

Wellington International Airport Limited

14 February 2017

FINAL

# TERMS SHEET

Fixed rate 2025 Bonds maturing  
Monday 16 June 2025







### Final Terms Sheet

14 February 2017

This Terms Sheet sets out the key terms of the offer ("**Offer**") by Wellington International Airport Limited ("**WIAL**") of \$70,000,000 fixed rate Bonds maturing on 16 June 2025 ("**2025 Bonds**") under its master trust deed dated 1 December 2008 (as amended from time to time) ("**Trust Deed**") as modified and supplemented by the supplemental trust deed dated 14 December 2016 (together, "**Trust Documents**") entered into between WIAL and Trustees Executors Limited ("**Supervisor**"). Unless the context otherwise requires, capitalised terms used in this Terms Sheet have the same meaning given to them in the Trust Documents.

### Important Notice

The offer of debt securities by WIAL is made in reliance upon the exclusion in clause 19 of schedule 1 of the Financial Markets Conduct Act 2013 ("**FMCA**").

The offer contained in this Terms Sheet is an offer of 2025 Bonds that have identical rights, privileges, limitations and conditions (except for the interest rate and maturity date) as:

- WIAL's bonds maturing on 15 May 2021, which have a fixed interest rate of 6.25% per annum and are currently quoted on the NZX Debt Market under the ticker code WIA020;
- WIAL's bonds maturing on 12 May 2023, which have a fixed interest rate of 4.25% per annum and are currently quoted on the NZX Debt Market under the ticker code WIA030; and
- WIAL's bonds maturing on 5 August 2024, which have a fixed interest rate of 4.00% per annum and are currently quoted on the NZX Debt Market under the ticker code WIA040,

(together the "**Existing bonds**").

Accordingly, the 2025 Bonds are the same class as the Existing bonds for the purposes of the FMCA and the Financial Markets Conduct Regulations 2014.

WIAL is subject to a disclosure obligation that requires it to notify certain material information to NZX Limited ("**NZX**") for the purpose of that information being made available to participants in the market and that information can be found by visiting [www.nzx.com/companies/WIA](http://www.nzx.com/companies/WIA).

The Existing bonds are the only debt securities of WIAL that are currently quoted and in the same class as the 2025 bonds.

Investors should look to the market price of the Existing bonds referred to above to find out how the market assesses the returns and risk premium for those bonds.



## KEY TERMS OF THE 2025 BONDS

Issuer	Wellington International Airport Limited (“WIAL”)		
Description	<p>The 2025 Bonds are unsecured, unsubordinated, fixed rate interest bearing debt obligations of WIAL.</p> <p>The obligations of WIAL with respect to the 2025 Bonds are not guaranteed by any Subsidiary of WIAL or any other person and are not secured in any way against any assets of WIAL or the WIAL Group.</p>		
Purpose	WIAL will use the net proceeds of the Offer for general corporate purposes.		
Credit Ratings	<div><div>S&amp;P Global</div><div>A rating is not a recommendation by any rating organisation to buy, sell or hold the 2025 Bonds. The above credit ratings are current as at the date of this Terms Sheet and may be subject to suspension, revision or withdrawal at any time by S&amp;P Global.</div></div>	<div><div>Issuer Rating</div><div>BBB+ (Stable)</div></div>	<div><div>Issue Rating</div><div>BBB+</div></div>
Issue Amount	\$70,000,000		
Opening Date	Thursday, 15 December 2016		
Closing Date	5.00pm on Tuesday 14 February 2017. The offer can be closed early at WIAL’s sole discretion.		
Issue Date and Allotment Date	Bonds will be allotted on 16 December 2016, 16 January 2017, 31 January 2017 and, 17 February 2017.		
Maturity Date	Monday, 16 June 2025		
Interest Rate	5.00 per cent per annum.		
Interest Payments	<p>Interest will be paid on 16 June and 16 December in each year (“Interest Payment Dates”) up to and including the Maturity Date. Other than for the first Interest Payment Date, interest will be payable semi-annually in arrears in equal amounts each Interest Payment Date.</p> <p>Interest payable on the first Interest Payment Date will accrue at the Interest Rate from (and including) the date on which your subscription moneys have been banked into the trust account operated in respect of the Offer to (but excluding) the first Interest Payment Date. Interest payable on the first Interest Payment Date will be paid to the original subscriber of the 2025 Bonds regardless of any transfer of the 2025 Bonds prior to the first Interest Payment Date.</p> <p>If an Interest Payment Date is not a Business Day, the due date for the payment to be made on that date will be the next following Business Day and no adjustment will be made to the amount payable as a result of the delay in payment.</p>		
Change to Interest Rate	If, on any Test Date, Total Interest Bearing Debt exceeds 60% of Total Tangible Assets, then the Interest Rate for the next Interest Period shall increase by 0.50% per annum over the original Interest Rate.		

<b>Early Redemption</b>	<p>WIAL may elect to redeem, some or, all of the 2025 Bonds by giving written notice to the Supervisor and the Holders of the 2025 Bonds no later than five Business Days prior to any Record Date. Such notice must be given at a date not less than 25 Business Days before the Maturity Date. On early redemption, WIAL will pay to Holders of the 2025 Bonds the greater of:</p> <ul style="list-style-type: none"> <li>a) the Principal Amount plus accrued interest (less any withholding taxes and other deductions); and</li> <li>b) the average price, weighted by volume, of all trades of 2025 Bonds through NZX over the 10 Business Days up to the fifth Business Day before the relevant redemption date (except that if 2025 Bonds have not been sold through NZX on at least five of the 10 Business Days referred to above, the average price will be determined by an independent adviser selected by the Supervisor and approved by the Issuer).</li> </ul> <p>Holders of the 2025 Bonds have no right to require WIAL to redeem their 2025 Bonds prior to the Maturity Date, except following an Event of Default.</p>
<b>Record Date</b>	The tenth calendar day before the due date for that payment or, if that day is not a Business Day, the preceding Business Day or such other date as is advised by the Registrar to Holders from time to time.
<b>Issue Price</b>	\$1.00 per 2025 Bond.
<b>Minimum Application</b>	The minimum application is \$10,000, with multiples of \$1,000 thereafter.
<b>Registrar</b>	Link Market Services Limited
<b>Further Indebtedness</b>	WIAL may, without the consent of the Holders of the 2025 Bonds, issue additional securities or other debt obligations on such other terms and conditions as WIAL may think fit.
<b>Financial Covenants</b>	<p>WIAL shall ensure that, on each Test Date:</p> <ul style="list-style-type: none"> <li>a) Total Secured Debt does not exceed 10% of Total Tangible Assets; and</li> <li>b) Total Interest Bearing Debt does not exceed 70% of Total Tangible Assets,</li> </ul> <p>(as those terms are defined in the supplemental trust deed for the 2025 Bonds).</p>

<b>How to apply</b>	<p>All of the 2025 Bonds may be reserved for clients of the Lead Manager, institutional investors and other primary market participants. Accordingly, retail investors should contact the Lead Manager, their financial adviser or any primary market participant for details on how they may acquire 2025 Bonds. You can find a primary market participant by visiting <a href="http://www.nzx.com/investing/find_a_participant">www.nzx.com/investing/find_a_participant</a>.</p> <p>Applications sent directly to the Issuer or Registrar may, at the Issuer's discretion, be accepted but there is no guarantee that they will be.</p> <p>Applicants accepting an Allocation from the Lead Manager, or primary market participant must return a completed application form to the office of the organisation which has provided the Allocation in time to enable it to be forwarded to the Registrar, three Business Days prior to the second and third Allotment Dates, or before the Closing Date for the offer.</p> <p>Allotment of the 2025 Bonds will be at WIAL's discretion, in consultation with the Lead Manager. WIAL reserves the right to refuse all or any part of an application without giving any reason.</p> <p>If WIAL refuses an application or accepts an application in part, all or the relevant balance of the application moneys will be returned (without interest) as soon as reasonably practicable and, in any event, within five Business Days after such refusal or acceptance in part.</p> <p>Each investor's financial adviser will be able to advise them as to what arrangements will need to be put in place for the investors to trade the 2025 Bonds including obtaining a common shareholder number ("<b>CSN</b>"), an authorisation code ("<b>FIN</b>") and opening an account with a primary market participant as well as the costs and timeframes for putting such arrangements in place.</p>
<b>ISIN</b>	NZWIAD0050L6
<b>NZX Waiver</b>	<p>NZX has granted WIAL a waiver from NZX Debt Market Listing Rule 5.2.3 to enable WIAL to apply for quotation on the NZX Debt Market even though the 2025 Bonds may not initially be held by at least 100 members of the public holding at least 25% of the 2025 Bonds issued. The waiver has been granted for a period of six months from the quotation date of the 2025 Bonds. The effect of the waiver from NZX Debt Market Listing Rule 5.2.3 is that initially the 2025 Bonds may not be widely held and there may be reduced liquidity in the 2025 Bonds. When the 2025 Bonds meet the spread requirements of NZX Debt Market Listing Rule 5.2.3, WIAL will notify NZX accordingly.</p>
<b>Transfers</b>	<p>Holders are entitled to sell or transfer their 2025 Bonds at any time subject to the terms of the Trust Documents and applicable securities laws and regulations. WIAL may decline to register a transfer of 2025 Bonds for the reasons set out in the Trust Documents.</p> <p>The minimum amount of 2025 Bonds a Holder can transfer is \$1,000, and integral multiples of \$1,000 thereafter. No transfer of 2025 Bonds or any part of a Holder's interest in a 2025 Bond will be registered if the transfer would result in the transferor or the transferee holding or continuing to hold 2025 Bonds with an aggregate principal amount of less than the minimum holding of \$10,000 (other than zero).</p> <p>NZX has approved these restrictions on the transfer of the 2025 Bonds.</p>

<b>NZX Quotation</b>	WIAL will take any necessary steps to ensure that the 2025 Bonds are, immediately after issue, quoted. Application has been made to NZX for permission to quote the 2025 Bonds on the NZX Debt Market and all the requirements of NZX relating thereto that can be complied with on or before the distribution of this Terms Sheet have been duly complied with. However, NZX accepts no responsibility for any statement in this Terms Sheet. NZX is a licensed market operator and the NZX Debt Market is a licensed market under the FMCA.
<b>Underwriting</b>	The 2025 Bonds will not be underwritten.
<b>NZX Debt Market Ticker Code</b>	WIA050
<b>Expected Date of Initial Quotation on the NZX Debt Market</b>	19 December 2016
<b>Selling Restrictions</b>	<p>The 2025 Bonds may only be offered for sale in New Zealand in conformity with all applicable laws and regulations in New Zealand. No 2025 Bonds may be offered for sale in any other country or jurisdiction except with the prior consent of WIAL and in conformity with all applicable laws and regulations of that country or jurisdiction and the selling restrictions contained in this Terms Sheet. The offshore selling restrictions set out in the schedule to this Terms Sheet apply to the 2025 Bonds.</p> <p>This Terms Sheet may not be published, delivered or distributed in or from any country or jurisdiction except under circumstances which will result in compliance with all applicable laws and regulations in that country or jurisdiction and the selling restrictions contained in this Terms Sheet.</p> <p>By purchasing the 2025 Bonds, each Holder agrees to indemnify WIAL in respect of any loss, cost, liability or expense sustained or incurred by WIAL as a result of the breach by the Holder of the selling restrictions set out above.</p>
<b>Arranger, Lead Manager and Organising Participant</b>	ANZ Bank New Zealand Limited.
<b>Supervisor</b>	Trustees Executors Limited.
<b>Governing Law</b>	New Zealand.

The dates set out in this Terms Sheet are indicative only and are subject to change. WIAL has the right in its absolute discretion and without notice to close the Offer early, to accept late applications, to extend the Closing Date or to choose not to proceed with the Offer. If the Closing Date is extended, subsequent dates may be extended accordingly.

Copies of the Trust Documents are available at WIAL's website at [www.wellingtonairport.co.nz/Bonds](http://www.wellingtonairport.co.nz/Bonds).

Any internet site addresses provided in this Terms Sheet are for reference only and, except as expressly stated otherwise, the content of any such internet site is not incorporated by reference into, and does not form part of, this Terms Sheet.

Investors should seek qualified independent financial and taxation advice before deciding to invest. In particular, you should consult your tax adviser in relation to your specific circumstances. Investors will also be personally responsible for ensuring compliance with relevant laws and regulations applicable to them (including any required registrations).

For further information regarding WIAL, visit [www.nzx.com/companies/WIA](http://www.nzx.com/companies/WIA).







## Offshore Selling Restrictions

### Australia

No prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia (*Corporations Act*)) in relation to the 2025 Bonds has been, or will be, lodged with, or registered by, the Australian Securities and Investments Commission (ASIC) or any other regulatory authority in Australia. No person may:

- a) make or invite (directly or indirectly) an offer of the 2025 Bonds for issue, sale or purchase in, to or from Australia (including an offer or invitation which is received by a person in Australia); and
- b) distribute or publish, any Terms Sheet, information memorandum, prospectus or any other offering material or advertisement relating to the 2025 Bonds in Australia, unless:
  - i) the aggregate consideration payable by each offeree or invitee is at least A\$500,000 (or its equivalent in an alternative currency and, in either case, disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or Part 7.9 of the Corporations Act;
  - ii) the offer or invitation is not made to a person who is a "retail client" within the meaning of section 761G of the Corporations Act;
  - iii) such action complies with all applicable laws, regulations and directives; and
  - iv) such action does not require any document to be lodged with ASIC or any other regulatory authority in Australia.

By applying for the 2025 Bonds under this Terms Sheet, each person to whom the 2025 Bonds are issued (an Investor):

- a) will be deemed by the Issuer and the Lead Manager to have acknowledged that if any Investor on-sells the 2025 Bonds within 12 months from their issue, the Investor will be required to lodge a prospectus or other disclosure document (as defined in the Corporations Act) with ASIC unless either:
  - ii) that sale is to an investor within one of the categories set out in sections 708(8) or 708(11) of the Corporations Act to whom it is lawful to offer the 2025 Bonds in Australia without a prospectus or other disclosure document lodged with ASIC; or
  - iii) the sale offer is received outside Australia; and
- b) will be deemed by the Issuer and the Lead Manager to have undertaken not to sell those 2025 Bonds in any circumstances other than those described in paragraphs (a)(i) and (a)(ii) above for 12 months after the date of issue of such 2025 Bonds.

This Terms Sheet is not, and under no circumstances is to be construed as, an advertisement or public offering of any 2025 Bonds in Australia.

### Hong Kong

The contents of this Terms Sheet and other documents relating to the 2025 Bonds have not been reviewed by any regulatory authority in the Hong Kong Special Administrative Region of the People's Republic of China ("Hong Kong"). You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this Terms Sheet and other documents relating to the 2025 Bonds, you should obtain independent professional advice. No 2025 Bonds have been offered or sold or will be or may be offered or sold in Hong Kong, by means of any document, other than (a) to 'professional investors' as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong ("Securities and Futures Ordinance") and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a 'prospectus' as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance.

No advertisement, invitation or document relating to the 2025 Bonds may be issued or in the possession of any person for the purposes of issue or will be issued or be in the possession of any person for the purposes of issue, in each case whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the 2025 Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to 'professional investors' as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

### Singapore

This Terms Sheet has not been registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act (Chapter 289 of Singapore) ("SFA"). Accordingly, this Terms Sheet and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the 2025 Bonds may not be circulated or distributed, nor may the 2025 Bonds be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to an offer referred to in Section 275(1A) of the SFA, and in accordance with the applicable conditions specified in Section 275 of the SFA or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the 2025 Bonds are acquired pursuant to an offer made in reliance on Section 275 of the SFA by a relevant person (as defined in Section 275(2) of the SFA) which is:

- a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the 2025 Bonds pursuant to an offer made under Section 275 of the SFA except:

- i) to an institutional investor (under Section 274 of the SFA) or to a relevant person as defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) of the SFA (in the case of that corporation) or Section 276(4)(i)(B) of the SFA (in the case of that trust);
- ii) where no consideration is or will be given for the transfer;
- iii) where the transfer is by operation of law;
- iv) as specified in Section 276(7) of the SFA; or
- v) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

#### Japan

The 2025 Bonds have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**"). Accordingly, no offer or sale, directly or indirectly, has been or will be made in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

#### European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**"), no 2025 Bonds have been offered and no 2025 Bonds will be offered which

are the subject of the offering contemplated by this Terms Sheet to the public in that Relevant Member State other than:

- a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the Lead Manager; or
- c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of 2025 Bonds shall require the Issuer or the Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive. For the purposes of this provision, the expression an "offer of 2025 Bonds to the public" in relation to any 2025 Bonds in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the 2025 Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the 2025 Bonds, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

#### Switzerland

This document is not intended to constitute an offer or solicitation to purchase or invest in the 2025 Bonds described herein. The 2025 Bonds may not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland. Neither this Terms Sheet nor any other offering or marketing material relating to the 2025 Bonds constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Code of Obligations or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange or any other regulated trading facility in Switzerland and neither this Terms Sheet nor any other offering or marketing material relating to the 2025 Bonds may be publicly distributed or otherwise made publicly available in Switzerland.

#### United Kingdom

Any communication, invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000, the "**FSMA**") has been or may be made or caused to be made or will be made in connection with the issue or sale of the 2025 Bonds in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or the Guarantor(s). All applicable provisions of the FSMA with respect to anything done in relation to the 2025 Bonds in, from or otherwise involving the United Kingdom have been and will be complied with.



## CONTACT DETAILS

### **Issuer**

Wellington International Airport Limited  
Wellington Airport Terminal  
Stewart Duff Drive  
PO Box 14 175  
Wellington

### **Registrar**

Link Market Services Limited  
Level 11, Deloitte Centre  
80 Queen Street  
Auckland

### **Arranger, Lead Manager and Organising Participant**

ANZ Bank New Zealand Limited  
ANZ Centre, Level 10  
171 Featherston Street  
Wellington 6140  
0800 269 476

### **Supervisor**

Trustees Executors Limited  
Level 5  
10 Customhouse Quay  
Wellington 6140

### **Legal advisers to WIAL**

Buddle Findlay  
State Insurance Tower  
1 Willis Street  
P O Box 2694  
Wellington 6140







Departure Gates 3-12 15:27

Destination	Gate	Time	Carrier
Wellington	3	15:30	Qantas
Wellington	4	15:30	Qantas
Wellington	5	15:30	Qantas
Wellington	6	15:30	Qantas
Wellington	7	15:30	Qantas
Wellington	8	15:30	Qantas
Wellington	9	15:30	Qantas
Wellington	10	15:30	Qantas
Wellington	11	15:30	Qantas
Wellington	12	15:30	Qantas

Please wait here for your boarding call

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WELLINGTON  
AIRPORT