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Auckland Council continues to show solid financial performance in half-year results

The Auckland Council Group results for the six months ended 31 December 2017 have been released today. The Group achieved a positive operating result in line with prior year due to close oversight of operational and capital expenditure.

The figures reflect the ongoing pressure on the region of continued population growth which, in turn, puts pressure on infrastructure investment requirements. Key areas of focus for Auckland Council are transport congestion and housing availability.

Group highlights include:

- Revenue of \$3,003 million, ahead of the prior year by \$226 million;
- Operating surplus before gains and losses of \$1,053 million, against the 31 December 2016 surplus of \$966 million, and after tax and other gains and losses of \$976 million;
- Total net Group debt (after cash on hand) was \$8,246 million, which has increased by \$277 million in the last six months; and
- Total assets amounted to \$49.2 billion, an increase of \$1.8 billion from 30 June 2017.

“As Auckland continues to grow, so do the infrastructure requirements within the Auckland region. The need to balance the council’s investment programme with

the demand on council's services and resources remains a challenge," says Acting Group Chief Financial Officer, Matthew Walker.

"We are focused on getting the right balance between investment in Auckland's future and keeping rates at manageable levels. These results demonstrate our commitment to this, while at the same time managing debt prudently."

"Our solid financial performance demonstrates the underlying strength in our financial management and our resolve to deliver the council's Ten-Year Budget".

"Last financial year the group delivered \$1.7 billion of investment, and we are continuing this focus on infrastructure with investment in the last six months of \$760 million."

Infrastructure investment includes \$149 million on water and wastewater projects, \$72 million on transport and travel demand management, \$220 million on roads and footpaths, and \$79 million on parks and community facilities.

"The council's credit ratings of AA (stable) from Standard and Poor's and Aa2 from Moody's were reaffirmed in October 2017."

For the full NZX announcement, please visit the NZX website.

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