

## **Market Release | 17 June 2020**

# **USPP covenant waivers agreed; S&P affirms credit rating as A- stable**

During its equity raise on 6 April 2020, Auckland Airport announced it would seek a waiver for its borrowing covenants with United States Private Placement (USPP) investors, who together hold US\$400 million of USPP notes through to 31 December 2021 (inclusive). The same waivers were agreed with Auckland Airport's banks prior to the equity raise, at which time all bank lines maturing before 31 December 2021 were extended into 2022 and 2023.

Yesterday, S&P affirmed Auckland Airport's long-term corporate credit rating at A- with a stable outlook.

Chief Financial Officer Philip Neutze said: "The covenant waivers agreed with our banks and USPP noteholders have provided Auckland Airport with added financial flexibility during this time of uncertainty and as we look to rebuild the business once the market begins to recover."

"We are also very pleased to have the company's long-term credit rating affirmed at A-, reflecting the strong liquidity position of the business following the equity raise, the covenant waivers and the steps we have taken to reduce operating costs and capital expenditure."

This morning Auckland Airport released its Monthly Traffic Update for April 2020 which included a preview for May 2020 indicating total passenger volumes were down 94.7% on the prior year.

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