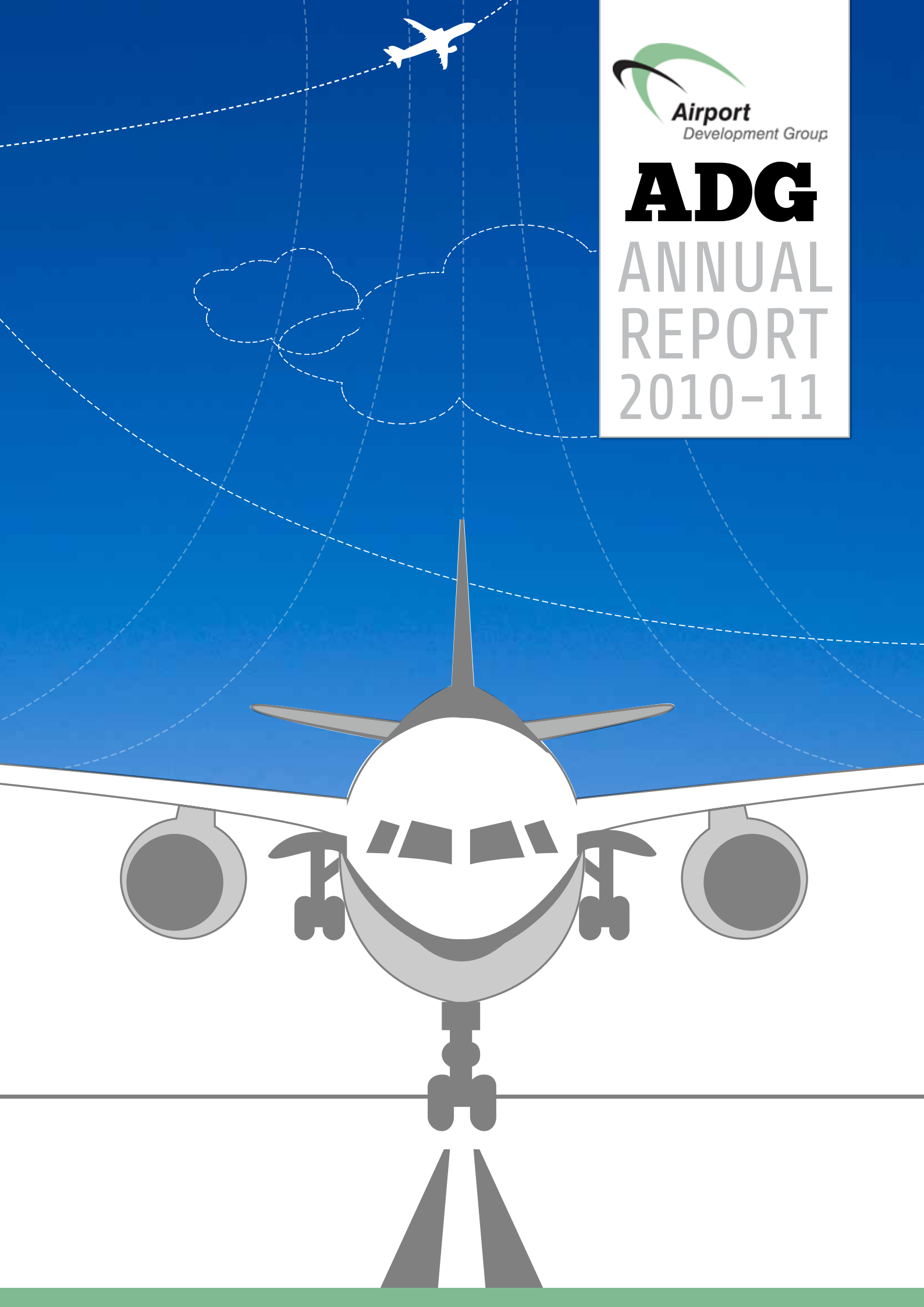




# **ADG**

## ANNUAL REPORT 2010-11







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# About Airport Development Group



*Airport Development Group Pty Limited (ADG) is the ultimate parent company of the ADG Group.*

ADG owns 100% shares in Northern Territory Airports Pty Limited (NTA) and Tennant Creek Airport Pty Limited (TCA). NTA owns 100% shares in Darwin International Airport Pty Limited (DIA) and Alice Springs Airport Pty Limited (ASA).

ADG has been a member of the Northern Territory community since 1998. As part of Australia's airport privatisation program, we acquired leases from the Australian Federal Government for Darwin International Airport, Alice Springs Airport and Tennant Creek Airport.

Each airport lease is for a term of 50 years, with an option of a further 49-year lease.

**ADG is proudly 100% Australian owned.**





## Vision

“TO BE THE MOST SUCCESSFUL AIRPORT BUSINESS IN AUSTRALASIA.”

We will achieve this by:

- developing a commercial non-aviation property portfolio of more than \$200 million
- growing passengers at Darwin International Airport to three million and 700 000 at Alice Springs Airport
- maintaining the respect of all our airline customers
- creating a positive work environment and making ADG an attractive place to work
- being recognised as a significant contributor to the NT economy
- ensuring development is done in accordance with the airport Master Plans and the Airport Environment Strategies
- securing strong and diverse community support for our airport businesses
- continuing to outperform other Australasian airports' growth of Total Shareholder Return.

## Purpose

Our purpose is to provide safe, efficient and environmentally sound services that represent value for money for our customers, and optimise the financial returns to our shareholders.

We will do this by:

- operating a safe and secure airport
- providing outstanding customer service
- developing a sustainable airport (aviation and non-aviation) business
- excelling in environmental and financial management
- maximising long term value for our shareholders
- contributing to the NT's economic growth and our community.

## Values

We recognise that stakeholders and the community judge us by the way we act. Our reputation is paramount and as a result, we will act with honesty and integrity at all times. The following is a list of our corporate values that are embedded in our workplace:

- **Safety First**  
Safety is our number one priority.
- **Customer Focused**  
Our customers are important and our focus on their needs will ensure our relevance and success.
- **Honesty & Integrity**  
We are honest, ethical and professional in all that we do.
- **Accountability**  
We will deliver on our commitments and take ownership of our responsibilities.
- **Innovative & Creative**  
We encourage new thinking in our team.
- **Respect for each other**  
Our people are our most important resource and we appreciate their values, respect their rights, promote their talents and reward their commitment.
- **Community Engagement**  
We are an important part of our community and we will seek to engage with them at all levels.
- **Team Work**  
We will work together to achieve common goals.



# Board of Directors



## Mr Chris Barlow, Chairman

Chris Barlow has over 32 years experience in the aviation industry. From July 2000 until August 2007, Chris was Managing Director and Chief Executive Officer of Australia Pacific Airports Corporation, the operator of Melbourne and Launceston Airports. Prior to that, he had several roles with BAA plc (formerly British Airports Authority), the United Kingdom airports company, including Managing Director of Aberdeen Airport and Corporate Development Director. Chris has also worked in the United Kingdom and North America. He is currently a Director of Asciano, Chairman of their Remuneration Committee and Chairman of the Melbourne Visitor and Convention Bureau.

Chris has a Bachelor of Science (Honours) in Civil Engineering.



### Mr Julio Garcia, Director

(resigned November 2011)

Julio Garcia is an Executive Director in the Infrastructure Group at Industry Funds Management (IFM). Since joining IFM in 2008, Julio has been responsible for sourcing, evaluating and executing new domestic and international investments and managing existing investments within IFM's Australian infrastructure portfolio. Julio's experience spans roles in asset management, investment banking and strategy consulting. Prior to joining IFM, Julio held positions with Viant Capital, Bank of America, Robertson Stephens and Gemini Consulting. Julio is also a director on the boards of the Port of Brisbane, Ecogen Energy and Wyuna Water.

Julio holds a Master of Business Administration degree from the Stanford University Graduate School of Business and a Bachelor of Arts (Public Policy) degree from Stanford University. He is also a Graduate Member of the Australian Institute of Company Directors.



### Ms Alexandra Campbell, Director

Alexandra Campbell is an Associate Director for Hastings Funds Management, largely working with the Australian Infrastructure Fund and the Hastings Diversified Utilities Fund, which are listed on the Australian Stock Exchange. Alexandra represents the Australian Infrastructure Fund on the Boards of ADG, Port of Geelong and Metro Transport Sydney. Prior to joining Hastings in April 2007, Alexandra was a solicitor with Freehills.

Alexandra has a Bachelor of Business and Bachelor of Laws (Honours) from Monash University, a Graduate Diploma in Applied Finance and Investments from the Financial Services Institute of Australia (FINSIA) and a Masters of Applied Finance and Investments (FINSIA).



### Jeff Pollock, Director

Jeff Pollock is part of Hastings Funds Management's executive management team and holds the dual role of Head of Listed Infrastructure and Chief Executive Officer of the Australian Infrastructure Fund.

Prior to joining Hastings, Jeff was part of the senior management team at Prime Infrastructure/Babcock and Brown Infrastructure (BBI) where he was Chief Operating Officer for BBI Transport Infrastructure. Jeff previously held senior positions with Queensland Treasury and Price Waterhouse.

Jeff holds a Bachelor of Accountancy from the University of Glasgow, and has been a member of the Institute of Chartered Accountants of Scotland since 1988.



## Roger Lloyd, Director

Roger Lloyd has 17 years of funds management and investment banking experience, with over three years with Perpetual Investments, including as Head of Infrastructure, and 12 years with Macquarie Bank and previously Bankers Trust, prior to joining Palisade Investment Partners in 2008.

Roger was in the project finance division of Macquarie's Investment Banking Group, where he focused on Public Private Partnerships working with both Government and private sector clients. In this role, Roger was involved in origination of transactions, consortium formation, structuring and arranging debt and equity across a broad range of infrastructure projects.

He also played an important role in the government advisory business of the bank and has an intimate knowledge of Government requirements in privately financed projects.

Roger is a Chartered Accountant, a Graduate of the Australian Institute of Company Directors and holds a Bachelor of Business from Kuring-gai College (now University Technology Sydney).



## Mr Adrian Croft, Director

(appointed November 2011)

Adrian Croft joined Industry Funds Management (IFM) in July 2009 as Investment Director (Infrastructure). Prior to IFM, Adrian was employed with Credit Suisse (formerly Credit Suisse First Boston - CSFB) since 1998. For the 3 years prior to joining IFM, Adrian held the position of Vice President with Credit Suisse's Tokyo office, where he managed all aspects of arranging leveraged and structured financings for corporate and private equity clients. Prior to his appointment to the Tokyo office, Adrian worked in the New York and Melbourne offices of CSFB, focusing on debt financing and investment banking.

Adrian holds a Bachelor of Economics (Honours)/Bachelor of Laws (Honours) from the University of Sydney.





## Tom Ganley, Company Secretary

Tom Ganley is Chief Financial Officer of ADG.

With over 23 years experience in aviation finance, Tom Ganley joined ADG in June 1998.

Previously, Tom held various senior finance and commercial management roles at Adelaide and Alice Springs Airports.

A Justice of the Peace, he has a Bachelor of Accountancy from the University of South Australia, a Graduate Diploma in Applied Corporate Governance and an Australian Institute of Company Director's Diploma.

Tom holds Fellow memberships with CPA Australia, the Institute of Chartered Secretaries and Administrators, the Australian Institute of Company Directors and the Australian Institute of Management.

Tom is currently a Director on the Board of the Northern Territory Chamber of Commerce and Industry and is the current Chair of the Northern Territory Brolga Tourism Awards.

# Chairman's Report

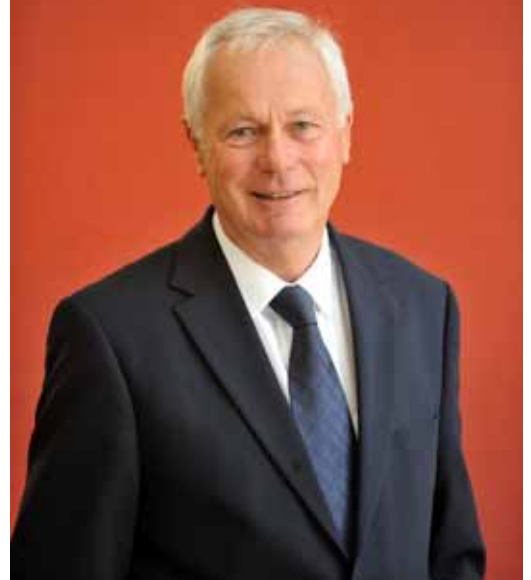
CHRIS BARLOW  
Chairman

*I am pleased to report that the Airport Development Group (ADG) performed strongly in what was an increasingly challenging year, as we progressed towards our vision of being the most successful airport business in Australasia.*

The group has come a long way since privatisation 13 years ago. We have overcome a number of hurdles to become a key Northern Territory business, now contributing 2% to the local economy each year. We have implemented a program of significant investment at each of our three airports, enhanced our aviation facilities and driven non-aeronautical development, and we are looking forward to the exciting years ahead.

In 2010/11, ADG received Australian Federal Government planning approval for our biggest project yet, the \$50 million expansion of the Darwin International Airport Terminal. This expansion will provide the space and facilities for even more aviation growth in the Territory and ensure we can meet the needs of the airlines and all other airport users.

We continued to improve our customer experience, with capital expenditure up by 4%. This included a considerable injection of funds to upgrade the Tennant Creek Airport, which provides a vital link to the Territory's Barkly district and beyond. I was delighted to hold a Board meeting in Tennant Creek in March 2011, giving members a first-hand look at this vibrant regional town and the results of the terminal upgrade. In Alice Springs, we signed a lease agreement for the Airport to become the Southern Hemisphere's first dedicated aircraft storage and recycling facility.





Passenger numbers were strong during the year, with the ADG collectively handling a record 2.9 million travellers, up almost 4%, a solid achievement given the sluggish domestic economy and the reduced number of international visitors to Australia partly due to the high Australian dollar. This growth enabled the company to increase our revenue by 10%. This together with disciplined cost control delivered an increase in earnings before interest, tax depreciation and amortisation of 9%.

It was also a significant year for innovation, as Alice Springs Airport switched on its unique \$2.3 million Solar Power Project. In September 2010, ASA installed the largest scale solar energy plant feeding back to its electricity grid, providing approximately 28% of its daily energy needs. This award-winning innovation will reduce our annual carbon emissions by an estimated 470 tonnes, the equivalent of 70 Alice Springs households. This is an outstanding result for a regional airport and we are proud to be leading the way in clean energy. We will continue to look for ways to be more sustainable and energy-conscious.

Being 100% Australian owned, ADG is committed to providing solid long-term financial returns to its shareholders, through continuing to operate a safe and responsible business, minimising costs and providing excellent customer service.

On behalf of the Board, it is my pleasure to deliver the 2010/11 ADG Annual Report.

CHRIS BARLOW  
Chairman



# Chief Executive Officer's Report

IAN KEW  
Chief Executive Officer



*2010/11 was a positive year for ADG, featuring a number of solid achievements.*

With revenue reaching \$84 million, we experienced significant financial growth, enabling us to deliver better returns to our shareholders and some 70 000 Territorians who have superannuation invested in us. I have no doubt ADG will continue to be a catalyst for economic growth in the Northern Territory, particularly as construction work begins on the terminal expansion at Darwin International Airport in mid 2012.

Significantly, we reached commercial terms of a long term pricing agreement with our airline customers. This agreement will pave the way for further investment at our airports, and allows us to progress to the design phase of the Darwin International Airport terminal expansion project. Demand fuelled new flights, including a direct Qantas Darwin to Melbourne service, Jetstar and Air Asia flights to Manila and Bali respectively, while Hardy Aviation (Fly Tiwi) launched a Darwin to Tennant Creek service.

We made significant strides in our property portfolio, following the completion of the \$9.6 million Australian Federal Police office building - our third largest non-aviation development to date. Illustrating the strength of property values, the Darwin Airport Inn and Darwin Airport Resort were sold for \$68 million, and we are delighted to welcome Rydges as the new hotel operator. Meanwhile, Alice Springs Airport has signed a lease for the development of the Asia-Pacific's first aircraft storage and recycling facility.

Importantly, we reached our goal of engaging more closely with the community. Following extensive consultation, we received overwhelming support for our Major Development Plans for the Darwin International Airport terminal expansion and our 20-year Airport Master Plan for Darwin which was approved by the Australian Federal Government in December 2010.



We also created the Community Aviation Consultative Group and the Planning Coordination Forum at both Darwin International and Alice Springs Airports to encourage direct interaction with key stakeholders.

ADG led the way in social media in 2010/11, with Darwin International Airport and Alice Springs Airport becoming the first airports in Australia to launch their own Apps for iPhone, iPad and iPod Touch. This digital communication greatly enhances customer service by streaming live arrival and departure times, flight specials and airport news.

ADG is an active member of the Darwin, Alice Springs and Tennant Creek communities, and we continued to support key artistic, cultural and sporting events that make where we live unique. We were proud sponsors of the Darwin Festival, the inaugural Darwin International Film Festival, the Alice Springs Desert Festival and the Arafura Games, and we look forward to continuing these valuable partnerships. We also grew our support for not-for-profit associations, donating much-needed funds to the Handicapped Persons Association, the Alan Walker Cancer Centre and Wongabilla Equestrian Centre. In total, our Corporate Giving Committee arranged donations to 16 Northern Territory organisations.

ADG continued to strive in its commitment to preserve and promote the ecological values of our land, planting 3500 trees and seedlings across Darwin International Airport and collecting more than 500 kilograms of rubbish during Clean-up Australia Day. In a bid to extend our conservation efforts beyond our boundaries, we helped students from Darwin High School design their own native garden. We also introduced a range of energy-efficient initiatives across our Airports, complementing our award-winning Solar Power Project at Alice Springs Airport.

We look forward to another great year of growth, innovation and community involvement in 2011/12.

IAN KEW

Chief Executive Officer.

# Our People

The ADG team has continued to grow and diversify over the past year, reflecting the company's business growth and project developments.

We're proud to boast a team that combines experience, knowledge and a passion to break new ground and contribute to the development of ADG and the aviation industry.

## New Faces and Farewells

The ADG team has continued to grow and diversify over the past year, reflecting the company's business growth and project developments. We're proud to boast a team that combines experience, knowledge and a passion to break new ground and contribute to the development of ADG and the aviation industry. In the past financial year, many new members have been welcomed across the ADG group and this trend is expected to continue as the large capital projects commence at both Alice Springs and Darwin International Airports.

The executive position of Operations Director was filled by Alex MacDowell in December 2010. Alex has a background in Aviation having worked for the Brisbane Airport Corporation in engineering, projects and maintenance capacity for over 8 years.

Two long serving employees retired from permanent work with ADG over the past financial year. Dennis Windsor retired from Tennant Creek Airport in March 2011 after 24 years of service and Ray Hayes retired from his role as Operations Safety Officer at Darwin International Airport in October 2010 after 38 years of services.







## Training and Development

Ongoing access to training and personal development for staff continues to be a top priority.

In early March, the Lean Six Sigma program was introduced and ten project leaders undertook the training. The program is widely recognised as the world best practice methodology for business improvement by improving quality, reducing costs and creating new opportunities. Following an intensive five day training course, the principles were applied to; finance, information technology, operations and maintenance, engineering and legal projects.

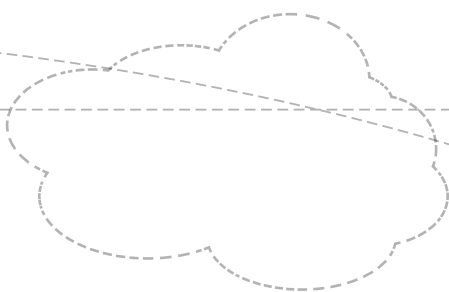
The skills and outcomes learnt were invaluable and encouraged more efficient initiatives in the way project leaders and their teams worked.

Individual staff members also took the opportunity to complete study programs specific to their knowledge area with tailored support from the ADG group. This has been a popular personal development approach with many staff choosing to balance work and study knowing they have the support of the business throughout the study period.

## Caring for our Staff

Following staff survey results, the Gateway to Health program continues to be popular and well utilised by staff. The program aims to educate and support staff on a healthy lifestyle. The comprehensive program involves preventative healthcare presentations, health screen assessments and activities such as personal training sessions, yoga and the Urban Challenge competition.

ADG also continues to offer its Employee Assistance Program (EAP) which offers 24 hours-a-day assistance to staff and their family members with confidential access to counselling and support services.



# Community Involvement



*Above Right: Ian Kew, CEO, ADG & Edwina Lunn, 2012-2013 Darwin Festival Artistic Director at the 2011 Darwin Festival Launch at the Aviation Institute*





ADG values and respects the communities in which it operates, and continued to be an avid supporter of a range of artistic, sporting and charity events in 2010/11.

This is in line with our vision of having strong and diverse community support.

*“We have always been a supporter of the arts at the airport. We like the dynamics and the creativity of the arts and I think that reflects our values of innovation, creativity and thinking outside the square.”*

– Ian Kew, Chief Executive Officer, ADG.



# Sponsorship

## Darwin Festival

We were proud sponsors of the 2010 Darwin Festival, Australia's most northern and only tropical arts festival. The 18 day event at Darwin Civic Park showcased an exciting array of local and interstate performances, which featured something for everyone. ADG signed a two-year agreement with the Darwin Festival, which included a commitment to major sponsorship in 2011. We also provided space inside the Darwin International Airport terminal for promotional signage, advertised the event on our website and were pleased to host the 2011 Darwin Festival launch at the Aviation Institute.



## Darwin International Film Festival

ADG was a key supporter of the inaugural 2010 Darwin International Film Festival. The five-day feast of films was held at the iconic Deck Chair Cinema and attended by 1370 people. Sponsoring the film festival is a demonstration of our commitment to growing tourism experiences during the Top End's shoulder season, between the peak tourist periods.





## Alice Springs Airport Initiatives

### Arafura Games

The 2011 Arafura Games was another great event on the sporting calendar, with more than 4000 athletes and officials taking part in the international competition. A bronze sponsor, ADG was excited to support the biennial event for a second year, gaining significant exposure while encouraging high level sporting competition in the Northern Territory. 'Rocky' the rock wallaby visited Darwin International Airport, where we also provided space for an information booth and signage to help promote the event. Thousands of participants flew into Darwin from across the Asia-Pacific and beyond for the games.



### Alice Springs Desert Festival

ADG was a proud sponsor of the 2010 Alice Desert Festival and its Wearable Art award (Sustainability category). The 10 day event is Central Australia's premier arts and cultural festival.



# Sponsorship



## Masters Games, Alice Springs

We continued to support the Masters Games with a sponsorship agreement in 2010/11. We also provided free advertising at Alice Springs Airport, complimentary parking passes for Masters Games vehicles and hosted a reception to welcome participants as they touched down.

## Tourism Central Australia Industry Awards

As passionate supporters of the local tourism industry, we sponsored the 2010 Tourism Central Australia Industry Awards Night. This is a great way to encourage excellence in the industry.

## Tourism Awards

Further supporting the Northern Territory Tourism sector, for the first time ADG supported the Brolga Northern Territory Tourism Award, as sponsor of the Major Tour and/or Transport Operator Category. Chief Financial Officer, Tom Ganley also volunteered his time to be both state and national Judge.



# Charity

At ADG, we are committed to supporting those less fortunate than ourselves through numerous initiatives. This year the Corporate Giving Committee met twelve times and approved donations to 16 Northern Territory organisations to ensure these groups could further improve or support their local communities.

## Air conditioning for Ausdesigns

We provided funds for an air conditioner to be installed in the new building at the Yarrowonga headquarters of Ausdesigns, a non-government organisation owned by HPA Disability Services. Ausdesigns aims to help people with a disability to reach their full potential by providing them with training and employment in the fabric design and manufacturing industry. The 68 employees produce a range of quality gifts and promotional merchandise featuring Indigenous artwork, ranging from conference bags to tablecloths.



Above: ADG Corporate Giving Committee members and Daniel O'Conner in a newly air-conditioned room at HPA Disability Services.

*“Without the new air conditioner, this building was too hot to work in. As a result of its installation, we have been able to expand our business and we expect further significant growth in the upcoming year.”*

- Peter Joyce, Chief Executive Officer, HPA Disability Services.



## Henbury School

Our donation to Henbury School contributed to the construction of a multi-sensory room. The room is filled with materials and objects to stimulate the senses, helping students with disabilities learn better and improve language and other skills.

Other Corporate Giving Committee beneficiaries included Variety NT, Guide Dogs SA/NT, Aphasia Committee and the Darwin Toy Library.



*"It's actually quite rewarding and makes you really proud to work for a company like this, as they really stick to their values and support a great range of community groups and charities."*

– Lisa Cryer, Office Manager/Executive Assistant to the Chief Executive Officer and Chief Financial Officer, ADG

## Golf Day, August 2010

We held our eighth annual Darwin International Airport Golf Day in August 2010, our most prominent fundraising event for the year. The Golf Day was a great success, raising \$17 000 for charity. With 36 teams taking part, the event was also an opportunity for airport staff, tenants, suppliers and contractors to get together and have some fun for a worthwhile cause.

We used Golf Day funds to purchase a new horse float for the Wongabilla Equestrian Centre, a not-for-profit organisation which offers around 100 young Territorians – including disadvantaged youth – the chance to learn how to ride a horse and enjoy the physical, emotional and psychological benefits that come with it.

With the assistance of Northern Territory Automotive Group (Darwin Mitsubishi), we also contributed funds for a new vehicle for Northern Territory Radiation Oncology, which provides Territorians with access to professional, high quality cancer treatment at the Alan Walker Care Centre.

## Public Art Precinct

In March 2011, we launched the Alice Springs Airport Public Art Precinct, a collection of colourful, innovative art and street furniture installations incorporating work from the Aboriginal community centres at Santa Teresa and Titjikala, and sculpture by Alice Springs based artists Pamela Lofts and Pip McManus. The desert-inspired designs frame the entrance of the Alice Springs Airport, reflecting Central Australia's diverse artistic landscape. We worked closely with the Jumbana Group, an Indigenous Strategy and Design Company, to produce this project.

Art directed and project managed by Balarinji:  
[www.jumbana.com.au](http://www.jumbana.com.au)



Above: Katie Cooper (General Manager, NT Airports), Ros Moriarty (Managing Director, Jumbana Group), Chris Barlow (Chairman, NT Airports), Rosina Ryder and Patricia Ellis (Santa Teresa Artists).

*“We felt the artist group succeeded so well in presenting the unique spirit and sense of place of Alice Springs. It was a hands on project in the communities where we collaborated with artists in painting and sketching workshops to imagine and articulate the collection of elements for installation.”*

- Ros Moriarty, Managing Director, Balarinji Studio, Jumbana Group.

# Social Media

## Airport App – An Australian First

In February 2011, DIA became the first Australian airport to release its own App for iPhone, iPad and iPod Touch. The App has proven a huge hit and was downloaded 3004 times in the financial year. The App is a software program that streams live arrival and departure times, a car parking fee calculator and the latest airport updates. Created in conjunction with Darwin digital media agency Captovate, the App is innovative as it connects users to the airport's Twitter stream for live news and updates.

Hot on the heels of Darwin, Alice Springs Airport became the second Australian airport to develop its own App, which offers the additional feature of a live data connection to the airport's solar power station, which provides information on power generated and emissions reduced. It also provides contact details for airlines.

We also created Facebook and Twitter accounts for DIA and ASA, attracting around 550 Facebook fans and 800 Twitter followers in 2010/11.

## How digital communications saved the day during Cyclone Carlos

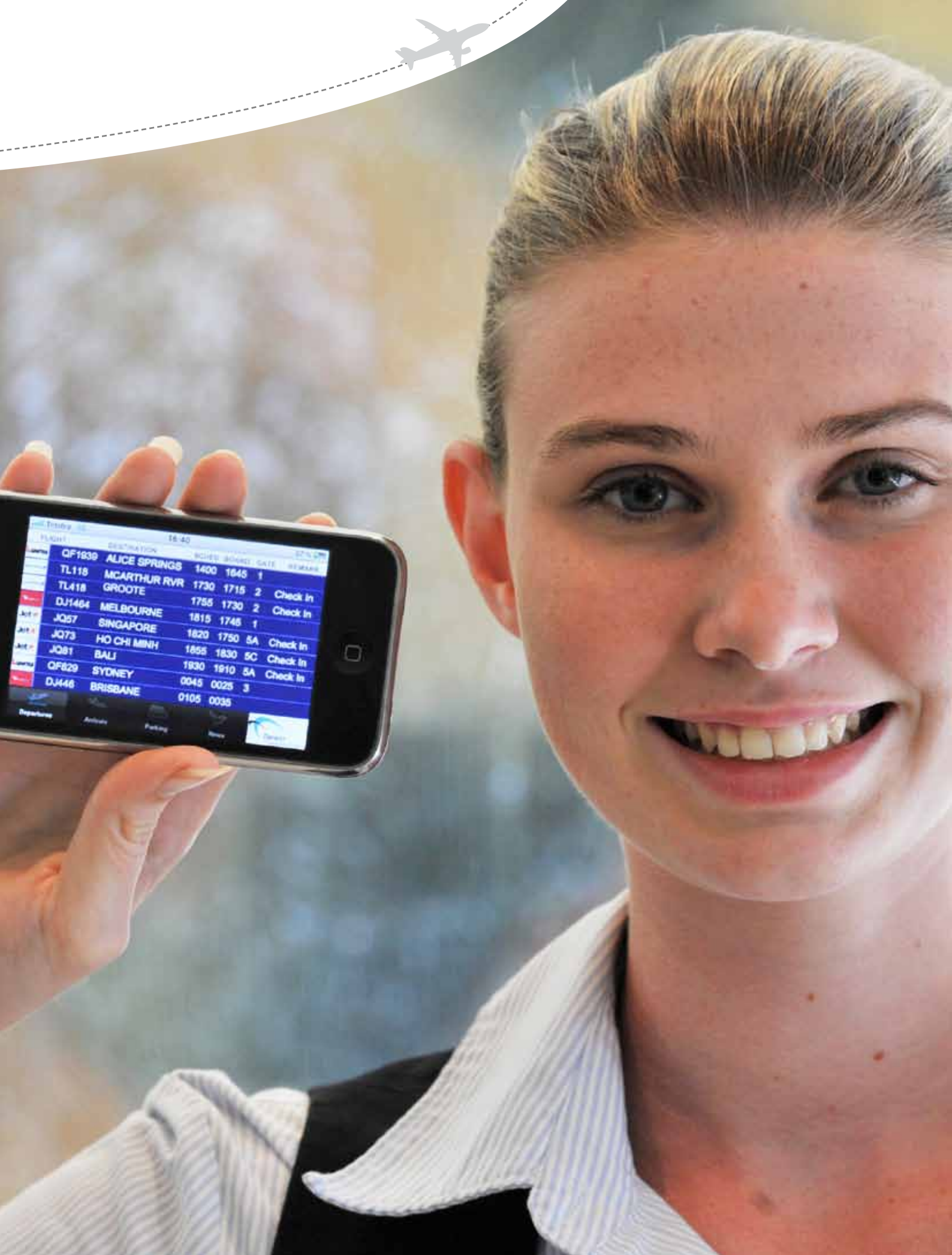
DIA's App couldn't have come at a better time. Three days after its launch, Cyclone Carlos struck, causing the Darwin International Airport to close for nearly 33 hours due to flooding of roads connecting to the airport and the cancellation of airlines scheduled services. The App was downloaded 600 times over that period with passengers eager to find out when flights would resume.

Twitter was also a powerful communication tool in the wake of Cyclone Carlos, with ADG tweeting 48 messages to followers to update them on the status of operations. Messages included information about flight cancellations, flooded roads around the airport, links to the Bureau of Meteorology cyclone tracking map and information about intermittent mobile reception across Darwin.

This was in addition to our use of more traditional media, such as our website, which received more than 145 000 hits over the three days.









# Environment and Sustainability

## Caring for our Environment

ADG is the custodian of large and environmentally significant parcels of land in Darwin, Alice Springs and Tennant Creek, having acquired the lease from the Australian Government in 1998. We recognise the need to preserve and promote the ecological value of the sites as they are increasingly affected by growing urban populations. We also strive to minimise our environmental footprint through energy-efficient technologies.

## Preserving Rapid Creek

We have made significant progress in our effort to preserve and rehabilitate Rapid Creek and its surrounding vegetation. In 2010/11, we commissioned Greening Australia, Conservation Volunteers and Denhamia to plant 3500 seedlings and trees in the Rapid Creek Buffer Zone and the Conservation Reserve – two conservation sites established by ADG in 1999.

This follows our decade-long volunteer effort, with hundreds of Darwin residents joining conservation groups to take part in community planting days. Over time, we have seen people take more pride in the Rapid Creek area and less vandalism. In 2010/11, we encouraged greater community use of Rapid Creek by improving the Gurumbai walking trail and installing information signs along the two and a half kilometre path to educate users about the flora and fauna, Indigenous cultural traditions and European history of the area. Our enthusiastic approach to conservation has seen a significant reduction in weed density and fire fuel load, while maintaining aesthetic values and biological diversity.





## Leading the way with Solar

In September 2010, Alice Springs Airport installed the largest scale solar energy plant feeding back to its electricity grid. Providing around 28% of the airport's daily energy needs, this unique project is the first Flat Plate Concentrated Photovoltaic facility (SolFocus technology) to be constructed in the Southern Hemisphere. SolFocus is a California based solar energy provider specialising in reliable, clean and low cost renewable energy technology. SolFocus's Australian development partner, Ingenero, constructed the facility and provides ongoing maintenance with the assistance of various local Alice Springs contractors. The station consists of 28 arrays – or groups of solar panels – each consisting of mirrored dishes, which magnify the sun's energy 650 times. The \$2.3 million facility attracted 50% funding from the Australian Federal Government under the Solar City Project, a national initiative designed to encourage residents and businesses to become energy champions.



By the end of the financial year, our Solar Power Station had produced 500 000 kilowatt-hours of energy, reduced carbon production by 350 tonnes and saved more than \$70 000 in electricity costs. We were thrilled to win a 2011 PowerWater Melaleuca Award and an Engineering Excellence Award (Environment & Sustainability) for the project, the culmination of four years of hard work. We were also finalists in the 2010 Aviation Summit Award for Green Initiative of the Year, in Doha and the 2011 UN World Environment Day Awards.

We educate the community about the benefits of solar through our newly constructed Solar Pod, which can be found inside the Alice Springs Airport terminal, and our innovative App for iPhone, iPad and iPod Touch.

*"I commend Alice Springs Airport for its progressive and innovative sustainability practices. Not only are they leading the way in clean energy, they are committed to minimising their impact on their surrounding natural environment, ensuring it can be enjoyed for generations to come."*

– Dr Bill Low, Airport Environment Officer, Department of Infrastructure and Transport.

### **Other notable achievements in the area of environment and sustainability in 2010/11:**

#### **High school planting day**

- We helped students in the Eco Group at Darwin High School to design and construct their own native garden, inspired by the Matboerrma Gardens at Darwin International Airport.
- We continued to implement energy-saving initiatives from the Level 2 energy audit at Alice Springs Airport.

## Responsible Business Practices

Development and expansion is necessary for ADG to be able to respond to the increasing demands of travellers, the aviation industry and the community. We also recognise the importance of ensuring that growth is environmentally responsible and sustainable. That is why we have embedded strict guidelines into all our operations to ensure minimal impact on the environment.

## Airport Environment Strategy

We are always looking at new ways to improve our environmental management, and this process is guided by our Airport Environment Strategy (AES) for DIA and ASA. An AES is a five-year strategic plan which sets out our key objectives and the actions required to achieve them. Our AES for each Airport was approved by the Australian Federal Government in 2009/10 and will be due for renewal in 2014. In line with the strategic plan, ADG adhered to all relevant environmental standards and regulations in 2010/11, and tracked the performance of our airports through extensive monitoring of air, water, soil, flora and fauna.

## Environment Management System

ADG has remained committed to the ongoing development of its Environment Management System (EMS) in accordance with ISO 14001 standards. The EMS enables us to formulate policies and objectives taking into account legislative requirements and information about significant environmental impacts. The EMS applies to those environmental issues that we can control and influence. Within the EMS, we take into account pertinent regulations, Codes of Practice and Standards that relate to airport activities.







## Health, Safety and Environment Policy

In April 2011, we introduced a comprehensive Health, Safety and Environment policy. The policy illustrates our commitment to growing a sustainable business that values the health and safety of our employees and airport users. Designed to educate and inspire, it also reaffirms our dedication to maintaining and enhancing the quality of the environment for generations to come, and our respect for the values and cultural heritage of the local people.

## Ecologically Sustainable Development

Construction of the Australian Federal Police office building at Darwin International Airport is targeting a Five Star Green Star Rating design from the Green Building Council of Australia. The five stars signify Australian excellence in ecologically sustainable development. As members of the Council, we are committed to incorporating sustainable development practices into future developments.

## Energy Efficiency

We have also worked with Monash University to develop Draft Water and Energy Efficiency Plans, which are scheduled to be delivered in 2012. At Darwin International Airport, we installed energy-efficient hand dryers in terminal bathrooms, which require 80% less energy to run than normal warm hand dryers. At Alice Springs Airport, we installed shade shelters, whirly birds and skylights to reduce energy consumption in general operations. At Tennant Creek Airport, we installed motion sensor-controlled air conditioning and lighting to reduce power usage when the terminal is not being used.

## Native Vegetation

We continued our commitment to plant native vegetation on airport land, reflecting local landscapes while minimising water usage and encouraging ecosystems to flourish.





# Airline and Airport Support

ADG airports provide key links in our community, transporting passengers and enabling critical business, trade and tourism activity. We continue to research and identify new opportunities to grow our airline services to the Northern Territory market.

## Passenger Traffic

Despite the global downturn, ADG continued to have strong passenger numbers in 2010/11, up by 4% from last financial year to 2.9 million.

*“We are seeing excellent growth in the number of Australians heading overseas, and many of them are going via the Darwin hub. This presents a wealth of opportunity, not just for the airport but for the whole tourism industry.”*

– Jim Parashos, Director, Airline & Airport Services.





## Darwin International Airport

Located closer to Asia than any other Australian capital city, Darwin is a vibrant and modern tropical city with a stunning harbour seven times the size of Sydney's. Darwin International Airport's strategic location makes it an ideal narrow body aircraft hub for services between most major capitals in Asia and all Australian cities, with an average flight time of 4.5 hours. Just 13 kilometres from Darwin's Central Business District, Darwin International Airport is on the doorstep of a range of Northern Australia's natural wonders, such as the World Heritage Listed Kakadu National Park and Litchfield National Park, major attractions to both domestic and international markets.

DIA is served by a range of airlines, including Qantas, Virgin Australia, Jetstar, Indonesia Air Asia, Skywest and Airnorth as well as several charter airlines that travel regularly to nearby remote communities. Our 24 hour curfew free operations mean that airlines can schedule flights to meet their needs, improve connection flexibility and maximise the use of aircraft. An integrated domestic and international terminal enables transferring passengers to connect seamlessly to their onward journey under one roof. Darwin International Airport features two runways and is capable of handling the A380, the largest commercial passenger aircraft in operation. It is a joint user facility shared with the Australian Department of Defence.

## Flights

- Tiger Airways resumed flights to Melbourne in late June 2010, but ceased at the end of January.
- Indonesia Air Asia commenced daily services to Bali on 24 December 2010.
- Jetstar commenced a new route to Manila in February 2011. This is the first time Darwin has had direct services to the Philippines.
- Qantas introduced four non-stop flights a week to Melbourne in May 2011.
- Airnorth increased flights to Mt Isa and the Gold Coast to two per week.
- Airnorth increased flights to Broome, continuing onto Karratha and Port Hedland in Western Australia.

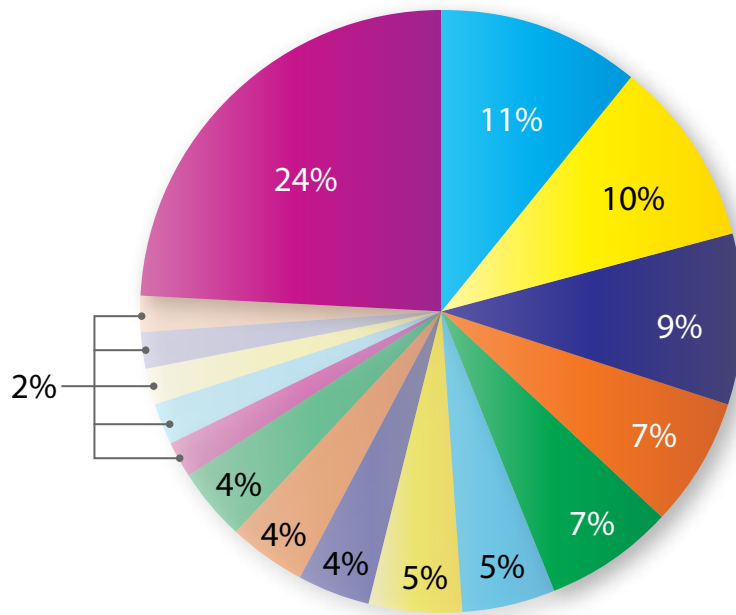
A record 2.3 million passengers travelled through Darwin International Airport in 2010/11, with a 13% increase in international passengers and 4% increase in domestic passengers. Approximately 80% of passenger traffic was domestic with the remainder international.



## Graphs

Source: Department of Immigration and Citizenship (DIAC).

### Top 15 source markets for International Visitors into Darwin 2010/2011 (% total)



Singapore

United Kingdom

Germany

Philippines

Indonesia

Other

France

East Timor

Vietnam

New Zealand

USA

Netherlands

Malaysia

Italy

Switzerland

Ireland



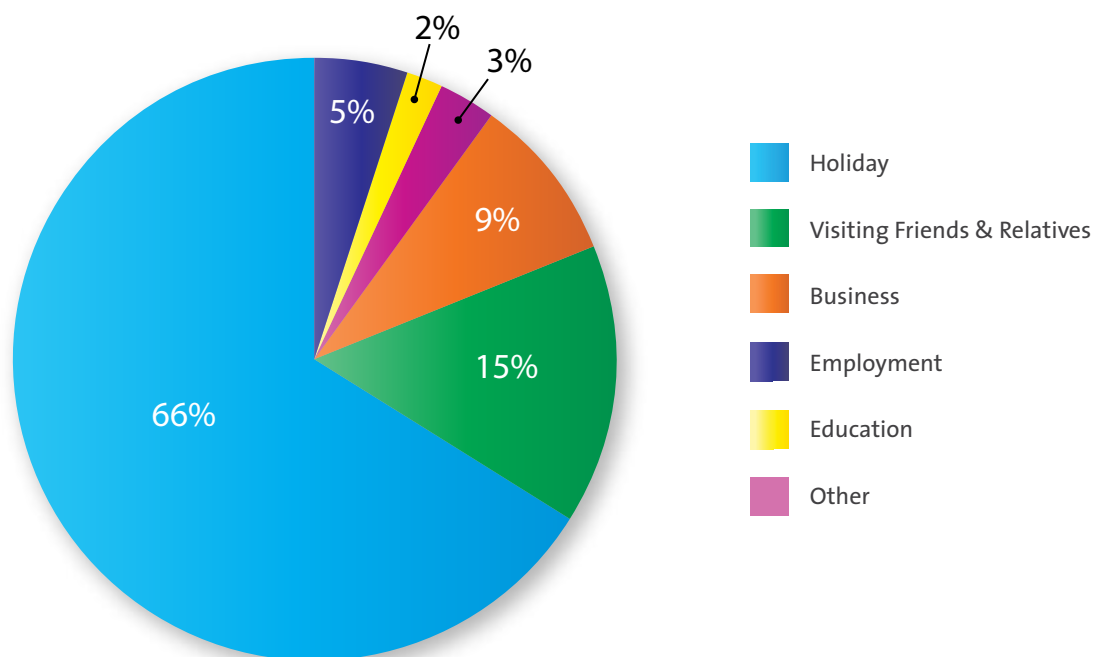




Mix of International traffic cleared at  
Darwin International Airport 2010/2011 (% total)

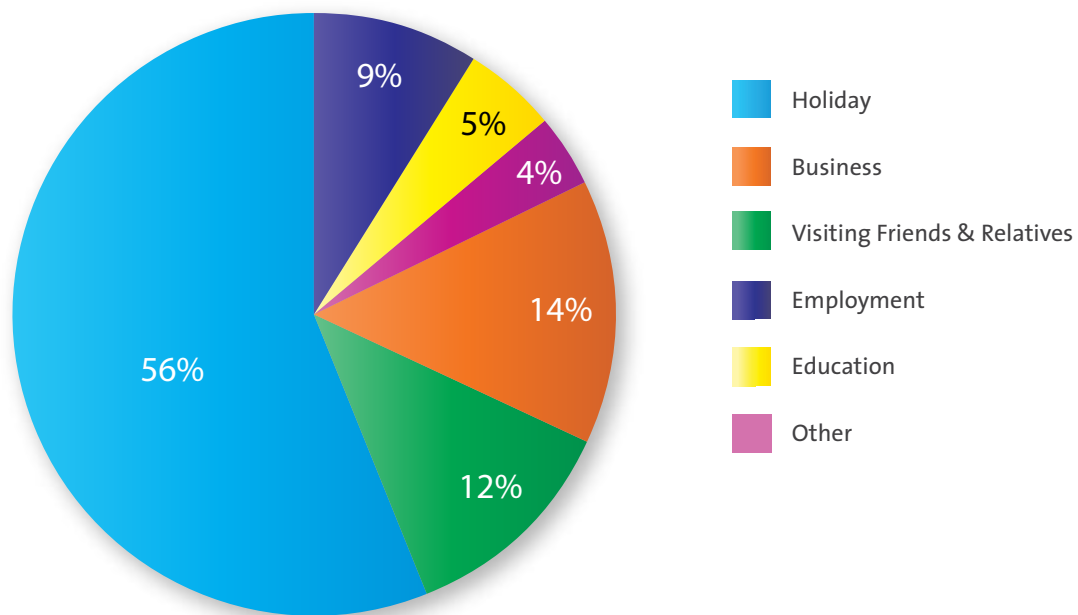


Reasons for travel 2010/2011 (% total)

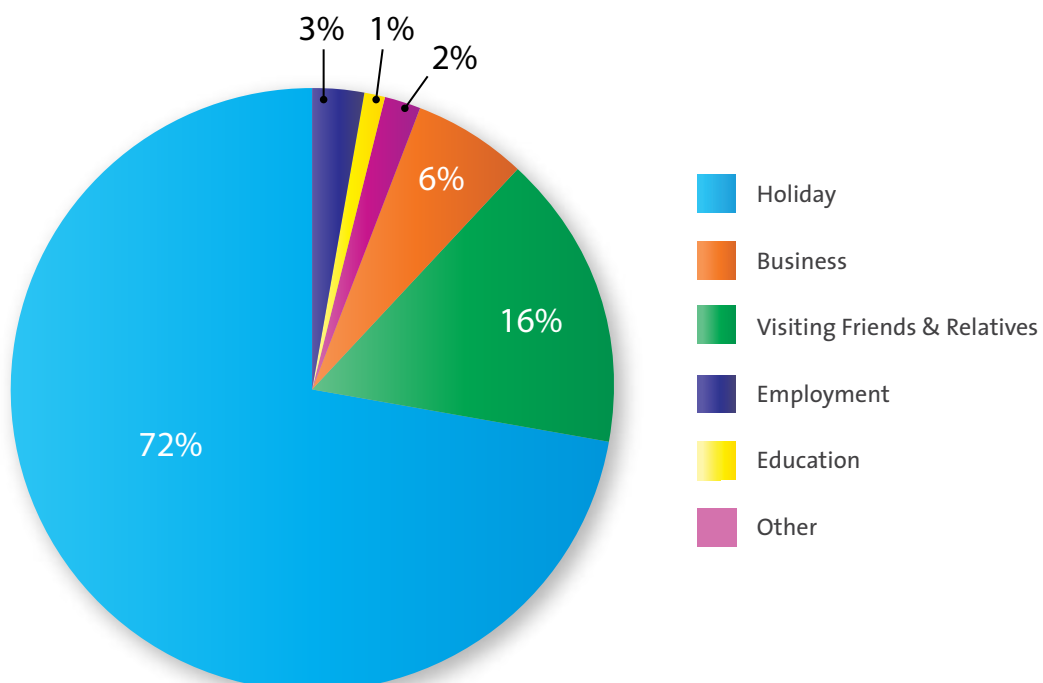




### International Visitors Reason for travel into Darwin 2010/2011 (% total)



### Australian Residents Reason for travel out of Darwin 2010/2011 (% total)



## Alice Springs Airport

In the heart of Central Australia, Alice Springs Airport is the gateway to a range of iconic, natural and culturally significant tourist destinations. Located 14 kilometres South-East of Alice Springs, ASA is predominantly a domestic airport serviced by two main commercial passenger aircraft, Qantas and Tiger Airways. It provides extensive commuter and general aviation services to remote communities, which are largely used by government, corporate and mine workers. ASA offers daily services from all major Australian capital cities, making access from international markets convenient. Featuring a large runway and other quality infrastructure, the airport also has the capability to receive international carriers.

## Flights

- Qantas continued to be our main airline customer operating nearly 60 flights a week to Perth, Adelaide, Melbourne, Sydney, Brisbane, Cairns and Darwin.
- Tiger Airways increased its flights to Melbourne from three to four a week in April 2011. This service was suspended due to a directive from CASA.
- Vincent Aviation operated flights to Tennant Creek between December 2010 and June 2011.

637 000 passengers travelled through Alice Springs Airport in 2010/11, a 6% decrease on the previous year.

## Tennant Creek Airport

In the heart of the Barkly district, Tennant Creek is the major service centre for remote communities and the rich pastoral and mining industries in the region. Approximately 500 kilometres north of Alice Springs, Tennant Creek also has a strong Indigenous heritage. Hardy Aviation (Fly Tiwi) operates services two times per week to Darwin.

The passenger experience at Tennant Creek Airport has been significantly enhanced following the biggest upgrade of the terminal in 20 years. The \$200 000 revamp included new floors, motion sensor controlled air conditioning and lights, a new check-in counter, extensive repainting, plumbing and roof repairs. Customer feedback about the terminal upgrade has been positive, and it is now a comfortable place for passengers to wait for flights.

## Flights

- Vincent Aviation began flights to Alice Springs in December 2010, but ceased after six months of operation as the route became economically unviable.







## Pricing Agreement

Following three years of negotiations, DIA reached commercial terms on a long term pricing agreement with its airline customers in October 2010. This has given us certainty to grow our business and proceed with significant aeronautical developments such as the long-awaited Darwin International Airport terminal expansion. Alice Springs Airport also reached a five year pricing agreement in March 2011 with its major airline customers, which will help fund an \$8 million apron upgrade within the next two years.

## Darwin International Airport Terminal Expansion

Ongoing concept design for the terminal expansion continued throughout 2010/2011. A Minor Variation to the original Major Development Plan was approved by the Australian Federal Government and received positive community support. The \$50 million project will expand each end of the terminal building providing increased passenger facilities such as check in, additional domestic and international departure gates and larger border agency processing areas.

The terminal expansion is the largest airport development in the Northern Territory in 20 years and will underpin investment at Darwin International Airport for the next decade. Importantly, it will enable us to meet the growing needs of the community into the future, doubling our capacity to handle aircraft during peak periods and increasing passenger numbers by 40%.

*“Delivering a fit-for-purpose, impressive and functional expanded terminal that can handle a major increase in capacity and which opens up lots and lots of options for Darwin is our number one priority moving forward.”*

- Ian Kew, Chief Executive Officer, ADG.

## Master Plans

The 2010 Master Plans for DIA and ASA were approved by the Australian Federal Government in December 2010, following extensive consultation with the community. The Master Plans are blueprints for sustainable growth at both airports over the next two decades and were strongly supported by the local community. The DIA Master Plan focused on the developing aviation industry structure with low cost carriers, the Darwin hubbing strategy and plans for the terminal expansion. The ASA Master Plan mapped out a strategy for further investment in new aeronautical infrastructure to meet expected growth in demand, while proposing to secure residential zoning approval on existing airport land.

## Community Engagement

In 2010/11, we increased our focus on community engagement, introducing the Community Aviation Consultative Group (CACG) and Planning Coordination Forum (PCF) to create two clear communication channels between the airport and stakeholders. We have met three times with the CACG and held two forums, and will continue to update stakeholders on the latest issues and developments at our airports. We have made a commitment to meet with the Darwin CACG four times a year and three times a year with the Alice Springs CACG.

## Airport Services

Our Airport Services division is focused on enhancing the passenger experience, providing a range of retail services including duty free, car rentals and parking. At Darwin International Airport, retail and ground revenue grew by 6% and 4% respectively. Alice Springs Airport recorded a 2% decline in revenue on the prior year, although ground transport performed strongly with a 10% increase. The decline in retail revenue is largely due to the reduction in passenger numbers through Alice Springs Airport however, efforts by the concessionaries were effective.

*Right: : Lisa Cryer and Sharon Hoops at the Darwin International Airport, International Women's Day terminal display.*





## Car Parks – long term parking & GA parking photo shoot

We expanded the car parks and improved signage at both Darwin International and Alice Springs Airports to support and assist growing demand. At DIA, we built a new Long Term Car Park providing parking for 266 vehicles. By providing a dedicated car park for long term users, we have increased capacity in our Short Term Car Park for the increasing number of pick up and drop off visitors. We also built a 299 vehicle General Aviation Car Park to cater to the growing number of commercial tenants, including the Australian Federal Police, and other airport customers. The General Aviation Car Park is fully automated with two pay stations on site and a pedestrian bridge provides direct access to the general aviation area.

Altogether, the \$4.5 million car park project has created 565 extra car parking spaces for airport users. This is in addition to the Short Term Car Park, which features 624 spaces. We also moved the Darwin car rental facility closer to the terminal and

improved the lighting, signage and layout. In particular, we created a dedicated walkway ensuring a positive and safe customer experience. A new coach transfer facility featuring a covered walkway to the terminal is also due for completion by the end of 2011. Darwin International Airport also offers new premium permit bays for over 100 vehicles.

The \$1.8 million Alice Springs Airport car park expansion has created an extra 120 spaces for airport users and has simplified the payment system. We have installed boom gates and an auto payment system in the Short Term Car Park to bring it into line with the Long Term Car Park. We also expanded the Long Term Car Park so that separate overflow areas no longer have to be used during peak periods. We installed new signage in the existing General Aviation Car Park, but expansion was not required. We have also expanded the hire car section and separated it from public car parking, thereby reducing congestion and keeping the car parking process consistent for all airport visitors.

*“This expansion is a symbol of growth at Alice Springs Airport. We continue to invest in our facilities to meet the needs of the local community and everyone who uses the airport.”*

– Katie Cooper, General Manager, Alice Springs and Tennant Creek Airports, ADG.

ASA also provided a complimentary dedicated parking bay for The Drivers, a volunteer service that transports patients between Alice Springs hospital and the airport.





# Operations and Development

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Effective asset management is important in achieving and maintaining a sustainable airport business. In 2010/11, ADG has been focused on better understanding the performance of our assets, using our asset management system to its fullest potential and reviewing the effectiveness of our maintenance contractors and suppliers. We have placed significant effort on our critical assets such as airfield lighting, electrical infrastructure and terminal air conditioning and as a result, recorded great improvements in the reliability of the system.

Recently, we awarded a number of maintenance contracts on a long term basis, emphasising our partnership approach while reducing long term expenditure. By reinvigorating our asset management system, we will be able to better manage our growing asset base through developments such as the Darwin International Airport terminal expansion and our increasing property portfolio.





## Improving the Passenger Experience

2010/11 was a year of innovation in Operations. We worked closely with a range of airlines and border agencies to implement a range of new technologies to improve the passenger experience at our airports:

### SmartGate

As part of a national rollout, Customs introduced SmartGate to Darwin International Airport in May. SmartGate is a computerised kiosk that allows international arrivals to process themselves through passport control. By using face recognition technology and processing information from ePassports, this new system provides a secure, efficient way to clear customs and immigration. During the first month of operation, 4408 passengers chose to self-process using SmartGate.

### Q Card Check In Kiosks and Q Bag Tags

The installation of Q Card readers and the issuing of Q Bag Tags to frequent flyers in June has enabled passengers to check in their bags without the need for baggage stickers. The tags contain world-class technology that synchronises details from a boarding pass or Qantas card with a passengers' baggage. The use of this next Gen technology will help to make check-in procedures more efficient.

### Qantas and Jetstar Check-in Kiosks

Also in June, Qantas installed two new check-in kiosks inside the Darwin International Airport terminal, which allows passengers to process themselves with or without bags, enabling faster check-in when there are lengthy queues. Jetstar also installed two additional check-in kiosks at Darwin International Airport this financial year.



## Safety

Safety continues to be at the heart of all business operations. A key initiative this year has been to develop a more proactive and preventative approach to occupational health and safety management. This has been achieved through engaging staff in the SAFE (Safe Airports For Everyone) program, continuing to deliver the popular safety newsletter, 'Plane and Simple' and by facilitating Safe Work Australia Week for all staff and airport stakeholders.

There were zero Lost Time Injuries for staff and our airports.

## Emergency Exercises

ASA conducted a full scale, multi agency, emergency exercise on 24 November 2010. The exercise was designed to practice emergency response and co-ordination procedures in the event of an aircraft security/safety threat at ASA, thereby raising the level of awareness of operational requirements for such an event. The exercise was also aimed at ensuring that local agencies were familiar with their roles and that current procedures are functional and appropriate.

## Bird and Animal Hazard Management System

Bird and Hazard Management continues to be a key focus of ADG. ADG implements a comprehensive Bird and Animal Hazard Management Plan and remains committed to reducing strikes at all airports. A key initiative this year was to improve communication between stakeholders including undertaking an off-airport ornithological survey. Avisure, bird strike management experts, audited Darwin International and Alice Springs Airport on the current practices and risks in relation to bird and animal strikes and found that both airports show a high level of commitment to managing their bird and animal risks and hazards.







## Security

Both DIA and ASA worked collaboratively with the Australian Federal Government, airlines and other stakeholders to ensure that aviation security remained a top priority during all operational activities at the airports. Regular Airport Security Committee meetings were held throughout the year to ensure open lines of communication were maintained in the event of an aviation security-related incident. The two audits conducted by the Australian Federal Government's Office of Transport Security delivered pleasing results, with no major areas of weakness identified in our security systems and programs.

## Airside Works

At Alice Springs Airport, a project to maximise the use of the commuter apron was undertaken, consisting of an infill between existing parking positions and the taxiway system. We extended the drain and installed a new fuel /oil interceptor to reduce environmental risk. We also commenced initial planning for a major apron overlay and this is expected to be undertaken in 2012.

We continue to have a strong relationship with the Department of Defence at Darwin International Airport, with significant maintenance works undertaken on the taxiway and runway pavements and lighting system to ensure the safety of aircraft. The annual audit by the Civil Aviation Safety Authority (CASA) was extremely positive and DIA was commended on its improvements to its maintenance systems and focus on airfield safety related activities.



# Property

## Australian Federal Police (AFP) building

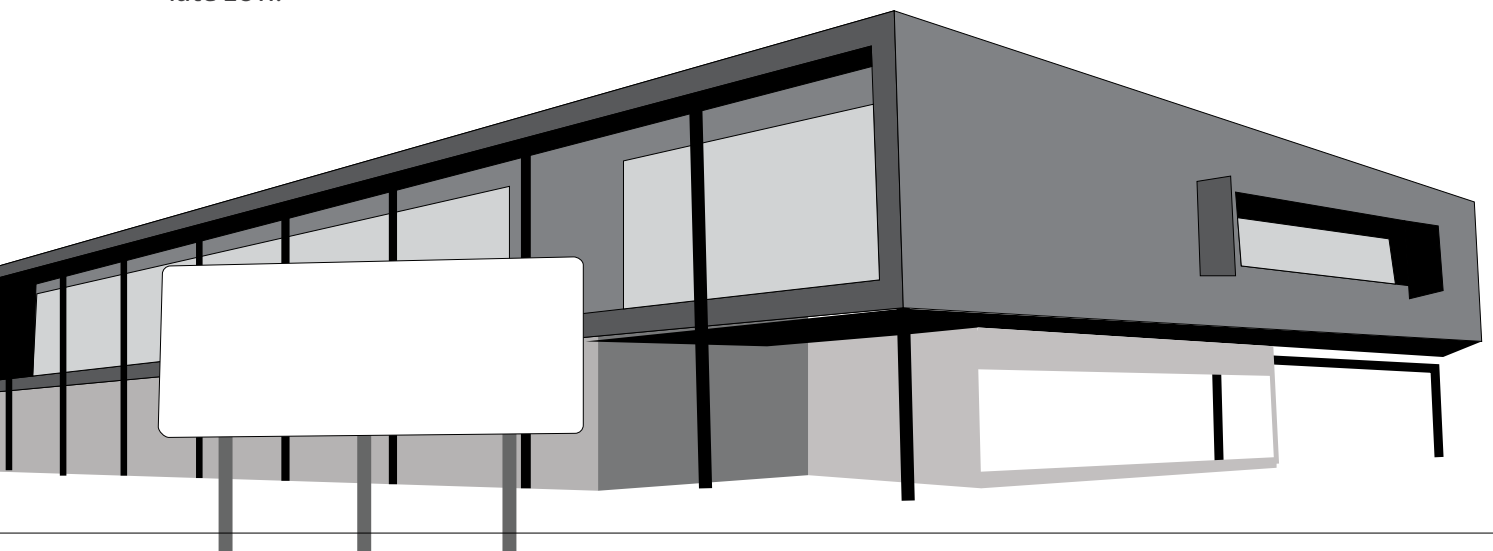
After two years of planning, construction of the Australian Federal Police (AFP) building at Darwin International Airport began in October 2010. This state-of-the art building is the second to be built under the Australian Federal Government's rollout of AFP buildings at airports under Project Jupiter, enabling officers to be on hand to respond to emergencies. It is also likely to trigger further development in the area as companies see the benefits of being based in a precinct that is central to Darwin and on the airport's doorstep. The building is expected to be completed late 2011.

*"The construction of purpose built accommodation at the Darwin International Airport will ensure the Australian Federal Police are well placed to ensure the ongoing safety and security of airport users. The project is testament to the hard work, good will and solid relationship between NT Airports and the AFP."*

– Mark Setter, AFP  
Superintendent, Australian  
Police Commander - Darwin

## AFP Canine Kennel and Training Facility

A Heads of Agreement was also signed with the AFP in March 2011 to build a \$2.7 million facility to train sniffer dogs in firearm, explosive and drug detection. The facility is expected to be complete by February 2012.





## Aircraft Boneyard

Alice Springs Airport will become home to the Southern Hemisphere's first dedicated aircraft storage and recycling facility, after signing a lease agreement in May. The project is being developed by Australian-based company Asia Pacific Aircraft Storage Pty Ltd (APAS) and will cater for both short and long term storage of aircraft and recycling. Located adjacent to the runway and opposite the main terminal building, the development will ultimately cover around 100 hectares with construction due to commence in the second half of 2012.

*"This facility is an exciting step for aviation in Australia and represents the first Asia-Pacific based alternative for customers with aircraft based or operating throughout the region."*

– Tom Vincent,  
APAS Managing Director

## AXIS 12° 130°

We are continuing to market the innovative AXIS 12° 130°, a unique retail, commercial and lifestyle precinct at Darwin International Airport. We are in discussions with a number of parties interested in investing in an industrial warehouse and distribution subdivision as part of the precinct. We are looking forward to further progress in this exciting development in the upcoming year, as the Top End's burgeoning resources sector continues to drive our economy ahead.

## Airport Lodge

Construction of the \$7.5 million Stage Three of the Airport Lodge at Darwin International Airport was complete in June, creating an extra 150 rooms. Built by a consortium led by well-known Darwin developer John 'Foxy' Robinson, the 370 room Airport Lodge is being leased by the Australian Federal Government to house low-risk immigration detainees to enable the closure of other Alternative Places of Detention.

## Darwin Hotels Sold

In a demonstration of the strength of property prices, the Darwin Airport Resort and Airport Inn sold for \$68 million in June 2011. Now under the management of Rydges, the hotels have proven a solid investment for the original developer and new operators, with occupancy rates at more than 80% all year round. Together these quality hotels provide 317 rooms for guests.

## Kilgariff

Progress on the Alice Springs Kilgariff Community Development has continued in 2010/2011 with ADG signing a Memorandum of Understanding with the Northern Territory Government in mid June.

*"Given the economic conditions, it's been a challenging market but despite this we've moved forward with exciting new developments and new opportunities."*

– Ross Baynes,  
Property Director, ADG.



# Financial Performance Report

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## Key Financial Highlights

ADG generated total revenue of \$84 million in 2010/11, representing an increase of 10% on the previous financial year.

Earnings before interest, taxes, depreciation and amortization (EBITDA) also grew by nearly 9% to \$48.8 million on the previous financial year.

The significant increase in revenue is largely attributable to the continued growth in passenger numbers with a record total (including transit and transfer passengers) of 2.9 million passengers - up 4% for the year.

In light of strong passenger numbers at Darwin International Airport, trading revenue increased by 13%. This stemmed from growth in duty free retail, car rental and car parking.

There was excellent growth in non-aeronautical sources of revenue, increasing by 15%. This included property income growth of 10%.



## Financial Report

	2007 \$'000	2008 \$'000	2009 \$'000	2010 \$'000	2011 \$'000
<b>INCOME STATEMENT</b>					
Revenue					
Aeronautical	34,466	44,871	47,816	50,544	54,546
Trading	6,844	8,050	10,656	11,968	13,583
Property	6,673	7,787	8,930	9,477	10,455
Other income	8,308	4,040	4,217	4,307	5,494
<b>Total Revenue</b>	<b>56,291</b>	<b>64,748</b>	<b>71,619</b>	<b>76,296</b>	<b>84,078</b>
Operating Expenses	25,051	28,534	30,648	31,398	35,183
EBITDA*	31,240	36,214	40,971	44,898	48,895
Margin	55.5%	55.9%	57.2%	58.8%	58.2%
Increments/(decrements) in fair value of investment properties	59,002	16,933	23,648	8,010	(7,790)
Net gain on interest rate swap contracts	2,462	1,004	347	(2,487)	45
Depreciation and amortisation	(8,635)	(10,079)	(11,213)	(11,939)	(12,430)
Impairment expense - infras tructure assets	0	(283)	(2,321)	14	(86)
Finance costs	(9,406)	(11,842)	(14,644)	(17,085)	(16,916)
<b>Net Profit/(Loss) Before Tax</b>	<b>74,663</b>	<b>32,307</b>	<b>36,788</b>	<b>21,411</b>	<b>11,718</b>
<b>Income Tax (Expense) Benefit</b>	<b>(22,609)</b>	<b>(9,705)</b>	<b>(10,898)</b>	<b>(5,725)</b>	<b>(3,554)</b>
<b>Net Profit/(Loss) After Tax</b>	<b>52,054</b>	<b>22,602</b>	<b>25,890</b>	<b>15,686</b>	<b>8,164</b>

\* EBITDA represents Earnings before Interest expense, Tax, Fair value adjustment on Investment Property, Unrealised gains, Depreciation and Amortisation.

## Financial Report (continued)

### SOME NOTEWORTHY ASPECTS

- Revenue - \$84.0 million (last year \$76.3 million)
- Earnings before interest, tax, depreciation and amortisation - \$48.8 million (last year \$44.8 million) an increase of 8.9%
- Net profit before tax \$11.7 million (last year \$21.4 million) a decrease of 45.3%
- Decrease in the fair value of investment properties - \$7.7 million (last year increase \$8.0 million)

### CASH FLOW

Net cash flows from operating activities - \$26.3 million (last year \$25.8 million)

After funding capital expenditure cash balances decreased by \$0.4 million to \$21.6 million (last year increased by \$9.1 million). Of this balance \$4.3 million (last year \$4.1 million) is held as an interest reserve account.





## BALANCE SHEET

year end 30 June 2011

	2009 \$'000	2010 \$'000	2011 \$'000
Cash	13,045	22,123	21,668
Total Assets	382,475	399,858	394,086
Interest Bearing Liabilities	203,205	211,207	227,167
Total Liabilities	264,465	280,463	294,825
Total Equity	118,010	119,395	99,261

There has been a net decrease in Total Assets resulting from:

- An decrease in cash as noted above.
- An decrease in the fair value of Investment Properties of \$7.7 million
- A decrease in infrastructure, plant and equipment being the net impact of asset additions/disposals and depreciation

### INTEREST RATE MANAGEMENT

The consolidated entity's three year senior debt facility is due for expiry on 6 January 2012 and is used to fund the aeronautical capital expenditure requirements of the consolidated entity.

The Group manages its exposure to interest rate fluctuations using interest rate swaps.

Average interest charged for the year was 6.99% (last year 5.88%), being the bank bill rate plus a margin dependent on the interest cover ratio.

### ANNUAL REPORT FOR THE 12 MONTHS TO 30 JUNE 11

The Annual Report for the 12 Months to the 30 June 2011 comprises:

- directors report
- auditors independence declaration
- financial report
- directors declaration
- independent auditors report to members
- is available on the company's website [www.ntapl.com.au](http://www.ntapl.com.au)

Alternatively a copy may be obtained from the Darwin International Airport Pty Ltd

# Fast Facts

FINANCIAL YEAR ENDING	2007	2008	2009	2010	2011
<b>PASSENGERS:</b>					
DIA	1,654,000	1,813,000	1,998,000	2,140,000	2,287,000
ASA	628,000	630,000	676,000	681,000	637,000
<b>TOTAL</b>	<b>2,282,000</b>	<b>2,443,000</b>	<b>2,674,000</b>	<b>2,821,000</b>	<b>2,924,000</b>
<b>LANDED TONNES:</b>					
DIA	801,000	822,000	845,000	905,000	955,000
ASA	247,000	243,000	243,000	245,000	240,000
TCA	4,200	4,000	4,300	5,000	6,000
<b>TOTAL</b>	<b>1,052,200</b>	<b>1,069,000</b>	<b>1,092,300</b>	<b>1,155,000</b>	<b>1,201,000</b>
<b>AERONAUTICAL CHARGES (ex GST):</b>					
<b>Passenger Facilitation Charge (\$/pax) **</b>					
DIA	6.73	6.90	7.07	7.42	7.49
ASA	5.44	5.57	5.71	5.99	6.17
TCA	n/a	n/a	n/a	n/a	n/a
<b>Airport Services Charge (\$/pax) **</b>					
DIA	6.37	6.52	6.69	7.02	7.23
ASA	6.61	6.78	6.94	7.28	7.50
TCA	18.00	18.00	18.00	18.00	18.00
<b>Landing Charge General Aviation \$/MTOW **</b>					
DIA	19.00	19.50	20.00	20.50	21.00
ASA	19.00	19.50	20.00	20.50	21.00
TCA	23.00	23.00	23.00	23.00	23.00



FINANCIAL YEAR ENDING	2007	2008	2009	2010	2011
<b>REVENUE \$000s ***</b>					
DIA	39,129	43,767	48,741	52,444	60,224
ASA	11,408	13,180	14,348	16,086	15,152
TCA	151	313	394	161	210
Other	(38)	(37)	(23)	70	134
<b>TOTAL ADG</b>	<b>50,650</b>	<b>57,223</b>	<b>63,460</b>	<b>68,761</b>	<b>75,720</b>
<b>EBITDA \$000s</b>					
DIA	23,876	27,267	30,967	33,577	38,054
ASA	7,401	8,855	9,808	11,315	10,904
TCA	(38)	92	158	(126)	(260)
Other	0	0	38	132	198
<b>TOTAL ADG</b>	<b>31,239</b>	<b>36,214</b>	<b>40,971</b>	<b>44,898</b>	<b>48,896</b>
<b>CAPITAL EXPENDITURE \$000s</b>					
DIA	23,276	11,156	18,742	10,639	9,083
ASA	7,568	5,752	10,782	1,508	3,420
TCA	112	199	10	14	102
<b>TOTAL ADG</b>	<b>30,956</b>	<b>17,107</b>	<b>29,534</b>	<b>12,161</b>	<b>12,605</b>
<b>EMPLOYEES</b>					
DIA	55	58	61	66	74
ASA	11	13	13	13	12
TCA	1	1	1	1	1
<b>TOTAL ADG</b>	<b>67</b>	<b>72</b>	<b>75</b>	<b>80</b>	<b>88</b>

\*\* as at 30 June \*\*\* excludes safety & security charge revenue / expenses











**Airport**

*Development Group*

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@ASpringsAirport



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