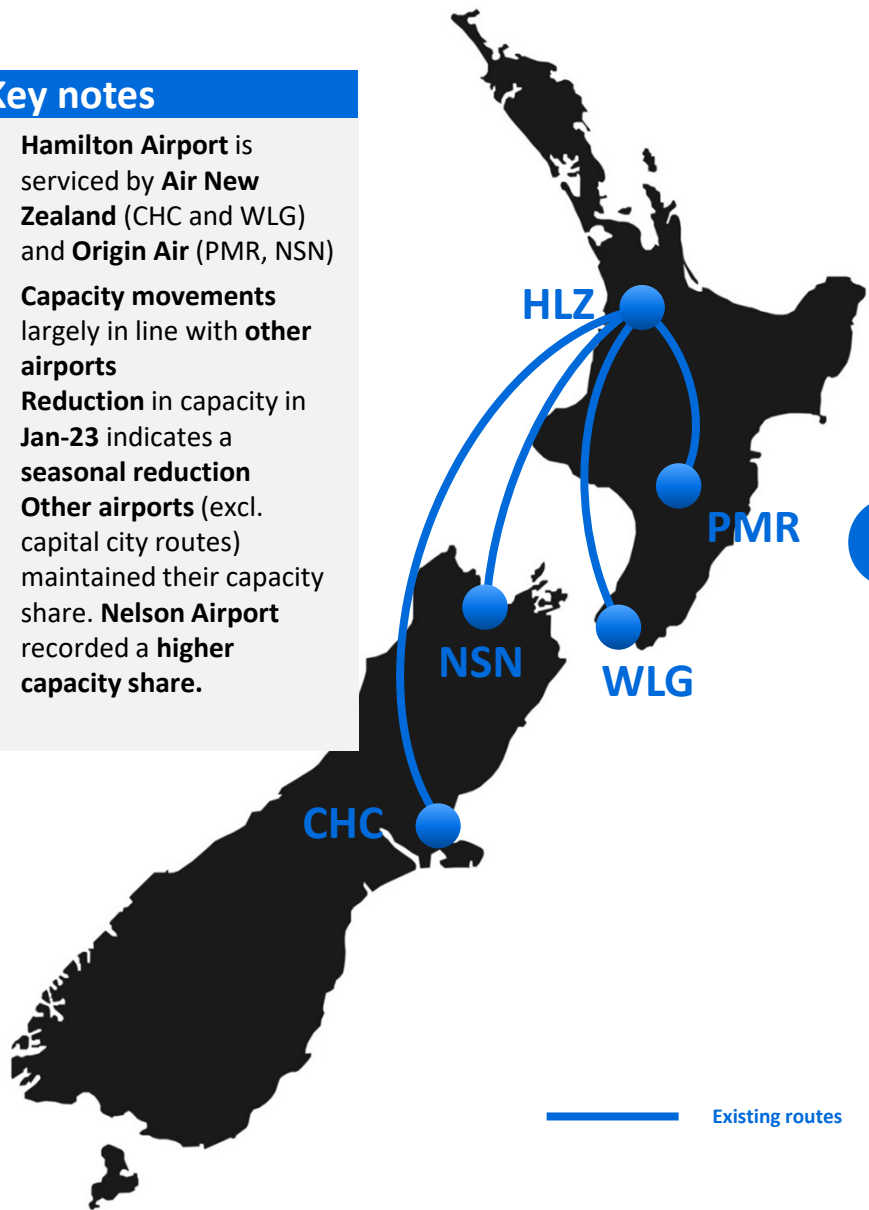
For the six-month period ended 31/12/22 (unaudited)

| | SOI Full Year 30/6/23 | Actual 6 months 31/12/22 | Forecast Full Year 30/6/23 |
|---|--------------------------|--------------------------------|-------------------------------|
| Financial Targets | | | |
| EBITDA excluding Land Sales | \$4,300 | \$3,325 | \$6,310 |
| EBITDA including Land Sales | \$11,100 | \$13,820 | \$16,146 |
| Net Profit before Tax | \$6,000 | \$11,287* | \$19,831 |
| Net Operating Cash Flow excl Land Sales | \$3,500 | \$3,121 | \$4,040 |
| Total Debt (not exceeding) | \$30,000 | \$13,000 | \$18,430 |
| Percentage of non-landing charges revenue | 60% | 73% | 69% |
| Land Sales | \$14,000 | \$14,723 | \$14,723 |
| Interest coverage | 4.0x | 11.2x | 8.0x |

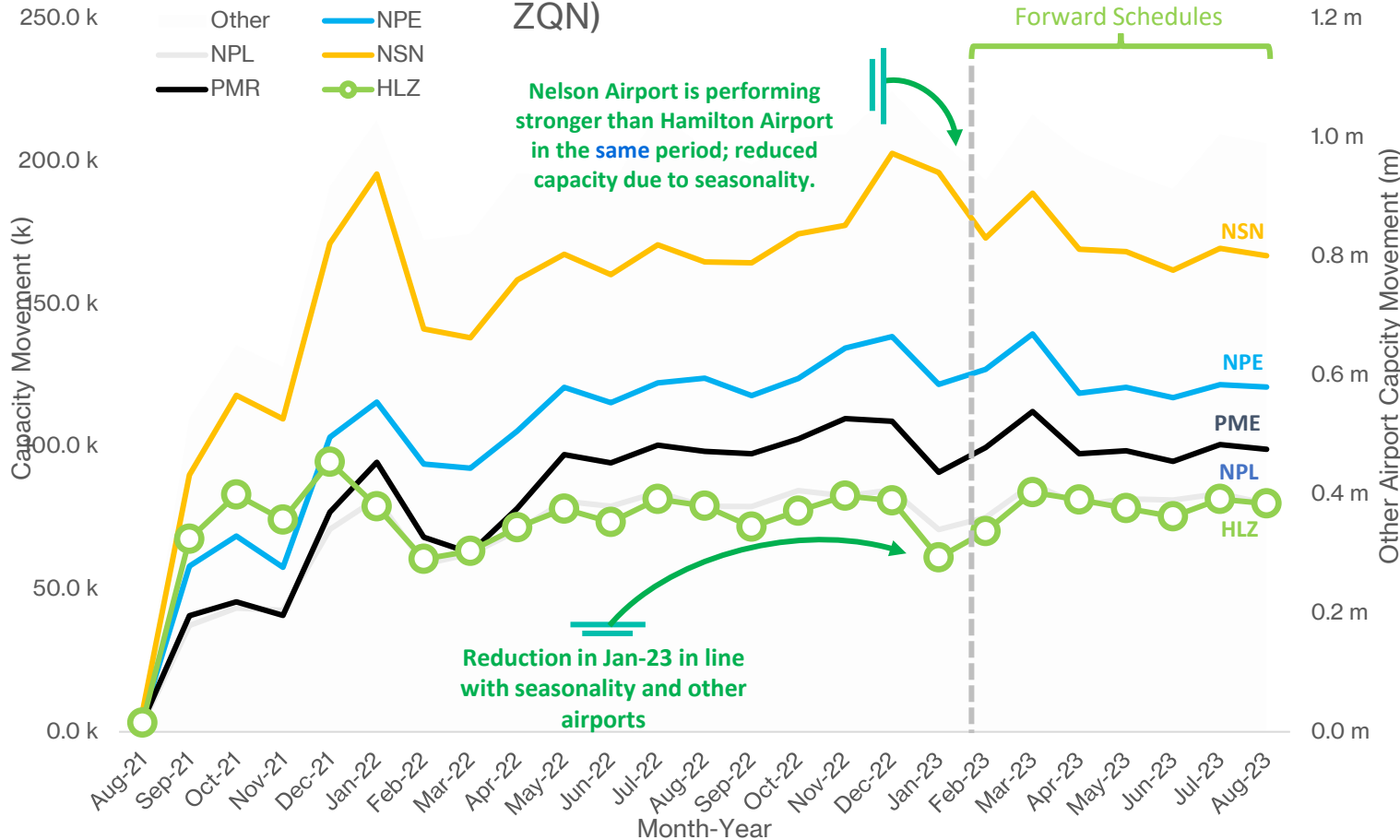
Hamilton Airport share of capacity for February to April 2023 is above the previous years' result, this is in line with other benchmarked airports

Key notes

- **Hamilton Airport** is serviced by **Air New Zealand** (CHC and WLG) and **Origin Air** (PMR, NSN)
- **Capacity movements** largely in line with **other airports**
- **Reduction** in capacity in **Jan-23** indicates a **seasonal reduction**
- **Other airports** (excl. capital city routes) maintained their capacity share. **Nelson Airport** recorded a **higher capacity share**.



Capacity Movement - By Airports vs. Other airports (excl. AKL, CHC, ZQN)



Airfare increase

- Fuel prices
- Wage inflation

- Insufficient seat capacity relative to demand

- Lack of airline competition on specific routes

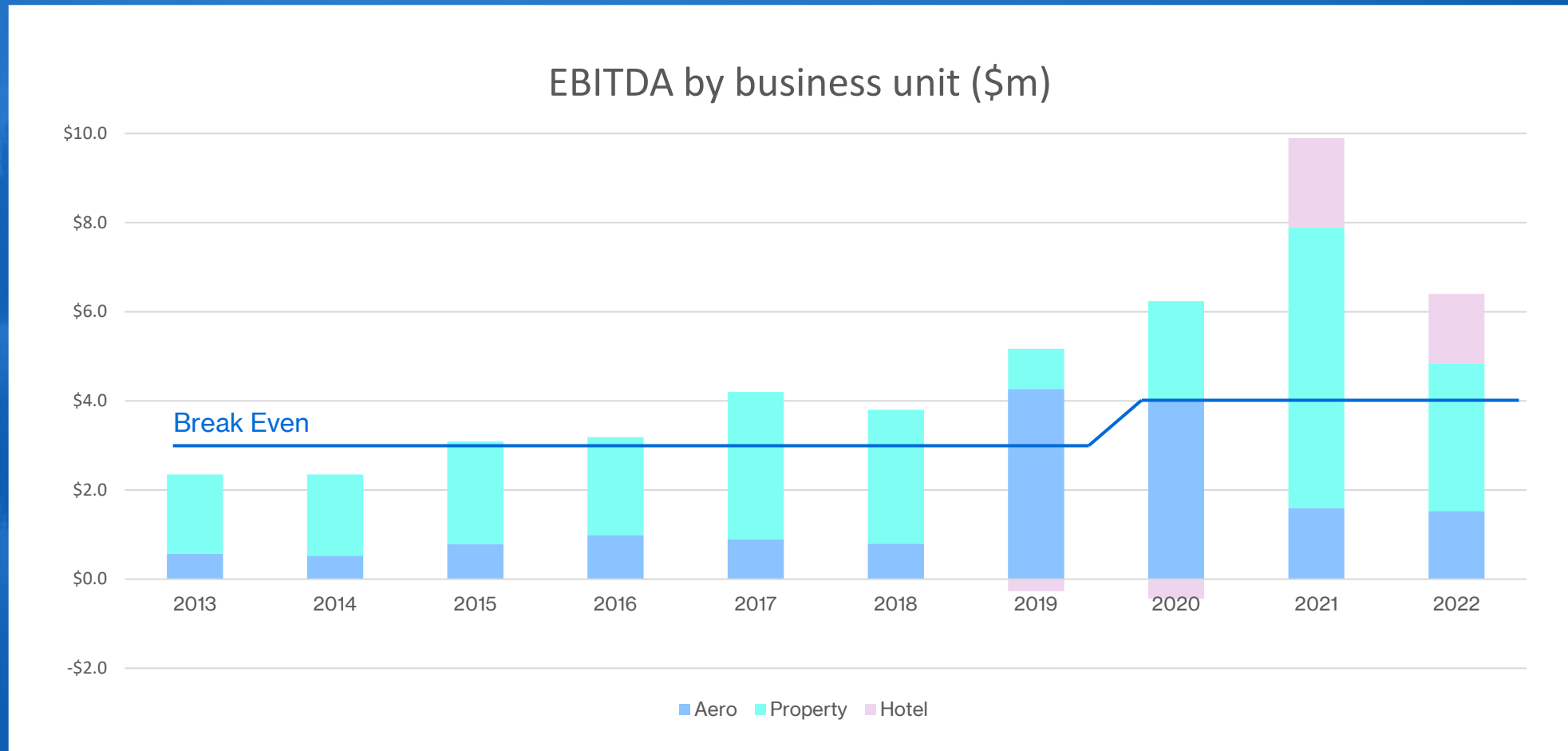
Airline capacity restraint

- Pilot training
- Air crew and ground staff
- Aircraft availability

HLZ

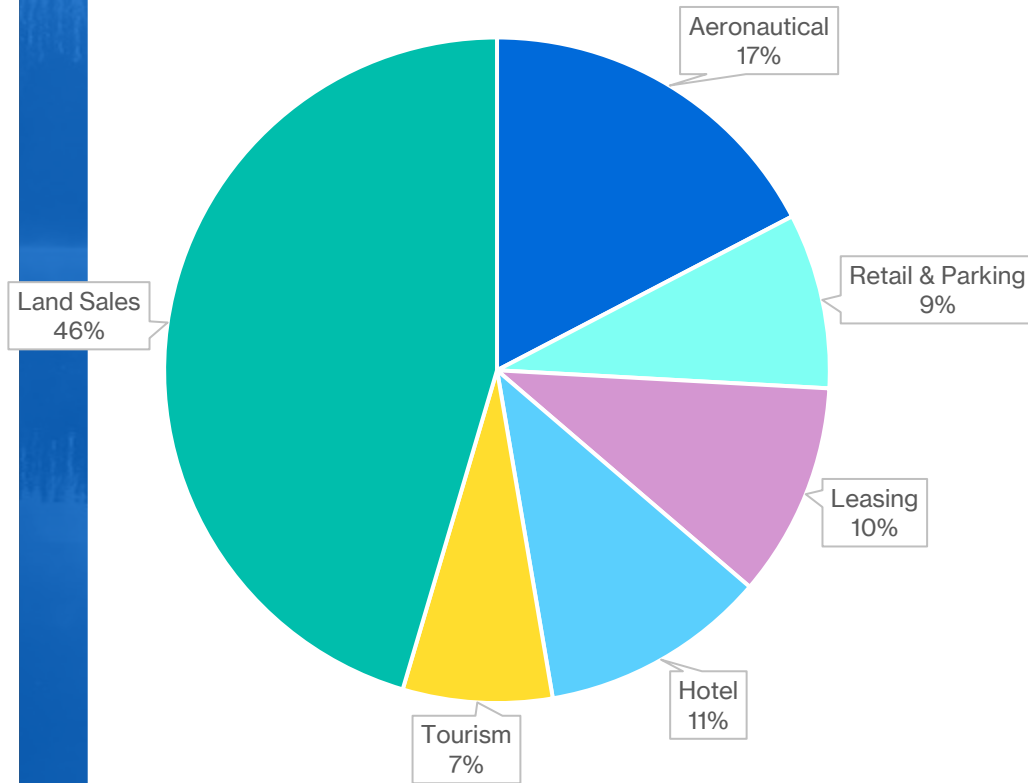
- 4 direct routes
- 20 weekday flights
- 139 flights per week
- 400k forecast FY23

Past Performance

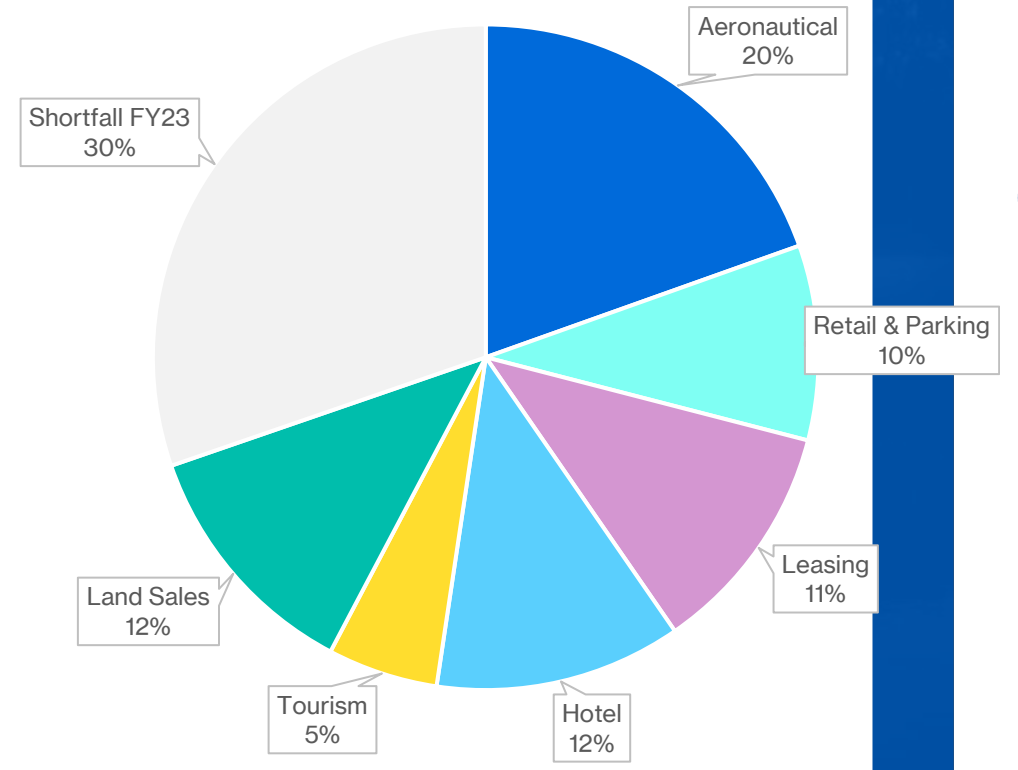


2024 Outlook

2023 Revenue



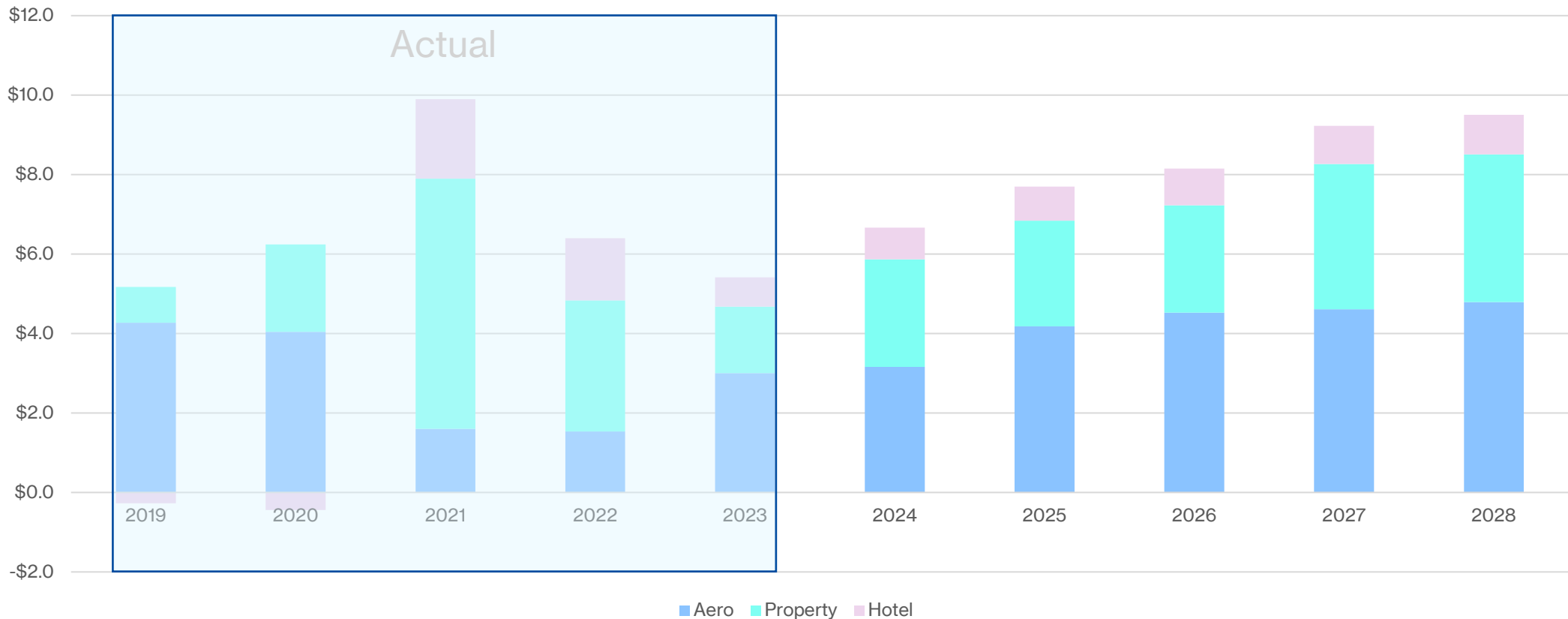
2024 Revenue



Future Earnings Growth

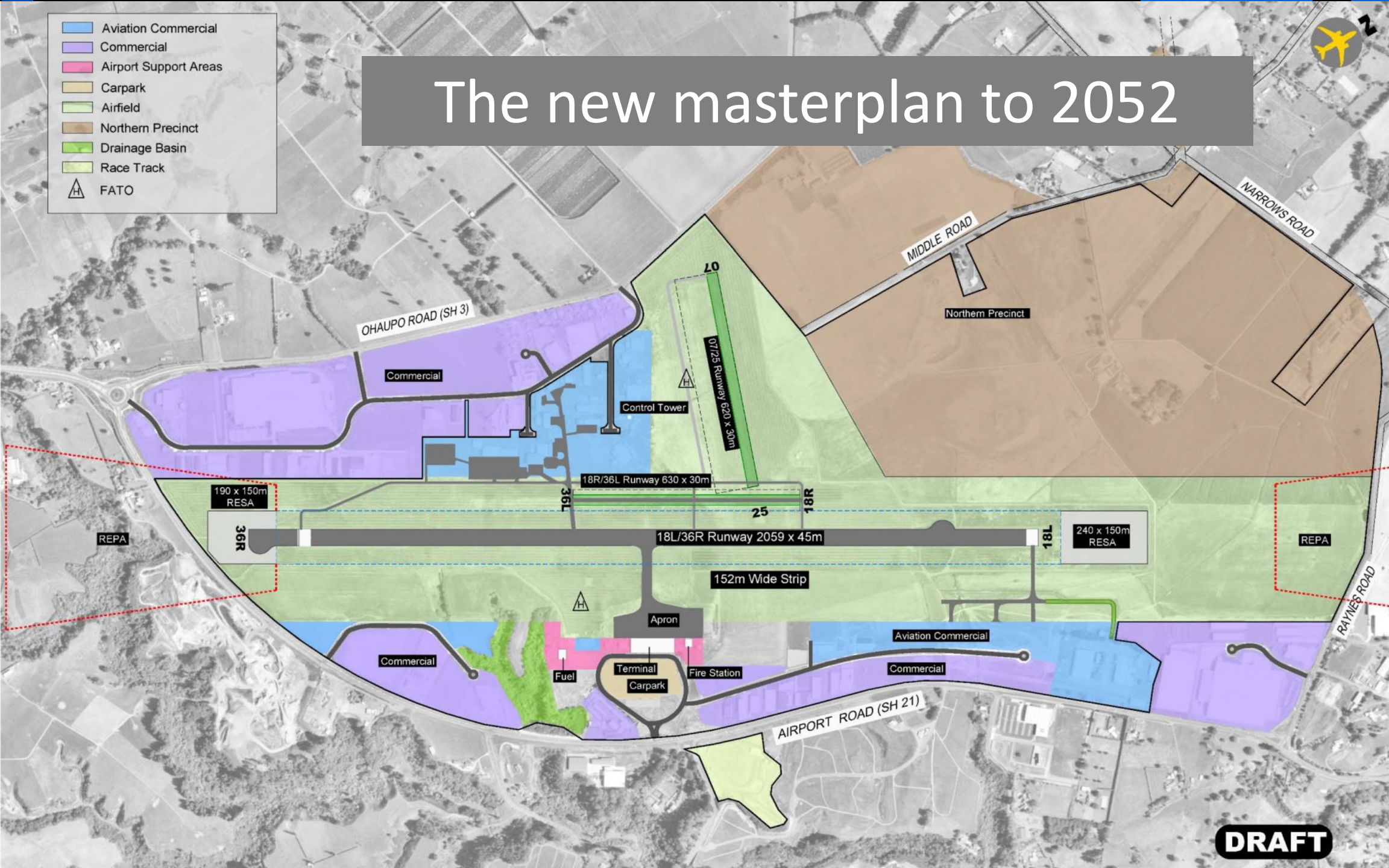
10-year diversification strategy

EBITDA by business unit (\$m)



The new masterplan to 2052

- Aviation Commercial
- Commercial
- Airport Support Areas
- Carpark
- Airfield
- Northern Precinct
- Drainage Basin
- Race Track
- FATO



DRAFT

Current Capability

- 2195m runway (4th longest in NZ)
- Narrow-body jets (Code-C)
- Tasman, Pacific and domestic destinations
- Direct Singapore remains an option
- Wide-body jets in an emergency only
- Private international departures/arrivals

In Summary



Hamilton Airport can (and does) service narrow-body jet types



Can already fly to Australia, the Pacific and even South-East Asia



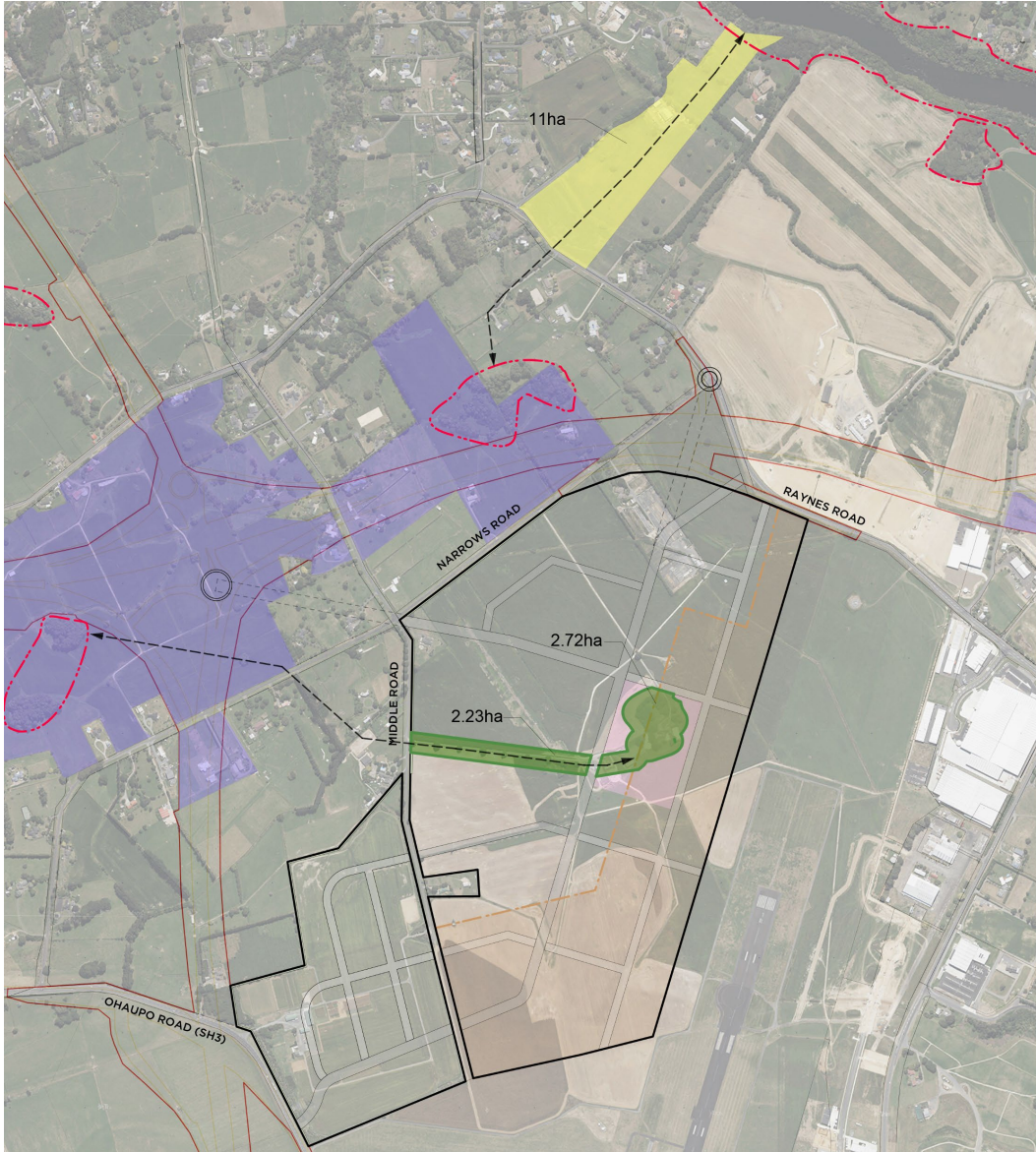
Hamilton Airport does not need wide-body jet capability that is well serviced from Auckland Airport.



Continue to review designations and ensure protection for future



Some investment required to facilitate growth of jet activity



Bat Habitat Area Plan

KEY

-  PC20 Area (131ha)
-  Hub
-  Indicative Future Road Connections to Southern Links
-  Southern Links Designation Extent
-  Operative Airport Business Zone Extent Land area extent - approx. 4ha
-  Bat Habitat Area
-  Key Bat Habitat Identified in the Surrounding Landscape
-  Bat Habitat Connections
-  Proposed Compensation Area
-  Property Owned by The Crown - Outside PC20 Area

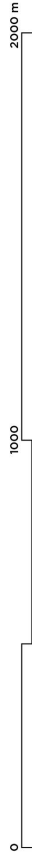
NOTE: Lot layout is indicative only and for illustrative purposes. Further development is anticipated following experts review and additional information from others.

HARRISON GRIERSON

NORTHERN PRECINCT

Project: 1020-146639-01
 Date: 7/02/2023
 Dwg No: 146639-122
 Status: for information
 Scale: 1:10000
 Revision: H

This document and design remains the property of Harrison Grierson Consultants Limited. No liability shall be accepted for unauthorised use. This concept is subject to further investigations into Planning, Surveying and Engineering feasibility. This document may be derived from inaccurate source information.



Northern Precinct

Aeronautical opportunities



Flight training



Private jets



General aviation



Drones & other technology

Where your story starts

Projects



Key Initiatives & Outlook



Solar Farm



Cultural Journey/Te Aō Māori



Aeronautical Masterplan



General Aviation Strategy



Car Park Redevelopment



Infrastructure