Interim Report

For the six months to 31 December 2015

CHRISTCHURCH AIRPORT
bringing the world South

INTERIM REPORT

PERIOD AT A GLANCE

3,105,464 **Passenger Movements**

Total passenger movements increased by 165,156 (5.6%) as compared to the same six month period ended 31 December 2014 (2,940,308).

2,359,977 **Domestic Passenger Movements**

Total domestic passenger movements increased by 130,993 (5.9%) as compared to the same six month period ended 31 December 2014 (2,228,984).

745,487 **International Passenger Movements**

Total international passenger movements increased by 34,163 (4.8%) as compared to the same six month period ended 31 December 2014 (711,324).

$82.7 m **Total Operating Revenue**

Total operating revenue increased by 12.2% for the six months ended 31 December 2015 compared with the same period last year ($73.7m).

$40.0 m **Aeronautical Revenue**

Total aeronautical revenue increased by 28.2% for the six months ended 31 December 2015 compared with the same period last year ($31.2m).

$42.7 m **Non-Aeronautical Revenue**

Total non-aeronautical revenue increased by 0.5% for the six months ended 31 December 2015 compared with the same period last year ($42.5m).

$50.8 m **EBITDAF**

EBITDAF from operations increased by 18.1% for the six months ended 31 December 2015 compared with the same period last year ($43.0m).

$16.2 m **Net Profit after Tax**

The net surplus after tax increased by $6.3m (63.6%) for the six months ended 31 December 2015 compared with the same period last year ($9.9m).

$1,212 m **Total Assets (Book Value)**

Total assets have decreased by $0.6m from the book value as at 30 June 2015.

OPERATIONAL AND FINANCIAL REVIEW

Aeronautical

The six months to 31 December 2015 saw total passenger movements increase by 165,156 or 5.6% compared to the same period last year. International passenger numbers were 4.8% ahead of the same period last year, whilst domestic passenger movements were 5.9% ahead of last year.

The growth in passenger numbers continues to be driven predominantly by increased airline seat capacity including:

- double-daily 777 services by long-standing airline partner Singapore Airlines, which has lifted services to Christchurch from 365 to 393 per annum;
- a 400% increase in A330 services from China Airlines with the commencement of the new Taipei-Melbourne-Christchurch service and extension of the Taipei-Sydney-Christchurch service;
- Qantas adding a new 737 summer seasonal trial service between Christchurch and Brisbane flying four times a week (this has now become a year round service);
- a new year-round 787 China Southern Airlines service direct from Guangzhou, starting at three times a week (from 16 Dec 15);
- significantly increased trans-Tasman services from several airlines including Virgin Australia; and
- increased domestic services from Air New Zealand and Jetstar.

Route Development

Growing passenger numbers continues to be a key focus for Christchurch International Airport Limited (“CIAL”), with the approach being based on a double pronged strategy of ‘finding planes’ and ‘filling planes’ with a 2025 aspirational target of achieving 8.5 million passengers p.a.

CIAL continues to concentrate on building passenger numbers through a primary focus on Asia, Australia and New Zealand. It has been pleasing to see the strategic relationship that CIAL and the South Island tourism industry has established with Asia’s largest airline, China Southern Airlines, has resulted in the commencement of a new year-round air service which began in December 2015. This new services will fly three times a week directly between Guangzhou, Mainland China and the South Island.

Christchurch Airport continues to be the fastest growing point of entry for Chinese visitors, with the airport showing a 133% increase in arrivals of Chinese nationals in the months of December and January (as compared to the same months last year).

CIAL continues to work with the regions of the South Island and Tourism New Zealand to re-establish South Island focused summer promotional activity across the East Coast states and Western Australia, with a focus on Christchurch being the starting and finishing point to a South Island touring holiday. This activity is being supported by various airlines and will run across spring and autumn periods for the next two years.

CIAL is firmly focused on maintaining the integrity of New Zealand’s Open Skies policy to ensure aviation and regional economic development opportunities available to the South Island under this policy are not foreclosed on. CIAL is fully supportive of the role the Open Skies policy is designed to play in providing opportunities for regional economic development through the potential to grow international air connectivity between the South Island, Australia and Asia.

Financial Performance

Total operating revenue for the six months to 31 December 2015, at $82.7m, was 12.2% ahead of the same period last year.

CIAL has achieved improvements in aeronautical revenue following the setting of new airline charges in December 2012 which reflect the increased asset base being employed. The full effect of these increases came into effect in the previous financial year and has been supplemented by strong air services growth in the first six months of the current year.

Non-aeronautical revenue [1] has grown 0.5% compared to the comparative period. However current year revenue has been negatively impacted by the loss of the revenue stream from the International Antarctic Centre ("IAC") which was sold at the end of October 2015, in line with our strategy of returning CIAL to being a Landlord.

If we normalise the prior year non-aeronautical revenue to eliminate the revenue from IAC, then growth in continuing non-aeronautical revenue was 2.9%. The underlying growth in non-aeronautical revenue was due predominantly to increased rental streams from the on-going property development program, as well as regular rental reviews for existing older properties.

CIAL's normalised operating cost base for the six month period (after eliminating the operating costs of the IAC) has increased by 6% as compared to the same period last year. However this is around $2 million below budget and reflects internal work being undertaken around the strategic focus on 'productivity driven management and investment'. The increased costs have been incurred predominantly in the area of aeronautical development and marketing reflecting the significant work undertaken in securing the additional airline capacity as previously outlined.

This cost control has helped to ensure that overall, earnings before interest costs, tax, depreciation, amortization and fair value movements ("EBITDAF") – the company's key underlying financial performance measure, at $50.8m, was 18.1% ahead of the same period last year.

With the combined interest and depreciation costs for this six month period being relatively consistent with last year, this EBITDAF growth has flowed through to an improved net surplus before tax of $22.5m which is $7.7m higher than the comparable period last year.

CIAL's balance sheet has maintained its existing gearing ratio (ratio of debt to debt plus equity), at a rate slightly below 30%, and the company has sufficient funding facilities in place to fund its current capital expenditure forecast requirements. (including a level of headroom as per the company's liquidity policy)

In December 2015, CIAL successfully re-financed a bank facility achieving an extended maturity of 5 years and reduced overall pricing.

Property

In response to record growth in international airline seats, increasing passenger numbers and New Zealand's very strong tourism growth outlook, CIAL is currently completing a feasibility study to investigate the opportunity to develop a second hotel at the airport within the Terminal precinct.

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[1] 'Non-aeronautical revenue' includes terminal concessions, terminal office and operational area leases, campus property leases, car parking and ground transport and other commercial revenues (including the International Antarctic Centre)

INTERIM REPORT

Work on the JUCY Snooze Backpacker has commenced and is progressing in line with budget and program with the development expected to be completed at the end of 2016.

The construction of Spitfire Square is now practically complete with tenancies secured including Countdown, Unichem Pharmacy, SuRa Sushi, Treasure Souvenirs, Muffin Break, Little India, Mexicali Fresh, Burger Fuel, Subway, SuRa Teppanyaki Restaurant, Tank, Coffee Club and Anytime Gym. Discussions are advancing with tenants to lease the remaining stores.

Work has commenced in Mustang Park on the development of rental vehicle service centers for JUCY Rentals and EZI Car Rentals, with these developments to be completed in the latter half of 2016.

Bulk earthworks have been completed and construction is now underway on the Freight Apron and two large distribution centers in Dakota Park with this development scheduled to be completed in the first quarter of 2017.

Commercial

On the 30th October 2015, Real Journeys became the new owner and operator of the International Antarctic Centre attraction. This will set the International Antarctic Centre up for future success, with Real Journeys looking at a multi-million dollar upgrade of the attraction. All staff were retained on a business as usual basis.

FINANCIAL STATEMENTS

Statement of financial performance for the six months ended 31 December 2015

	Note	**For six months ended 2015** $000	For six months ended 2014 $000
REVENUE			
Operating revenue	2	82,703	73,740
Interest income		126	116
Total revenue		82,829	73,856
EXPENSES			
Operating costs	3	31,927	30,894
Financing and interest costs		10,126	10,787
Depreciation, amortisation and impairment		18,302	17,379
Total Expenses		60,355	59,060
Surplus before tax		22,474	14,796
Tax attributable to operations		6,291	4,886
Surplus after tax		16,183	9,910

The accompanying notes form part of these financial statements.

Statement of comprehensive income for the six months ended 31 December 2015

	For six months ended 2015	For six months ended 2014
	$000	$000
Surplus after tax	16,183	9,910
Other comprehensive income		
Cash flow hedges	(819)	(5,126)
Other comprehensive income for period, net of tax	(819)	(5,126)
Total comprehensive income for the period	15,364	4,784

Statement of movements in equity for the six months ended 31 December 2015

	For six months ended 2015	For six months ended 2014
	$000	$000
Equity at the beginning of the period	766,766	745,234
Total comprehensive income for the period	15,364	4,784
Transactions with owners		
Dividends paid to shareholders	(14,703)	(3,972)
Equity at end of period	767,427	746,046

The accompanying notes form part of these financial statements.

Statement of financial position as at 31 December 2015

	Note	**As at 31 December**		As at 30 June
		2015	2014	2015
		$000	$000	$000
EQUITY				
Share capital		57,600	57,600	57,600
Reserves		443,274	450,524	444,093
Retained earnings		266,553	237,922	265,073
TOTAL EQUITY		767,427	746,046	766,766
NON-CURRENT LIABILITIES				
Borrowings	4	255,938	254,227	270,278
Derivative financial instruments		13,399	10,431	12,664
Deferred taxation		104,023	105,404	104,339
Trade and other payables		1,136	1,187	1,187
TOTAL NON-CURRENT LIABILITIES		374,496	371,249	388,468
CURRENT LIABILITIES				
Current Portion of Borrowings	4	49,000	50,000	25,000
Trade and other payables		11,938	13,155	24,411
Taxation payable		8,714	4,086	7,423
Derivative financial instruments		604	1,256	727
TOTAL CURRENT LIABILITIES		70,256	68,497	57,561
TOTAL EQUITY AND LIABILITIES		1,212,179	1,185,792	1,212,795
NON-CURRENT ASSETS				
Property, plant and equipment		918,004	957,516	925,165
Investment Properties		261,184	193,175	255,092
Intangible Assets		4,258	6,170	7,989
Trade and other receivables		7,449	8,212	7,327
TOTAL NON-CURRENT ASSETS		1,190,895	1,165,073	1,195,573

The accompanying notes form part of these financial statements.

Statement of financial position as at 31 December 2015 (continued)

	As at 31 December		As at 30 June
	2015	2014	2015
	$000	$000	$000
CURRENT ASSETS			
Cash and short-term deposits	5,554	3,137	2,781
Receivables and pre-payments	14,875	16,285	13,330
Inventories	855	1,297	1,111
TOTAL CURRENT ASSETS	21,284	20,719	17,222
TOTAL ASSETS	1,212,179	1,185,792	1,212,795

For and on behalf of the Board

D Mackenzie
Chairman

C Drayton
Director

29 February 2016

The accompanying notes form part of these financial statements.

Statement of cash flows for the six months ended 31 December 2015

	Note	**For six months ended 2015 $000**	For six months ended 2014 $000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash was provided from:			
Receipts from customers		83,556	71,664
Interest received		126	116
Net Goods and Services Tax received		1,783	1,440
		85,465	73,220
Cash was applied to:			
Payments to suppliers and employees		43,749	33,941
Financing and interest costs		10,083	10,872
Income tax paid		5,000	3,600
		58,832	48,413
Net Cash Inflows from Operating Activities		26,633	24,807
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash was provided from:			
Proceeds from sale of businesses	7	5,163	-
Cash was applied to:			
Purchase of property, plant and equipment, intangibles & investment properties		23,320	21,189
Net Cash (Outflows) from Investing Activities		(18,157)	(21,189)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash was provided from:			
Borrowings		9,000	2,000
Cash was applied to:			
Dividends paid		14,703	3,972
Net Cash (Outflows) from Financing Activities		(5,703)	(1,972)

The accompanying notes form part of these financial statements.

Statement of cash flows for the six months ended 31 December 2015 (continued)

	For six months ended 2015	For six months ended 2014
	$000	$000
Net Increase In Cash Held	2,773	1,646
Add cash at beginning of the period	2,781	1,491
CASH AT END OF THE PERIOD	5,554	3,137
Cash	9	9
Bank and deposits	5,545	3,128
Cash At End Of The Period	5,554	3,137
RECONCILIATION WITH OPERATING SURPLUS		
Net operating surplus after tax	16,183	9,910
Items Not Involving Cash Flows		
Amortised borrowing costs and fair value hedge ineffectiveness	17	(87)
Amortisation of lease surrender	317	323
Accrued interest within derivatives	126	(96)
Depreciation, amortisation and impairment	18,302	17,379
	34,945	27,429
Impact Of Changes In Working Capital Items		
Increase/(decrease) in accounts payable*	(7,873)	2,534
(Increase)/decrease in accounts receivable	(1,986)	(6,363)
(Increase)/decrease in inventories	256	(80)
Increase/(decrease) in taxation payable	1,291	1,287
	(8,312)	(2,622)
Net Cash Flows From Operating Activities	26,633	24,807

* includes impact of movement in capital items

The accompanying notes form part of these financial statements.

Abridged notes to the financial statements for the six months ended 31 December 2015

1. Accounting Policies

The company has used the same accounting policies and methods of computation as were used in the 2015 annual financial statements.

The financial statements have been prepared in accordance with the requirements of the Companies Act 1993, the Local Government Act 2002, the Financial Reporting Act 1993 and the New Zealand equivalents to International Financial Reporting Standards.

These unaudited statements for the six months ended 31 December 2015 have been prepared in accordance with NZ GAAP and are in compliance with NZ IAS 34.

Christchurch International Airport Limited is a company registered under the Companies Act 1993.

2. Operating Revenue

	For six months ended 2015	For six months ended 2014
	$000	$000
Landing and Terminal charges	39,950	31,147
Rent and Lease income	28,755	27,391
Ground transportation and other trading activities	10,995	12,395
Other revenue	3,003	2,807
	82,703	73,740

3. Operating Costs

	For six months ended 2015	For six months ended 2014
	$000	$000
Staff	12,867	13,104
Asset management, maintenance and airport ops	4,282	5,474
Rates and insurance	4,109	3,958
Marketing and promotions	4,670	2,406
Professional services and levies	1,561	1,424
Commercial entity running costs	1,334	1,236
Other	3,104	3,292
	31,927	30,894

4. Borrowings

As at 31 December 2015, the Company has committed bank funding facilities for an aggregate $235,000,000 (2014: $235,000,000) with four banks and a fully drawn subordinated loan facility of $25,000,000 (2014: $50,000,000) from its majority shareholder, CCHL. In addition, the Company has an overdraft facility of $1,000,000.

During December 2015, the Company extended the maturity of an existing facility that was due to mature. The facility was extended for five years.

Total bond funding at 31 December 2015 is $125,000,000 (2014:$125,000,000). The funds raised from these bond issues were used to refinance in part the Company's maturing debt facilities. $75,000,000 of the bond funding is held at amortised cost, adjusted by the fair value of the designated hedge instrument.

All borrowings under the bank facility and overdraft facility are unsecured and supported by a negative pledge deed. The negative pledge deed requires that no security interest is provided over any assets for borrowings, unless an equivalent security interest is created for the borrowing group and bond holders. Interest rates paid during the period, including offsetting interest rate swaps, ranged from 3.11% to 6.7%. (2014: 3.11% to 6.7%). The bonds constitute direct, unsecured, unsubordinated obligations and will rank equally with all other unsecured, unsubordinated indebtedness.

	As at 31 December		As at 30 June
	2015	2014	2015
	$000	$000	$000
Less than 1 year	49,000	50,000	25,000
1 > 3 Years	76,000	128,000	135,000
3 > 5 Years	130,140	76,464	85,499
Greater than 5 Years	49,798	49,763	49,779
	304,938	**304,227**	**295,278**
Total available funding	**385,000**	**410,000**	**385,000**

5. Related Party Transactions

Christchurch City Holdings Limited (CCHL), a wholly owned subsidiary of the Christchurch City Council (CCC), owns 75% and the New Zealand Government owns 25% respectively of the issued share capital of the company. Christchurch International Airport Limited enters into a large number of transactions with government departments, Crown entities, State-owned enterprises and other entities controlled or subject to significant influence by the Crown. All transactions with related entities:

- are conducted on an arm's length basis
- result from the normal dealings of the parties
- meet the definition of related party transactions only because of the relationship between the parties being subject to common control or significant influence by the Crown.

The New Zealand Government directly controls Air New Zealand, a major customer of CIAL from both an aeronautical and rental and lease perspective. Pricing agreements are renegotiated for aeronautical charges with all airline customers of CIAL, including Air New Zealand, every five years. Air New Zealand also leases a number of properties within the terminal and the wider CIAL campus.

	For six months ended 2015	For six months ended 2014
	$000	$000
Transactions with owners during the period to 31 December		
Purchases from CCC and subsidiaries	554	1,283
Rates paid to CCC	2,175	1,922
Revenues from CCC and subsidiaries	5	24
Interest paid to CCHL	746	1,613
Amounts payable to CCC and subsidiaries	309	954
Amounts receivable from CCC and subsidiaries	2	1
Subordinated loan balance payable to CCHL	25,000	50,000

Non-Shareholder Related Party Transactions

Some directors of the company are, or have been during the period, directors of other companies or organisations with whom Christchurch International Airport Ltd may transact. Such transactions are all carried out on an arm's-length basis and are conducted on normal commercial terms. No amounts were written off or forgiven during the reporting period and outstanding balances were settled under normal trading terms.

6. Commitments

	As at 31 December 2015 $000	As at 31 December 2014 $000
Total capital expenditures committed to, but not recognised in, the financial statements	**18,009**	28,043

7. Sale of International Antarctic Centre

The International Antarctic Centre (IAC) business was sold on the 29th October 2015. As such, trading results have not been included within the Statement of Financial Performance subsequent to that date. The major asset balances related to the IAC have been fully recovered through the sale process, including goodwill, fixed assets and inventory.

INTERIM REPORT

HOW DID WE COMPARE AGAINST OUR STATEMENT OF INTENT?

TARGETS	FY 2016 Total Plan $000	**HY 2016 Actual $000**	HY 2016 Target $000
		Progress to 31 December	
a) FINANCIAL			
Total Revenue	169,753	82,829	82,608
EBITDAF	102,257	50,776	48,648
Net Profit after tax	34,744	16,183	13,526
EBITDAF as a % Revenue	60.2%	61.3%	58.9%
Net Profit after tax as % of average equity	4.5%	2.1%*	1.8%*
Net Profit after tax as % of average total assets	2.8%	1.3%*	1.1%*

b) PASSENGER NUMBERS	2016 Total Plan	**HY 2016 Actual**	HY 2016 Target
Passenger			
Domestic	4,633,116	2,359,977	2,359,109
International	1,486,402	745,487	735,083
Total	6,119,518	3,105,464	3,094,192

c) RATIO OF SHAREHOLDERS' FUNDS TO TOTAL ASSETS	FY 2016 Total Plan	**HY 2016 Actual**	HY 2016 Target
Shareholder Funds/Total Assets %	62.2%	63.3%	62%
Gearing (debt / (debt + equity)) %	29.9%	28.4%	29.5%
EBITDAF Interest Cover X	4.47	5.01	4.38
Free Funds Interest Cover X	4.12	4.41	4.11
Free Funds / Debt %	22%	11.3%*	10.9%*

* the half year actual and target amounts are based on NPAT numbers for the six month period to date, and hence will be proportionately lower than the full year target shown in the first column. It should also be noted that the NPAT in the second half of FY16 is forecast to include any uplift in investment property revaluations, and hence will generate a higher return ratio than in the first half of the year.

d) HEALTH AND SAFETY/CORPORATE SOCIAL RESPONSIBILITY

Performance target	Performance Measures	
	2016	**Progress to 31 December 2015**
Health & Safety		
1. Lost Time Injuries	▪ Better than industry standards, with ultimate target of Nil.	▪ 3 LTIs have been recorded up to 31 December 2015. The following describes these injuries. Whilst carrying out squad drills on the American Hardstand – a staff member stepped on a 41mm hose whilst replacing a burst length (in drill) and has rolled his right knee, causing him to collapse to the ground. A staff member sustained a crush injury to their thumb/nail of left hand caused by the strike of a hammer. A staff member was exiting a van and did not place his foot on the step of the van and jumped straight to the ground rolling his ankle.
2. Lost Time injury frequency rate (LTI / million hours worked)	▪ Better than industry standards, with ultimate target of Nil.	▪ Currently the CIAL LTI frequency rate is 9.38 / per million hours worked. This sits slightly lower than the industry benchmark of 10.87
3. Near Miss Frequency Rate (Near misses/million hours worked)	▪ Increase over the prior year, reflecting an improved near miss reporting culture.	▪ The near miss frequency rate is 573.97. This continues to sit higher than the industry benchmark of 343.34. The number of near misses reported (308) has increased from the number reported as at 31 Dec 2014 (108).
Environmental		
4. To investigate and implement cost-effective ways in which to progressively reduce the amount of solid waste arising from airport activities being disposed of to landfill through the development of waste minimisation and recovery measures	▪ Continue to investigate and implement waste minimisation initiatives that ensure landfill diversion rates are sustained or increased ▪ Develop a Sustainability Strategy with key targets and objectives towards waste reduction and corporate sustainability	▪ This item remains ongoing. Technology to recharge terminal tenants for waste is being installed and will be operational in early 2016. ▪ The year to date recycling diversion rate is 41.33%. The recycling diversion rate for 2015 is 37.71%. ▪ Sustainability Strategy is in final draft and will establish waste management as a key focus for a programme of continuous improvement
5. To minimise the impact of airport activities on groundwater quality through cost-effective measures to avoid or mitigate the risks of contamination	▪ Ensure on-going compliance with NZ Drinking Water Standards through implementation of the Public Risk and Management Plan for Managing Potable Water and regular monitoring of potable drinking groundwater supply ▪ Continue Environmental Compliance and Monitoring Programme with existing airport operators and new operators on airport land. ▪ Ensure all new operators are provided with Environmental Training	▪ Completed – drinking water is audited yearly to ensure compliance with NZ Drinking Water Standards. ▪ Tenant audit programme is ongoing, with no major non-conformances noted. ▪ A training DVD is provided to all new and existing tenants with site briefings provided as required or requested. These site briefings have been provided to Air New Zealand ramp services and the United States Antarctic Programme.

	▪ Label storm water drainage systems in all new developments ▪ Develop a Sustainability Strategy with key targets and objectives towards Stormwater Quality and corporate sustainability	▪ This is completed annually as part of routine maintenance by Propel. ▪ Sustainability Strategy is in final draft and will establish ground water protection as a key focus for a programme of continuous improvement
6. To manage Operational Risk	▪ Achieve a Bird Strike incidence rate of 3<4/10,000 aircraft movements on a 12 month rolling average basis in line with level set for airports of a similar scale ▪ Work with territorial authorities and other stakeholders to implement management strategies for pest birds which pose bird strike hazard risks ▪ Work with statutory authorities and the community to achieve general acceptance of noise contours and associated policies and rules in regional and district plans to protect the 24/7 airport operating status	▪ CIAL achieved a rolling 12 month average Bird Strike incidence rate of 5.2. Minimising bird strike continues to be a priority for the airport. ▪ CIAL is making submissions to the District Plan Review process with the goal of establishing planning objectives, policies and rules that help manage and mitigate bird strike risk resulting from land use planning and management practices. ▪ CIAL have also revised the Off-Airport Birdstrike Management Plan. ▪ CIAL is making submissions to the District Plan Review process with the goal of establishing planning objectives, policies and rules that help manage risk to airport operations from inappropriate land use development in areas likely to be affected by the unavoidable noise associated with current and future airport activity.
7. To minimise the effects of noise and vibration associated with aircraft and airport operations and to comply with relevant noise rules	▪ Adhere to new noise contours in the Regional Policy Statement	▪ CIAL is making submissions to the District Plan Review process with the goal of establishing planning objectives, policies and rules that help manage risk to airport operations from inappropriate land use development in areas likely to be affected by the unavoidable noise associated with current and future airport activity. CIAL's position will be consistent with the RPS
8. To minimise the energy consumption by airport activities through the pursuit of efficient energy practices	▪ Continue to investigate and implement energy saving initiatives that ensure energy consumption is reduced ▪ Develop a Sustainability Strategy with key targets and objectives towards energy reduction, air quality from energy and heating activities and corporate sustainability ▪ Conduct a review and feasibility study into power generation and heating on airport with a view towards conversion to more efficient technology	▪ At the completion of the 2013 Energy Audit a number of energy savings opportunities were identified and implemented resulting in a gradual decrease in the annual rolling average energy consumption per m². As the last of these opportunities were implemented just over 12 months ago we are now seeing a leveling off of consumption with a total saving of around 9%. ▪ Sustainability Strategy is in final draft and will establish energy efficiency as a key focus for a programme of continuous improvement ▪ Project specific reviews investigate the feasibility of energy efficiency investments on a project by project basis. Designs for the Hotel have been reviewed by Energy Efficiency and Conservation Authority (EECA) to identify potential energy saving design opportunities. These opportunities are currently being evaluated by the design team.

Community Engagement

9. To deliver on our corporate social responsibility and community interest obligations	▪ Continue to be a key sponsor of meaningful events which attract visitors to Christchurch and the city's residents to attend and/or take part and contribute to the growing city ▪ Support community initiatives and organisations through the CIAL Community Fund, charity fundraisers and other donations through the year ▪ Take opportunities to engage with stakeholders and the community through public speaking by the CEO and GMs.	▪ Sponsorship of Christchurch Arts Festival Court Theatre, Christchurch Pops Choir, Christchurch Marathon, Ice Day at the Ice Festival, Champion Canterbury Awards, Business Hero Awards, refurbishment of the Spitfire owned by the city. ▪ Sponsorship of the Christchurch Art Gallery Fund, "Chapman's Homer", Christchurch Stands Tall, Burnside High School First XV, Cathay Pacific Travel Media awards, 12 schools across Christchurch via our "The Twelve Schools of Christmas" programme. ▪ Many presentations have been given by the Chief executive, various members of the executive team, the Communications Manager. Publication of our newsletters, updates on social media and our website continue to update people on airport activity.
10. To deliver an environment for staff that is supportive, stimulating and engaging	▪ Refresh strategies aligned with employee attraction, engagement and talent development	▪ Complete People Strategy for 2016 - 2018 is under development to improve engagement and ensure employment brand remains strong. A focus of this is also talent development. ▪ Annual engagement survey completed in December 2015 with in-depth analysis and actions underway ▪ Ongoing benefits: Study Assistance Benefit: External study supported by 100% reimbursement of fees for approved courses on successful completion; Sponsorship of staff and their children for representative level sporting, cultural and academic pursuits; Two Employee Assistant programmes for employees and their families including onsite support, Online Wellness programme for employees and their families ▪ New Learning Management System which will develop employees skills and professional pathways is to be in general use by June 2016 ▪ Revision of on-boarding and induction programmes to enhance early engagement and create multiple touch points to aid support staff in understanding their contribution to our success and engage with Company culture, values and strategy.