Auckland Airport

AKL

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AKL FY25: Delivering essential infrastructure as transformation of New Zealand's gateway airport gains pace

Key performance data for the 12 months to 30 June 2025:

- Total passenger movements increased 1.1% to 18.7 million
- Domestic passenger movements decreased 0.5% to 8.4 million, and international passenger movements (including transits) increased 2.5% to 10.3 million
- Revenue was up 12% to $1,004.7 million. Excluding interest income, revenue was up 9% to $972.9 million
- Operating EBITDAFI[1] was up 14% to $701.1 million
- Net underlying profit after tax[1] was up 12% to $310.4 million
- Reported profit after tax[2] including revaluations increased to $420.7 million
- A final dividend of 7.00 cents per share will be paid on 3 October 2025. Total dividends in respect of FY25 were $223.3 million, equating to a 71.9% payout of underlying profit after tax.

Auckland Airport today announced its financial results for the year to 30 June 2025, highlighting a positive performance against a backdrop of ongoing aircraft fleet challenges in the global aviation sector and the subdued local economy.

Auckland Airport Chair Julia Hoare said the 2025 financial year saw international airline seat capacity stabilise at 92% of 2019 levels, with the ongoing soft recovery in travel volumes delivering a modest uplift in overall passenger numbers.

"Aviation connectivity is critical to New Zealand achieving its economic growth ambitions, so recovering and growing airline seat capacity has remained a top priority for the Auckland Airport team," Ms Hoare said.

"International airlines continue to have to prioritise their available fleet in the short term, but the future outlook remains positive with New Zealand well-positioned for growth — boosted by several airline partners announcing new routes and expanded capacity for the coming summer.

"Most notable has been China Eastern with its highly anticipated connection between Shanghai Pudong Airport through Auckland Airport to Buenos Aires Ezeiza Airport, launching in December

[1] We recognise that EBITDAFI and underlying profit are non-GAAP measures. Please refer to the table at the end of the media release for the reconciliation of reported profit after tax to underlying profit after tax

[2] Includes a $127.5 million net revaluation gain, compared to a $15.3 million net revaluation loss in the same period last year

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2025. Not only does it provide a key connection between China and South America, but it also helps address a gap in direct capacity between New Zealand and South America, currently down 46% compared to the pre-pandemic period.

“Domestically, a highlight for FY25 was Jetstar growing its capacity at AKL by 14%. However, capacity overall remained steady, affected by Air New Zealand’s well documented and ongoing engine issues and, fleet constraints, as well as the overall economic environment.”

Overall, the number of passengers travelling through Auckland Airport in FY25 rose 1.1% over the previous year. International passenger numbers were up 2.5% year on year to 10.3 million (including transits) while domestic travel movements were 0.5% lower than FY24 volumes with 8.4 million passengers. In total, 28 airlines flew non-stop between Auckland and 42 international and 23 domestic destinations.

Chief Executive Carrie Hurihanganui said Auckland Airport delivered a solid performance in FY25, despite the ongoing challenges relating to international and domestic airline seat capacity and growth constraints in the domestic sector.

“As we navigate through these challenges, we continue to be focused on prudent cost management and delivering the resilient and fit-for-purpose gateway New Zealand needs to maintain our competitiveness as a nation,” Ms Hurihanganui said.

“It was a year of real momentum across Auckland Airport’s infrastructure programme and the transformation of the wider precinct, strengthening the resilience of our operations, attracting new businesses, supporting hundreds of new jobs, and significantly enhancing the customer experience.

“All of these efforts align with our five-year strategic roadmap, focused on building a better future to meet the changing needs of travellers, airlines, airport stakeholders and the wider community.”

An infrastructure highlight for the year was signing the $800 million contract with Hawkins (Downer Group subsidiary) in September for construction of Auckland Airport’s new domestic jet terminal, with the development now well underway and 1,500 people working on site across the terminal integration programme.

As construction activity intensifies, Ms Hurihanganui said ensuring worker safety was a key priority, with the airport lowering its lost-time injury rate for contractors from 1.6 in FY24 to 0.31 in FY25 — a reflection of strong and effective safety management practices. A standout example of this was the international airfield project team, which successfully completed over 1 million hours worked without a single lost-time injury.

“In FY25 we made good progress with key enabling projects, such as the 250,000m^2 international airfield expansion, which is set to open very shortly and will create the essential airfield headroom needed to allow for the construction of the domestic jet terminal pier and apron.

“We’ve completed essential resilience works on our baggage-handling system and recently delivered an upgrade to the existing international arrivals area, including a new security screening point for airport workers and bulk goods, as well as a loading dock for terminal deliveries.

"With all of these complex projects taking place in a live, operating airport, we are now reaching the stage where travellers will increasingly notice construction and some of the changes we are making.

"AKL will be wonderfully transformed in the years ahead and we are asking travellers for their patience as we progress the build. The results will be worth it."

Ms Hurihanganui said despite the disruption, FY25 marked a strong year for customer experience improvements at Auckland Airport. An example of this is the improvements seen in international arrivals with median processing times of 15 minutes in June 2025, an 8% improvement on the same period a year ago.

These efforts were recognised in the Kantar Corporate Reputation Index, with Auckland Airport ranking as New Zealand's 9th-most trusted company, AKL's highest placement ever and up from 50th in FY24.

"With new infrastructure delivered such as the Transport Hub, alongside operational improvements, we are already seeing our efforts to improve the traveller experience coming through in everything from higher quality facilities to faster processing times," she said.

"We still have a long way to go on this journey, but the Kantar result gives us the confidence we're on the right track and doing right by New Zealand in upgrading the airport."

Community focus

Ms Hurihanganui said the increased construction activity around the precinct was not only a boost to jobs and the economy – it also provided unique opportunities to benefit the South Auckland community.

"In FY25 we achieved this by embedding broader outcomes in our contracts, ensuring positive social, economic and environmental results alongside infrastructure delivery.

"Through the domestic jet terminal project, benefits are already flowing back into the community with work experience opportunities on offer to local students and more than $2 million spent with Māori and Pasifika businesses."

A thriving airport precinct

The opening of Mānawa Bay was a major milestone for Auckland Airport in FY25, bringing a new standard of outlet retail shopping to Auckland Airport and the wider region. Today the centre employs up to 750 people (depending on the season), who work across the premium outlet centre's 111 stores.

"At Mānawa Bay we have prioritised long term environmental performance, achieving a 5-star Greenstar rating for its design and incorporating features such as solar panels, rainwater collection, carefully managed waste streams and providing a shopping experience unlike other retail offerings," she said. "I'm pleased to say it's brought something unique to the precinct that customers and the community are responding to positively."

Another milestone in the airport's retail business in FY25 was French global travel retailer Lagardère successfully winning an eight-year contract to operate Auckland Airport's duty-free stores from 1 July 2025.

"With the prevalence of online shopping, shoppers have high expectations around the in-store duty-free experience. We are delighted to be partnering with Lagardère to bring the next evolution of duty-free shopping to Auckland Airport, which includes a phased refurbishment of the stores starting later this year."

More broadly, Auckland Airport's investment property portfolio has ended the year having a total value of $3.4 billion, with a commercial property rent roll of $192.1 million, occupancy levels at 99% and a weighted average lease term currently at 8.9 years.

Master Plan consultation

In FY25 Auckland Airport carried out consultation on its draft Master Plan, the first major update to this key planning document in more than a decade. Strong interest saw Auckland Airport meet with more than 100 stakeholders to gather feedback, with a final version of the plan to be released at the end of the 2025 calendar year.

Regulation

In March 2025, the Commerce Commission's final report into Price Setting Event 4 (PSE4) confirmed Auckland Airport's infrastructure investment programme was reasonable, had cost rigour applied to it, and was properly consulted on. Following the report, Auckland Airport discounted airline charges for the use of the airfield, terminals and other essential airport services for the final two years of PSE4, bringing the targeted return for the FY23-FY27 pricing period to 7.82% and within the range the Commerce Commission found to be reasonable.

In April 2025, the Ministry for Business Innovation and Employment (MBIE) asked the industry for viewpoints on the effectiveness of airport regulation under the Commerce Act. After receiving submissions, MBIE has confirmed no legislative reform is being pursued at this time.

Auckland Airport supports MBIE's findings that the current legislative framework provides the Commerce Commission with ability to amend the information disclosure regime to provide further insight on major capital investments, and AKL will continue to engage with the Commission in this regard.

Outlook

Looking ahead to FY26, Ms Hurihanganui said ongoing airline seat capacity constraints are expected to continue in the short term. Alongside this, the impacts of the global geopolitical environment on travel demand, the softer New Zealand economy, and the business needing to adjust to operating in a live and an ever-increasing construction environment, are creating additional uncertainty around the outlook.

Reflecting this, Auckland Airport remains cautious about the outlook for FY26 and provides the following guidance: domestic and international passenger numbers of approximately 8.6 million and 10.6 million respectively. These travel numbers, together with higher depreciation as a result of the investment programme, are reflected in underlying earnings guidance of between $280 million and $320 million. As always, this guidance is based on the current expectations about operating outlook and prevailing market conditions, and is subject to unforeseen events including significant one-off items. Auckland Airport continues to invest strongly with capital expenditure guidance of between $1,000 million and $1,300 million in FY26.

ENDS

For further information, please contact:

Investors:

Stewart Reynolds

Chief Financial Officer

+64 27 511 9632

stewart.reynolds@aucklandairport.co.nz

Media:

Libby Middlebrook

Head of Corporate Affairs

+64 21 989 908

libby.middlebrook@aucklandairport.co.nz

The table below shows the reconciliation between reported profit after tax and underlying profit or loss after tax for the years ended 30 June 2025 and 2024.

	2025			2024		
	Reported profit $M	Adjustments $M	Underlying profit $M	Reported profit $M	Adjustments $M	Underlying profit $M
EBITDAFI per Income Statement	**701.1**	**-**	**701.1**	**614.0**	**-**	**614.0**
Investment property fair value change	127.5	(127.5)	-	(15.3)	15.3	-
Property, plant and equipment revaluation	(2.8)	2.8	-	(11.0)	11.0	-
Fixed asset write-offs, impairments and termination costs	-	0.4	0.4	-	1.0	1.0
Derivative fair value change	(2.0)	2.0	-	0.9	(0.9)	-
Share of profit / (loss) of associate and joint ventures	3.4	3.2	6.6	(4.5)	9.8	5.3
Depreciation	(200.7)	-	(200.7)	(168.4)	-	(168.4)
Interest expense and other finance costs	(72.3)	-	(72.3)	(72.4)	-	(72.4)
Taxation (expense) / benefit	(133.5)	8.8	(124.7)	(337.8)	234.9	(102.9)
Profit after tax	**420.7**	**(110.3)**	**310.4**	**5.5**	**271.1**	**276.6**

We have made the following adjustments to show underlying profit after tax for the years ended 30 June 2025 and 2024:

- 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 revaluations of land in 2025 and we have also reversed out the revaluations of buildings and services in 2024;
- reversed out the impact of capital expenditure write-offs, impairments and termination cost expenses in 2025 and 2024. These fixed asset write-offs, impairments and termination costs 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. These are unrealised and relate to basis swaps that do not qualify for hedge accounting on foreign exchange hedges, as well as any 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 years.