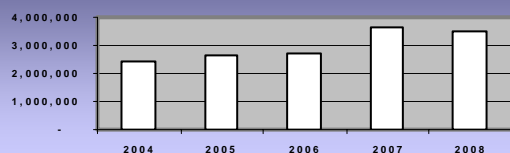
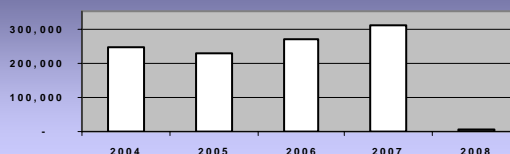


Graphs

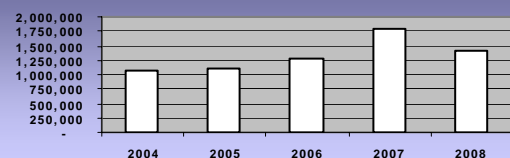
Operating Revenue at 31 December



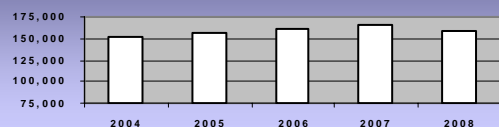
Surplus After Taxation at 31 December



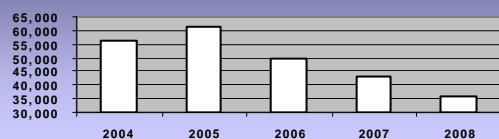
EBITDA at 31 December



Domestic Passenger Movements
For 6 months to 31 December



International Passenger Movements
For 6 months to 31 December



Highlights

Car parking revenue	Down 6%	\$720K
Landing charges revenue	Down 5%	\$857K
Lease rental revenue	Up 7%	\$640K
Operating surplus after tax	Down 98%	\$57K
Domestic passenger movements	Down 4%	158,000
Sale of WRAL land to Titanium Park Joint Venture		\$7.5M

Financial Performance Targets

	SOI Target to 30/06/2009	Actual @ 31/12/2009	Forecast to 30/06/2009
Net Profit after tax to average share-	0.50%	0.01%	-0.68%
Net Profit before tax/interest to total assets	2.28%	0.77%	1.26%
Net Profit after tax to total assets	0.32%	0.01%	-0.62%
Net Profit before tax/interest to aver-	3.49%	1.31%	1.38%
Percentage of Non Landing Charges	81.42%	75.18%	74.83%
Earnings before interest, taxation and depreciation (EBITDA)	2,878,199	1,417,388	2,408,942
Shareholders Funds to Total Assets	74%	71%	74%



Hamilton
International Airport

Waikato Regional Airport Limited

Trading as

Hamilton International Airport

Interim Report for the Six Months Ending
31 December 2008



www.hamiltonairport.co.nz

Financial Results

	31 December		Variance	Year To June-08
	2008	2007		
	\$000's	\$000's	%	\$000's
REVENUE				
Operating Revenue	3,396	3,625	-6%	7,127
Other Revenue	70	18	295%	36
Other Gains ¹	49	4,082	-99%	3,428
TOTAL REVENUE	3,515	7,725	-54.50%	10,591
EXPENSES				
Operating Expenditure	1,182	1,217	-4%	2,614
Employee Benefit Exps ²	778	589	32%	1,436
Bad Debts Written Off	-	-	-%	3
Depreciation & Amortisation	745	522	43%	1,130
Directors' Fees	49	48	3%	100
Donations	-	-	-	-
Interest - Fixed Loans	664	709	-6%	1,331
Interest - Other	-	-	-	7
Audit Fees ³	40	11	361%	47
Loss on Disposal of Assets	-	-	0.00%	12
TOTAL EXPENSES	3,458	3,096	12%	6,680
<i>Operating Surplus After Taxation</i>	57	4,629	-99%	3,911
<i>Taxation Expense</i>	-	238	-100%	23
<i>Operating Surplus After Taxation</i>	57	4,391	-99%	3,888

1 Gain on property sale 1,571 3,995
Gains (Losses) on swap contracts (1,522) 87

2 Increased employee benefits result from an increase in staff numbers and the timing of some remuneration payments.

3 Audit fees are higher as a result of the timing of payments to Audit NZ and a fuller provision to 31 Dec 08 for the current financial year.

NB All amounts shown are GST exclusive

Chairman's Report

On behalf of the Board and Management I am pleased to report on the first six months of the 2008-2009 financial year.

Overview

The six months to 31 December 08 has been a period of upheaval, not just for the airport, but for national and global economies.

In early October 08, Air NZ announced it's intention to suspend trans-Tasman flights from Hamilton to Sydney and the Gold Coast, to be effective from 31 March 09. Later in the year, the timing of the flight cuts was brought forward. Air NZ also advised that trans-Tasman flights to Brisbane were under review.

The planned cuts result in significant reductions to the airport revenue and profits.

In September 08, the airport received subdivision consent to enable surplus airport land to be transferred into the Titanium Park Joint Venture, and the subsequent property sale was settled in October 08. In light of the Air NZ announcements planning continued for the sale of three lots of non-strategic non-airport land to reduce debt over time.

Financial

Waikato Regional Airport Limited (WRAL) reports an after tax operating surplus of \$56,736 for the six months ending 31 December 08, compared with \$4,391,272 for the same period last year, a decrease of 99%.

	6 months to	6 months to
Aeronautical revenue	1,781	1,987
Non-aeronautical revenue incl gains/loses	1,734	5,738
Total Revenue and other income	\$3,515	\$7,725
Operating Expenses	1,106	1,125
Maintenance Expenses	76	91
Other Expenses	2,276	1,880
Taxation	0	238
Total Expenses	\$3,458	\$3,334
NPAT	\$57	\$4,391
Terminal Project	0	1,147
- Property Development	0	967
- Operational	634	40
Total Capital Expenditure	\$634	\$2,154

Chairman's Report cntd..

Passenger Statistics

For the first six months to 31 December 08 international passenger numbers dropped 20% compared to the same period last year. This reduction is principally because of a 43% drop in Australian residents coming through the airport, which occurred rapidly after the changeover of international flights from Freedom to Air NZ. There was also an 8% drop in local residents flying out of the airport, with this drop occurring in November and December 08 as the effects of the recession started to impact the international passenger market.

Domestic passenger numbers dropped 4% for the six months to 31 December 08. This reduction is a result of the recession, and increased domestic passenger competition from Auckland Airport.

Market Outlook

Air NZ will stop all of their international services from Hamilton at the end of April 09. WRAL is in discussions with a number of international airlines to fill the vacuum left in the market, however, it is not expected that an international airline will commence services in the immediate future.

Annual domestic passenger numbers are expected to be approximately 8% down for the full 2008/09 year. The drop in domestic passenger numbers is expected to reverse in the financial year 2010/11 with 1% annual growth.

Airport Developments

A partially operative plan change was recognised on 27 January 09 representing a significant milestone for the Titanium Park Joint Venture.

In early February 09, Air NZ announced all trans-Tasman flights would end on 25 April 09. The Company is working with Shareholders to reset the business to one which can operate as a domestic only operation in the foreseeable future.



Jerry Rickman

Chairman, Waikato Regional Airport Limited