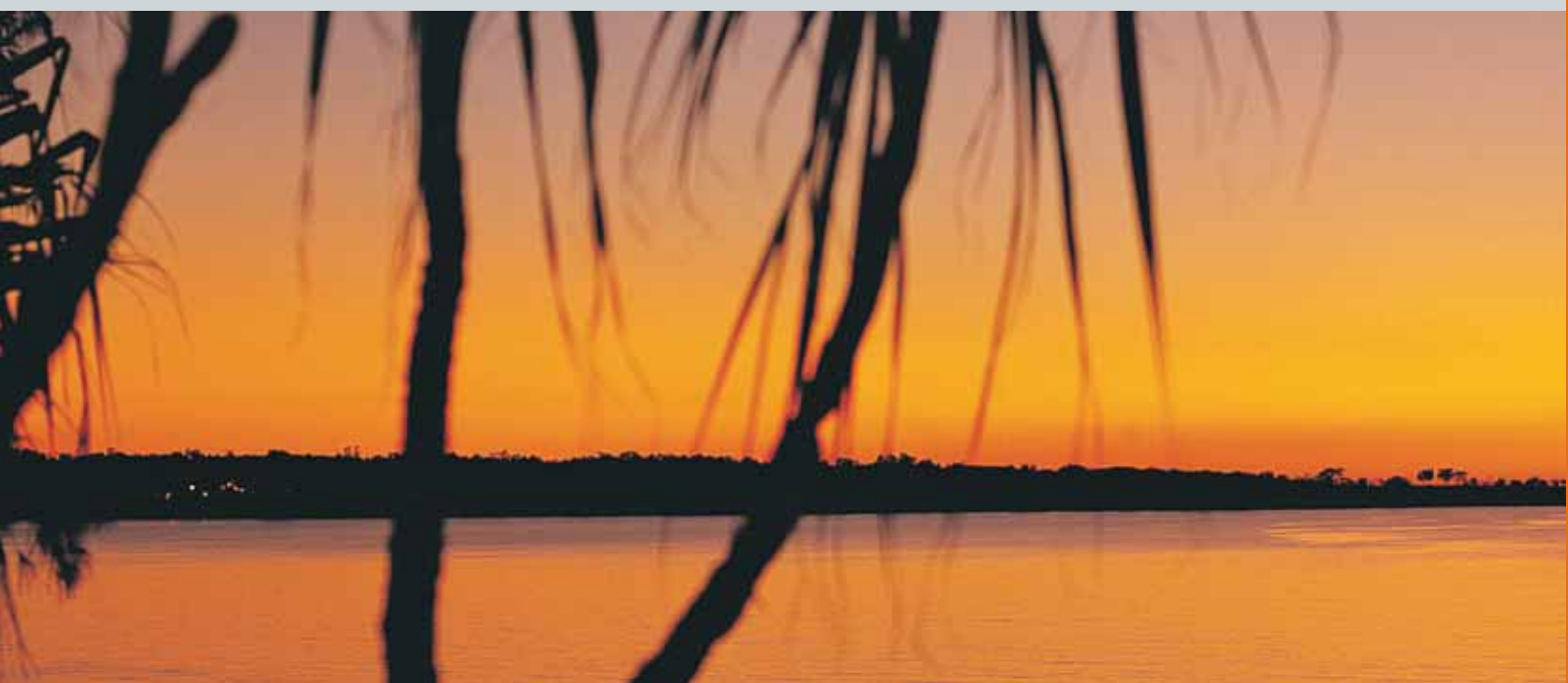




annual report 2003-2004

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mission statement

"In the interest of all stakeholders, operate an airport business that is world class in financial and environmental performance, customer service and safety and security, and is recognized as a key contributor and participant in the economic growth of the Northern Territory"

vision

Airport Development Group's vision is to be a world class airport business. That is, we aspire to achieve the following:

- > standards of efficiency and safety that equal world's best practice;
- > compliance with all operational, regulatory and environmental standards;
- > customer satisfaction with facilities, commensurate with the scale of our airports;
- > staff and management excellence;
- > appropriate returns to shareholders on invested capital that reflect the underlying risk; and
- > all commercial opportunities are fully investigated, and where appropriate developed and implemented.

values

We will demonstrate our values by action and we will:

- > Deliver on our commitments to customers, shareholders and other stakeholders;
- > Act with honesty and integrity in all our dealings with employees and customers;
- > Demonstrate our professionalism and credibility in all areas of our operations;
- > Respond in a timely and appropriate manner to stakeholder needs;
- > Reward staff for their endeavours on a fair and equitable basis;
- > Accept the responsibility and accountability that goes with the challenge of delivering objectives and plans;
- > Respect all people who we work and have contact with; and
- > Excel in providing the highest quality service and support to our stakeholders.



2004 highlights

- > Operating revenue of \$27.2M (2003: \$22.5M) an increase of 21% on the previous year.
- > Earnings before interest, tax, depreciation and amortisation (EBITDA) of \$14.9M (2003: \$10.8M) an increase of 38% on the prior year.
- > Total of 1,792,000 passengers 2004 (2003: 1,655,000), an increase of 8% on the previous financial year.
- > Inaugural Australian Airlines flight from Darwin to Singapore in May 2004.
- > Skywest commenced Perth-Broome-Darwin services in April 2004.
- > Direct international charter flights from Tokyo landed for the first time at Alice Springs Airport in August 2003.
- > Release of Preliminary Draft Master Plan and associated Environment Strategy for Darwin International and Alice Springs Airports.
- > Construction and completion at Darwin International Airport of ABC Childcare Centre, expanded Qantas Club Lounge as well as continued work on Darwin International Airport's terminal retheming and refurbishment project.
- > Redesign and expansion of the passenger screening point at both Darwin International and Alice Springs Airports to improve passenger flows and cope with peak demand.
- > Commencement of construction of Darwin International Airport Hotel.
- > Exercise Pitch Black, the Royal Australian Air Force's ("RAAF") largest exercise which concluded in August 2004, was conducted at the joint Darwin International Airport / RAAF Base Darwin facility. The exercise involved RAAF personnel and Air Force representatives from Thailand, France and Singapore. Approximately 1,600 sorties were flown during Exercise Pitch Black providing vital training for pilots and ground crews.



“With strong growth experienced in tourism during the dry season, international passenger numbers rose sharply.”

chairman's introduction

On behalf of my fellow Board members, I am pleased to report on the performance of Airport Development Group (ADG) for the 2004 year. The ADG Group comprises Darwin International Airport (DIA), Alice Springs Airport (ASA) and Tennant Creek Airport (TCA).

The 2004 Annual Report builds on the outstanding results from the previous year with overall performance of ADG recording excellent growth across all sectors of airport operations. ADG saw an increase in revenues to \$27.2 million representing a 21.2 percent increase on last year. EBITDA was \$14.9 million, an increase of 38 percent on the previous period results.

Domestic passenger numbers increased at DIA up 12.3 percent and ASA up 6.6 percent. This growth was facilitated by additional flights from Virgin Blue and Qantas and the commencement of Skywest services.

With strong growth experienced in tourism during the dry season, international passenger numbers into Darwin rose sharply, predominantly as a consequence of the new international services provided by Australian Airlines.

The commercial development program at Darwin International Airport progressed with the new terminal retail fitout completed in November 2003. The visual appearance of Darwin International Airport further transformed with the expansion and redesign of the passenger screening facilities and the expansion of the Qantas Club Lounge.

As part of the group's Corporate Giving Program, DIA staff joined with local airport operators to raise funds for the purchase of a vehicle for Red Cross. Support of local groups through board memberships and sponsorships of local events, charities, environmental and conservation groups continues to be strong at both Darwin and Alice Springs.

ADG encourages this progressive involvement between airport personnel and their communities.

In conclusion, ADG is established on solid foundations where the Airport businesses and the communities they serve can progress with confidence into the future.

On behalf of the Board, I wish to acknowledge our executive team, staff and business partners for their contribution during the year. We are convinced of an exciting and rewarding future.

Mitchell King



“Northern Territory Airports will pursue opportunities for continued successful and profitable growth”

chief executive officers report

This has been a year of outstanding success for ADG with revenues well above budget, recording a 21.2 percent increase on last year.

Both airports are significant economic entities within the Northern Territory, with Darwin International Airport contributing \$87.5 million towards the economy and Alice Springs Airport contributing \$41.4 million. Airport and aviation businesses that operate from Darwin International (DIA) and Alice Springs (ASA) airports contribute approximately 1.5 percent of the Gross State Product of the Northern Territory.

The 2003-2004 period witnessed a rebounding of airport traffic from the prior periods of slow recovery post September 11 and the collapse of Ansett in 2001. Operationally our domestic passenger numbers increased at both DIA and ASA and during the last quarter of the year international passenger numbers rose in keeping with growing tourism figures.

A major capital expenditure program to upgrade our airports took place in 2003. Over \$5 million was spent across Darwin International, Alice Springs and Tennant Creek Airports in order to improve our level of service and enhance the quality of experience for all who work and use the airport facilities.

At DIA, construction of the Australian Customs Service administration building, new administration offices for the Australian Protective Service, expansion of the Qantas Club Lounge, the refit of the food and beverage retail outlets, Surface Enrichment Spray Treatment, phase one and two of the three year landscaping upgrade and new environmental interceptor facilities on the General Aviation Apron were completed.

Further works are due for completion inside the DIA terminal including the continuation of the terminal refurbishment program and reconstruction of apron space adjacent to aircraft parking bays nine and ten.

Construction of the ABC Childcare facility in the business precinct of the airport was completed. This provides a valued facility for airport based staff that require child minding services within the airport precinct. Construction commenced on the Darwin International Airport Hotel resort that is being built in close proximity to the Airport terminal.

The Alice Springs Airport Management Centre was relocated to the terminal building and a major refit of food and beverage and specialty retail outlets took place. Work was also completed on the Surface Enrichment Spray Treatment of RPT and GA aircraft aprons.

To progress Northern Territory Airports into the future, the 2004 Preliminary Draft Airport Master Plan and Environment Strategy for DIA and ASA were released for public comment prior to submission to the Federal Government for review and approval.

Northern Territory Airports will continue to pursue opportunities for successful and profitable growth with committed strategies involving the Northern Territory Government (NTG) and other community and environmental stakeholders. Our partnership with the NTG to fund the Aviation Development Director role has enjoyed considerable success with additional Qantas and Virgin Blue domestic services, the commencement of Australian Airlines to Singapore and Skywest services to Perth being secured during the period.

Our vision of a world class airport business is reflected in the high standards of professionalism delivered throughout the airport's environment, where changing times make it imperative that advancement in safety and quality service are a constant reflection of a solid and steadfast airport business.

Ian Kew

company overview



AIRPORT DEVELOPMENT GROUP

Airport Development Group Pty Ltd (ADG) through its subsidiaries acquired a lease for the three Northern Territory Airports comprising Darwin International Airport, Alice Springs Airport and Tennant Creek Airport, from the Commonwealth Government with a commencement date of 10 June 1998 and consideration around \$110 million.

ADG is the ultimate parent of the group. ADG owns 100% of Northern Territory Airports Pty Ltd (NTA) which in turn owns 100% of Darwin International Airport Pty Ltd (DIA) and Alice Springs Airport Pty Ltd (ASA) who are respectively the holders of a 50 year lease over Darwin International Airport and Alice Springs Airport with free options to renew for a further 49 years.

ADG also owns 100% of Tennant Creek Airport Pty Ltd (TCA) who are the holders of a 50 year lease over Tennant Creek Airport with a free option for a further 49 years.

DARWIN INTERNATIONAL AIRPORT

Darwin International Airport (DIA) is the main international and domestic gateway to the Northern Territory and is Australia's closest airport to Asia. DIA is currently the Northern Territory's sole international airport bringing visitors into Australia via the 'Top End'. It provides for the civil needs of Darwin – the seat of Government for the Northern Territory – and serves not only visitors but is essential to the business and government communities and for links to remote areas.

DIA operates curfew free and is a joint user airport where the civilian airport shares runway areas and associated infrastructure with the Royal Australian Air Force (RAAF).

The primary facilities at DIA include:

- > a two level, 16,000 square metre integrated terminal building handling all international, domestic and regional passenger movements;
- > a two runway system capable of handling all existing and planned aircraft types including the A380 Airbus;
- > ten aircraft parking stands on the main apron, three of which are serviced by aero-bridges (one of which can handle Boeing 747 aircraft);
- > a general aviation area consisting of an apron with parking for approximately 100 aircraft and a number of aircraft maintenance hangars;
- > air freight facilities which are located to the east of the terminal;
- > refuelling and other aeronautical service related facilities;
- > 24 hour air traffic control facilities are provided by the RAAF; and
- > located on 311 hectares 13 kilometres from Darwin's CBD.





company overview (continued)

ALICE SPRINGS AIRPORT

Alice Springs Airport (ASA) is a significant domestic airport servicing the needs of the Central Australian region and bringing visitors from most capital cities and major centres to the 'Red Centre'. It also provides an important link to the Territory's remote communities.

The main facilities at ASA include:

- > curfew free facilities for domestic and regional passenger airlines as well as general aviation and helicopter traffic;
- > a three runway system comprising a main runway of 2,438 metres and two general aviation runways of 1,133 metres and 1,029 metres;
- > a 10,000 square metre terminal building which is controlled and operated by ASA;
- > ten aircraft parking stands on the main apron;
- > a general aviation area consisting of apron parking for approximately 70 aircraft and a number of aircraft maintenance hangars;
- > refuelling and other aeronautical service related facilities;
- > air traffic control facilities, fire fighting services and navigational aids provided by Airservices Australia; and
- > located on 3,550 hectares 14 kilometres south of Alice Springs.



TENNANT CREEK AIRPORT

Tennant Creek Airport (TCA) is a regional airport that was acquired as part of the privatisation of DIA and ASA. Located one kilometre from the remote outback township of Tennant Creek, the airport caters to mining companies and small, predominantly aboriginal communities, in the surrounding area providing an important link for the local population with Alice Springs, Katherine, Darwin and regional centres.

The airport occupies a site of 323 hectares and its main facilities include:

- > a domestic terminal and associated infrastructure to services both regular public transport and general aviation aircraft;
- > a two runway system together with associated taxiways and apron areas;
- > curfew free operations.



“Domestically, Darwin and Alice Springs Airports had an outstanding year. Domestic passenger numbers increased 12% at Darwin International Airport, while at Alice Springs Airport numbers increased by 7%”

business overview

ADG FINANCIAL RESULTS SUMMARY

Financial Year Ending	2004 ADG	2003 ADG	2002 ADG	2001 ADG	2000 ADG
REVENUE:					
Aeronautical	17,562	13,385	7,863	6,509	6,023
Trading	4,609	4,534	4,261	4,253	3,764
Property	4,080	3,821	4,651	5,102	4,942
Other	955	784	709	492	598
Total (1)	27,206	22,524	17,484	16,356	15,327
EXPENDITURE:					
Labour & staff overheads	4,790	4,382	3,353	3,045	3,024
Services & utilities	2,134	1,887	1,664	1,529	1,819
Administration	3,182	2,702	2,044	1,928	1,306
Maintenance	1,537	1,424	990	1,114	1,257
TSA expenses	624	1,378	813	734	831
Total	12,267	11,773	8,864	8,350	8,237
EBITDA:	14,939	10,751	8,620	8,006	7,090
Depreciation	5,782	5,631	5,400	5,316	5,077
Amortisation	641	557	558	558	558
EBIT:	8,516	4,563	2,662	2,132	1,455
Net borrowing costs	5,773	6,797	5,400	5,292	4,982
Abnormals / Income tax	(2,370)	4,998	(9)	(1)	349
NET PROFIT/(LOSS) AFTER TAX:	5,113	(7,232)	(2,729)	(3,159)	(3,876)

(1) Revenue excludes passenger security, checked bag screening, additional security measures and counter terrorist first response charges which are levied such that revenue received is equally offset by expenses incurred. In 2003/04 revenue from security charges was \$3.86 million

business overview (continued)

FINANCIAL PERFORMANCE

The ADG group again performed strongly during the 2003/04 financial year. Group performance for the financial year exceeded budget expectations and was a significant improvement on the previous year. EBITDA for the year was \$14.94M, up 38% on the previous year. The strong result this year has seen EBITDA growth over the past two years of over 73%.

This year's result has culminated from a growth in revenue of 21% to \$27.2M while containing expenditure to an increase of only 4% or \$0.49M.

ADG increased its Passenger Facilities Charge (PFC) on 1 July 2003 to \$3.50 (excluding GST). This charge is levied on a per passenger basis on domestic and international regular public transport operators for the use of the terminal and associated facilities. The Airport Services Charge (ASC) also increased slightly on 1 July 2003 to \$5.50 (excluding GST). This charge is levied on a per passenger basis for the use of runways, taxiways, aprons and associated facilities.

This year was the first full financial year that these charges were in place. As a result 2003/04 aeronautical revenues were significantly higher than the previous year with an increase of \$4.2M or 31%.

ADG continues to under recover costs in the provision of aeronautical services, however the current price regime is more reflective of the costs of operations of airports in the Northern Territory.

Trading revenue increased 2% on the previous year. While duty free revenue continued to suffer from weak international passenger movements in the early part of the year, the last two months of the year saw a significant improvement in duty free figures. Overall duty free revenue was down 13% on the prior year. Offsetting this was a strong performance in car rental, an increase of 8%, and car parking revenue, an increase of 6%, on the previous financial year.

Property revenues also increased by 7% on the previous year on account of significant change in the terminal with the refurbishment of airline office space and a full financial year's revenue on a number of the commercial property developments.

Total expenses for the financial year were \$12.2 million, \$0.49 million or 4% higher than the previous year.

ADG's staffing costs increased during the financial year as a result of increased staff numbers. Additional staff have been required due to the significant increase in peak period activity as well as to facilitate the ongoing development aspirations of the airports.

Services and utilities costs were slightly higher than the previous year and are largely reflective of higher electricity and cleaning costs. A portion of these costs were previously recovered through terminal lease agreements, however with the implementation of the PFC as an all inclusive charge, these costs are now borne by ADG. The cost of insurance continued to rise

this financial year and contributed to an increase in general administration costs.

Costs associated with the technical services agreement (TSA) decreased 55% compared to the previous financial year. During the prior year ADG had two TSA agreements in place, one of which was extinguished at the end of the prior period. A single consulting agreement with BAA International is now the only technical services agreement in place.





business overview (continued)

Financial Year Ending	2004 ADG	2003 ADG	2002 ADG	2001 ADG	2000 ADG
DARWIN INTERNATIONAL AIRPORT					
PASSENGERS:					
Domestic	985,000	875,000	800,000	945,000	855,000
International	197,000	210,000	290,000	435,000	335,000
Total	1,182,000	1,085,000	1,090,000	1,380,000	1,190,000
AIRCRAFT MOVEMENTS:					
Regular Public Transport	18,200	18,000	18,700	26,000	27,000
General Aviation	44,300	40,600	49,000	60,800	58,000
Total	62,500	58,600	67,700	86,800	85,000
LANDED TONNES:					
Total landed tonnes	539,000	525,000	590,000	810,000	725,000
ALICE SPRINGS AIRPORT					
PASSENGERS:					
Domestic	610,000	570,000	520,000	665,000	600,000
Total	610,000	570,000	520,000	665,000	600,000
AIRCRAFT MOVEMENTS:					
Regular Public Transport	7,800	7,500	8,200	11,800	13,000
General Aviation	16,700	16,200	17,900	22,800	20,000
Total	24,500	23,700	26,100	34,600	33,000
LANDED TONNES:					
Total landed tonnes	239,000	223,000	206,000	287,000	300,000
TENNANT CREEK AIRPORT					
AIRCRAFT MOVEMENTS:					
Total aircraft movements	2,200	2,800	3,600	4,800	n/a
LANDED TONNES:					
Total landed tonnes	4,200	6,400	7,400	8,900	9,800



business overview (continued)

OPERATIONAL PERFORMANCE

After a number of difficult trading years for the aviation industry the 2003/04 financial year saw a significant improvement and turn around for Darwin International Airport and Alice Springs Airport. With the completion of the Alice Springs to Darwin railway, significant investment in defence, infrastructure and tourism in the Northern Territory during the period, ADG's airports are well placed to respond to the increasing level of development and activity in the Territory.

While international passengers at Darwin International Airport were 6% lower than the previous financial year at 197,000 passengers, the recovery in international airline capacity toward the end of 2003/04 saw a strong performance and recovery in the final months of the year. Australian Airlines commenced twice weekly services to Singapore in May 2004, replacing some of the lost capacity after the events of September 11 and SARS during the previous two years. Royal Brunei also added a third weekly service to their schedule while flights to Kupang (West Timor) resumed in June 2004.

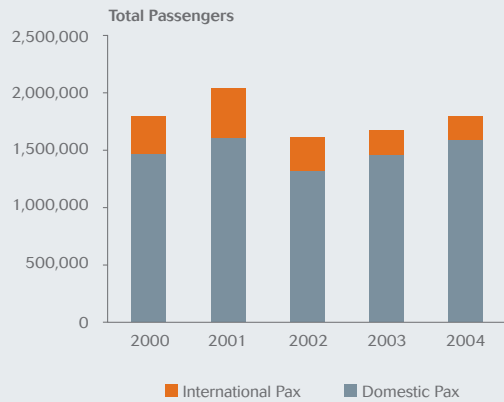
Domestically, Darwin and Alice Springs Airports had an outstanding year. Domestic passenger numbers increased by 12% to 985,000 at Darwin International Airport, while at Alice Springs Airport numbers were 610,000, up 7% on the previous financial year.

Strong growth in tourism coupled with a significant improvement in capacity to both Darwin and Alice Springs Airports contributed to the strong performance in 2003/04. Virgin Blue continued to add much needed capacity with the introduction of a three per week direct Darwin-Melbourne service. Skywest Airlines also introduced a three per week Broome - Darwin service in April 2004, adding a jet service link to the popular WA tourist destination. Qantas have also continued to add services and capacity where necessary to cope with demand.

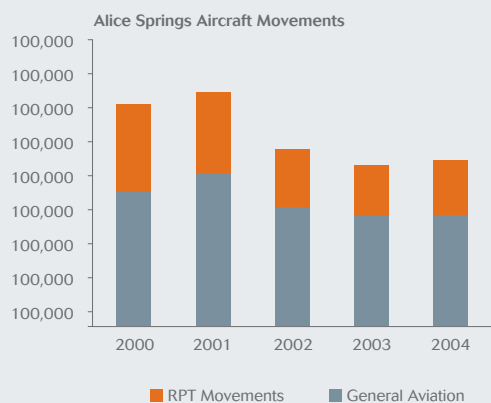
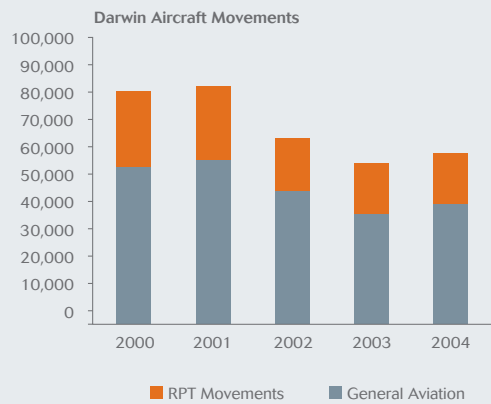
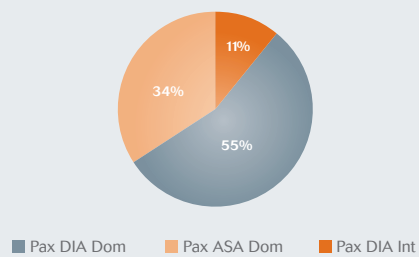
Tennant Creek Airport traffic continues to decline with ongoing reductions in RPT services from Darwin and Alice Springs.



business overview (continued)



Passenger by Type 2003/04





business overview (continued)

ROUTE DEVELOPMENT

As part of ADG's route development strategy, Peter Roberts holds the position of Aviation Development Director. This position is the result of an innovative partnership agreement between ADG and the Northern Territory Government to encourage airlines to expand services to and within the Northern Territory. In particular, it is a high priority to encourage the growth of airline services to Darwin, Alice Springs and Tennant Creek.

ADG has been very active in promoting airline development into Darwin, Alice Springs and Tennant Creek airports. The past twelve months have seen a number of new airlines commence services to our airports while existing airlines continued to increase capacity to cope with demand.

Significant developments over the 2003/2004 financial year include:

- > Australian Airlines commenced non stop services between Darwin and Singapore in May 2004. The leisure travel airline commenced operations with a twice weekly Boeing 767 service between Singapore, Darwin and Cairns. This service has added much needed capacity to the route and has already had a significant impact on international passenger traffic through Darwin International Airport.
- > Western Australia's major regional airline Skywest commenced flights to the Northern Territory in April 2004. The Fokker 100 jet service from Perth-Broome-Darwin began with two flights per week initially and quickly grew to three flights per week by May 2004. Skywest flights now provide a new link with WA and a boost to the tourism industry with more passengers encouraged to travel throughout the Territory.
- > Virgin Blue also launched an additional three per week direct Darwin - Melbourne service in April 2004. The decision to begin operating the direct flight was made due to the large number of passengers booking connecting flights to Darwin via Sydney and Brisbane.
- > Direct international charter flights carrying tourists from Tokyo landed for the first time at Alice Springs Airport in August 2003. The visit was organised by Japanese holiday wholesaler Kintetsu International who used local tourist operators to show the visitors the sites of the Red Centre. Customs and Quarantine officials together with bag x-ray machines and sniffer dogs were flown in to help with the extra duties.
- > Royal Brunei Airlines launched a third weekly service to Darwin during October 2003. The new Airbus A319, one of the world's most modern technologically advanced aircraft, was welcomed to



business overview (continued)

Darwin in conjunction with the airline's 20 year anniversary of service to the Northern Territory.

- > Significant discussion and work commenced in the latter part of the financial year on Darwin International Airport's newest airline, Palau Micronesia Air, whose inaugural service was launched in August 2004. Palau, which is approximately 3 hours flying time from Darwin, is one of the world's great diving spots and should prove a popular tourism attraction for divers from across Australia with strong economic spin-offs for the Territory.

The Aviation Development Director also represented ADG and the Northern Territory at a number of international routes conferences during the year including at Edinburgh Scotland and Routes Asia in Kuala Lumpur. The routes conferences represent an opportunity to lift the profile of the Northern Territory and the ADG's Territory airports as well as expanding a network of contacts.

There are ongoing discussions with a number of Asian airlines and other low cost carriers in respect of both additional international and domestic services to the Northern Territory.

The Aviation Development Director works closely with the Northern Territory Tourist Commission in the development of additional air services. There is an increasing focus on promoting the Northern Territory as a year round destination to expand annual visitor numbers by reducing the traditional seasonality of visits.



BUSINESS SYSTEMS UPGRADE PROJECT

Airport Development Group is embarking on an exciting project to update the business systems that are in operation around the airport. An airport has many different functions from managing the terminal with all its retail and food and beverage offerings to allocating bays for the parking of aircraft to managing leases for various property developments such as hotels, government buildings and childcare facilities. There is also a very important requirement to ensure all the assets are maintained to best practice standards. Reporting to various bodies such as the Australian Securities & Investments Commission (ASIC), Australian Competition and Consumer Commission (ACCC), Department of Transport and Regional Services (DoTARS) and shareholders requires a very robust financial system that is connected to the numerous other systems in operation at the airport.

Legacy business systems from pre-privatisation are about to get an overhaul with ADG reviewing proposals to replace the existing Finance, Payroll and Human Resource, Asset Maintenance, Commercial and Property Management, and Operations systems. The objectives of the project are to improve the operational performance and decision making capability by introducing improved business processes and reducing the time employees spend on tasks. Importantly, ADG will improve key stakeholder relationships by adding value to our services and by reducing the time to complete services. It is anticipated that the new systems will be implemented by July 2005.

“Both Airports are significant economic entities within the NT with Darwin International Airport contributing \$87.5 million towards the economy and Alice Springs Airport contributing \$41.4 million”

major events

RELEASE OF PRELIMINARY DRAFT MASTER PLAN

In accordance with the *Airports Act 1996*, ADG released the Preliminary Draft Master Plan and associated Airport Environment Strategies for Darwin International Airport and Alice Springs Airport.

The Master Plans are an important planning tool for the growth of the airports and provide insight into the facilities and services required to support increasing airport activities until the year 2024.

The Preliminary Draft Master Plans have been the subject of extensive consultation throughout their local communities, with all levels of Government and within the aviation industry. They describe the facilities required for airport growth within the twenty year planning period. In doing so, they:

- > Provide for forecasted demand by air traffic and passengers, surface transport and other airport activities, including commercial development within accepted social, environmental and economic constraints
- > Guide current and future development of the aerodrome and wider airport in a responsible manner
- > Set out a development philosophy and objectives, as required by the *Airports Act 1996*, that are compatible with local and Territory planning strategies
- > Identify the airport's impact on those affected, both positively and negatively.

Both Airports are significant economic entities within the Northern Territory with Darwin International Airport contributing \$87.5 million towards the economy and Alice Springs Airport contributing \$41.4 million.

Development objectives such as safety and security, quality of service, capacity and operating efficiency, traffic growth, environmental compatibility and financial viability have been set for the preparation of the Master Plans.

The Darwin Master Plan proposes the future construction of a new parallel taxiway to reduce delays and save fuel costs. At Alice Springs an international terminal capability is identified together with the release of land for rural residential development.

The *Airports Act 1996* also requires the production of an Environmental Strategy. Preliminary Draft Environment Strategies have been prepared in association with the Master Plans and they focus on the implementation of an Environmental Management System and contain a detailed review of environmental aspects of both airports showing how they can operate without adverse impact on the environment. The 2004 Environment Strategies seek to further improve the environmental management and performance at the airports and key objectives include:

- > Commitment to continual improvement in the environmental consequences of activities at ADG's Territory airports;
- > Continue to define clear environmental objectives and targets for all airport operations, for all environmental aspects and impacts including matters of natural indigenous or heritage value; and
- > Maintain systems that will identify legal and other requirements that apply to environmental management and will keep informed on new legislation and regulations.

As part of the public consultation process ADG presented the Preliminary Draft Master Plans and Environment Strategies at the annual NT Expo held in Darwin during July 2004 and also erected a public display in the Yeperenye shopping centre at Alice Springs.



major events (continued)

QANTAS CLUB LOUNGE

On 6 May 2004, the new Qantas Club lounge facilities at Darwin International Airport were officially opened to the public. The opening of the Club Lounge was timed to coincide with the launch of the Australian Airlines Cairns – Darwin – Singapore service and a welcoming reception was held in the new facilities.

The new and upgraded facilities represent a doubling of the floor area of the Qantas Club Lounge by extending the eastern end of the first floor of the terminal building.

Darwin International Airport and Qantas have worked together cooperatively to deliver considerable passenger amenity improvements.

PAVEMENT REJUVENATION AT DARWIN AND ALICE SPRINGS AIRPORTS

Surface Enrichment Spray Treatment (SEST) was applied to parts of the Joint User taxiways and Runway 36 at Darwin International Airport during April 2004. The product is designed to rejuvenate and prolong the life of the pavement.

SEST was also applied to the main commuter, regular public transport (RPT) and general aviation aprons and parts of the taxiways while a reseal of runway 06/24 and other pavements at Alice Springs Airport was completed in December 2003.

TERMINAL INITIATIVES

With the completion and official opening of the new retail outlets at both Darwin and Alice Springs Airports in the early part of the financial year, ADG continued to progress the terminal upgrade projects for both airports.

Terminal theming

The terminal at Darwin International Airport will be modernised with the replacement of the carpet on both

the ground and first floor and new seating for passengers in the departure lounge on the first floor.

It is intended that Territory themes and colours will be incorporated as design elements into the upgrade process to provide a unique "Top End" feel and experience for travellers using the Darwin terminal. This project is well advanced and is expected to be completed in the coming financial year.

Upgrade of Flight Information Display System (FIDS)

A significant upgrade of the flight information display system was completed in July 2004. As part of the upgrade 34 LCD technology FIDS screens as well as 19 gate and baggage carousel monitors were installed. The latest technologies and software have been introduced which improves visibility for passengers and users of the terminal as well as providing more detailed and user friendly information.

Swing Lounge

Demolition and construction commenced on the old Ansett-Golden Wing Lounge area which was located in the central part of the terminal departure lounge areas. This area is to be reconfigured to provide for a movable floor space that allows for international, domestic, quarantine and VIP uses through the use of manually operable glass walls

During the peak international demand periods the wall at the western end of the lounge will be opened and the wall at the eastern end will be closed providing an increase in international lounge capacity. During peak domestic demand periods, the wall's can be reversed to provide an increase in domestic lounge capacity.

This represents a clever and economic initiative as the lounge will cater for busy period demand and will provide for passenger growth without the need to extend the terminal. This project is expected to delay major terminal expansion by between 5 to 7 years.

major events (continued)

FREIGHT FACILITY AT ALICE SPRINGS AIRPORT

Work commenced in June 2004 on the upgrade of the old terminal building at Alice Springs Airport to transform it to a purpose built courier facility for freight operators and allow for the relocation of freight and animal transport operations away from the main terminal building. The upgrade and relocation of the freight facility to the old terminal building will provide:

- > an undercover all weather facility
- > secure storage of freight
- > ease of access for the lodgment and collection of animals and other freight

TERMINAL APRON EXPANSION AND ASSOCIATED WORKS AT DARWIN AIRPORT

Due to increased aircraft parking demand at Darwin International Airport work commenced toward the end of the financial year on the expansion of apron facilities and passenger walkways.

The first stage of this project involves strengthening of Bays 9 and 10. Completion of this stage will then lead to relocating the existing ground services equipment (GSE) site, which currently occupies prime apron area, construction of Bay 11, and the expansion of the passenger covered walkways and associated apron lighting.

These works will be well advanced during the next financial year and will further enhance Darwin International Airport's ability to cater for additional and larger aircraft types.

PROPERTY DEVELOPMENT

ABC Childcare Centre

Darwin International Airport, in conjunction with the national child care operator ABC Learning Centres opened a purpose built childcare facility on airport land on 7 June 2004.

Within its first week of operation, 40 places had already been filled. ABC and Darwin International Airport have entered into a 25 year lease agreement for this facility which clearly reflects ABC's commitment to establishing long term business relationships in the Top end.

ABC's state of the art facility caters for 75 children and incorporates the latest in childcare design. ABC has also taken bookings from airport staff.

The Centre is a welcome addition to the Airport's facilities and offers childcare services to the Airport community as well as local Darwin residents. Completion of this project represents the first development to be undertaken in the Airport's newly created business park precinct.

Launch of Hotel Resort Facility at Darwin International Airport

After an extensive tender and selection process, construction of a hotel complex commenced on airport land in June 2004.

With progress well under way, the complex which will be located within close proximity of the airport terminal is scheduled for completion in May 2005 just in time for the Arafura games. The facility will trade as the Darwin International Airport Hotel.

When completed, the \$9 million resort facility, covering 3.5 hectares of land will be located in the Rapid Creek corridor and will house a central reception area, function rooms, indoor and outdoor bar areas, restaurant facilities, large outdoor recreation and entertainment zone, resort style pool, paved external eating areas, 16 resort suites, 12 family suites, 72 business suites and 30 villa suites.

The Hotel is designed to incorporate a Territory style and theme and will become an integrated part of the Rapid Creek precinct. Darwin International Airport is committed to maintaining and enhancing the Rapid Creek corridor of natural monsoon forest and the design will enhance the unique tropical experience that comes from living in the Territory, while showcasing the special flora and birdlife found in the creek corridor. The combination of landscaping and natural bush setting will ensure that the hotel has a uniquely Territorian feel.

Darwin International Airport is excited by this opportunity to jointly develop and participate with local business operators in an investment initiative which will become a strong contributor to the Airport's business and the Northern Territory economy.



major events (continued)

Taxi Rank, Car Parking & Terminal Access Roads at Darwin International Airport

Due to the increase in public and commercial traffic at the front of the terminal, Darwin International Airport undertook a review of ground transport arrangements across the front of the terminal. After an extensive consultation process, a redesign of ground transport access arrangements was undertaken which principally provided for the separation of commercial vehicle access from general public access.

Construction of the facilities which includes the creation of a dedicated ranking zone, the separation of commercial traffic and public traffic even in set down areas and the establishment of dedicated taxi driver amenities area providing for refreshments, a rest area, toilet facilities and a secure environment will commence in the next financial year. The public carpark area will also be modified to provide for an arrivals and departures zone while covered waiting and pedestrian areas will also be built.

Australian Quarantine and Inspection Service (AQIS) and Civil Aviation Safety Authority (CASA) Facilities

Both CASA and AQIS will be building new facilities at Darwin International Airport. Staff and equipment will be relocated to the new facilities. The AQIS facility which will incorporate administration, storage and laboratory areas in an area of 1,770sqm will be located on the corner of Henry Wrigley Drive and Pederson Road. The new CASA facility will be on an area of 650sqm and located in Fenton Court near the Airport Management Centre. Construction for both projects is due for completion in May 2005. The cost of construction of these two projects is expected to be in the order of \$4.5 million.



major events (continued)

SAFETY & SECURITY

Expansion of passenger screening facilities at Darwin International and Alice Springs Airports

With recent growth trends and increased security requirements, the screening point at Darwin International Airport no longer coped with the increasing demand for efficient passenger screening times.

Darwin International Airport redesigned and expanded the terminal single security screening area to allow for the inclusion of three walk-through Metal Detection Units, two X-ray units, one Explosive Trace Detection Unit, a Search Room and increased circulation space to cater for continuous passenger flow.

The redesign of the terminal incorporates an increase in space of 25sqm and provides better access for wheelchair and disabled passengers.

Alice Springs Airport passenger screening point was also expanded and modified to allow for the inclusion of two walk-through Metal Detection Units, two X-ray units, one Explosive Trace Detection Unit, and a search room to improve passenger flows and screening times as well as cater for enhanced security requirements.



major events (continued)

Checked bag screening project

Darwin International Airport has commenced work on one of its largest capital expenditure projects ever to be undertaken at the airport. As part of a major upgrade by the Federal Government to safety and security requirements at international airports, Darwin International Airport is implementing a new baggage system to comply with the Federal Government's requirement of 100% checked bag screening for international flights by 31 December 2004 and a capacity for 100% domestic by 31 July 2007.

As part of this project, the baggage system at Darwin Airport needs to be upgraded and expanded to incorporate additional baggage x-ray screening equipment, search facilities and trace detection.

Emergency exercise "Black Kite" at Darwin International Airport

Exercise "Black Kite", a multi-functional exercise, was designed to practice emergency response and co-ordination procedures in the event of the crash of an aircraft on Darwin International Airport. In addition to exercising field emergency procedures and services, the exercise tested the operation of the Passenger Reception Centre, airline crisis management and Welfare Agencies.

Local organisations including NT Police, St John Ambulance, Royal Darwin Hospital, NT Emergency Services, RAAF Darwin, Qantas, Australian Red Cross and Welfare Agencies together with Darwin International Airport, participated in this exercise.

Alice Springs Airport Emergency Rescue Exercise

Exercise "Red Heart 2004", an emergency management exercise, was held at Alice Springs Airport during the year. The exercise, conducted under the auspices of the Alice Springs Airport Operations Manual and Aerodrome Emergency Plan, is held every two years.

Emergency personnel were given the opportunity to refine emergency response and co-ordination procedures in dealing with real life emergency situations. The emergency was a comprehensive exercise including reconciliation of meeters and passengers.

The Emergency Services Cadet Unit from St Phillips College in Alice Springs, played a vital role in the simulation exercise, providing the much needed casualties of the simulated air disaster.

Involved agencies such as Alice Springs Airport, Airservices Australia, NT Police Service, NT Fire and Rescue Service, NT Bush Fire council, St John Ambulance, Qantas, Virgin Blue, National Jet Systems and AirNorth responded with personnel and resources.





environmental

AIRPORT ENVIRONMENT STRATEGY

In conjunction with the release of the Preliminary Draft Masterplan 2003/04 saw the development of the 2004-2009 Darwin International and Alice Springs Airports Environment Strategies (AES). These strategies examine the success of both airports Environmental Programs over the past five years and outlines initiatives to be implemented over the next five years. The AES is a plan for managing the operations at both airports in a manner that minimises the impact upon the environment and promotes best practice environmental management by all airport users.

Within the AES there are a number of major environmental commitments identified and are summarised within 13 aspects. These aspects cover; Water (ground, waste & storm), Soil (erosion, sedimentation & dust), Wildlife Hazard Management, Land Management (weeds, fire & ferals), Native Flora & Fauna, Air Quality & Ozone depleting Substances,

Hazardous Materials, Resource Use, Noise, Waste, Recycling & Litter, Contaminated Sites, Indigenous & Heritage and Social & Community.

BIOLOGICAL SURVEYS - SIGNIFICANT FLORA & FAUNA

ADG's Territory airports contain a wide variety of intact habitats which are high in biodiversity.

At Darwin International Airport the habitats range from cleared grassland associated with the terminal runway system, fragments of the original Eucalypt woodland and part of the Rapid Creek riparian corridor. Surveys were conducted during the year which identified a number of flora and fauna species of particular significance. Of the 12 mammal species, 50 bird species, 16 reptile species,

environmental (cont)

6 frog species and 7 fish species, several species of the birds surveyed on airport were found to be listed in international migratory bird agreements while two mammal species were also recorded as “near threatened” under NT Government legislation.

At Alice Springs Airport, due to the large area of undeveloped land, a considerable variety of habitat types are known to occur on site. Six habitat types have been described on airport while within these habitats there are three species of conservation significance. Surveys conducted during the year recorded a total of 118 fauna species including 3 amphibian species, 23 reptile species, 80 bird species and 12 mammal species. Of the 118 species recorded at ASA two bird species were classified as “near threatened” in the NT under the *Territory Parks & Wildlife Act 2000*.

LANDSCAPING WORKS

ADG adopts principles of environmental sustainability and considers existing environmental concerns and has adopted its planning to avoid or minimise adverse impacts. ADG has put in place strategies that integrate commercial development with appropriate landscaping guidelines together with vegetation management strategies.

As part of the ongoing airport landscaping refurbishment program, Darwin International Airport saw the completion of the new Native Garden feature near the terminal building. The new garden was designed to compliment the native plant features established on airport land in June 2003.

The new Native Garden feature incorporates an earth path that directs users through the different habitats, various seating facilities, a pond & water feature displaying Top End limestone, a boardwalk over the pond and riparian & monsoon vine forest habitats along the length of the path. Also featuring in the native garden is a Cycad habitat and a monsoon forest of over 400 plants representing a range of medicinal, food and aesthetic uses.

“ADG's Territory airports contain a wide variety of intact habitats which are high in biodiversity.”

GREEN CORPS PROJECT IN THE RAPID CREEK CATCHMENT AREA

Green Corps is a Commonwealth Government Youth Program designed to provide participating youth with personal and skill development training with their community and the environment. Green Corps undertook a project to build pathways and boardwalks in the Rapid Creek catchment area of Darwin International Airport.

The main aim of the project was to provide a positive youth development outcome by providing a range of projects and learning opportunities. Specifically the project provided to the participants;

- > A sense of achievement and ownership of the project outcomes;
- > Opportunity to interact with a variety of supportive stakeholders;
- > Increased capacity and understanding of - project planning & management, natural systems, public relations & information, Aboriginal Culture and land management;
- > Increased awareness in regards to opportunities for education, training and career opportunities in natural resource management.





the community

GENERAL AVIATION

ADG's three Territory airports play a vital role in connecting remote towns and communities to important medical, postal and other services.

All three airports have a large general aviation component accounting for approximately 76% of all aircraft movements at Darwin Airport, 70% at Alice Springs and almost 100% of movements at Tennant Creek Airport.

Darwin Airport has a general aviation aircraft parking area to cater for approximately 100 aircraft. Major operators also have aircraft maintenance hangar facilities and include groups such as Paspaley Pearling, Northern Air Charter, National Jet Systems and Vincent Aviation. Aerial medical evacuation services are operated by Pearl Aviation while regular charters catering for the large fly in / fly out mining community operate to Tanami and MacArthur River mines. A large number of general aviation operators offer regular flights

and charter services to remote townships across the Territory and remote parts of northern Australia including Alyangula (Groote Eylandt), Nhulunbuy (Gove), Kununnura and the Tiwi Islands.

Alice Springs Airport also plays an important role in reducing the impact of the vast remoteness and isolation of the Central Australian region. A general aviation area consisting of apron parking for approximately 70 aircraft and a number of maintenance hangars are well utilised at Alice Springs Airport.

The Royal Flying Doctor Service Central Division operates a base at Alice Springs Airport. It provides full aero medical services and other health programs to the southern half of the Northern Territory and northern South Australia. A number of other local operators including Chartair, Pearl Aviation, Arafura Helicopters and Aboriginal Air Services provide flights and charter services to remote townships and mining communities.

the community (cont)

SPONSORSHIP OF DARWIN SYMPHONY ORCHESTRA

ADG have signed a 12 month sponsorship agreement with the Darwin Symphony Orchestra.

The Darwin Symphony Orchestra is a community based Orchestra of around 80 members who perform a range of orchestral music for the community of the Northern Territory.

Darwin International Airport is proud of its Community Involvement Program and its association with the Darwin Symphony Orchestra.

OPENING OF LARRAKIA NATION ABORIGINAL CORPORATION KARAWA PARK

The Larrakia Nation Aboriginal Corporation (LNAC) Karawa Park facility, located at Darwin International Airport, was officially opened in October 2003. The Larrakia people are recognised as the Traditional Aboriginal Owners of the land and waters in the greater Darwin region.

The Karawa Park facility is a focal point for Indigenous art and craft and cultural activities and provides office premises for the Larrakia Nation, Larrakia Aged Care and the "Itinerants" project in Darwin and Palmerston.

DARWIN INTERNATIONAL AIRPORT STAFF TAKE THE MONEY & DRIVE STRAIGHT TO THEIR FAVOURITE CHARITY

As part of the ADG corporate giving program, airport staff are encouraged to develop program initiatives aimed at benefiting Territory based charities and the community.

Under the program, staff at Darwin International Airport used part of their work hour week to organise and participate in a fundraising event for the Red Cross. The target of the first corporate giving program was the purchase of a vehicle to assist the Red Cross with the Good Start Breakfast Program for Kids, Telecross lifeline service for housebound people living alone and SHAK, Safe Haven for Kids.

To raise the funds needed airport staff organised a charity golf day, and as a result of the very generous support of all involved, were able to purchase a Mitsubishi station wagon which was presented to the Red Cross at a ceremony held at The Aviation Institute.

NEW ARTWORK ON SHOW IN DARWIN INTERNATIONAL AIRPORT MANAGEMENT OFFICE

The Wathaurong Glass Artwork, Possum Skin Cloak, a collaborative work by artists Alfred Oram, Kylie Edwards and Byron Edwards has been hung in the Darwin International Airport Management Centre Reception area.

This pane of glass is a representation of the Victorian possum skin cloak which was a traditional garment worn by various Aboriginal groups in Southern Australia.

The artwork, weighing 70 kgs was purchased from the 19th National Aboriginal and Torres Strait Islander Art Award held in Darwin.

FIRST TRAIN CELEBRATIONS IN THE TOP END

The inauguration of the Alice Springs to Darwin Railway represented a momentous achievement for the Northern Territory.

After passing through Tennant Creek on the previous day the first freight train from Alice Springs to Darwin arrived in Darwin on Saturday 17 January 2004 to unbridled jubilation and celebration at the Freightlink Container Terminal at East Arm Wharf, Port of Darwin. Celebrations continued on February 1, 2004 with the arrival of the first passenger train, "the Ghan", into Darwin.

The AustralAsia Railway creates a new trade route between Asia and the rest of Australia, with Darwin's strategic location making it Australia's gateway to Asia.

Darwin International Airport Operations Officers, John Sheppard and Ray Hayes were on board the inaugural freight train to Darwin. Both John and Ray worked on the old Darwin freight train approximately 30 years ago.





M. King



C. Wade



D. Helmsley



B. Lazarides

corporate

DIRECTORS

Mitchell Sloey King, Chairman and Director

(BBus(Acc), ICA, SIA)
Chief Operating Office
Australian Infrastructure Fund

Mr King joined Hastings in June 1997 and is a senior member of the Hastings' management team and the Chief Operating Officer of Hastings' listed fund, the Australian Infrastructure Fund (AIF).

Mr King is involved in the airports sector and is a director of Australia Pacific Airports Corporation (Melbourne and Launceston Airports) and Chairman of Airport Development Group Pty Limited (NT Airports - Alice Springs, Darwin & Tennant Creek).

He has active involvement in the road market and is also a director of Interlink Roads Pty Limited and Statewide Roads Limited and in the area of Seaports Mr King is also a Chairman of Port of Portland Pty Limited and is a director of CSX World Terminals (Adelaide).

Mr King also is Chairman of Transport Infrastructure Work Group of the Australian Council for Infrastructure Developments (AusCID) and is a director of The Hunger Project Australia.

Chris Wade, Director

Chris Wade is a director of Airport Development Group Pty Limited, Metro Transport Sydney Pty Limited, Transtoll Pty Limited, ElectraNet Pty Limited and is an alternate director to Tiaki Plantations Company and Interlink Roads Pty Ltd.

Mr Wade joined Hastings in July 2001 as an Associate, Infrastructure and is now involved in the examination of new opportunities and valuation of infrastructure assets, including transport and road projects and involved in the negotiation and implementation of infrastructure investments.

Dominic Helmsley, Director

Mr Helmsley is the Business Development Director for BAA International.

Mr Helmsley joined BAA International in 1996 and has worked throughout Asia, United States, Latin America and the Middle East pursuing potential opportunities for BAA. He has also been closely involved in the development and review of BAA's international strategy as it has evolved over the last three years.

corporate (cont)

Stuart Condie, Alternate Director to Dominic Helmsley

Mr Condie is currently Director of Economics and Regulation at BAA plc and responsible for the company's long term financial planning, airport charges, ten year capital plan and relations with the economic regulator, the CAA. He is also a Director of Perth Airport, Australia, as well as BAA's Pension Fund.

Since joining BAA in 1985 Mr Condie has held a variety of management posts including Corporate Treasurer, Head of International Strategy and Head of Information Technology at Gatwick.

Brett Lazarides, Director

Mr Lazarides has over 17 years professional experience in financial services and is currently Head of Infrastructure for Perpetual Investments. Responsibilities include the acquisition and ongoing management of unlisted equity investments in major infrastructure projects, primarily for wholesale superannuation clients.

Mr Lazarides current role was preceded by over 12 years with National Australia Bank Limited, both within its funds management subsidiary, National Asset Management Limited and previously, National's Global Project & Structured Finance Division. Here he held directorships for investments established within the airport, tollway, pipeline, rail, communications and timberland sectors and arranged specialised debt and tax-based funding for Australian and multi-national

corporations, respectively. Mr Lazarides is a Director on the Australian Council for Infrastructure Development, Chairman of Airport Development Groups Risk and Audit Committee and is a Fellow of the Australian Institute of Company Directors.

Emilio Gonzalez, Alternate Director to Brett Lazarides

Mr Gonzalez has been with Perpetual since 1990 and is currently Chief Investment Officer (CIO). As CIO, he is the chair of Perpetual's Investment Policy Committee, Perpetual's Multi-Manager Investment Policy Committee and Perpetual James Fielding Investment Committee. He has extensive background in investment management, having worked across most areas of Perpetual's asset management division.

Mr Gonzalez received a Bachelor of Commerce (Economics) degree in 1985 from University of Wollongong. In 1990, he completed the Graduate Diploma in Applied Finance from the Securities Institute. In 1992, he received the Chartered Financial Analyst (CFA) designation from AIMR and in 2000 he completed the Advance Portfolio Management course offered by New York Institute of Finance. Emilio was the President of the Sydney Society of Financial Analysts (1999 - 2001) and is currently serving a term on the Board of Governors for the CFA Institute (formerly the Association of Investment Management & Research (AIMR)), an industry body representing over 60,000 investment professionals worldwide.

THE MANAGERS

Area	Executive	Title
	Ian Kew	Chief Executive Officer
Aviation Development	Peter Roberts	Aviation Development Director
Commercial	Brett Reiss	General Manager Commercial and Property
Environment	Dan Richards	Environmental Coordinator
Finance	Tom Ganley	Chief Financial Officer/Company Secretary
Operations	Andrew Liepa	General Manager Operations
	Robert Calaby	Operations Manager
Technical	Viv Rees	Technical Asset Manager
Alice Springs & Tennant Creek	Don McDonald	General Manager Alice Springs & Tennant Creek Airport



“This has been a year of outstanding success for ADG with revenue results well above budget, recording a 21.2 percent increase on last year.”



financial report contents

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directors report

Your directors submit their report for the year ended 30 June 2004.

DIRECTORS

The names of the directors of the company in office during the financial period and until the date of this report are shown in note 23.

PRINCIPAL ACTIVITIES

The principal activity of the Airport Development Group Pty Ltd (ADGPL) was that of a holding company.

OPERATING RESULTS

The consolidated entity achieved an after tax profit of \$5,113,377 for the reporting period ended 30 June 2004. This compares with the 2002/03 after tax loss

of \$7,231,659. Consolidated revenue increased from \$25,813,287 to \$31,061,478 whilst total consolidated expenses including depreciation, borrowing costs and income tax, decreased from \$33,044,946 to \$25,948,101 on account of one off charges incurred during the prior year in respect of the extinguishment of the technical services agreement and increased borrowing expenses.

DIVIDENDS

ADGPL has paid unfranked dividends of \$6,553,001 during the year. (2003: \$4,927,295)

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

No significant change in the nature of the company's activities occurred during the year.

directors report (continued)

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

There have been no events, which have arisen since the end of the financial year, which have significantly affected or may significantly affect-

- > the operations of the consolidated entity and parent company;
- > the results of those operations; or
- > the state of affairs of the consolidated entity and parent company in subsequent financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Information on likely developments in the operations of the company and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the company.

ENVIRONMENT REGULATION

The entity operates under the Airport (*Environmental Protection*) Regulations that form part of the *Airports Act 1996*. Other Commonwealth and Northern Territory legislation applies where regulation under the *Airports Act 1996* has not been prescribed. The *Air Navigation Act 1920* also applies to the entity, particularly in respect of noise.

There have been no significant breaches of the applicable legislation.

RISK AND AUDIT COMMITTEE

The board is responsible for the overall governance of the company including setting the company's strategic direction, establishing goals for management and monitoring the achievement of those goals. Directors are accountable to the shareholders for the company's performance. To assist in the execution of its corporate governance responsibilities, the board has in place a Risk and Audit Committee (RAAC). This committee currently consists of three directors, the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO). The RAAC meets a minimum of four times per year and operates under a charter approved by the board.

INSURANCE OF OFFICERS

During the financial year the company has paid a premium to insure all directors and officers who are, or have been, directors and officers of the company and its controlled entities against certain liabilities they may incur in carrying out their duties for the company.

The terms of the policy prohibits disclosure of the nature of the liabilities, the amount of insurance cover and the amount of the premium.

DIRECTORS BENEFITS AND EMOLUMENTS

No director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the parent entity or a related body corporate with a director, a firm of which a director is a member or an entity in which a director has a substantial financial interest.

No remuneration has been paid or is payable to any director of the company.

SHARE OPTIONS

No options to shares in ADGPL have been granted during the financial year and there were no options outstanding at the end of the financial year.

CORPORATE STRUCTURE

ADGPL is a company limited by shares that is incorporated and domiciled in Australia. The registered office is 1 Fenton Court Marrara NT 0812. The entities that it had one hundred percent ownership of during the financial year are Northern Territory Airports Pty Ltd and Tennant Creek Airport Pty Ltd.

EMPLOYEES

Airport Development Group Pty Ltd employed 55 employees as at 30 June 2004.

(2003: 51 employees)

This report is made in accordance with a resolution of the directors.



Director
Melbourne, Victoria
Date: 27 October 2004



Director

statement of financial performance

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2004

	Note	CONSOLIDATED		COMPANY	
		2004 \$	2003 \$	2004 \$	2003 \$
Revenues from ordinary activities	2(b)	31,061,478	25,813,287	12,663,010	11,953,726
Depreciation and amortisation expense		6,423,596	6,187,931	0	0
Borrowing costs		5,773,244	6,796,506	0	0
Salaries and employee benefits		4,790,099	4,381,587	0	0
Maintenance expense		1,536,677	1,423,674	0	0
Security and passenger screening charges		3,855,172	3,289,596	0	0
Technical Services Agreement expense		887,854	1,378,155	0	0
Services and utilities expense		2,133,676	1,887,369	0	0
Other expense from ordinary activities		3,180,229	2,702,458	0	0
Technical Services Agreement extinguishment	2(c)	0	5,000,000	0	0
Profit / (loss) from ordinary activities before income tax expense		2,480,931	(7,233,989)	12,663,010	11,953,726
Income tax benefit / (expense) relating to ordinary activities	3	2,632,446	2,330	(311,881)	0
Operating profit / (loss) from ordinary activities after related income tax	18	5,113,377	(7,231,659)	12,351,129	11,953,726
Total changes in equity other than those arising from transactions with owners as owners		5,113,377	(7,231,659)	12,351,129	11,953,726

statement of financial position

AS AT 30 JUNE 2004

		CONSOLIDATED		COMPANY	
	Note	2004 \$	2003 \$	2004 \$	2003 \$
CURRENT ASSETS					
Cash	4	4,204,331	5,232,712	0	0
Receivables	5	4,646,370	3,527,114	0	0
Other	6	72,099	61,272	0	0
Future income tax benefit	3	2,650,750	12,221	2,650,750	0
Total Current Assets		11,573,550	8,833,319	2,650,750	0
NON-CURRENT ASSETS					
Receivables	7	0	0	103,261,903	97,217,462
Investments	8	0	0	24	24
Infrastructure, plant and equipment	9	75,063,081	75,736,161	0	0
Intangibles	10	15,652,268	15,820,722	0	0
Deferred expenditure	11	14,372,014	14,570,018	0	0
Total Non-Current Assets		105,087,363	106,126,901	103,261,927	97,217,486
Total Assets		116,660,913	114,960,220	105,912,677	97,217,486
CURRENT LIABILITIES					
Payables	12	4,437,538	3,471,544	6,128	71,696
Interest bearing liabilities	13	174,952	1,549,260	0	0
Provisions	14	1,023,103	1,033,583	0	0
Provision for deferred income tax	3	6,083	0	6,081	0
Total Current Liabilities		5,641,676	6,054,387	12,209	71,696
NON-CURRENT LIABILITIES					
Payables	3	0	0	2,956,550	0
Interest bearing liabilities	15	86,200,000	82,700,000	0	0
Provisions	16	141,488	88,460	0	0
Total Non Current Liabilities		86,341,488	82,788,460	2,956,550	0
Total Liabilities		91,983,164	88,842,847	2,968,759	71,696
Net Assets		24,677,749	26,117,373	102,943,918	97,145,790
EQUITY					
Contributed equity	17	60,765,344	60,765,344	60,765,344	60,765,344
Retained (losses)/profits	18	(36,087,595)	(34,647,971)	42,178,574	36,380,446
Total Equity		24,677,749	26,117,373	102,943,918	97,145,790

statement of cash flows

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2004

		CONSOLIDATED		COMPANY	
	Note	2004 \$	2003 \$	2004 \$	2003 \$
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers		32,676,705	28,002,462	0	0
Payments to suppliers and employees		(18,204,252)	(22,354,530)	0	0
Interest received		203,646	211,137	12,663,010	11,953,726
Borrowing costs		(6,050,813)	(8,316,813)	0	0
Goods and Services Tax paid		(506,089)	(206,809)	0	0
Net cash flows from / (used in) operating activities	24	8,119,197	(2,664,553)	12,663,010	11,953,726
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of property, plant & equipment		(4,764,928)	(2,068,083)	0	0
Proceeds from sale of plant & equipment		110,227	0	0	0
Advances to related parties		0	0	(6,044,441)	(6,441,182)
Net cash flows used in investing activities		(4,654,701)	(2,068,083)	(6,044,441)	(6,441,182)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from borrowings		3,500,000	83,600,000	0	0
Repayment of borrowings		0	(74,047,492)	0	0
Dividends paid		(6,618,569)	(5,512,635)	(6,618,569)	(5,512,635)
Net cash flows (used in) / from financing activities		(3,118,569)	4,039,873	(6,618,569)	(5,512,635)
Net increase / (decrease) in cash held		345,927	(692,763)	0	(91)
Cash at beginning of the financial year		3,683,452	4,376,215	0	91
Cash at end of the financial year	24	4,029,379	3,683,452	0	0

notes to and forming part of the financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial report has been prepared in accordance with the historical cost convention.

The financial report is a general financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, which includes applicable Accounting Standards. Other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) have also been complied with.

(a) Changes in accounting policies

The accounting policies adopted are consistent with those of the previous year.

(b) Income Tax

The consolidated entity adopts the liability method of tax-effect accounting whereby the income tax expense shown in the statement of financial performance is based on the operating profit or loss before income tax adjusted for any permanent differences.

The future income tax benefit relating to tax losses is not carried forward as an asset unless the benefit is virtually certain of realisation.

Income tax on cumulative timing differences is set aside to the deferred income tax or the future income tax benefit accounts at the rates which are expected to apply when those timing differences reverse.

(c) Foreign Currency Translation

TRANSACTIONS

Foreign currency transactions are initially translated into Australian currency at the rate of exchange at the date of the transaction. At balance date, amounts payable and receivable in foreign currencies are translated to Australian currency at rates of exchange current at that date. Resulting exchange differences are brought to account in determining the profit and loss for the year.

(d) Revenue Recognition

Revenue is recognised when it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured.

AERONAUTICAL CHARGES

Comprise:

- > Passenger based charges for scheduled regular public transport (rpt) passenger services.
- > Landing based charges for unscheduled, general aviation or non passenger services.
- > Passenger based charges for the use of terminal facilities.
- > Safety and security charge levied on a per passenger basis in respect of government mandated security charges where one hundred percent cost recovery applies.

TRADING INCOME

Comprises concessionaire rent, overages and other charges received including income from public car parks.

PROPERTY

Comprises income from company owned terminals, buildings and other leased areas.

(e) Receivables

Trade receivables are recognised and carried at original invoice amount.

Recoverability of trade debtors is reviewed on an ongoing basis. Debts, which are known to be unrecoverable, are written off. A general provision for doubtful debts is raised together with a specific provision for debts where recoverability is deemed to be doubtful.

Receivables from related parties are recognised and carried at the nominal amount due. Interest is taken up as income on an accrual basis.

(f) Acquisition of Assets

The cost method of accounting is used for all acquisition of assets regardless of whether shares or other assets are acquired. Cost is determined as the fair value of the assets given up at the date of acquisition plus costs incidental to the acquisition. Where shares are issued on acquisition, the value of the shares is determined by reference to the fair value of the assets acquired, including goodwill and other intangible assets where applicable.

notes to and forming part of the financial statements

(g) Recoverable Amounts

The recoverable amount of an asset is the net amount expected to be recovered through the net cash inflow arising from its continued use and subsequent disposal.

Where the carrying amount of a non-current asset is greater than its recoverable amount, the asset is written down to its recoverable amount. The decrement in the carrying amount is recognised as an expense in the reporting period in which the recoverable amount write-down occurs.

The expected net cash flows included in determining recoverable amounts of non-current assets are not discounted to their present values using a market determined, risk-adjusted discount rate.

(h) Infrastructure Assets and Plant and Equipment

(i) COST AND VALUATION

The cost base assigned to infrastructure assets and plant and equipment is set out in note 9.

(ii) DEPRECIATION AND AMORTISATION

Infrastructure, plant and equipment (including infrastructure assets under lease) have been depreciated using the straight-line method based upon the estimated useful life of the assets to ADGPL.

Depreciation and amortisation rates used are as follows:

	2004	2003
Runways Taxiways and Aprons	4.3%	4.3%
Roads & Car parks	8.7%	8.7%
Fences & Gates	12.0%	12.0%
Lighting & Visual Aids	10.0%	10.0%
Passenger Terminal	4.0% - 10.0%	4.0% - 10.0%
Buildings	4.0% - 10.0%	4.0% - 10.0%
Plant & Equipment	10.0% - 20.0%	10.0% - 20.0%
Vehicles	15.0% - 18.0%	15.0% - 18.0%
Computer Equipment	33.3%	33.3%

(iii) LEASEHOLD IMPROVEMENTS

Leasehold improvements have been amortised over the shorter of the unexpired period of the lease and estimated useful life of the improvements.

(i) Payables

Trade and other creditors represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(j) Borrowing Costs

Borrowing costs are recognised as expenses in the period in which they are incurred. Borrowing costs include:

- > interest on bank overdraft and loans
- > senior debt agents fees
- > ancillary costs incurred in connection with the ongoing conduct of borrowings.

The borrowing costs incurred in acquiring the senior debt bank loans have been capitalised and are being amortised over the period of the loan.

(k) Maintenance and Repairs

Maintenance, repair costs and minor renewals, are charged as expenses as incurred.

(l) Employee Benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave, and long service leave.

Liabilities arising in respect of wages and salaries, annual leave, and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the market yield as at the reporting date on national government bonds, which have terms to maturity approximating the terms of the related liability, are used.

notes to and forming part of the financial statements

Employee benefit expenses arising in respect of the following categories:

- > wages and salaries, non-monetary benefits, annual leave, long service leave, and other leave benefits: and
- > other types of employee benefits

are recognised against profits on a net basis in their respective categories.

(m) Cash

Cash on hand and in banks and short-term deposits are stated at nominal value.

For the purposes of the statement of cash flows, cash includes deposits at call which are readily convertible to cash on hand and are subject to an insignificant risk of change in value, net of outstanding bank overdrafts.

(n) Intangibles

LEASE FRANCHISE FEE

The franchise fee paid on the acquisition of the airport leases from the Federal Government, which represents the difference between the purchase price and the fair value attributed to the net tangible assets at date of acquisition. This lease franchise fee is being amortised on a straight line basis over the 99 year life of the lease.

(o) Deferred Expenditure

BID COSTS

The direct costs incurred in the purchase of the airport leases have been capitalised and are being amortised over the 99 year life of the lease.

FINANCE COSTS

The fees incurred in the underwriting of the senior debt were capitalised and are being amortised over 5 years being the period of the loan.

The balances of deferred expenditure are reviewed annually and any balance representing future benefits – the realisation of which is considered to be no longer probable – are written off.

(p) Principles of Consolidation

The consolidated entity comprises the financial report of Airport Development Group Pty Ltd and of its controlled entities.

A controlled entity is any entity controlled by Airport Development Group Pty Ltd. Control exists where Airport Development Group Pty Ltd has the capacity to dominate the decision making in relation to the financial and operating policies of another entity.

All inter-company balances and transactions between entities in the consolidated entity, including any unrealised profits or losses, have been eliminated on consolidation.

(q) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amounts of goods and services tax, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

(r) Derivative Financial Instruments

The consolidated entity has entered into interest rate swap agreements. These derivative financial instruments are not recognised in the financial statements on inception. The net amount receivable or payable under interest rate swap agreements is brought to account when due and payable under the terms of each contract. The amount recognised is accounted for as an adjustment to interest expense during the period.

(s) Contributed equity

Issued and paid up capital is recognised at the fair value of the consideration received by the company.

Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

notes to and forming part of the financial statements

NOTE 2. PROFIT/(LOSS) FROM ORDINARY ACTIVITIES

	CONSOLIDATED		COMPANY	
	2004 \$	2003 \$	2004 \$	2003 \$
(A) EXPENSES AND LOSSES / (GAINS)				
Interest	5,657,320	5,814,616	0	0
Junior debt premium	0	888,334	0	0
Other borrowing expenses	115,924	93,556	0	0
Total borrowing costs	5,773,244	6,796,506	0	0
Depreciation				
- Plant and equipment	685,550	610,940	0	0
- Infrastructure assets	5,096,595	5,020,446	0	0
	5,782,145	5,631,386	0	0
Amortisation				
- Lease franchise fee	168,454	168,454	0	0
- Capitalised bid costs	140,899	140,899	0	0
- Capitalised finance costs	332,098	247,192	0	0
	641,451	556,545	0	0
Provision for doubtful debts	(392,441)	190,500	0	0
Other provisions				
- Employee benefits	60,658	129,172	0	0
Superannuation contribution - defined benefit fund	0	621,124	0	0
Net gain on disposal of plant and equipment	(48,166)	0	0	0
Security and passenger screening charges	3,855,172	3,289,596	0	0
(B) REVENUE FROM ORDINARY ACTIVITIES				
Rendering of Services				
- Aeronautical Charges	17,562,373	13,384,678	0	0
- Trading income	4,609,113	4,533,729	0	0
- Property	4,080,381	3,821,480	0	0
- Other	4,495,738	3,862,263	0	0
Total Operating Revenues	30,747,605	25,602,150	0	0
Revenues from Non-Operating Activities				
Interest	203,646	211,137	12,663,010	11,953,726
Proceeds on sale of non current assets	110,227	0	0	0
Total Revenues from Ordinary Activities	31,061,478	25,813,287	12,663,010	11,953,726

notes to and forming part of the financial statements

NOTE 2. PROFIT/(LOSS) FROM ORDINARY ACTIVITIES (cont)

	CONSOLIDATED		COMPANY	
	2004 \$	2003 \$	2004 \$	2003 \$
(C) SPECIFIC ITEMS				
Operating (loss)/profit from ordinary activities before income tax expense includes the following specific item whose disclosure is relevant in explaining the financial performance of the consolidated entity:				
Technical Services Agreement extinguishment	0	5,000,000	0	0

Costs were incurred during the prior period in respect of the settlement of the agreement between DIAPL, ASAPL, TCAPL and Port of Portland Holdings Pty Ltd (POPH). This cost was reflected during the prior year in the "Payments to suppliers and employees" in the Statement of Cash Flows.

NOTE 3. INCOME TAX

	CONSOLIDATED		COMPANY	
	2004 \$	2003 \$	2004 \$	2003 \$
The prima facie tax on operating profit / (loss) after ordinary activities differs from the income tax provided in the financial statements as follows:				
Prima facie tax on operating profit / (loss)	744,281	(2,170,197)	3,798,903	3,586,118
Tax effect of permanent differences				
Amortisation of intangible assets	92,806	92,806	0	0
Transfer of tax losses to controlled entities	0	0	0	(3,586,118)
Other items (net)	5,268	(6,081)	0	0
Recognition of tax benefit upon entry to consolidation and resetting tax values	(3,474,801)		(3,487,022)	0
	(2,632,446)	(2,083,472)	311,881	
Income tax benefit not brought to account	0	2,081,142	0	0
Income tax expense / (benefit) attributable to operating profit / (loss) from ordinary activities	(2,632,446)	2,330	311,881	0
Comprising:				
Current tax payable	0	0	(311,881)	0
Future income tax benefit	2,638,529	2,330	0	0
Provision for deferred income tax	(6,083)	0	0	0
	2,632,446	2,330	(311,881)	0
Future income tax benefit	2,650,750	12,221	2,650,750	0
Provision for deferred income tax	6,083	0	6,081	0
Northern Territory Airports Pty Ltd	0	0	(16,076)	0
Darwin International Airport Pty Ltd	0	0	2,715,078	0
Alice Springs Airport Pty Ltd	0	0	251,598	0
Tennant Creek Airport Pty Ltd	0	0	5,950	0
Total payable to related entities under tax sharing agreement	0	0	2,956,550	0

notes to and forming part of the financial statements

NOTE 3. INCOME TAX (cont)

The future income tax benefit will only be obtained if:

- (i) future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
- (ii) the conditions for the tax deductibility imposed by tax legislation continue to be complied with; and
- (iii) no changes in tax legislation adversely affect the consolidated entity in realising the benefit.

TAX CONSOLIDATION

Effective 1 July 2003 for the purposes of income taxation, Airport Development Group Pty Ltd and its 100% owned subsidiaries formed a consolidated group.

Members of the group intend to enter a tax sharing agreement in order to allocate income tax expense to the wholly owned subsidiaries on a pro-rata allocation based on taxable income. In addition the agreement will provide for the allocation of income tax liabilities between the entities should the parent entity default on its tax payment obligations. The parent entity of the group is Airport Development Group Pty Ltd.

As a result of the revised tax legislation a future income tax benefit of \$3,487,022 was recognised in the current year as a result of resetting tax values of certain assets in the subsidiaries and recognising future income tax benefits not previously brought to account. Airport Development Group will formally notify the Australian Taxation Office of its adoption of the tax consolidation regime when lodging its 30 June 2004 consolidated tax return.

NOTE 4. CASH

	CONSOLIDATED		COMPANY	
	2004 \$	2003 \$	2004 \$	2003 \$
Cash balance comprises:				
- Cash on hand	16,536	15,536	0	0
- Cash at bank	4,187,795	5,217,176	0	0
Closing cash balance	4,204,331	5,232,712	0	0

NOTE 5. RECEIVABLES (CURRENT)

	CONSOLIDATED		COMPANY	
	2004 \$	2003 \$	2004 \$	2003 \$
Trade debtors	5,000,719	4,273,903	0	0
Less: Provision for doubtful debts	(354,349)	(746,789)	0	0
	4,646,370	3,527,114	0	0

NOTE 6. OTHER ASSETS (CURRENT)

	CONSOLIDATED		COMPANY	
	2004 \$	2003 \$	2004 \$	2003 \$
Prepayments	72,099	61,272	0	0

notes to and forming part of the financial statements

NOTE 7. RECEIVABLES (NON-CURRENT)

	CONSOLIDATED		COMPANY	
	2004 \$	2003 \$	2004 \$	2003 \$
From related parties	0	0	103,261,903	97,217,462

NOTE 8. INVESTMENTS

	CONSOLIDATED		COMPANY	
	2004 \$	2003 \$	2004 \$	2003 \$
Shares in subsidiary companies at cost price	0	0	24	24

NOTE 9. INFRASTRUCTURE, PLANT AND EQUIPMENT

	CONSOLIDATED		COMPANY	
	2004 \$	2003 \$	2004 \$	2003 \$
Plant and Equipment				
Plant and equipment – at cost	5,018,402	4,753,952	0	0
Provision for depreciation	(3,051,481)	(2,608,530)	0	0
Total Plant and Equipment	1,966,921	2,145,422	0	0
Infrastructure Assets				
Infrastructure assets under lease - at cost	99,758,879	96,948,144	0	0
Provision for depreciation	(29,074,479)	(23,977,886)	0	0
Total Infrastructure Assets	70,684,400	72,970,258	0	0
Work in progress	2,411,760	620,481	0	0
Total Infrastructure, Plant and Equipment	75,063,081	75,736,161	0	0
(A) ASSETS PLEDGED AS SECURITY				
The bank has a fixed and floating charge over all present and future assets and undertakings of the company. The value of assets pledged as securities are:	75,063,081	75,736,161	0	0

notes to and forming part of the financial statements

NOTE 9. INFRASTRUCTURE, PLANT AND EQUIPMENT (cont)

(B) VALUATIONS

RJ Gardiner CPV in accordance with the Asset Valuation Handbook revalued land and building assets at 30 June 2004. The valuations were split between aeronautical assets and non-aeronautical assets and based on the depreciated optimized replacement cost (DORC). A revaluation adjustment has not been recorded in the financial statements. The valuation of land and buildings as at 30 June 2004 was \$143.73M compared to a written down value of \$48.47M as at the reporting date.

Opus International Consulting revalued the civil assets as at 31 December 2002. Civil assets include runways, taxiways, aprons, roads, car parks, services, lighting, fences and gates. The valuation was based on the depreciated optimized replacement cost (DORC). The DORC valuation of civil assets as at 31 December 2002 was \$47.98M compared to a written down value of \$22.22M as at the reporting date. A revaluation adjustment has not been recorded in the financial statements.

	CONSOLIDATED		COMPANY	
	2004 \$	2003 \$	2004 \$	2003 \$
(C) RECONCILIATIONS				
Plant & Equipment				
Carrying amount at the beginning	2,145,422	2,179,288	0	0
Additions	460,823	577,074	0	0
Transfer from work in progress	108,288	0	0	0
Disposals	(62,062)	0	0	0
Depreciation	(685,550)	(610,940)	0	0
Carrying amount at the end	1,966,921	2,145,422	0	0
Infrastructure Assets				
Carrying amount at the beginning	72,970,258	73,284,792	0	0
Additions	2,298,544	870,528	0	0
Transfer from work in progress	512,193	3,835,384	0	0
Depreciation	(5,096,595)	(5,020,446)	0	0
Carrying amount at the end	70,684,400	72,970,258	0	0
Work in progress				
Carrying amount at the beginning	620,481	3,835,384	0	0
Plant and equipment additions	12,103	115,388	0	0
Infrastructure additions	2,399,657	505,093	0	0
Transfers to plant and equipment	(108,288)	0	0	0
Transfers to infrastructure	(512,193)	(3,835,384)	0	0
Carrying amount at the end	2,411,760	620,481	0	0

notes to and forming part of the financial statements

NOTE 10. INTANGIBLES

	CONSOLIDATED		COMPANY	
	2004 \$	2003 \$	2004 \$	2003 \$
Lease franchise fee	16,676,910	16,676,910	0	0
Provision for amortisation	(1,024,642)	(856,188)	0	0
	15,652,268	15,820,722	0	0

NOTE 11. DEFERRED EXPENDITURE

	CONSOLIDATED		COMPANY	
	2004 \$	2003 \$	2004 \$	2003 \$
Capitalised bid costs	13,963,733	13,963,732	0	0
Provision for amortisation	(856,046)	(715,148)	0	0
	13,107,687	13,248,584	0	0
Capitalised finance costs	1,614,035	1,339,043	0	0
Provision for amortisation	(349,708)	(17,609)	0	0
	1,264,327	1,321,434	0	0
Total net deferred expenditure	14,372,014	14,570,018	0	0

NOTE 12. PAYABLES (CURRENT)

	CONSOLIDATED		COMPANY	
	2004 \$	2003 \$	2004 \$	2003 \$
Trade creditors	13,404	10	0	0
Other creditors	4,424,134	3,471,534	0	65,570
Amounts payable to wholly owned group	0	0	6,128	6,128
	4,437,538	3,471,544	6,128	71,698

notes to and forming part of the financial statements

NOTE 13. INTEREST-BEARING LIABILITIES (CURRENT)

	CONSOLIDATED		COMPANY	
	2004 \$	2003 \$	2004 \$	2003 \$
Borrowings secured by fixed charge				
- Bank Overdrafts	174,952	1,549,260	0	0

The consolidated entity has access to a bank overdraft facility amounting to \$1,000,000 (2003: \$1,000,000) as part of the senior debt facility held in the name of Northern Territory Airports Pty Ltd. The bank has a fixed and floating charge over all present and future assets and undertakings.

NOTE 14. PROVISIONS (CURRENT)

	CONSOLIDATED		COMPANY	
	2004 \$	2003 \$	2004 \$	2003 \$
Employee Benefits				
- Annual Leave	444,459	403,314	0	0
- Long Service Leave	399,844	393,357	0	0
Retentions and deposits held	85,053	100,482	0	0
Payments received in advance	57,130	109,701	0	0
Other provisions	36,617	26,729	0	0
	1,023,103	1,033,583	0	0

NOTE 15. INTEREST - BEARING LIABILITIES (NON-CURRENT)

	CONSOLIDATED		COMPANY	
	2004 \$	2003 \$	2004 \$	2003 \$
Borrowings secured by fixed charge:				
- Senior debt	86,200,000	82,700,000	0	0

The senior debt is secured by a fixed and floating charge over the company's present and future assets.

NOTE 16. PROVISIONS (NON-CURRENT)

	CONSOLIDATED		COMPANY	
	2004 \$	2003 \$	2004 \$	2003 \$
Long Service leave	101,488	88,460	0	0
Other employee benefits	40,000	0	0	0
	141,488	88,460	0	0

notes to and forming part of the financial statements

NOTE 17. CONTRIBUTED EQUITY

	CONSOLIDATED		COMPANY	
	2004 \$	2003 \$	2004 \$	2003 \$
Issued and paid up capital				
40,765,344 ordinary shares of \$1 each fully paid and issued on incorporation. (2003: \$40,765,344)	40,765,344	40,765,344	40,765,344	40,765,344
2,000 redeemable preference shares of \$10,000 each fully paid on incorporation. These comprise of a par value of \$1 and a premium of \$9,999 (2003: 2,000)	20,000,000	20,000,000	20,000,000	20,000,000
Total paid up capital	60,765,344	60,765,344	60,765,344	60,765,344

NOTE 18. RETAINED PROFITS / (LOSSES)

	CONSOLIDATED		COMPANY	
	2004 \$	2003 \$	2004 \$	2003 \$
Balance at the beginning of year	(34,647,971)	(22,489,017)	36,380,446	29,354,015
Operating profit / (loss) from ordinary activities after income tax.	5,113,377	(7,231,659)	12,351,129	11,953,726
Total available for appropriation	(29,534,594)	(29,720,676)	48,731,575	41,307,741
Dividends provided for or paid	6,553,001	4,927,295	6,553,001	4,927,295
Balance at the end of year	(36,087,595)	(34,647,971)	42,178,574	36,380,446

NOTE 19. REMUNERATION OF DIRECTORS

	CONSOLIDATED		COMPANY	
	2004 \$	2003 \$	2004 \$	2003 \$
Income paid or payable, or otherwise made available, in respect of the financial year, to all directors of each entity in the consolidated entity, directly or indirectly, by the entities of which they are directors or any related party.	0	0	0	0

notes to and forming part of the financial statements

NOTE 20. REMUNERATION OF AUDITORS

	CONSOLIDATED		COMPANY	
	2004 \$	2003 \$	2004 \$	2003 \$
Remuneration of the auditors of the company for:				
Audit and review of financial statements	29,750	0	0	0
Other services	49,243	0	0	0
	78,993	0	0	0
Remuneration of auditors of the company other than Merit Partners for:				
Audit and review of financial statements	32,808	5,204	0	0
Other services	37,157	96,212	0	0
	69,965	101,416	0	0
Total remuneration of auditors	148,958	101,416	0	0

NOTE 21. CAPITAL COMMITMENTS

	CONSOLIDATED		COMPANY	
	2004 \$	2003 \$	2004 \$	2003 \$
Commitments for the acquisition of plant and equipment contracted for at the reporting date but not recognised as liabilities, payable:				
Not later than one year	1,078,000	1,840,000	0	0

NOTE 22. EMPLOYEE BENEFITS

	CONSOLIDATED		COMPANY	
	2004 \$	2003 \$	2004 \$	2003 \$
The aggregate employee benefit liability is comprised of:				
Accrued wages, salaries and on-costs	286,000	347,713	0	0
Provisions (current) - note 14	844,303	796,671	0	0
Provisions (non-current) - note 16	141,488	88,460	0	0
Leave benefits and accrued wages	1,271,791	1,232,844	0	0

Superannuation commitments

ADGPL contributes to the Australian Retirement Fund in respect of all its employees.

The Australian Retirement Fund is a complying fund under the Commonwealth superannuation law. It is an accumulation fund and contributions by ADGPL satisfy the entity's superannuation guarantee obligation for its employees.

notes to and forming part of the financial statements

NOTE 23. RELATED PARTIES

DIRECTORS

The directors of ADGPL during the financial year were:

Name	Appointed	Resigned
Mr Brett John Lazarides	30 January 2004	
Mr Emilio Gonzalez (alternate director for Brett Lazarides)	30 January 2004	
Mr Mitchell Sloey King (Chairman)	19 July 2000	
Mr Peter Joseph Jones	14 May 2001	31 October 2003
Mr Dominic James Helmsley (alternate director for Mr Peter Joseph Jones)	14 August 2001	31 October 2003
Mr Dominic James Helmsley	1 November 2003	
Mr Stuart James Condie (alternate director for Dominic Helmsley)	1 November 2003	
Mr Michael Rodriguez	30 June 2001	29 January 2004
Mr Christopher Robert Wade	21 February 2003	

REMUNERATION

Information on remuneration of directors is disclosed in note 19.

	CONSOLIDATED		COMPANY	
	2004 \$	2003 \$	2004 \$	2003 \$
Wholly-owned group transactions				
Interest received and receivable	0	0	12,663,010	11,953,726
Aggregate amounts receivable	0	0	103,261,903	97,217,462
Aggregate amounts payable	0	0	2,956,550	0
Other related party transactions				
BAA International Limited				
DIAPL, ASAPL and TCAPL have entered into a consulting agreement with one of the shareholders of ADGPL, BAA International Limited. This is a commercially focused agreement and was executed on 29 May 2003.				
Total expenditure	887,854	668,317	0	0

notes to and forming part of the financial statements

NOTE 23. RELATED PARTIES (cont)

	CONSOLIDATED		COMPANY	
	2004 \$	2003 \$	2004 \$	2003 \$
Port of Portland Holdings Pty Ltd				
DIAPL, ASAPL and TCAPL had entered into a technical services agreement with one of ADGPL's previous shareholders, Airports Group International (AGI). A deed of novation and discharge was entered into on 11 May 2001 between AGI and Port of Portland Holdings Pty Ltd and DIAPL, ASAPL and TCAPL. This agreement was extinguished during the prior year.				
Total expenditure	0	698,398	0	0
Costs were incurred during the prior period in respect of the settlement of the agreement held between Port of Portland Holdings Pty Ltd (POPH) and DIAPL, ASAPL and TCAPL.				
Total cost	0	5,000,000	0	0

NOTE 24. STATEMENT OF CASH FLOWS

	CONSOLIDATED		COMPANY	
	2004 \$	2003 \$	2004 \$	2003 \$
(A) RECONCILIATION OF OPERATING PROFIT / (LOSS) FROM ORDINARY ACTIVITIES AFTER TAX TO NET CASH FLOWS FROM OPERATIONS				
Operating profit/(loss) from ordinary activities	5,113,377	(7,231,659)	12,351,129	11,953,726
Depreciation and amortisation	6,423,596	6,187,931	0	0
Net profit on sale of property, plant and equipment	(48,166)	0	0	0
Change in operating assets and liabilities				
Other provisions	(18,115)	(50,349)	0	0
Provision for employee benefits	60,655	129,172	0	0
Trade and other receivables	(1,131,454)	(353,063)	0	0
Deferred expenditure	(274,992)	(1,339,044)	0	0
Future income tax benefit	(2,638,529)	(2,330)	(2,650,750)	0
Prepayments	1,394	3,676	0	0
Trade and other creditors and accruals	625,348	(8,867)	0	0
Other payables	0	0	2,956,550	0
Provision for deferred income tax	6,083	0	6,081	0
Net cash flow from / (used in) operating activities	8,119,197	(2,664,533)	12,663,010	11,953,726

notes to and forming part of the financial statements

NOTE 24. STATEMENT OF CASH FLOWS (cont)

	CONSOLIDATED		COMPANY	
	2004 \$	2003 \$	2004 \$	2003 \$
(B) RECONCILIATION OF CASH				
Cash on hand	16,536	15,536	0	0
Cash at bank	4,187,795	5,217,176	0	0
Bank Overdraft	(174,952)	(1,549,260)	0	0
	4,029,379	3,683,452	0	0
(C) FINANCE FACILITIES				
Bank overdraft facility.	1,000,000	1,000,000	0	0
Amount of overdraft facility used	0	0	0	0
Senior debt facility	122,700,000	122,700,000	0	0
Amount of senior debt facility used	86,200,000	82,700,000	0	0

The consolidated entity has access to a bank overdraft amounting to \$1,000,000 (2003: \$1,000,000) as part of the senior debt facility held in the name of Northern Territory Airports Pty Ltd. For operational banking purposes balances are consolidated across the group and as at 30 June 2004 the consolidated entity had not utilised any of the bank overdraft facility (2003: Nil). Interest rates are variable.

NOTE 25. SEGMENT INFORMATION

The company operates in the aeronautical and related industries in the Northern Territory, Australia.

NOTE 26. SUBSIDIARIES

Airport Development Group Pty Ltd has the following wholly owned subsidiaries, which are incorporated in Australia:

- > Northern Territory Airports Pty Ltd
- > Darwin International Airport Pty Ltd
- > Alice Springs Airport Pty Ltd
- > Tennant Creek Airport Pty Ltd

notes to and forming part of the financial statements

NOTE 27. FINANCIAL INSTRUMENTS

(A) TERMS, CONDITIONS AND ACCOUNTING POLICIES

The consolidated entity's accounting policies, including the terms and conditions of each class of financial asset, financial liability and equity instrument, both recognised and unrecognised at the balance date, are as follows:

Recognised Financial Instruments	Balance Sheet Notes	Accounting Policies	Terms and Conditions
(i) Financial assets			
Receivables – Trade	5	Trade receivables are carried at nominal amounts due less any provision for doubtful debts. A provision for doubtful debts is recognised when collection of the full nominal amount is no longer probable.	Credit sales are on 30 day terms.
(ii) Financial liabilities			
Bank Overdrafts	13	The bank overdrafts are carried at the principal amount. Interest is charged as an expense as it is paid.	Interest is charged at the bank's benchmark rate. For operational banking purposes balances are consolidated.
Bank loan - senior debt	15	The bank loan is carried at the principal amount. Interest is charged as an expense as it accrues.	The senior debt facility is a 5 year \$122.7M bank facility, including a \$40M capital expenditure facility. The loan is due for repayment on 6 June 2008. Average interest charged for the year was at 6.39%. The bank has a fixed and floating charge over all present and future assets and undertakings of the company but exclude the property which is located outside the Northern Territory or the Australian Capital Territory.
Payables	12		Trade liabilities are normally settled on 30 day terms.

notes to and forming part of the financial statements

NOTE 27. FINANCIAL INSTRUMENTS (cont)

OFF BALANCE SHEET DERIVATIVE INSTRUMENTS

In the normal course of business, the consolidated entity is party to financial instruments with off balance sheet risk in order to hedge exposures to fluctuations in interest rates for senior debt. It is a requirement of the consolidated entity's funding arrangements that a specific portion of its senior debt be hedged against movements in interest rates. Accordingly, the consolidated entity has entered into floating to fixed interest rate swap contracts.

The consolidated entity's exposure to interest rate risk for each class off-balance sheet financial asset and financial liability is set out below. The balance represents the notional principal amount of the contract.

30 June 2004	Floating interest rate	Fixed interest over 1 – 5 years	Fixed interest over 5 years	Non Interest bearing
Interest rate swaps	75,894,357	(75,894,357)	0	0
30 June 2003				
Interest rate swaps	68,777,318	(68,777,318)	0	0

notes to and forming part of the financial statements

NOTE 27. FINANCIAL INSTRUMENTS (contb)

(B) INTEREST RATE RISK

The consolidated entity's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised at the balance date, are as follows:

Financial Instruments	Floating Interest rate		Fixed interest rate maturing in						Non-interest bearing		Total carrying amount as per the balance sheet		Weighted average effective interest rate	
			0-3 Months		4-12 Months		Over 1-5 years							
	2004 \$	2003 \$	2004 \$	2003 \$	2004 \$	2003 \$	2004 \$	2003 \$	2004 \$	2003 \$	2004 \$	2003 \$	2004 %	2003 %
(i) Financial assets														
Cash and liquid assets	4,204,331	5,232,712									4,204,331	5,232,712	4.42	2.98
Receivables - trade									4,646,370	3,527,114	4,646,370	3,527,114	N/A	N/A
Total financial assets	4,204,331	5,232,712							4,646,370	3,527,114	8,850,701	8,759,826	N/A	N/A
(ii) Financial liabilities														
Payables									4,437,538	3,471,544	4,437,538	3,471,544	N/A	N/A
Bank overdrafts	174,952	1,549,260									174,952	1,549,260	9.60	9.60
Bank loan - senior debt							86,200,000	82,700,000			86,200,000	82,700,000	6.39	5.73
Total financial liabilities	174,952	1,549,260					86,200,000	82,700,000	4,437,538	3,471,544	90,812,490	87,720,804		

notes to and forming part of the financial statements

NOTE 27. FINANCIAL INSTRUMENTS (cont)

(C) NET FAIR VALUES

The aggregate net fair value of financial assets and financial liabilities, both recognised and unrecognised, at the balance date, are as follows.

	Total carrying amount as per the balance sheet		Aggregate net fair value	
	2004 \$	2003 \$	2004 \$	2003 \$
Financial assets				
Cash and liquid assets	4,204,331	5,232,712	4,204,331	5,232,712
Receivables	4,646,370	3,527,114	4,646,370	3,527,114
Total financial assets	8,850,701	8,759,826	8,850,701	8,759,826
Financial liabilities				
Payables	4,437,538	3,471,544	4,437,538	3,471,544
Bank overdrafts	174,952	1,549,260	174,952	1,549,260
Bank loan – Senior debt	86,200,000	82,700,000	86,200,000	82,700,000
Total Financial liabilities	90,812,490	87,720,804	90,812,490	87,720,804

The following methods and assumptions are used to determine the net fair values of financial assets and liabilities.

RECOGNISED FINANCIAL INSTRUMENTS

Cash and liquid instruments: The carrying amount approximates fair value because of their short-term to maturity or are receivable on demand.

Trade receivables and payables: The carrying amount approximates fair value as they are short term in nature.

Long-term borrowings: The fair values of long-term borrowings has been determined as the carrying value of the borrowings at the reporting date. Details of the senior debt bank loan are set out in note 27(a).

Interest rate swap: The swap obligations will be retained and settled on maturity, consequently the directors consider that the net fair value of financial assets or financial liabilities arising from interest rate swap agreements has been determined as the carrying value of each swap contract that remains open at the reporting date. The carrying value represents the amount currently receivable or payable at the reporting date. These derivative contracts have been treated on a net basis as outlined in the Security Trust Deed.

(D) CREDIT RISK EXPOSURE

The consolidated entity's maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the statement of financial position, net of any provisions for doubtful debts of those assets. A specific provision for doubtful debts has been calculated using individual debtor balances and payment history. A small general provision has been calculated for the Tennant Creek Airport Pty Ltd.

Credit risk on the interest rate swap is limited to the net fair value of the swap agreement at reporting date. Credit risk on the interest rate swap is limited to the net fair value of the swap agreement as at the reporting date being \$263,682 receivable (2003: \$250,791 payable).

Concentration of credit risk is primarily restricted to the airline industry.

notes to and forming part of the financial statements

NOTE 28. IMPACT OF ADOPTING AASB EQUIVALENTS TO IASB STANDARDS

ADGPL has commenced transitioning its accounting policies and financial reporting from current Australian Standards to Australian equivalents of International Financial Reporting Standards (IFRS). ADGPL's Risk and Audit Committee (RAAC) will oversee the progress and implementation of Australian Equivalents of IFRS. ADGPL has given consideration to the preparation of the opening balance sheet in accordance with AASB equivalents to IFRS at 1 July 2004. Set out below are the key areas where accounting policies will change and may have an impact on the financial report of ADGPL. At this stage the entity has not been able to reliably quantify the impacts on the financial report.

Classification of Financial Instruments

Under AASB 139 *Financial Instruments: Recognition and Measurement*, financial instruments will be required to be classified into one of five categories which will, in turn, determine the accounting treatment of the item. This will result in a change in the current accounting policy that does not classify financial instruments. Current measurement is at amortised cost, with derivative financial instruments not recognised on balance sheet. The future financial effect of this change in accounting policy is not yet known as the classification and measurement process has not yet been fully completed.

Hedge Accounting

Under AASB 139 *Financial Instruments: Recognition and Measurement* previously unrecognised derivative financial instruments will be recognised on balance sheet. Where current Australian accounting standards do not apply to ADGPL's hedge instruments the Australian equivalent standards of IFRS will become relevant providing the entity meets the qualifying criteria. Reliable estimation of the future financial effect of this change in accounting policy has not yet been measured.

Impairment of Assets

Under the Australian equivalent of IAS 36 *Impairment of Assets* the recoverable amount of an asset is determined as the higher of net selling price and value in use. This will result in a change in the entity's current accounting policy which determines the recoverable amount of an asset on the basis of net cash flows. Reliable estimation of the future financial effects of this change in accounting policy is impracticable because the conditions under which impairment will be assessed are not yet known.

Income taxes

Under the Australian equivalent to IAS 12 *Income Taxes*, the entity will be required to use a balance sheet liability method which focuses on the tax effects of transactions and events that affect amounts recognised in either the Statement of Financial Position or a tax-based balance sheet. The most significant impact for ADGPL is the recognition of deferred tax assets where recoverability is probable.

Asset values

The impact of first time adoption of IFRS under AASB 1 may have a significant impact on valuations of property, plant and equipment, investment property and intangible assets where a deemed cost measurement is used. Reliable estimation of the future financial effect of this change in accounting policy has not yet been measured.



director's declaration

In accordance with a resolution of the directors of Airport Development Group Pty Ltd, we state that:

(1) In the opinion of the directors:

- (a) The financial statements and notes of the company and consolidated entity are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2004 and of their performance for the year ended on that date; and
 - (ii) complying with Accounting Standards and *Corporation Regulations 2001*; and
- (b) there are reasonable grounds to believe that the company will continue to pay its debts as and when they become due and payable

On behalf of the Board

Director
Melbourne, Victoria
Date: 27 October 2004

Director



independent audit report

Independent audit report to members of Airport Development Group Pty Ltd

SCOPE

The financial report and directors' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for Airport Development Group Pty Ltd (the company) and the consolidated entity, for the year ended 30 June 2004. The consolidated entity comprises both the company and the entities it controlled during that year.

The directors of the company are responsible for preparing a financial report that gives a true and fair view of the financial position and performance of the company and the consolidated entity, and that complies

with Accounting Standards in Australia, in accordance with the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

AUDIT APPROACH

We conducted an independent audit of the financial report in order to express an opinion on it to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the



independent audit report

- > assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

We performed procedures to assess whether the substance of business transactions was accurately reflected in the financial report. These and our other procedures did not include consideration or judgement of the appropriateness or reasonableness of the business plans or strategies adopted by the directors and management of the company.

INDEPENDENCE

We are independent of the company, and have met the independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*.

AUDIT OPINION

In our opinion, the financial report of Airport Development Group Ltd is in accordance with:

- (a) the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position of Airport Development Group Pty Ltd and the consolidated entity at 30 June 2004 and of their performance for the year ended on that date; and
 - (ii) complying with Accounting Standards in Australia and the *Corporations Regulations 2001*; and
- (b) other mandatory financial reporting requirements in Australia.

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Merit Partners
Aminul Islam
Partner, Darwin
Date: 28 October 2004

availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001*, including compliance with Accounting Standards in Australia, and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's and the consolidated entity's financial position, and of their performance as represented by the results of their operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- > examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and



shareholders

Development Australia Fund Management Ltd	www.arf.com.au/daf.asp	35.50%
Hastings Funds Management Ltd AREF Australian Infrastructure Fund	www.hfm.com.au	25.40%
National Asset Management Ltd		14.55%
Perpetual Investments Ltd	www.perpetual.com.au	14.55%
BAA Australia Pty Ltd	www.baa.com	10.00%

fast facts

Financial Year Ending	2004	2003	2002	2001	2000
PASSENGERS:					
DIA	1,182,000	1,085,000	1,090,000	1,380,000	1,190,000
ASA	610,000	570,000	520,000	665,000	600,000
TOTAL	1,792,000	1,655,000	1,610,000	2,045,000	1,790,000
LANDED TONNES:					
DIA	539,000	525,000	590,000	810,000	725,000
ASA	239,000	223,000	206,000	287,000	300,000
TCA	4,200	6,400	7,400	8,900	9,800
TOTAL	782,200	754,400	803,400	1,105,900	1,034,800
AERONAUTICAL CHARGES (ex GST):					
Passenger Facilitation Charge (\$/pax)					
DIA International:	3.50	2.50	2.50	-	-
DIA Domestic:	3.50	2.50	2.50	-	-
ASA:	3.50	2.50	2.50	-	-
TCA:	n/a	n/a	n/a	-	-
Airport Services Charge (\$/pax)					
DIA International:	5.50	4.98	5.47	-	-
DIA Domestic:	5.50	4.98	4.48	-	-
ASA:	5.50	4.98	4.98	-	-
TCA:	18.00	18.00	18.00	-	-
Landing Charge Regular Public Transport (\$/MTOW)					
DIA International:				6.52	6.57
DIA Domestic:				5.51	5.55
ASA:				5.51	5.55
TCA:				-	-
Landing Charge General Aviation \$/MTOW					
DIA International:	16.00	15.01	15.01	6.52	6.57
DIA Domestic:	16.00	14.00	14.00	5.51	5.55
ASA:	17.25	16.50	16.50	5.51	5.55
TCA:	23.00	23.00	23.00	23.00	23.00
REVENUE \$000s (1)					
DIA	18,843	15,651	12,422	11,679	10,517
ASA	8,174	6,581	4,815	4,310	4,445
TCA	183	196	212	222	224
Other	6	96	35	145	141
TOTAL ADG	27,206	22,524	17,484	16,356	15,327
EBITDA \$000s					
DIA	10,017	6,869	6,016	5,766	4,930
ASA	4,871	3,770	2,500	2,048	1,961
TCA	-	16	21	71	56
Other	51	96	83	121	123
TOTAL ADG	14,939	10,751	8,620	8,006	7,070
CAPITAL EXPENDITURE \$000s					
DIA	4,197	1,797	4,070	853	1,613
ASA	970	277	113	195	137
TCA	3	14	-	28	1
TOTAL ADG	5,170	2,088	4,183	1,076	1,751
EMPLOYEES :					
DIA	41	36	30	31	32
ASA	12	13	12	13	14
TCA	2	2	2	2	2
TOTAL ADG	55	51	44	46	48

(1) Excludes passenger security, checked bag screening, additional security measures and counter terrorist first response charges which are levied such that revenue received is equally offset by expenses incurred.



REGISTERED OFFICE

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