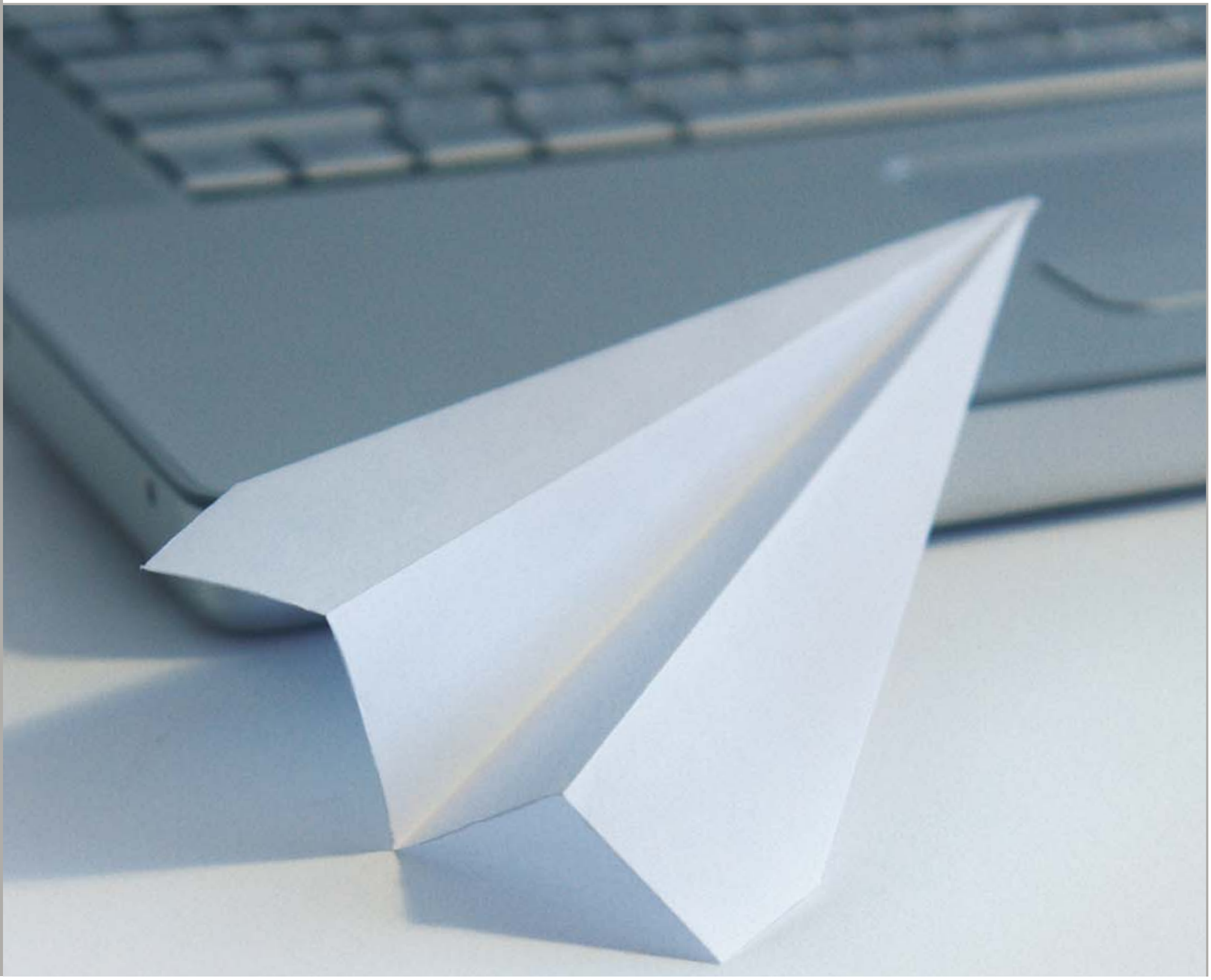
SUSTAINABILITY INDEX

The Global Reporting Initiative (GRI) is an international framework for reporting the impact of company performance. We have adopted it to provide a tangible measure of our achievements from an economic, environmental and social perspective.

Contents Index

GRI REPORTING ELEMENT	IN THIS REPORT
Vision & Strategy	Vision and Strategy (inside cover)
Sustainable Development Vision & Strategy	Sustainability (page 16)
CEO Statement	Chief Executive's Review (page 8)
Our Vision	Chairman's Report (page 4)
Profile	
	Connectivity to the World (page 12)
Organisational profile	Strategic Goals (page 18)
Report scope, report profile	Corporate Governance & Financial Statements (page 38)
	Year at a Glance (page 2)
	Be a Great Place to Work (page 30)
	Airport Community (page 14)
Governance Structure & Management Systems	
Structure & Governance	Corporate Governance (page 38)
Stakeholder Engagement	Directory (page 64)
Policies & Management Systems	Chief Executive's Review (page 8)
	Chairman's Report (page 4)
Economic	
Customers, suppliers, employees	Chief Executive's Review (page 8)
Capital, public sector	Year at a Glance (page 2)
Indirect economic impacts	Deliver Sustainable Growth (page 20)
	Corporate Governance & Financial Statements (page 38)
	Be a Great Place to Work (page 30)
	Provide a Superior Value (page 28)
	Become a Leading Airport in Holiday Travel (page 22)
	Utilise Land Resources for Development Opportunities (page 24)
	Chairman's Report (page 4)

GRI REPORTING ELEMENT	IN THIS REPORT
Environmental	
Materials, energy, water, biodiversity	Chief Executive's Review (page 8)
Emissions, effluents & wastes, suppliers	Sustainability (page 16)
Products & services, compliance, transport	Maintain a Safe Operating Environment (page 26)
	Deliver Sustainable Growth (page 20)
Social: Labour Practices & Decent Work	
Employment, labour relations	Chief Executive's Review (page 8)
Health & safety	Be a Great Place to Work (page 30)
Training & education	Sustainability (page 16)
Diversity & opportunity	Chairman's Report (page 4)
	Corporate Governance (page 38)
Social: Human Rights	
Strategy & management,	Sustainability (page 16)
Collective bargaining, Security Procedures	Be a Great Place to Work (page 30)
Social: Society	
Community, bribery & corruptions	Providing Superior Value (page 28)
Political Contributions	Deliver Sustainable Growth (page 20)
Competition & pricing	Corporate Governance & Financial Statements (page 38)
Social: Product Responsibility	
Customer Health & Safety	Providing Superior Value (page 28)
Products & Services	Maintain a Safe & Secure Operating Environment (page 26)
Privacy	Chief Executive's Review (page 8)



FINANCIAL STATEMENTS CONTENTS

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are responsible for ensuring that the financial statements give a true and fair view of the financial position of the Company as at 30 June 2006, and the financial performance and cash flows for the year ended on that date.

The Directors consider that the financial statements of the Company have been prepared using appropriate accounting policies, consistently applied and supported by reasonable judgements and estimates, and that all relevant financial reporting and accounting standards have been followed.

The Directors consider that proper accounting records have been kept, which enable, with reasonable accuracy, the determination of the financial position of the Company and facilitate compliance of the financial statements with the Financial Reporting Act 1993.

The Directors consider they have taken adequate steps to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors have pleasure in presenting the financial statements, set out on pages 44 to 59, of Christchurch International Airport Limited for the year ended 30 June 2006.

The Board of Directors of Christchurch International Airport Limited authorise these financial statements for issue on 4 September 2006.

For and on behalf of the Board

Syd Bradley
CHAIRMAN

Sue Sheldon
DEPUTY CHAIRMAN

GOVERNANCE AT CHRISTCHURCH INTERNATIONAL AIRPORT LIMITED

The Board and management are committed to ensuring that Christchurch International Airport Ltd (CIAL) has in place a 'best practice' governance structure and adhere to the highest ethical standards. This entails the Board progressively reviewing and assessing CIAL's governance structures and processes to ensure that they become consistent with international best practice, both in form and substance.

1. APPROACH TO CORPORATE GOVERNANCE

Governance objectives

The Board has adopted the following governance objectives to:

- Approve Corporate Strategy and direction, laying down solid foundations for management and oversight
- Structure itself to add value
- Promote ethical and responsible decision-making
- Safeguard the integrity of its financial reporting and make timely and balanced disclosure
- Recognise and manage risk and encourage enhanced performance
- Remunerate fairly and responsibly, and
- Respect the rights of and recognise the legitimate interests of stakeholders.

These objectives are reflected in the Board's regulation of itself and its Committees, and CIAL's policies and governance practices.

2. THE BOARD OF DIRECTORS

2.1 ROLE OF THE BOARD AND RESPONSIBILITY

The Board of Directors is appointed by shareholders to govern CIAL in their interests. The Board is the overall and final body responsible for all decision-making within the Company. The Board Charter describes the Board's role and responsibilities and regulates internal Board procedure.

The Board has the responsibility to work to enhance the value of the Company in the interests of the Company and its shareholders. In summary, the Board:

- Engages in strategic planning and approves corporate strategies
- Reviews and approves the Business Plan for the forthcoming year and following two years and reviews performance against strategic objectives
- Assesses business opportunities and risks on an ongoing basis, oversees the Company's control and accountability systems, and monitors and approves the Company's financial reporting and dividend policies
- Appoints and monitors the performance of the Chief Executive Officer and approves the recommendations of the Remuneration Committee regarding the Chief Executive Officer's remuneration (which is based on his performance), and
- Oversees succession planning for the Chief Executive Officer and senior management.

To enhance efficiency, the Board has delegated some of its powers to Board Committees and other powers to the Chief Executive Officer and senior executives. The Chief Executive Officer has, in some cases, formally delegated certain authorities to his direct reports and has established a formal process for his direct reports to sub-delegate certain authorities.

2.2 BOARD MEMBERSHIP, SIZE AND COMPOSITION

As at 30 June 2006, the Board comprised six Directors. Directors are directly nominated by the Shareholders, with Christchurch City Holdings Limited able to appoint up to four Directors and the New Zealand Government able to appoint up to two Directors.

The Board has a broad range of commercial, financial, business and other skills, experience and expertise to meet its objectives. The Board composition, with details of the background of individual Directors, is set out on the Board of Directors page.

During the year, Syd Bradley, Chairman, was reappointed by the majority Shareholder, Christchurch City Holdings Ltd, in accordance with the constitution.

2.3 SELECTION AND ROLE OF CHAIRMAN

The Chairman is appointed by the Shareholders. The Chairman's role is to manage the Board effectively, to provide leadership to the Board and to facilitate the Board's interface with the Chief Executive Officer. The current Chairman, Syd Bradley is Chairman of the Remuneration Committee and an ex-officio member of the Risk, Audit and Finance Committee. Sue Sheldon is the Deputy Chairman and is the Chairman of the Risk, Audit and Finance Committee.

2.4 CONFLICTS OF INTEREST

The constitution specifically provides guidance on how conflicts of interest shall be addressed.

2.5 NOMINATIONS AND APPOINTMENT OF NEW DIRECTORS

The procedures for the appointment and removal of Directors are governed by the Company's constitution. When considering candidates to act as Director, the shareholder takes into account such factors as it deems appropriate, including the experience, qualifications, availability and judgement of a candidate, and the candidate's ability to work with other Directors.

2.6 CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW

The Remuneration Committee reviews the performance of the Chief Executive Officer and is responsible for the evaluation of the Chief Executive Officer against his key performance objectives.

2.7 DIRECTOR INDUCTION AND EDUCATION

The Board seeks to introduce new Directors to management and the business through induction programmes specifically tailored to meet the needs of the individual Director. All Directors are periodically updated on relevant industry and Company issues, including briefings from key executives and industry experts.

2.8 BOARD ACCESS TO INFORMATION AND ADVICE

The Directors generally receive materials for Board meetings five days in advance. Further, Directors have unrestricted access to company records and information.

The Board, the Board Committees and each Director have the right, subject to the approval of the Chairman, to seek independent professional advice at CIAL's expense to assist them to carry out their responsibilities.

2.9 INDEMNITIES AND INSURANCE

Deeds of Indemnity have been given to Directors in relation to potential liabilities and costs they may incur for acts or omissions in their capacity as Directors. In addition, Deeds of Indemnity have been provided to certain senior staff in relation to potential liabilities and costs they may incur for acts or omissions in their capacity as employees of CIAL.

During the year, the Directors' and Officers' liability insurance was renewed to cover risks normally covered by such policies arising out of acts or omissions of Directors and employees in their capacity as such. Insurance is not provided for dishonest, fraudulent, malicious or wilful acts or omissions. The insurance cover is provided by QBE Insurance (International) Ltd and Vero Liability Insurance (NZ). The cost of the cover for the year to 30 June 2006 is $21,320.

2.10 ATTENDANCE AT BOARD AND COMMITTEE MEETINGS FOR THE YEAR 1 JULY 2005 – 30 JUNE 2006

The full Board had eleven formal meetings during the year ended 30 June 2006. The table below shows attendance at Board meetings by Directors and at Committee meetings by Committee members. The composition of committees was revised during the year to ensure appropriate Director representation across both committees.

Board and Committee Meeting Attendance	Board Meetings	Risk, Audit and Finance Committee Meetings	Remuneration Committee Meetings
Total number of meetings held	**11**	**5**	**3**
Bradley	10	1	3
Sheldon	11	5	1
O'Rourke	10	4	
Boult	11	3	
Carter	11		2
Johnstone	10		2

In late 2005, the Chairman attended an international forum on Global Airport Developments in the aviation/airport sector. In addition, special workshops were held to ensure Directors were fully apprised of the relevant information with respect to the proposed Terminal Development Project.

2.11 DIRECTORS' INTERESTS

The Directors have made general disclosures of interest with respect to any transactions that may be entered into with certain organisations on the basis of their being a director, a partner, trustee or officer of those organisations.

Director	Entity	Interest
S J Bradley	Canterbury District Health Board	Chairman
	Waipara Hills Wine Estates Limited	Director
S J Sheldon	Asure New Zealand Limited	Director
	CanWest MediaWorks (NZ) Limited	Director
	FibreTech Holdings Limited	Director
	FibreTech New Zealand Limited	Director
	Freightways Limited	Director
	National Provident Fund Board of Trustees	Chairman
	Ngai Tahu Holdings Corporation	Resigned June 2006
	Nimbus Bedware Limited	Director
	Smiths City Group	Director
J Boult	Armada Holdings Limited and its subsidiaries	Director
	Armada Tourism Limited	Director
	Cobb & Co Restaurants Limited and its subsidiaries	Director
	Luggate Holdings Limited	Director
	Meadow 2 Limited	Director
	Meadow 3 Limited	Director
	Meadow 4 Limited	Director
	Meadow 5 Limited	Director
	Meadow 6 Limited	Director
	Central Otago Cold Test Providores Ltd	Director
	Armada Publishing Ltd	Director
	Cromwell Motorsport Park Trust Ltd	Director
D J O'Rourke	Central Plains Water Trust	Trustee
	Meta NZ Ltd	Chairman
	Transwaste Canterbury Ltd	Chairman

P Carter	Carter Group Limited and its Subsidiaries	Chairman
	Philip Carter Management Limited	Chairman
	Crystal Plaza Limited	Chairman
	ReMark Holdings Limited	Director
	Avonhead Mall Limited	Director
H Johnstone	Christchurch City Facilities Limited	Director
	Dunedin Casinos Limited	Chairman
	Envirowaste Limited	Director
	Fulton Hogan Limited	Director
	FRH Pty Limited	Director
	Jade Stadium Ltd	Director
	VBase Ltd	Director
	Jet Engine Facility Ltd	Director

3 BOARD COMMITTEES

3.1 BOARD COMMITTEES AND MEMBERSHIP

Two Board Committees have been established to assist in the execution of the Board's responsibilities – the Remuneration Committee and the Risk, Audit and Finance Committee. The Chief Executive Officer and General Manager Business Services have a standing invitation to attend Committee meetings except where these are held in executive session.

3.2 COMMITTEE CHARTERS

Charters for each Committee have been established, and the Board periodically reviews these Charters.

3.3 REMUNERATION COMMITTEE

Role

The Remuneration Committee's role is to assist the Board in overseeing the management of the human resources activities within CIAL.

The Committee's responsibilities include:

- Reviewing the remuneration and human resources strategy, structure and policy for the Company and reviewing remuneration practices to ensure that they are consistent with such policies
- Overseeing the Company's recruitment, retention and termination policies and procedures for senior management, and overseeing the succession planning for senior management and the Chief Executive Officer
- Reviewing the performance of the Chief Executive Officer, the employment agreements and benefit structures for the Chief Executive Officer and Executive Management group, and the recommendations to the Board with respect to senior executive incentive remuneration plans, other employee benefits and key performance objectives of the Chief Executive Officer and Executive Management group.

Composition

The members of Remuneration Committee as at 30 June 2006 were: Syd Bradley (Chairman), Philip Carter and Hanlin Johnstone.

3.4 RISK, AUDIT AND FINANCE COMMITTEE

Role

The Risk, Audit and Finance Committee's role is to assist the Board in its oversight of both the integrity of the financial reporting and the risk management framework.

The Risk, Audit and Finance Committee's responsibilities include:

- Reviewing the external financial reporting and recommending adoption to the Board, considering and, if appropriate, approving major accounting policy changes
- Assessing the adequacy and standard of internal controls and accounting policies after consultation with management and the external and internal Auditors
- Ensuring that policies and processes exist to effectively identify, manage and monitor principal business risks and the Company's risk profile, and pre-approving and monitoring all audit and related assurance services provided
- Annually reviewing the external Auditors' report which includes a description of the relationships between CIAL and the external Auditors, the Company's internal control procedures and critical accounting policies relating to external financial reporting
- Setting the principles and standards with respect to the Treasury Policy (including adherence to policy), raising of finance and recommending new financing arrangements to the Board.

The Risk, Audit and Finance Committee will meet the External and Business Assurance Auditors without management present at least annually.

Composition

The members of Risk, Audit and Finance Committee as at 30 June 2006 were: Sue Sheldon (Chairman), Jim Boult and Denis O'Rourke.

4 AUDIT GOVERNANCE AND INDEPENDENCE

The external Auditors are only permitted to engage in assurance activity work.

5 CONTROLLING AND MANAGING RISKS

5.1 CEO/GENERAL MANAGER BUSINESS SERVICES ASSURANCE

The Chief Executive Officer and General Manager Business Services have stated to the Board in writing that, in respect of the year ended 30 June 2006, to the best of their knowledge and belief a sound system of risk management and internal compliance and control exists in order to provide assurance that the CIAL financial statements give a true and fair view of the matters to which they relate and are in accordance with New Zealand Generally Accepted Accounting Practice.

5.2 BUSINESS ASSURANCE

CIAL has an outsourced Business Assurance Service. The Business Assurance Service Charter defines the service's objectives, scope, independence, responsibilities and authority. The primary objective is to assist the Board and Chief Executive Officer in exercising good governance by providing independent assurance on CIAL's control and risk management processes.

6 CORPORATE RESPONSIBILITY AND SUSTAINABILITY

6.1 APPROACH TO CORPORATE RESPONSIBILITY AND SUSTAINABILITY

The CIAL purpose and values statements guide the behaviour of all CIAL staff and how they conduct CIAL's business. The purpose defines what CIAL does and CIAL's values state how CIAL people choose to interact with each other, customers, suppliers and communities.

The Chief Executive Officer is required to ensure that managers act in a manner that is consistent with corporate policy and direction.

The Board has established governance principles that provide a broad description of the way in which the Board expects the Company to be managed for shareholders' benefit.

These are:

- The Company exists to grow shareholder value, with business strategies being customer and market focused
- Overarching strategy and policy will be decided at corporate level, with relationships being a source of competitive advantage
- Accountability will be clear and measurable, and systems and processes will support strategy, and
- The organisational model will enable flexibility to change.

6.2 LEGAL COMPLIANCE

All CIAL staff are responsible for ensuring that CIAL carries out its business activities in a way that gives due consideration to all applicable legal requirements, minimises the cost of legal risk and maximises business opportunities.

6.3 SHAREHOLDER AND STAKEHOLDER COMMUNICATIONS

CIAL is committed to providing comprehensive disclosure to shareholders. CIAL's website contains media releases, annual financial information, current and past annual reports and other information about the Company.

REMUNERATION AT CIAL

Directors

The total remuneration paid to Directors for the year ended 30 June 2006 is:

NAME	REMUNERATION
S J Bradley	$43,000
S J Sheldon	$31,000
D J O'Rourke	$21,500
J Boult	$21,500
P Carter	$21,500
H Johnstone	$21,500

No other remuneration or benefits other than normal reimbursement of expenses has been paid or given to Directors. The Company has made no loans to any Director, nor has the Company guaranteed any debts incurred by a Director.

CIAL EMPLOYEES

Framework for remuneration

The Remuneration Committee is responsible for reviewing remuneration and human resources strategy, structure, policy and practices. It seeks external expert advice on best practice remuneration structures and market trends to ensure that the remuneration strategy for CIAL contributes to effective performance and value creation. To grow and be successful, CIAL must be able to attract, retain and motivate capable individuals.

The key principles determined by the Remuneration Committee that underpin CIAL's remuneration policies are that rewards are market-competitive and that remuneration is linked to performance to attract and retain talented individuals. The overall cost of remuneration is managed and linked to the ability of the Company to pay.

The Remuneration Committee reviews the Chief Executive Officer's performance evaluation of his direct reports and approves the remuneration and other variations to the terms and conditions of employment of his direct reports.

Remuneration Ranges	Number of employees
$110,001 – $120,000	3
$120,001 – $130,000	1
$130,001 – $140,000	1
$140,001 – $150,000	3
$150,001 – $160,000	1
$200,001 – $210,000	1
$230,001 – $240,000	1
$260,001 – $270,000	1

STATEMENT OF FINANCIAL PERFORMANCE for the year ended 30 June 2006

	Note	2006 $000	2005 $000
REVENUE			
Operating revenue	1	74,715	70,824
Interest income	2	376	955
Total revenue		75,091	71,779
EXPENSES			
Employee remuneration		11,624	10,445
Other operating costs	3	19,075	17,712
Financing and interest costs		6,398	5,735
Depreciation	4	14,147	13,327
Terminal Development Project costs	5	1,102	375
Total expenses		52,346	47,594
Operating surplus before income tax		22,745	24,185
Income tax	6	(7,586)	(7,634)
Net operating surplus after income tax		15,159	16,551

The accompanying notes form part of these financial statements.

STATEMENT OF MOVEMENTS IN EQUITY for the year ended 30 June 2006

	Note	2006 $000	2005 $000
Equity at beginning of year		222,649	215,474
SURPLUS			
Net operating surplus after income tax		15,159	16,551
Total recognised revenues and expenses for the year		15,159	16,551
OTHER MOVEMENTS			
Dividends paid to shareholders	7	(9,858)	(9,376)
Equity at end of year		227,950	222,649

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION as at 30 June 2006

	Note	2006 $000	2005 $000
EQUITY			
Share capital	8	57,600	57,600
Reserves	9	129,543	129,543
Retained earnings		40,807	35,506
Total equity		227,950	222,649
NON-CURRENT LIABILITIES			
Term borrowings	10	90,000	87,459
CURRENT LIABILITIES			
Payables and accruals	12	8,384	8,806
Current portion of borrowings	10	6,000	-
Total current liabilities		14,384	8,806
Total equity and liabilities		332,334	318,914
NON-CURRENT ASSETS			
Property, plant and equipment	13	327,514	311,560
CURRENT ASSETS			
Cash and short term deposits		66	2,160
Receivables and prepayments	14	3,888	3,877
Taxation receivable	6	320	803
Inventories	15	546	514
Total current assets		4,820	7,354
Total assets		332,334	318,914

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS for the year ended 30 June 2006

	2006 $000	2005 $000
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash was provided from:		
Receipts from customers	75,383	69,068
Interest received	371	955
Net Goods and Services Tax received	-	181
	75,754	70,204
Cash was applied to:		
Payments to suppliers and employees	32,940	26,248
Financing and interest costs	6,617	5,517
Net Income tax paid	3,781	3,296
Subvention payments	3,322	4,587
Net Goods and Services Tax paid	30	-
	46,690	39,648
Net cash flows from operating activities	29,064	30,556
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash was provided from:		
Proceeds from sale of property, plant and equipment	93	59
Cash was applied to:		
Purchase of property, plant and equipment	29,934	38,366
Net cash flows from investing activities	(29,841)	(38,307)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash was provided from:		
Borrowings	8,541	18,471
Cash was applied to:		
Dividends paid	9,858	9,376
	9,858	9,376
Net cash flows from financing activities	(1,317)	9,095
Net (decrease)/increase in cash held	(2,094)	1,344
Add cash at beginning of the year	2,160	816
Cash at the end of the year	66	2,160

The accompanying notes form part of these financial statements.

	2006 $000	2005 $000
COMPOSITION OF CASH		
Cash	95	81
Bank and deposits	(29)	2,079
Cash at the end of the year	66	2,160
RECONCILIATION WITH OPERATING SURPLUS		
Reported net operating surplus after income tax	15,159	16,551
Items not involving cash flows		
Depreciation expense	14,147	13,327
	29,306	29,878
Impact of changes in working capital items		
Increase/(decrease) in accounts payable	(422)	3,859
(Increase)/decrease in accounts receivable	(11)	(623)
(Increase)/decrease in inventories	(32)	(17)
(Increase)/decrease in taxation receivable	483	(249)
	18	2,970
Items classified as investing activities		
Capital accounts payable	(281)	(2,319)
Gain on disposal of assets	21	27
	(260)	(2,292)
Net cash flows from operating activities	29,064	30,556

The accompanying notes form part of these financial statements.

STATEMENT OF ACCOUNTING POLICIES for the year ended 30 June 2006

Reporting Entity

The financial statements are those of Christchurch International Airport Limited. The wholly owned subsidiaries:

CIAL Holdings Number 1 Limited
CIAL Holdings Number 2 Limited
CIAL Holdings Number 3 Limited
CIAL Holdings Number 4 Limited
CIAL Holdings Number 5 Limited

have not been consolidated as they were not trading and hold no assets or liabilities.

The financial statements have been prepared in accordance with the requirements of the Airport Authorities Act 1966, the Local Government Act 2002, the Companies Act 1993 and the Financial Reporting Act 1993.

The Company follows the general accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical cost basis. The only departure from the historical cost basis is the revaluation of land and sealed surfaces, these revaluations having been incorporated in the financial statements.

The Statement of Financial Performance and Statement of Cashflows are prepared on a GST exclusive basis. All items in the Statement of Financial Position are stated net of GST, except for Receivables and Payables, which include GST invoiced.

Changes in Accounting Policies

There have been no changes in the accounting policies during the year. All policies have been applied on bases consistent with those used in previous years.

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of financial performance and the financial position have been applied:

(a) Revenue

Goods and services

Revenue comprises the amounts received and receivable for goods and services supplied to customers in the ordinary course of business.

Investment income

Interest and rental income are accounted for as earned.

Lease rentals revenue

Lease rentals are recognised on an accrual basis with reference to the leases and rental agreements in force as at balance date.

(b) Accounts receivable

Accounts receivable are stated at their expected realisable value after provision for doubtful debts. All known bad debts are written off during the year.

(c) Inventories

Inventories have been valued at the lower of cost and net realisable value. Cost has been determined on a weighted average basis. Livestock is valued at National Standard Cost Values set by the Inland Revenue Department.

(d) Impairment of assets

The Company periodically assesses the carrying value of each asset. Where the estimated recoverable amount of the asset is less than its carrying value, the asset is written down. The impairment loss is recognised in the statement of financial performance.

(e) Property, plant and equipment

Property, plant and equipment are recorded at original cost less accumulated depreciation.
With the exception of land and sealed surfaces, property, plant and equipment have not been revalued above original cost. Land is valued on the basis of market value for highest and best use, assuming knowledgeable and willing parties in an arms length transaction. Sealed surfaces are valued on an optimised depreciated replacement cost basis.

The revaluations are conducted on a systematic basis by an independent registered valuer at least once every three years.

The last valuation was performed by Crighton Anderson Property and Infrastructure Limited on 30 June 2004.

Borrowing costs that are directly attributable to the acquisition or construction of an item of property, plant and equipment has been capitalised where the construction cost exceeds $10m and is greater than 12 months in duration.

(f) Depreciation

Depreciation of property, plant and equipment, other than freehold land, is calculated on a straight-line basis, so as to allocate the cost of the property, plant and equipment over their estimated useful lives. Where components of an item of property, plant and equipment have different useful lives, the cost of an item is allocated to its components and each component is accounted for and depreciated separately, to ensure that the cost of the component is allocated on a systematic basis over its useful life.

The estimated useful lives of the major categories of property, plant and equipment are as follows:

Terminal buildings	40 years
Other buildings	10 to 40 years
Sealed surfaces	9 to 100 years
Roading	50 years
Plant and equipment	3 to 25 years
Motor vehicles	5 to 16 years
Office and computer equipment	3 to 9 years

(g) Income tax

Taxation expense recognised for the year is based on the accounting surplus, adjusted for permanent differences between accounting and tax rules and those timing differences that are likely to crystallise in the foreseeable future.

Taxation is provided after taking advantage of all available deductions and concessions. Deferred taxation is calculated using the liability method and is applied on a partial basis so the deferred taxation is recognised only in respect of the income tax effect of those timing differences between accounting and taxable income that are likely to crystallise in the foreseeable future.

Where the net balance of timing differences provides a future income tax benefit to the Company, that benefit is not recognised in the statement of financial position unless there is virtual certainty of its realisation.

The amount of the taxation benefit not recognised, where there is no virtual certainty of realisation, is disclosed by way of note.

(h) Employee entitlements

Employee entitlements to annual leave and long service leave are accrued and recognised in the statement of financial position when they accrue to employees. Annual and long service leave have been calculated on an actual entitlement basis at current rates of pay.

(i) Operating leases

Operating lease payments are recognised as an expense on a systematic basis representative of the time pattern of the benefits.

(j) Financial instruments

Financial instruments carried on the statement of financial position include cash and bank balances, short term deposits, receivables, trade creditors and borrowings. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

The Company is a party to financial instruments that reduce exposure to fluctuations in interest rates and include forward rate agreements and interest rate swaps. Any differential to be paid or received on forward rate agreements and interest rate swaps is recognised as a component of interest expense over the period of the agreement.

(k) Statement of cash flows

The following are the definitions of the terms used in the statement of cash flows:

- Operating activities include all transactions and other events that are not investing or financing activities;
- Investing activities are those activities relating to the acquisition, holding and disposal of property, plant and equipment and of investments. Investments can include securities not falling within the definition of cash;
- Financing activities are those activities that result in changes in the size and composition of the capital structure. Dividends paid in relation to the capital structure are included in financing activities;
- Cash is considered to be cash on hand and current accounts in banks, net of any bank overdrafts.

(l) Adoption of New Zealand Equivalents to International Financial Reporting Standards

In December 2002 the New Zealand Accounting Standards Review Board announced that all New Zealand reporting entities will be required to comply with International Financial Reporting Standards (IFRS) for periods commencing on or after 1 January 2007, with the option to comply early for periods beginning on or after 1 January 2005.

The Company will adopt New Zealand Equivalents to IFRS (NZ IFRS) for the year ended 30 June 2007. In adopting NZ IFRS the Company will also be in compliance with IFRS.

Upon first time adoption of NZ IFRS, comparative information will be restated in the NZ IFRS compliant financial statements. Details of the impact of the adoption to comparative information will be set out in the financial statements for the year ending 30 June 2007.

The adoption of NZ IFRS involves assessing the impacts of NZ IFRS to the Company, then designing and implementing changes required to current accounting policies and procedures, as well as systems and processes, in order to successfully transition to NZ IFRS. The project is currently in the assessment stage and as such the quantitative impacts of these changes have yet to be determined.

To date, the following areas requiring changes in accounting policies have been identified as potentially having a significant impact on the NZ IFRS financial statements of the Company. The impacts discussed below are based on management's current interpretation of the standards. There is potential for the significance of the impact to change when the Company prepares its first full set of NZ IFRS financial statements due to changes in standards, changes in the business, or changes in management's interpretation of the standards.

1) Derivative financial instruments and hedging

NZ IFRS requires all derivative financial instruments, whether used as hedging instruments or otherwise, to be carried at fair value in the balance sheet. Fair value and cash flow hedging can only be applied when all the hedge accounting criteria are met, including the requirement that the hedge is highly effective. Where a derivative financial instrument does not qualify for hedge accounting, changes in the fair value are to be included in the income statement.

2) Deferred taxation

Under current Company policy deferred taxation is recognised on a partial basis, with deferred taxation being recognised only in respect of the income tax effect of those timing differences between accounting and taxable income that are likely to crystallise in the foreseeable future. Under NZ IFRS deferred taxation is recognised on all timing differences. This change is likely to result in higher deferred taxation balances.

3) Investment properties

It is likely that some properties that are currently classified as property, plant and equipment will be reclassified as investment property on adoption of NZ IFRS. Under NZ IFRS investment properties are required to be revalued to fair value annually, with revaluation increments/decrements to be taken to the income statement. This is likely to increase the volatility of the Company's reported earnings. In addition, as buildings are currently carried at historical cost less accumulated depreciation, there is likely to be some change in the carrying values of buildings that are re-categorised.

All the financial information in these financial statements has been prepared in accordance with current New Zealand generally accepted accounting practice (NZ GAAP). The accounting policy differences between current NZ GAAP and NZ IFRS identified above may have a significant effect on the Company's financial position and performance. The areas identified above should not be taken as an exhaustive list of all the differences between NZ GAAP and NZ IFRS. None of the potential impacts of the adoption of NZ IFRS on our financial performance and financial position, including systems upgrades and other implementation costs, have been quantified as yet.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2006

		2006 $000	2005 $000
1. Operating Revenue			
Airport charges		23,441	23,596
Passenger departure charge		14,460	11,937
Lease rentals and concessions		28,849	27,554
Vehicle parking		6,108	5,751
Gain on disposal of assets		21	27
Other revenue		1,836	1,959
		74,715	70,824
2. Interest Income			
Interest income was derived from:			
Short term bank deposits		190	497
Other		186	458
		376	955
3. Other Operating Costs include			
Audit fees	– financial report	42	42
	– disclosure regulations	7	6
Directors' fees		160	141
Doubtful debts		73	102
Donations		2	11
Electricity, fuel and oil		2,252	2,076
Lease and rental payments		387	240
Maintenance expense	– buildings and plant	1,708	1,902
	– sealed surfaces	50	46
4. Depreciation of Property, Plant and Equipment			
Buildings		1,622	1,476
Terminal facilities		8,397	7,541
Sealed surfaces		2,216	2,635
Roading		169	145
Plant and equipment		601	596
Office and computer equipment		782	638
Motor vehicles		351	277
Loss on disposal of assets		9	19
		14,147	13,327

Terminal facilities depreciation includes an additional amount of $1,804,699 (2005 : $1,804,699) reflecting a reduction in the remaining estimated economic life of the domestic terminal and international check-in facilities. The domestic terminal and international check-in will be replaced in 2008 as part of the proposed integrated terminal redevelopment.

5. Terminal Development Project Costs

These are the incremental operating costs incurred directly as a consequence of the Terminal Development project.

	2006 $000	2005 $000
6. Income Tax		
(a) Income tax expense		
Operating surplus before income tax	22,745	24,185
Prima facie taxation at 33%	7,505	7,981
Plus(less) taxation effect of:		
Permanent differences	(62)	29
Timing differences not recognised	143	(64)
	81	(35)
(Over)/under provision in prior years	-	(312)
Income tax attributable to operating surplus	7,586	7,634
Comprising:		
Current taxation	7,586	7,634
	7,586	7,634

If the above and previous timing differences reverse in the future, it may result in a future tax liability. At current taxation rates effective 1 July 2006 the unrecognised future income tax liability of timing differences not recognised in the financial statements is $4,145,682 (2005 : $4,519,836). This mainly relates to asset revaluations and depreciation expense.

	2006 $000	2005 $000
(b) Taxation provision		
Taxation payable/(receivable) as at 1 July	(803)	(554)
Income tax attributable to operating surplus	7,586	7,634
Subvention payment paid to Christchurch City Holdings Limited Group companies	(3,322)	(4,587)
Income tax paid to Inland Revenue Department	(6,700)	(8,750)
Income tax refunded by Inland Revenue Department	2,919	5,454
Taxation payable/(receivable) as at 30 June	(320)	(803)
(c) Imputation credit memorandum account		
Balance at beginning of the year	15,590	16,912
Income tax payments made	3,781	3,296
Imputation credits attached to dividends paid	(4,855)	(4,618)
Balance at end of the year	14,516	15,590

7. Dividends

	2006 $000	2005 $000
2005 Final dividend paid	5,414	4,839
2006 Interim dividend paid	4,444	4,537
	9,858	9,376

	2006 $000	2005 $000
8. **Share Capital**		
57,600,000 fully paid ordinary shares	57,600	57,600

All shares have equal voting rights and share equally as to dividends and surplus on winding up.

9. **Reserves**		
(a) **Balances**		
Asset revaluation reserve	129,177	129,177
Capital reserve	366	366
Balance at end of the year	129,543	129,543
(b) **Asset revaluation reserve**		
Balance at beginning of the year	129,177	129,177
Net revaluations	-	-
Balance at end of the year	129,177	129,177
Comprising:		
Land revaluation reserve	82,125	82,125
Sealed surfaces revaluation reserve	47,052	47,052
	129,177	129,177

10. **Borrowings**

During the year the company entered into a $250,000,000 funding facility with four banks to fund the ongoing business and the proposed Terminal development. This facility replaced a $120,000,000 multi-option facility (which was underwritten through a $75,000,000 revolving credit facility). In addition, the company has an overdraft facility of $1,000,000.

All borrowings under the bank facility and overdraft facility are unsecured and supported by a negative pledge deed. Interest rates paid during the year, including offsetting interest rate swaps, ranged from 6.9% to 7.2%.

At 30 June 2006, the Company had no commercial paper on issue. (2005 $87,458,836, which was disclosed as term debt.)

Maturity of Debt as at 30 June		
Less than 1 Year	6,000	-
1-2 Years	-	-
2-5 Years	50,000	87,459
Greater than 5 Years	40,000	-
	96,000	87,459

11. Financial Instruments

The Company is subject to a number of financial risks which arise as a result of its activities. To manage and limit the effects of those financial risks, the Board of Directors has approved policy guidelines and authorised the use of certain financial instruments. The Company's financial risks, the policies approved to manage and limit the effects of those financial risks together with the financial instruments being utilised at balance date are set out below.

(a) Credit risk

In the normal course of its business, the Company incurs credit risk from trade debtors and financial institutions. The Company performs credit evaluations wherever appropriate and generally does not require collateral.

The Company places its cash and short term investments with high credit quality financial institutions. The Company's Treasury Policy results in a spread of investments, with limitations placed on the level of credit exposure to any one financial institution. The Company does not require any collateral or security to support transactions with financial institutions.

The Company continuously monitors the credit quality of its major customers.

Because of the limited number of customers, the Company is exposed to a concentration of credit risk. As at 30 June 2006, 35% of trade receivables were due from one customer. These receivables are considered to be fully recoverable.

(b) Interest rate risk

The Company has variable rate long-term borrowings to fund ongoing activities. Forward rate agreements, interest rate options and swaps are entered into converting the interest rate exposure from floating rates to fixed rates for periods ranging from three months to five years.

Contracts have been entered into with various counter-parties having such credit ratings, and in accordance with limits, as set forth by the Board of Directors.

The notional principal or contract amounts of interest rate contracts outstanding at 30 June are as follows:

	2006	2005
Interest rate options	$10 million	$5 million
Interest rate swaps	$100 million	$55 million

(c) Fair values

Interest rate and option swaps

The carrying values of the Company's financial instruments other than interest rate options and interest rate swaps referred to above are equivalent to the estimated fair values of those instruments.

The fair values of the interest rate options and interest rate swaps as at balance date are assessed on the basis of the cost or benefits emerging from those agreements had settlement been made on balance date, calculated by using the interest rate prevailing on 30 June 2006. Interest rates on that date would have resulted in a gain/(loss) to the Company of:

	2006	2005
Interest rate and option swaps	$1,553,151	$2,019

Currency

Forward rate agreements have been entered into to manage foreign exchange rate exposure. The fair value of these agreements as at balance date are assessed on the cost or benefits emerging from those agreements had settlement been made on balance date using the exchange rates prevailing on 30 June 2006. This would have resulted a gain/(loss) to the company of:

2006	2005
$ 159,883	-

	2006	2005
	$000	$000
12. Payables and Accruals		
Creditors	2,576	2,745
Employee entitlements	1,330	778
Goods and Services Tax	272	303
Accrued expenses	4,206	4,980
	8,384	8,806

13. Property, Plant and Equipment

As at 30 June 2006	At Cost	At Valuation	Accumulated Depreciation	Book Value
	$000	$000	$000	$000
Land	1,885	125,725		127,610
Terminal facilities	126,447		59,301	67,146
Other buildings	49,774		12,250	37,524
Sealed surfaces	12,394	52,045	4,851	59,588
Roading	8,798		1,746	7,052
Plant and equipment	12,608		8,055	4,553
Office and computer equipment	10,062		7,837	2,225
Motor vehicles	6,351		4,101	2,250
Work in progress	19,566		-	19,566
	247,885	177,770	98,141	327,514

As at 30 June 2005	At Cost	At Valuation	Accumulated Depreciation	Book Value
	$000	$000	$000	$000
Land	1,885	125,725		127,610
Terminal facilities	121,045		50,901	70,144
Other buildings	45,054		10,631	34,423
Sealed surfaces	7,586	52,045	2,635	56,996
Roading	7,688		1,568	6,120
Plant and equipment	12,202		7,472	4,730
Office and computer equipment	9,273		7,062	2,211
Motor vehicles	5,112		3,945	1,167
Work in progress	8,159			8,159
	218,004	177,770	84,214	311,560

The fair value of the Company's freehold land, terminal facilities and other buildings as at 30 June 2006 was estimated at $320,680,000 (2005, $290,530,000) by independent registered valuers, Crighton Anderson Property & Infrastructure Limited.

Work in progress includes $279,210 interest that has been capitalised.

	2006	2005
14. Receivables and Prepayments	$000	$000
Accounts Receivable	2,968	3,656
Prepayments	920	221
	3,888	3,877

	2006 $000	2005 $000
15. **Inventories**		
Materials	318	282
Retail stock	125	128
Livestock	103	104
	546	514

16. **Related Party Transactions**

Christchurch City Holdings Limited, a wholly owned subsidiary of the Christchurch City Council, owns 75% and the New Zealand Government owns 25% respectively of the issued share capital of the Company.

All transactions with either the Christchurch City Council or the New Zealand Government have been conducted on normal commercial terms.

	2006 $000	2005 $000
Transactions with owners during the year		
Purchases from CCC and Subsidiaries	527	743
Rates paid to CCC	1,334	1,680
Revenues from CCC and Subsidiaries	49	48
Subvention payments to CCC and subsidiaries	3,322	4,587
Outstanding Balances with owners as at 30 June		
Accounts Payable to CCC and Subsidiaries	16	22

Non Shareholder Related Party Transactions

Some Directors of the company are, or have been during the year, Directors of other companies or organisations with whom Christchurch International Airport Limited 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.

Entity	Transaction	2006 $000	2005 $000	Relationship
Fulton Hogan Corporation Limited	Pavement Maintenance	5,129	18	Hanlin Johnstone, CIAL Director is a Director of Fulton Hogan Canterbury Limited
	Carparking	25	2	
Ngai Tahu Fisheries Limited	Rental	120	120	Sue Sheldon, CIAL Director is a former Director of Ngai Tahu Holding Corporation, parent company of Ngai Tahu Fisheries Limited
Parceline Limited	Rental	128	124	Sue Sheldon, CIAL Director is a Director of Freightways Limited, parent company of Parceline Limited
META NZ Limited	Resource Recycling	58	-	Denis O'Rourke, CIAL Director is a Director of META NZ Ltd
Jet Engine Facility Limited	Rental	36	3	Hanlin Johnstone, CIAL Director is a Director of Jet Engine Facility Ltd

Balance at 30 June **Entity**	**2006** **$000**	2005 $000
Fulton Hogan Corporation Limited	47	18
META NZ Ltd	6	-

There were no other material related party transactions for the year.

17. Segment Information

The Company operates predominantly in the business of providing airport facilities and services to airline and airport users. All operations are based at Christchurch International Airport.

18. Commitments

Capital Expenditure Commitments

Total capital expenditures committed to but not recognised in the financial statements	23,627	5,494

Operating Lease Commitments

Operating Lease expenditure committed to but not recognised in the financial statements		
Less than 1 year	230	245
Between 1-2 Years	340	230
Between 2-5 Years	8	348
	578	823

19. Contingent Assets and Liabilities

The company has a contingent liability for the amount of unamortised refurbishment costs at the expiry of a lease. The expiry date of the lease is dependant on the Terminal Development Project timeframe. At 30 June 2006 the amount of the contingent liability was $266,975 (2005 $nil).

20. Events Occurring After Balance Date

There are no events occurring after balance date that could significantly affect the financial statements. Origin Pacific Airlines suspended its passenger operations on 10th August 2006, all amounts owing to the Company have been provided for in full.

21 Comparison of Forecast to Actual Results

The Company prepares an annual Statement of Intent which is approved by shareholders and incorporates financial and performance measures for the ensuing year.

A comparison of the Company's actual results for the year ended 30 June 2006 with those targets are as follows:

	2006 Actual $000	2006 Target $000
Financial performance		
Revenue	75,091	75,572
EBITDA	42,914	46,048
Surplus after tax but before Terminal Development Project Expenses	15,897	16,275
Surplus after tax and after Terminal Development Project Expenses	15,159	-
Dividend Payment	9,858	9,411
Ratio of after-tax surplus to average equity	6.7%	7.2%
Operational performance		
Aircraft		
Aircraft departures excluding general aviation	38,627	39,169
Passengers		
Domestic	3,973,139	4,279,626
International	1,499,023	1,599,001
Total passengers	5,472,162	5,878,627
Employees		
Average full-time equivalent employees	170	165

Performance Indicators	2006 Actual	2006 Target
Operating revenue per employee	$441,711	$458,012
Operating revenue per passenger	$13.72	$12.85
Surplus after-tax per employee	$89,170	$98,636
Surplus after-tax per passenger	$2.77	$2.77
Total assets per passenger	$60.73	$59.09
Net debt per passenger	$17.54	$20.54
Ratio of aeronautical revenue to operating revenue	50.5%	52.7%

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

AUDIT REPORT

TO THE READERS OF
Christchurch International Airport Limited's
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

The Auditor-General is the auditor of Christchurch International Airport Limited (the company). The Auditor-General has appointed me, Julian Tan, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and performance information of the company, on his behalf, for the year ended 30 June 2006.

Unqualified opinion

In our opinion:

- The financial statements of the company on pages 44 to 59:

  i comply with generally accepted accounting practice in New Zealand; and

  ii give a true and fair view of:

    a the company's financial position as at 30 June 2006; and
    b the results of its operations and cash flows for the year ended on that date.

- The performance information of the company on page 59 gives a true and fair view of the achievements measured against the performance targets adopted for the year ended 30 June 2006.

- Based on our examination the company kept proper accounting records.

The audit was completed on 4 September 2006, and is the date at which our opinion is expressed.

The basis of the opinion is explained below. In addition, we outline the responsibilities of the Board of Directors and the Auditor, and explain our independence.

Basis of opinion

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed our audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements and performance information did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements and performance information. If we had found material misstatements that were not corrected, we would have referred to them in the opinion.

Our audit involved performing procedures to test the information presented in the financial statements and performance information. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Board of Directors;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all required disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and performance information.

We evaluated the overall adequacy of the presentation of information in the financial statements and performance information. We obtained all the information and explanations we required to support the opinion above.

Responsibilities of the Board of Directors and the Auditor

The Board of Directors is responsible for preparing financial statements in accordance with generally accepted accounting practice in New Zealand. Those financial statements must give a true and fair view of the financial position of the company as at 30 June 2006. They must also give a true and fair view of the results of its operations and cash flows for the year ended on that date. The Board of Directors is also responsible for preparing performance information that gives a true and fair view of the service performance achievements for the year ended 30 June 2006. The Board of Directors' responsibilities arise from the Local Government Act 2002 and the Financial Reporting Act 1993.

We are responsible for expressing an independent opinion on the financial statements and performance information and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and section 70 of the Local Government Act 2002.

Independence

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand.

In addition to the audit of the financial statements and performance information, we carry out an annual audit-related engagement for the company involving the issuance of an audit opinion pursuant to the Airport Authorities (Airport Companies Information Disclosure) Regulations 1999. This engagement is compatible with those independence requirements.

Other than the audit and this engagement, we have no relationship with or interests in the company.

Julian Tan
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand

Matters relating to the electronic presentation of the audited financial statements

This audit report relates to the financial statements of Christchurch International Airport Limited (the company) for the year ended 30 June 2006 included on the company's web site. The company's Board of Directors is responsible for the maintenance and integrity of the company's web site. We have not been engaged to report on the integrity of the company's web site. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site. The audit report refers only to the financial statements named above. It does not provide an opinion on any other information that may have been hyperlinked to/from these financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and related audit report dated 4 September 2006 to confirm the information included in the audited financial statements presented on this web site. Legislation in New Zealand governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

FIVE YEAR REVIEW

	2006	2005	2004	2003	2002
	$000	$000	$000	$000	$000
FINANCIAL					
Revenue	75,091	71,779	63,734	55,397	53,834
Expense	52,346	47,594	45,060	39,017	32,751
Operating surplus before income tax	22,745	24,185	18,674	16,380	21,083
Operating surplus after income tax	15,159	16,551	14,844	13,041	14,249
Dividends paid	9,858	9,376	8,698	16,647	9,216
Return on average shareholders' equity	6.7%	7.5%	7.9%	8.1%	9.9%
Total equity	227,950	222,649	215,474	158,773	162,379
Total assets	332,334	318,914	289,408	233,913	231,575
Net asset backing per share	$3.95	$3.86	$3.74	$2.76	$2.82
Shareholders' equity ratio	68.6%	69.8%	74.5%	67.9%	70.1%

	2006	2005	2004	2003	2002
OPERATIONAL					
Passengers					
Domestic passengers	3,973,139	4,066,665	3,944,895	3,571,835	3,208,720
International passengers	1,499,023	1,489,660	1,191,180	1,021,384	1,010,798
Total passengers	5,472,162	5,556,325	5,136,075	4,593,219	4,219,518
Total Aircraft movements					
(Arrivals and departures)					
Domestic aircraft	74,672	76,838	81,535	78,894	74,553
International aircraft	11,524	11,990	9,259	7,807	7,391
Total aircraft movements	86,196	88,828	90,794	86,701	81,944
PERSONNEL					
Average staff strength (full-time equivalents)	170	159	156	155	150

DIRECTORY

DIRECTORS

Syd Bradley
Chairman

Sue Sheldon
Deputy Chairman

Jim Boult
Director

Denis O'Rourke
Director

Philip Carter
Director

Hanlin Johnstone
Director

SHAREHOLDERS

Christchurch City Holdings Limited
43,200,000 shares (75%)

Minister of Finance
7,200,000 shares (12.5%)

Minister for State Owned Enterprises
7,200,000 shares (12.5%)

Total shares
57,600,000 shares

BANKERS

ANZ Banking Group (New Zealand) Ltd
Bank of New Zealand
Westpac Banking Corporation
Commonwealth Bank of Australia

SOLICITORS

Buddle Findlay, Christchurch
Chapman Tripp, Christchurch

SENIOR MANAGEMENT

Rene Bakx
Chief Executive

Vic Allen
General Manager Business Development

Alan Beuzenberg
General Manager Facilities Services

Darin Cusack
General Manager Service & Operations

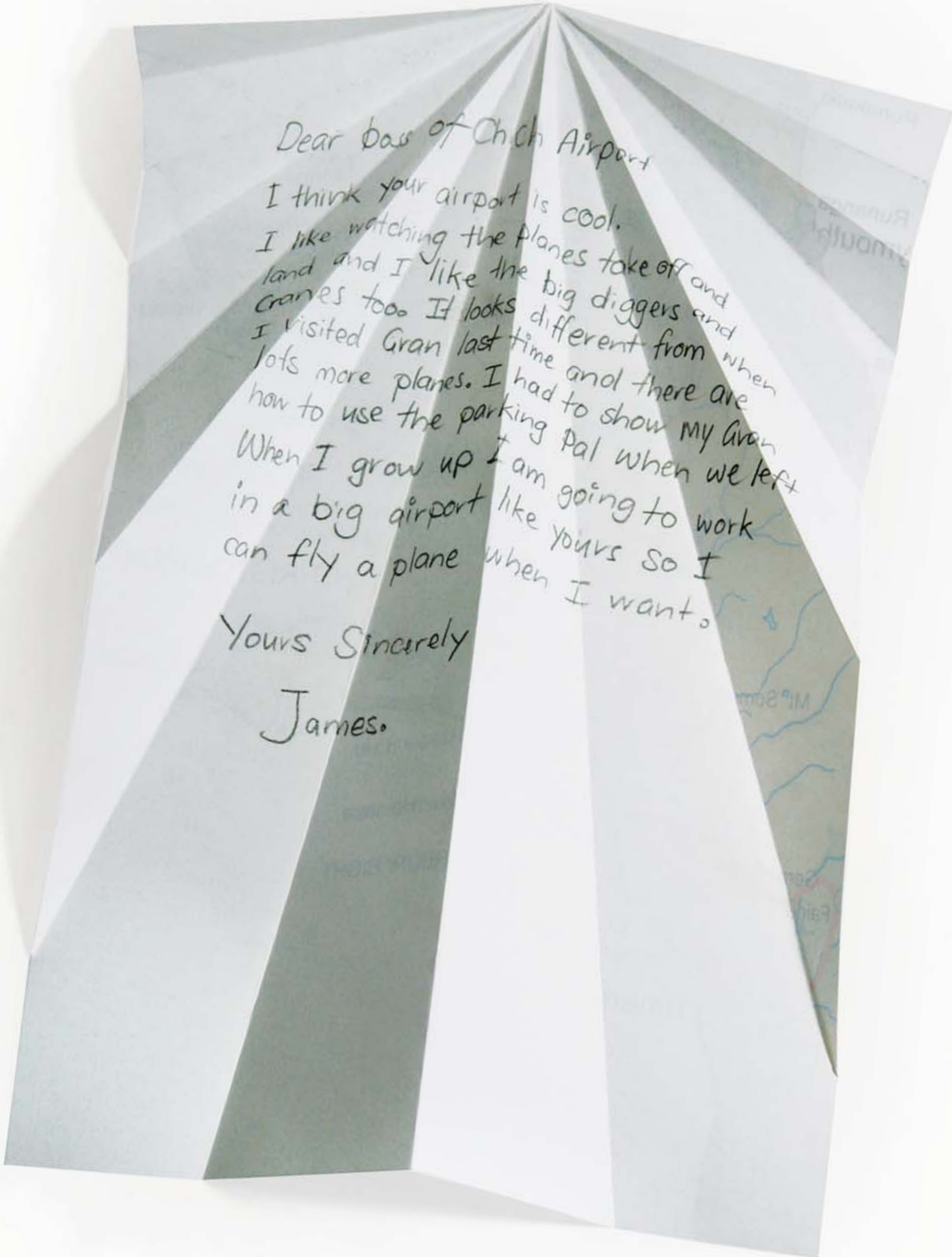
Neil Cochrane
General Manager Business Services

REGISTERED OFFICE

Second Floor, International Terminal Building
Christchurch International Airport
Memorial Avenue, PO Box 14-001
Christchurch, New Zealand
Telephone: +64 3 358 5029
Facsimile: +64 3 353 7730
Website: www.christchurch-airport.co.nz

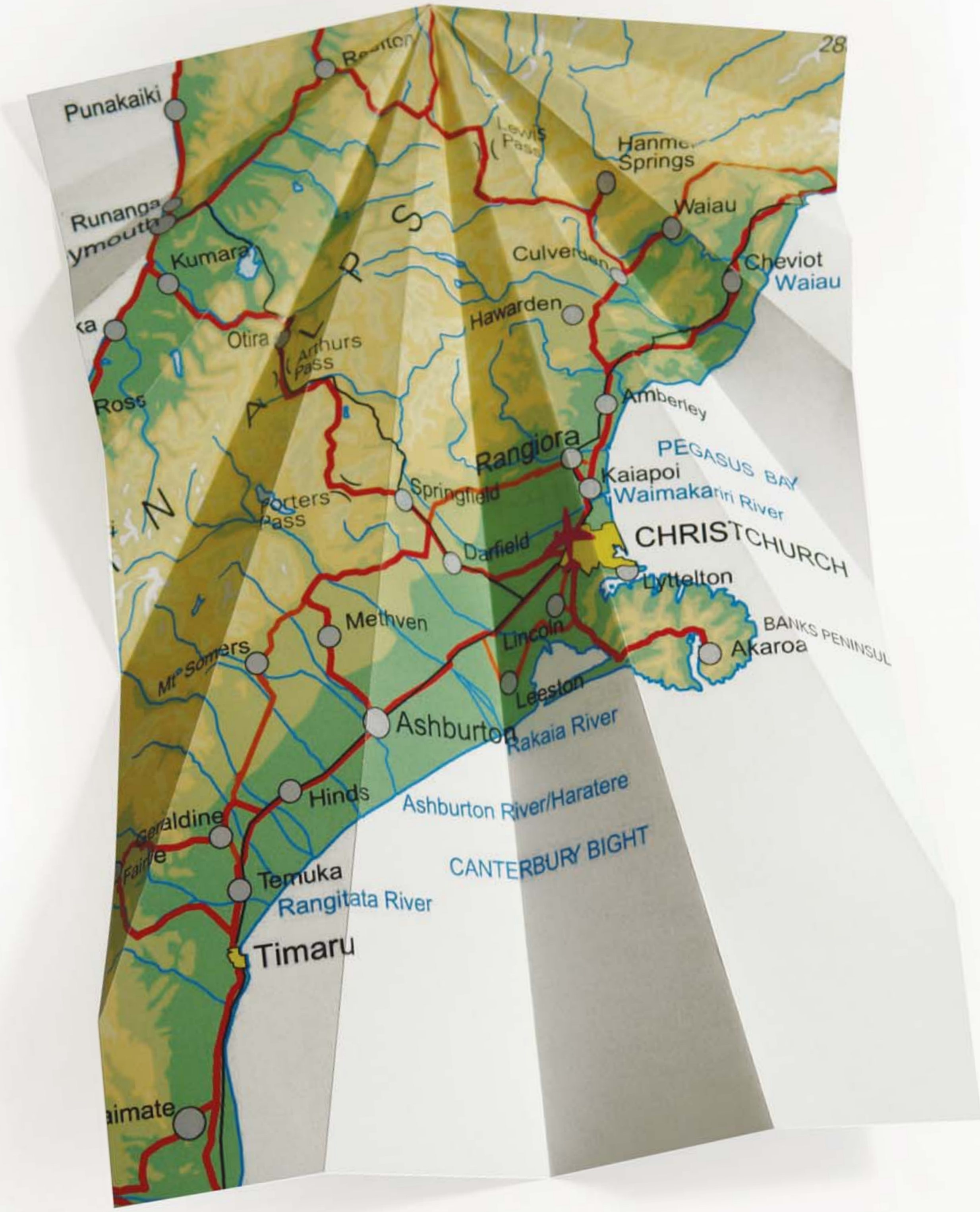
AUDITORS

Audit New Zealand
On behalf of the Auditor-General


Dear boss of Chch Airport
I think your airport is cool.
I like watching the planes take off and
land and I like the big diggers and
cranes too. It looks different from when
I visited Gran last time and there are
lots more planes. I had to show my Gran
how to use the parking Pal when we left
When I grow up I am going to work
in a big airport like yours so I
can fly a plane when I want.

Yours Sincerely

James.



PO Box 14-001, Christchurch 8030, New Zealand
Telephone: +64 3 358 5029 Facsimile: +64 3 353 7730
Website: www.christchurch-airport.co.nz

Christchurch International airport Limited