

25 MAY 2018

# 2018 ANNUAL GENERAL MEETING



**Trevor Gerber**  
Chairman

**Geoff Culbert**  
Chief Executive Officer

## General securities warning

This presentation has been prepared by Sydney Airport Limited (ACN 165 056 360) (“SAL”) in respect of ASX-listed Sydney Airport (“SYD”). SYD is comprised of the stapled entities SAL and Sydney Airport Trust 1 (ARSN 099 597 921) (“SAT1”). The Trust Company (Sydney Airport) Limited (ACN 115 967 087/AFSL 301162) (“TTCSAL”) is the responsible entity of SAT1.

This presentation is not an offer or invitation for subscription or purchase of or a recommendation of securities. It does not take into account the investment objectives, financial situation and particular needs of the investor. Before making an investment in SYD, the investor or prospective investor should consider whether such an investment is appropriate to their particular investment needs, objectives and financial circumstances and consult an investment adviser if necessary.

Information, including forecast financial information, in this presentation should not be considered as a recommendation in relation to holding, purchasing or selling shares, securities or other instruments in SYD or any other entity. Due care and attention has been used in the preparation of forecast information. However, actual results may vary from forecasts and any variation may be materially positive or negative. Forecasts by their very nature are subject to uncertainty and contingencies, many of which are outside the control of SAL and TTCSAL. Past performance is not a reliable indication of future performance.

Sydney Airport advises that on 19 April 2018 foreign ownership was 27.6%.

# Chairman's address – Trevor Gerber







## Sydney Airport Board



**Trevor Gerber**

Chairman



**Grant Fenn**



**Ann Sherry AO**



**John Roberts**



**Michael Lee**



**Stephen Ward**



**Abigail Cleland**

An airport to be proud of

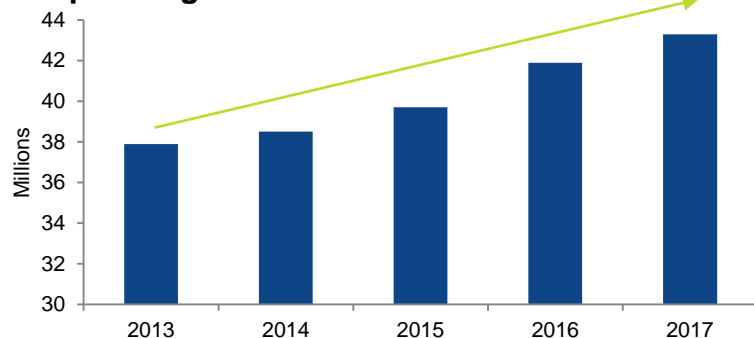


# Strong five year track record

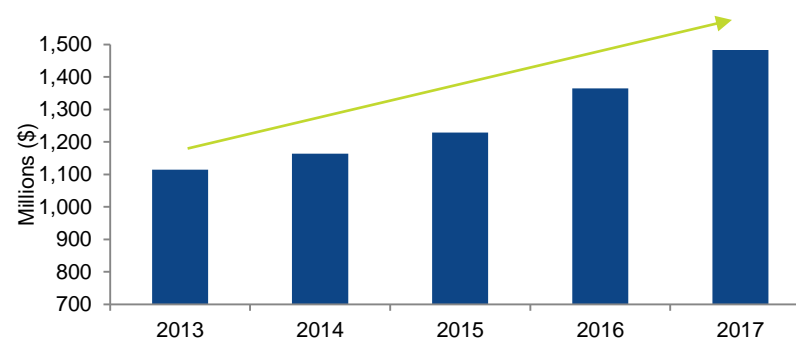


Sydney Airport has a consistent track record of delivering growth and returns for investors

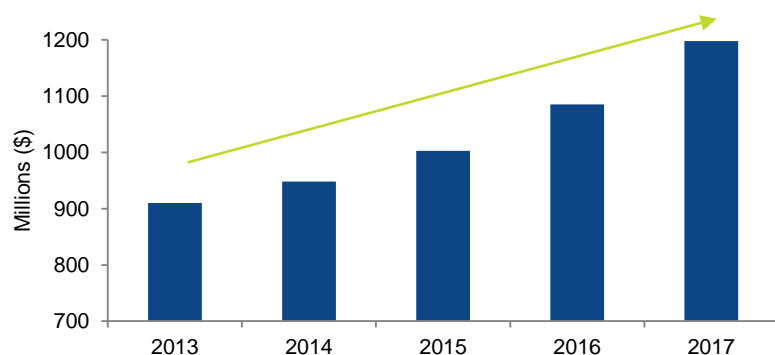
## Total passengers



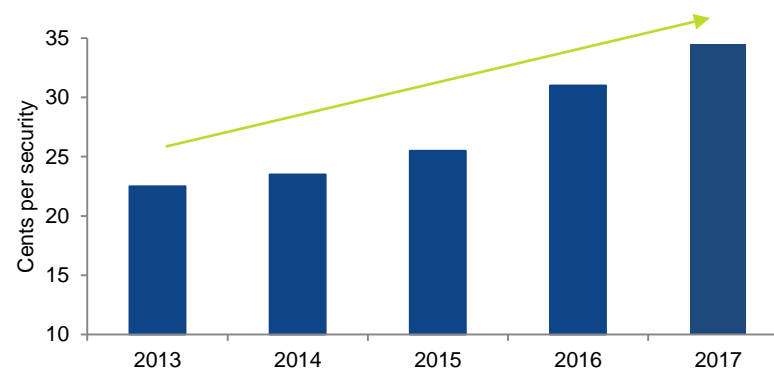
## Total revenue



## EBITDA



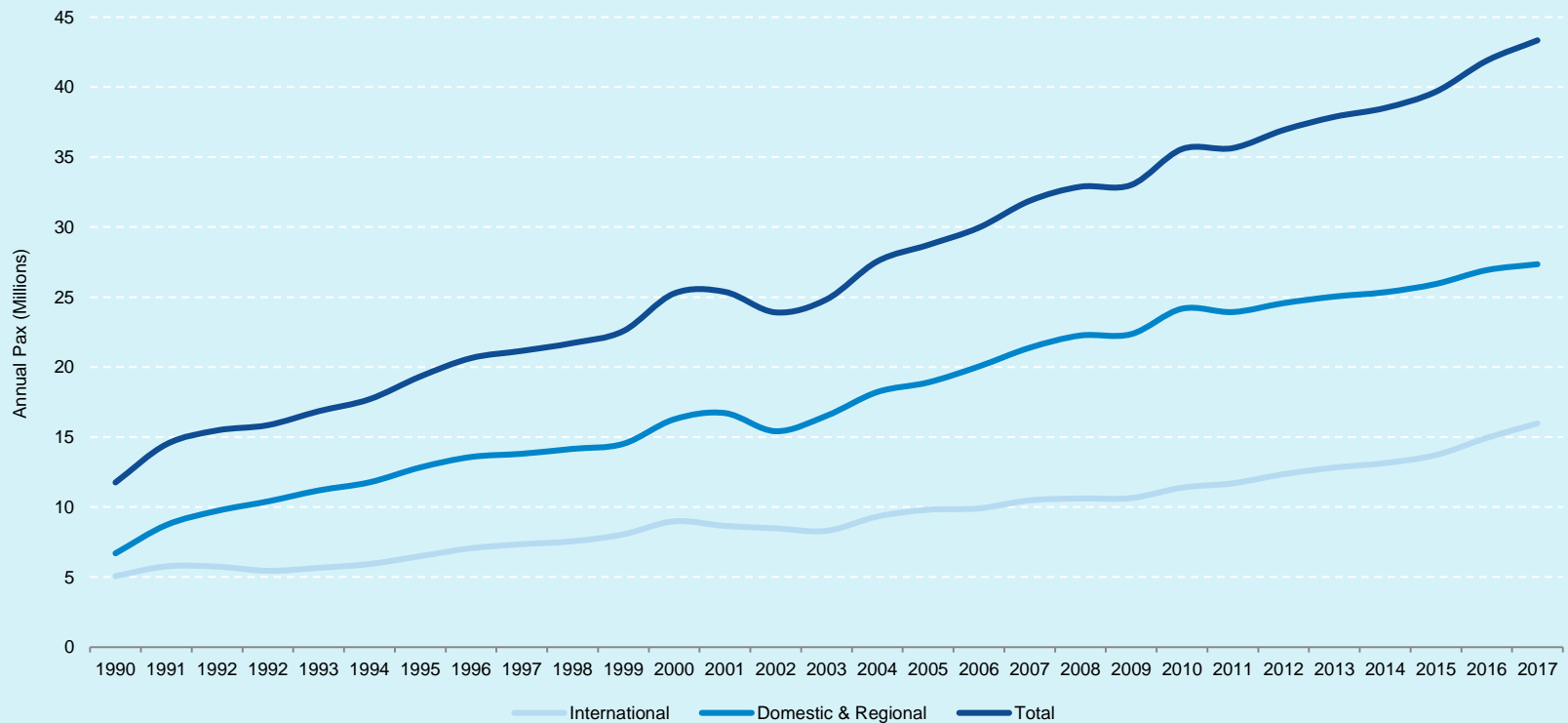
## Distributions



# Long term traffic growth



## Resilient passenger growth across economic cycles and events





# Traffic growth drivers



## Positive outlook for all key traffic growth drivers

### 1 Strong NSW economic growth continuing



### 2 Rising middle-class across Asia

88 percent of the next billion entrants into the middle class will be in Asia

By 2030, Asia could represent 2/3 of the global middle class population.

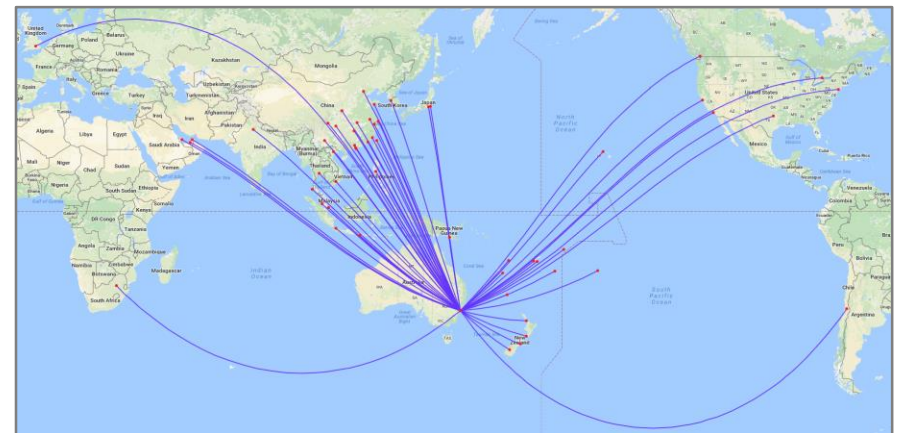


350m  
in CHINA

380m  
in INDIA

210m  
in rest of ASIA

### 4 International trade and bilateral agreements delivering growth in key markets



### 3 Aircraft size, range and seat density continue to increase







2018 distribution guidance provided of 37.5 cents, an 8.7% increase on 2017

## Distributions

### 2017 distribution of 34.5 cents per stapled security

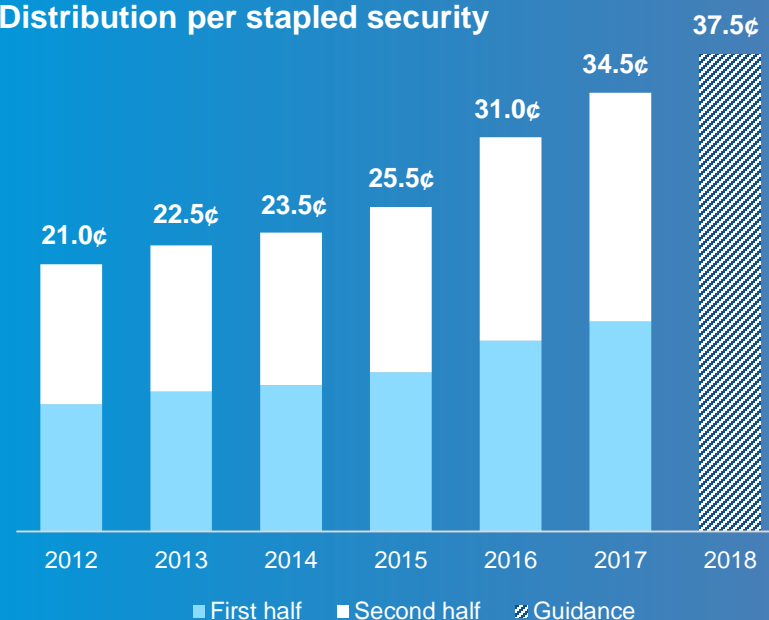
- Final distribution of 18.0 cents paid 14 February 2018
- Fully covered by Net Operating Receipts

### 2018 guidance of 37.5 cents per stapled security

- 8.7% growth on the 2017 distribution
- 10.8% 5-year CAGR
- Expected to be fully covered by Net Operating Receipts
- Guidance subject to aviation industry shocks and material forecast changes

## Consistent distribution growth

### Distribution per stapled security





# Initial thoughts after first four months



## Initial observations

1

Stellar performance and a well defined strategy

2

Deep and experienced team

3

Strong stakeholder relationships

4

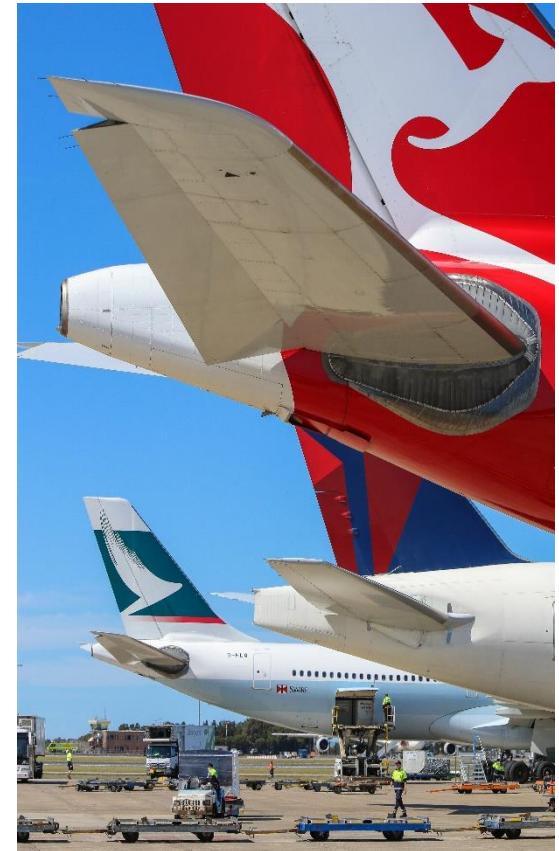
Positive company culture

5

Commitment to sustainability

6

Significant business growth potential





# Strong performance in 2017



## Results at a glance

### REVENUE

**\$1,483.3m**

⬆ 8.7% from 2016

### NET OPERATING RECEIPTS\*

**\$789.8m**

⬆ 13.5% from 2016

### PASSENGERS

**43.3m**

⬆ 3.6% from 2016

### EBITDA\*

**\$1,198.9m**

⬆ 8.3% from 2016

### FULL YEAR DISTRIBUTION PER SECURITY

**34.5c**

⬆ 11.3% from 2016

### AIRCRAFT MOVEMENTS

**348,522**

⬆ 0.6% from 2016

# Strong growth across the business



Our strategy is delivering sustainable results across all businesses



## Aeronautical

.....  
**\$670.6m**  
revenue

**↑ 9.2%**  
from 2016



## Retail

.....  
**\$333.1m**  
revenue

**↑ 12.7%**  
from 2016



## Property and Hotels

.....  
**\$221.4m**  
revenue

**↑ 8.4%**  
from 2016



## Parking and Ground Transport

.....  
**\$159.5m**  
revenue

**↑ 2.2%**  
from 2016

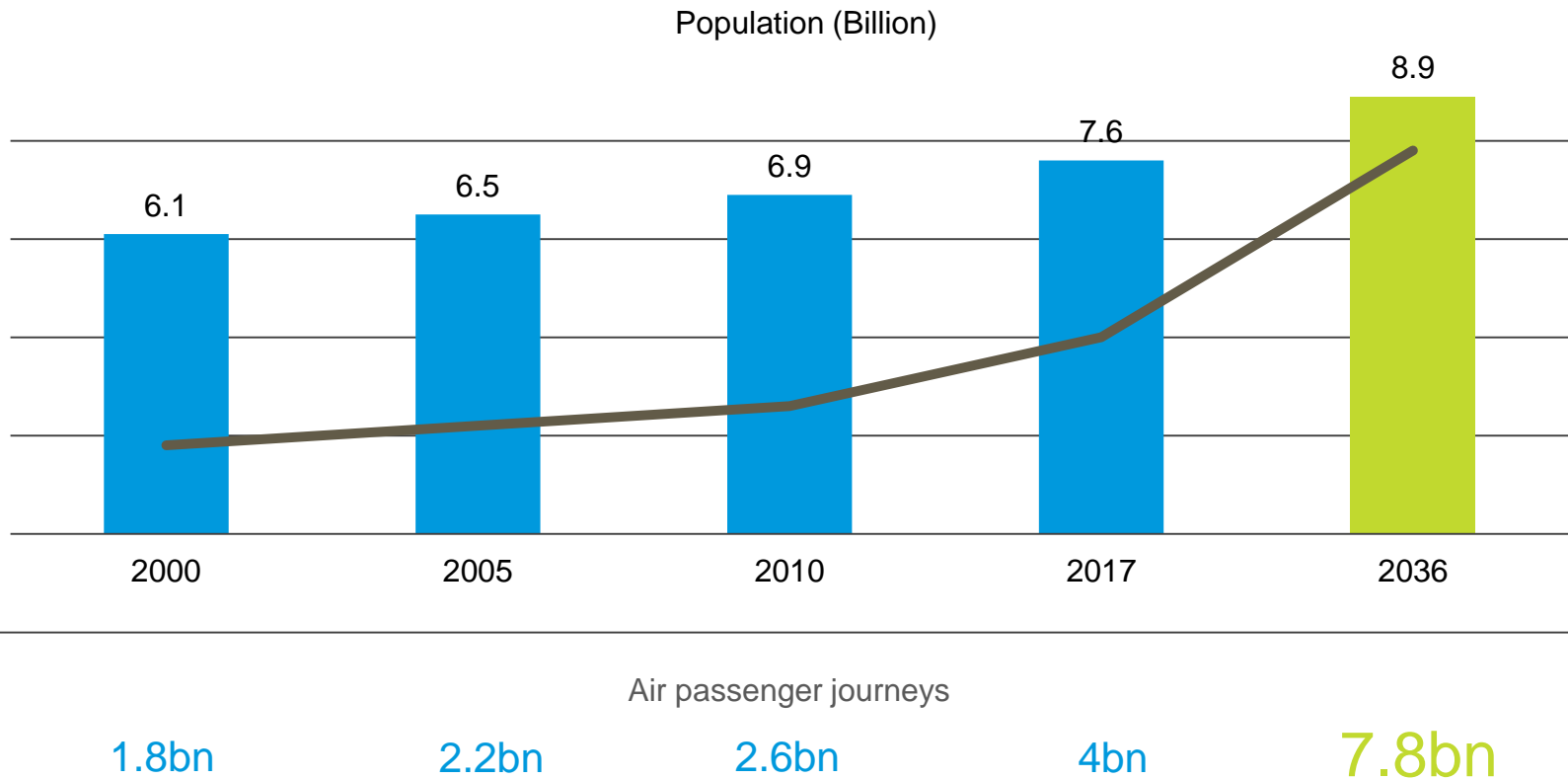
## Key focus areas for 2018







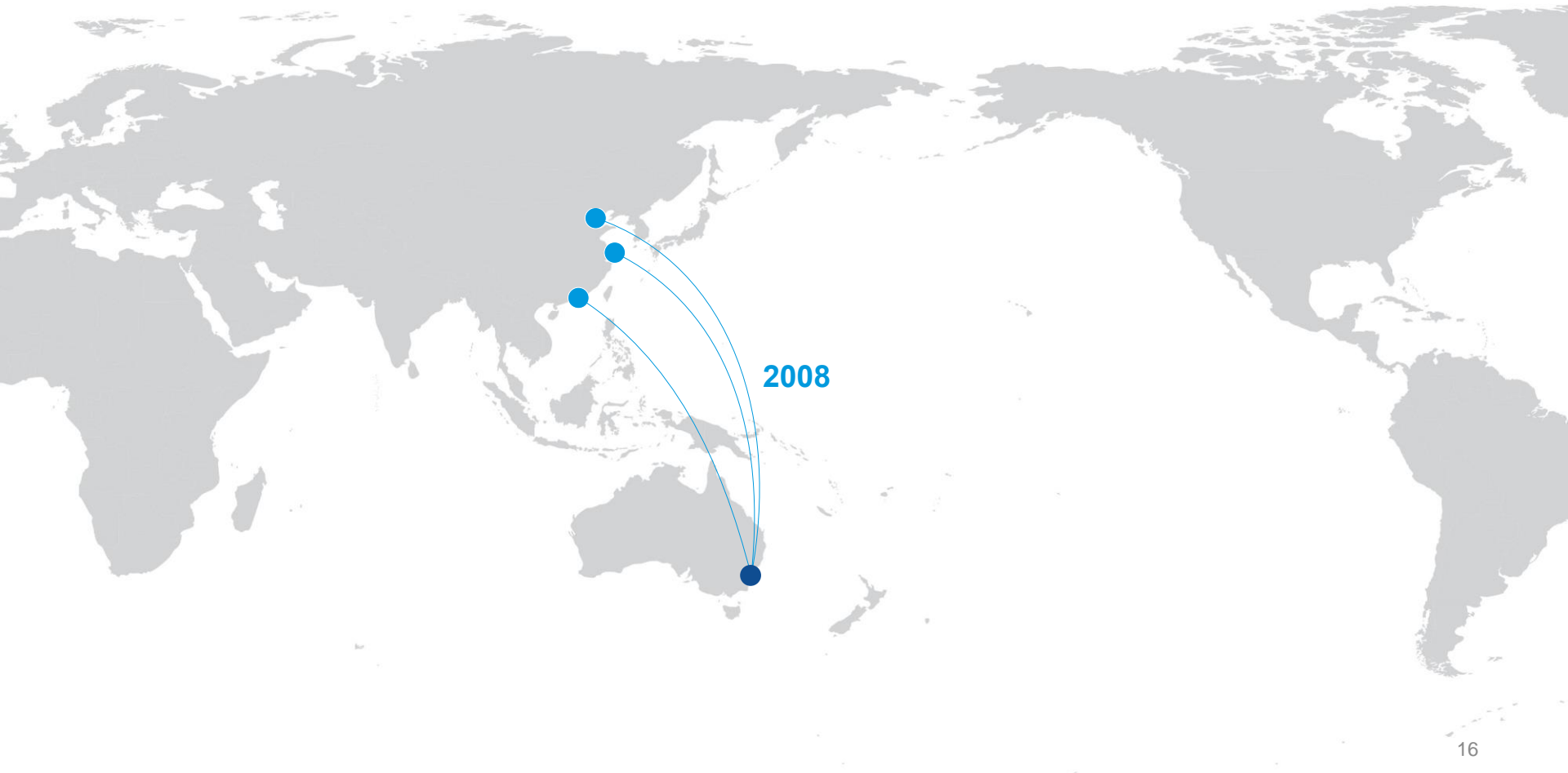
## Rise in global travel



# Capturing growth

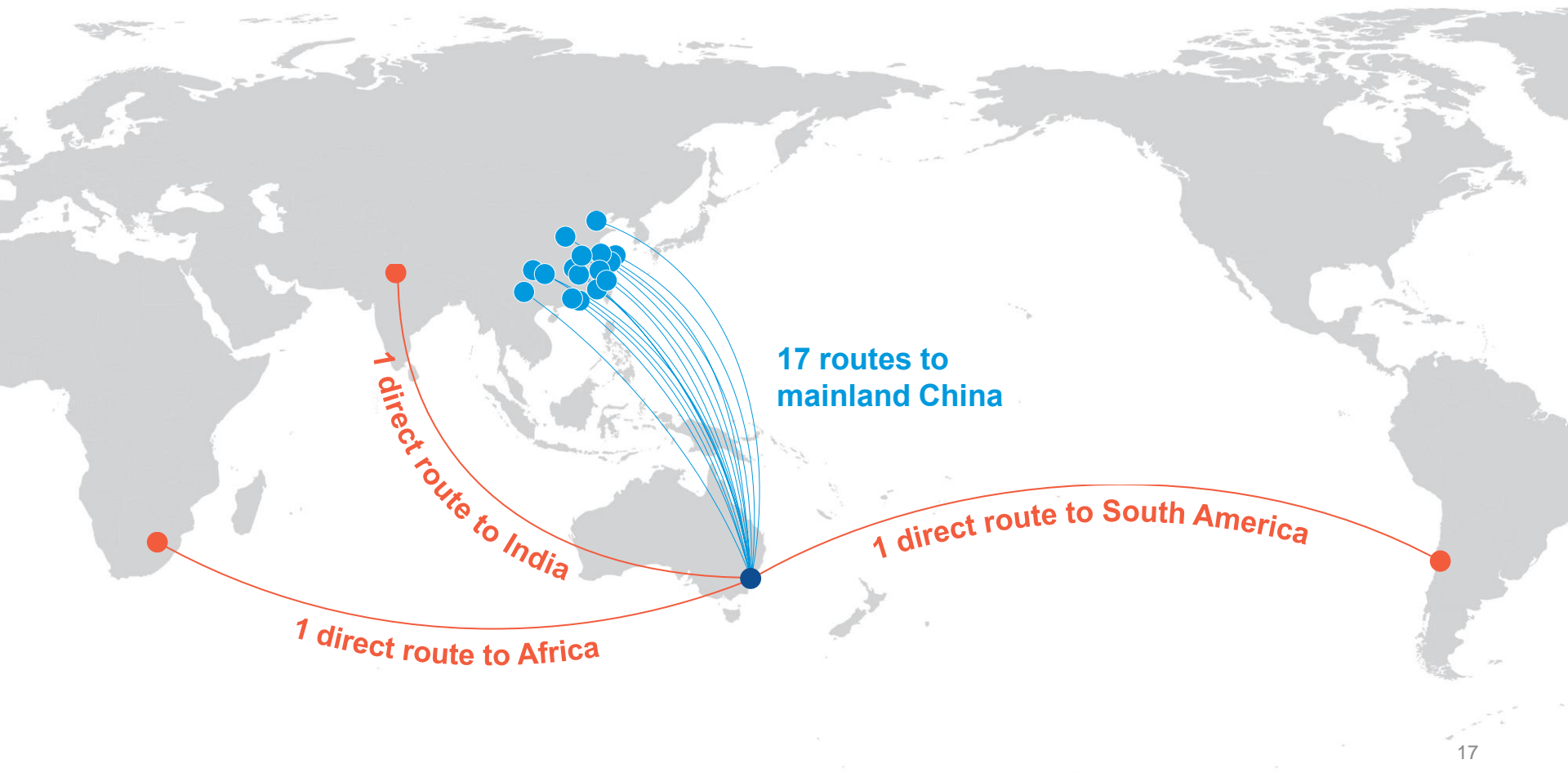


Growth in mainland China





## Global opportunities

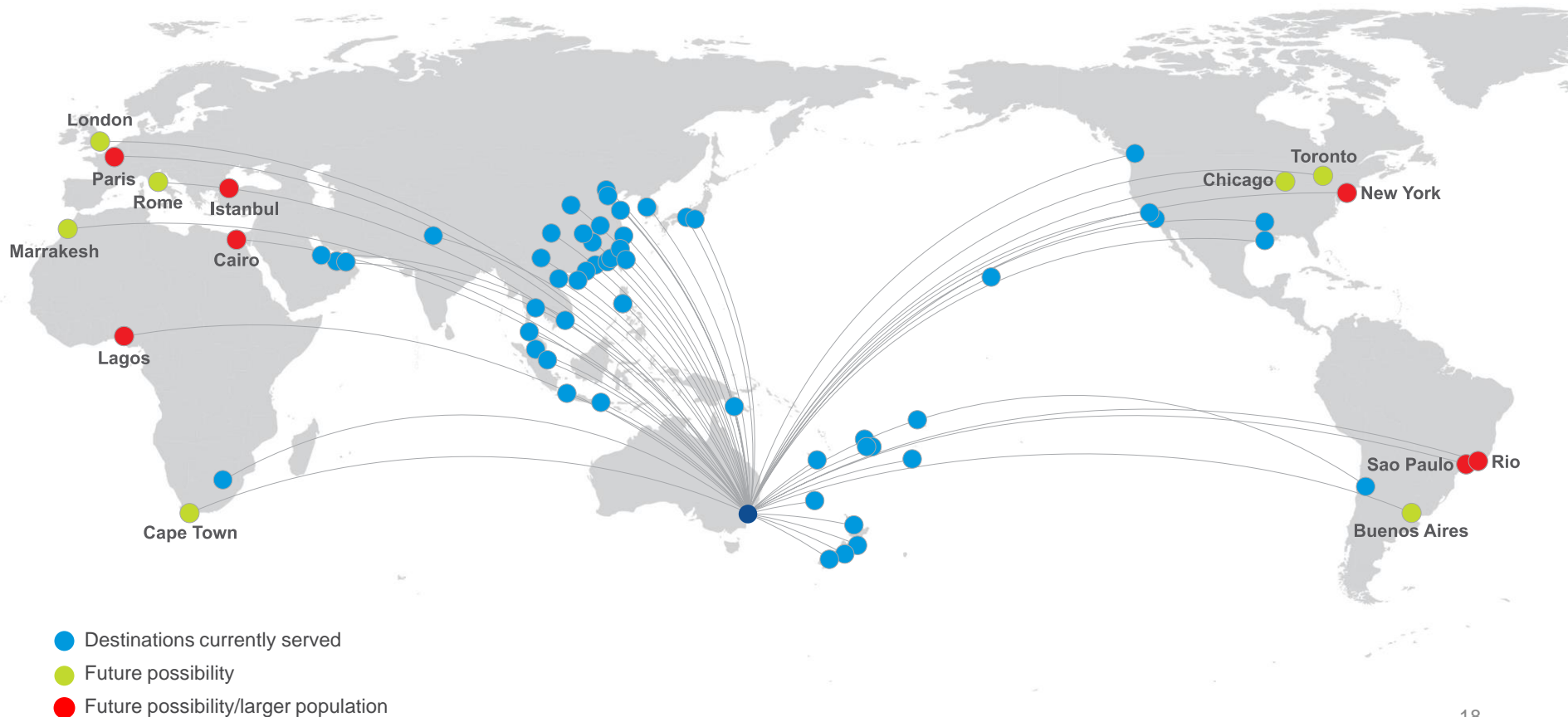




# Capturing growth



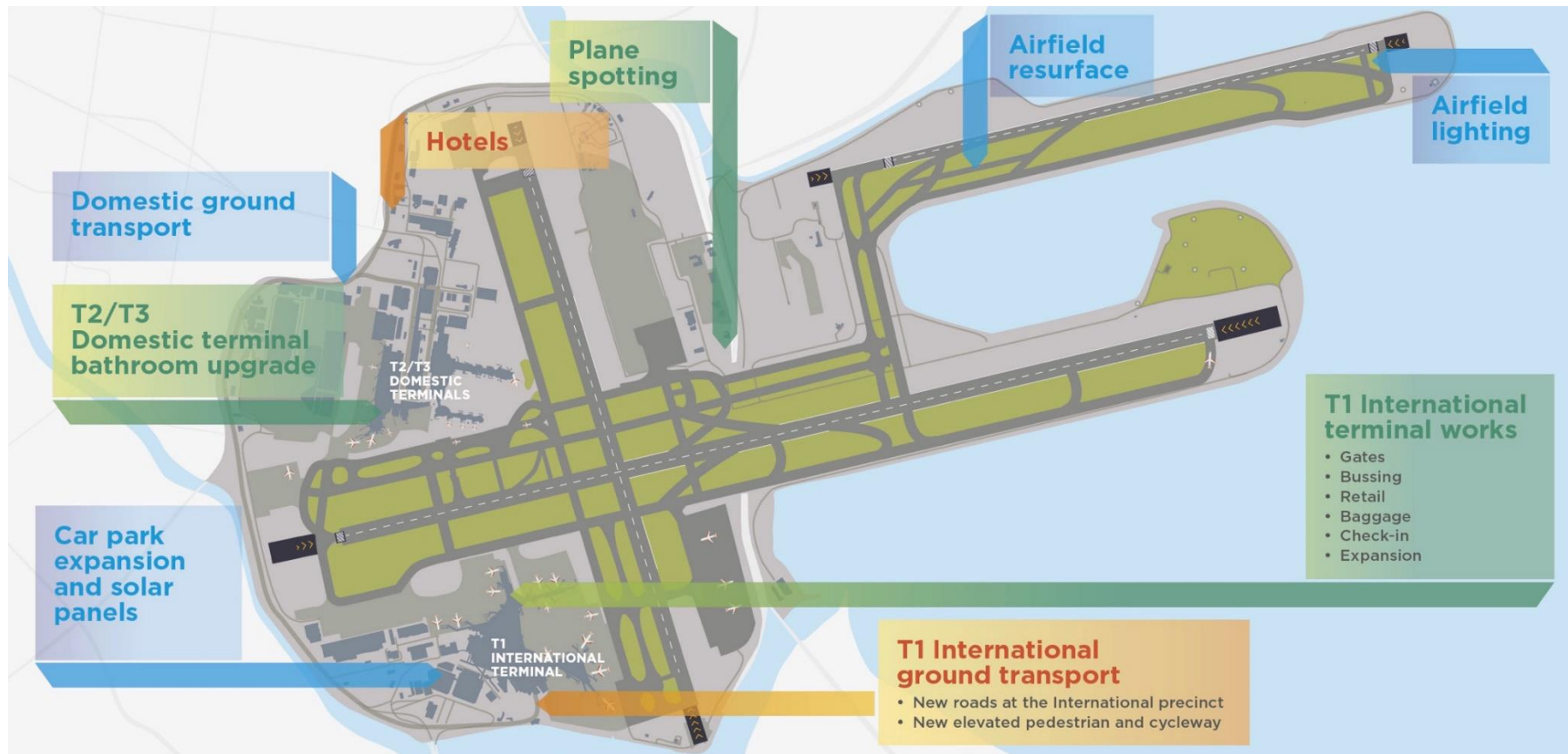
A world of possibility



# Investing for capacity



Invested more than \$1 million per day on aviation infrastructure and customer facilities















# Delivering for our customers



Customers responding positively to initiatives and investment

Customers tell us that some of the key drivers of satisfaction are ambience, cleanliness and wayfinding

## Surveys

RATINGS OUT OF 5	INTERNATIONAL	DOMESTIC
 OVERALL SATISFACTION	 <b>4.01</b> ↑ 3% from 2016	 <b>3.95</b> ↑ 1% from 2016
 AIRPORT AMBIENCE	 <b>4.17</b> ↑ 5% from 2016	 <b>4.11</b> ↑ 1% from 2016
 AIRPORT CLEANLINESS	 <b>4.24</b> ↑ 3% from 2016	 <b>4.14</b> ↑ 1% from 2016
 AIRPORT WAYFINDING	 <b>4.17</b> ↑ 4% from 2016	 <b>4.09</b> ↑ 2% from 2016





# Technology delivering customer benefits



Our biometrics process has the potential to revolutionise the passenger journey through our airport





Sydney Airport has invested more than \$200 million over five years on improving access to the airport, in conjunction with more investment from NSW Government

 **37%**

T1 TERMINAL KERBSIDE  
DROP-OFF CAPACITY

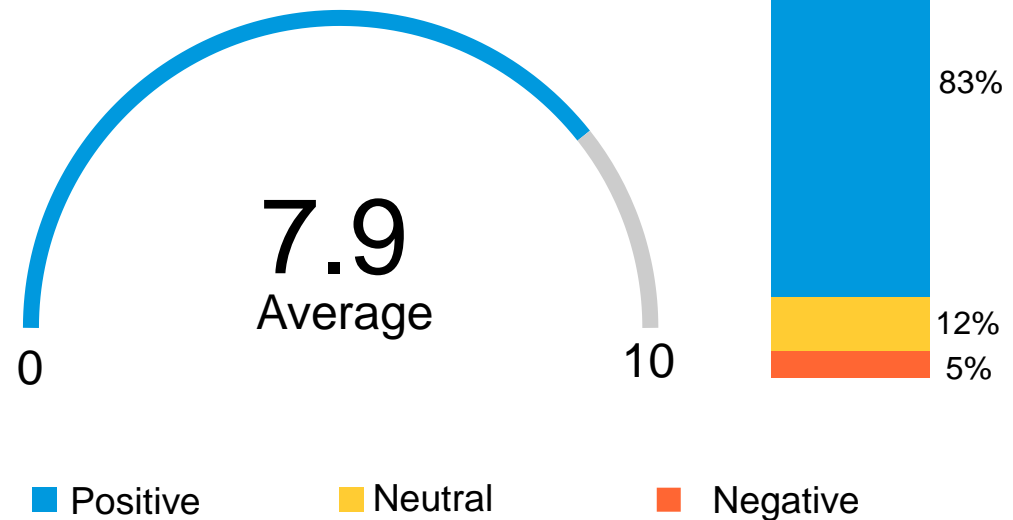
 **19%**

T1 ADDITIONAL DROP-OFF  
THROUGHPUT IN OVERFLOW

 **18%**

T1 VEHICLES AT DEPARTURES  
RAMP PINCH POINT

2018 Post trip survey  
results – all car parks





Sydney Airport is rated a global sustainability leader. Sustainability is driving positive outcomes for the business and our stakeholders

## CARBON INTENSITY REDUCTION

We achieved Level Three Carbon Accreditation for the second year, delivering



**27.2%** PER PAX

reduction in carbon intensity since 2010

## INTERNATIONAL CAPACITY

**25%**

of all scheduled international movements are on new quieter, low emission, next generation aircraft

## FTSE4GOOD AND DOW JONES INDICES

#10 on the DJSI index within the transport infrastructure sector



Our sustainability reporting was rated 'Leading'



## SUSTAINABLE DEVELOPMENT GOALS



Identified **9 sustainable development goals** within our sustainability report

## EMPLOYEE SAFETY

**#1** global ranking achieved for employee safety program by DJSI



**8,255** aviation safety hours

## GENDER EQUALITY

Global leader in Equileap's **Top 200 list**



FEMALE EMPLOYEES

**37.9%**

# Deepened commitment to Sydney and our community



A strengthened commitment to and investment in the community, the environment, sport and the arts

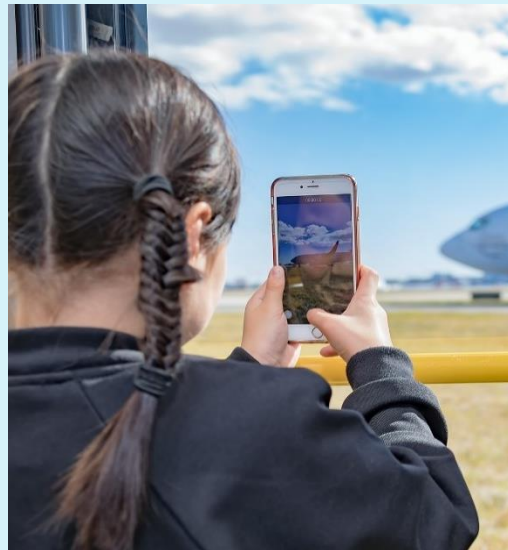
## Live Local

Keeping local communities connected, healthy, vibrant and thriving



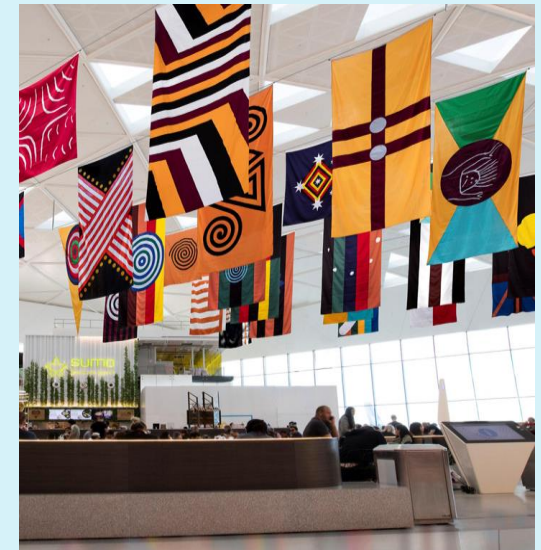
## Leading and Learning

Be the best you can be in your field. Supporting the leaders of tomorrow



## Sydney's Airport

An airport that embraces and showcases Sydney's best. Instilling pride in Sydney's airport







Aviation growth generates economic growth, creates jobs, and facilitates international trade and tourism for Sydney, NSW and Australia

**\$38.0 billion in  
economic activity**

**338,500 jobs  
generated**

**30,900 jobs  
on airport**







**Excellent traffic growth, strong business performance and positive macro tailwinds underpin a positive outlook**

## Key 2018 focus areas

- Continue to maximise our core business
- Grow new business opportunities
- Enhance the culture including strengthening our focus on the customer

## Guidance

- 2018 distribution guidance of 37.5c per stapled security
- Four year investment guidance (2018-2021) of \$1.3-1.5b supported by aeronautical charges and strong international passenger growth
- 2018 capex guidance \$380-\$420m











## General meetings

### Sydney Airport Limited

Consideration of Financial Statement and Reports

- Resolution 1.** Adoption of Remuneration Report
- Resolution 2.** Re-election of Trevor Gerber
- Resolution 3.** Re-election of Grant Fenn
- Resolution 4.** Election of Abigail Cleland
- Resolution 5.** Approval of the CEO Long Term Incentives for 2018

### Sydney Airport Trust 1

- Resolution 1.** Re-election of Russell Balding

## Proxies received



Total number of ASX-listed Sydney Airport stapled securities is  
2,253,213,234

Sydney Airport Limited – Resolutions	Valid proxies received
SAL Resolution 1	1,517,789,944
SAL Resolution 2	1,517,789,944
SAL Resolution 3	1,517,789,944
SAL Resolution 4	1,517,789,944
SAL Resolution 5	1,517,789,944

Sydney Airport Trust 1 – Resolution	Valid proxies received
SAT1 Resolution 1	1,517,789,944

# Sydney Airport Limited

## For questions only



### Financial Statement and Reports

To receive and consider the Financial Report of Sydney Airport Limited and its controlled entities for the financial year ended 31 December 2017, together with the statements and reports of directors and auditors forming part of the Financial Report



## Adoption of Remuneration Report

That the Remuneration Report, which forms part of the Directors' Report for the year ended 31 December 2017, be adopted



# Sydney Airport Limited Resolution 2



## Re-election of Trevor Gerber

That Trevor Gerber be re-elected as a director of Sydney Airport Limited

# Sydney Airport Limited Resolution 3



## Re-election of Grant Fenn

That Grant Fenn be re-elected as a director of Sydney Airport Limited

# Sydney Airport Limited Resolution 4



## Election of Abigail Cleland

That Abigail Cleland be elected as a director of Sydney Airport Limited



## Approval of the CEO Long Term Incentives for 2018

That approval be given for the acquisition by the CEO of Sydney Airport, Mr Geoff Culbert, of 181,698 Rights under the Sydney Airport Long Term Incentive Plan, and stapled securities of Sydney Airport on the future vesting of all or some of those Rights, on the basis described in the Explanatory Notes to the Notice convening this meeting



# Sydney Airport Trust 1 Resolution 1



## Re-election of Russell Balding

That the re-election of Russell Balding as a director of The Trust Company (Sydney Airport) Limited by its shareholder be approved



## Voting card colours

SECURITYHOLDER/  
PROXYHOLDER  
ADMISSION and  
VOTING CARD

NON VOTING  
ADMISSION CARD

VISITOR  
ADMISSION  
CARD

MEDIA CARD

# Proxy results\*



Total number of ASX-listed Sydney Airport stapled securities is 2,253,213,234


SAL Resolutions	For	Against	Undirected	Percentage of proxies received FOR the resolution
SAL Resolution 1	xxx,xxx	xxx,xxx	xxx,xxx	xx
SAL Resolution 2	xxx,xxx	xxx,xxx	xxx,xxx	xx
SAL Resolution 3	xxx,xxx	xxx,xxx	xxx,xxx	xx
SAL Resolution 4	xxx,xxx	xxx,xxx	xxx,xxx	xx
SAL Resolution 5	xxx,xxx	xxx,xxx	xxx,xxx	xx

SAT1 Resolution	For	Against	Undirected	Percentage of proxies received FOR the resolution
SAT1 Resolution 1	xxx,xxx	xxx,xxx	xxx,xxx	xx

\*These results do not include votes cast in person at the meeting



**Sydney Airport** 

A high-angle photograph of a Virgin Australia Boeing 747-400 aircraft on a runway. The aircraft is white with red accents on the tail and engines. The text "virgin australia" is visible on the fuselage. The registration "VH-ZPD" is visible on the tail. The aircraft is positioned horizontally across the frame.

# Destruction of proxy forms and voting papers





# Refreshments