



ADELAIDE AIRPORT WELL POSITIONED FOR STRONG FUTURE GROWTH

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Adelaide Airport Ltd (AAL) has maintained its status as the nation's fastest growing capital city airport, enabling the company to almost triple its annual profit.

The annual report, just released, showed AAL pre-tax profit soared from \$19.7 million to \$52.3 million in 2014/15, helped by a significant lift in property values and lower financing costs.

The net profit result rose from \$13.7 million in 2013/14 to \$36.5 million in 2014/15.

Total operating revenue climbed from \$171.1 million to \$178.7 million, AAL said in its annual report.

AAL chairman Rob Chapman said the solid financial results had positioned Adelaide Airport for strong future growth and enabled the airport company to make "some critical decisions on future infrastructure", including plans to expand the passenger terminal with additional gates.

Adelaide Airport added two new international gates in the past year.

Discussions for a developer and operator for the proposed 200-room airport hotel near the terminal, for which AAL sought expressions of interest earlier this year, were well advanced, Chapman added.

Despite flat global economic conditions, and the [withdrawal of AirAsia X's services to Kuala Lumpur](#) and Jetstar's Adelaide-Auckland flights, Chapman said international services continued to lead passenger growth, with the number of overseas travellers passenger rising three per cent to 935,500 in 2014/15.

The star performers were the direct Emirates service to Dubai and Cathay Pacific's nonstop flights to Hong Kong, while Jetstar and Virgin Australia's flights to Bali "continued to shine".

The current year will receive a small boost from the [start of Qatar Airways services to Doha with Airbus A350-900s in May](#), and AAL will boost its search for new airline entrants to the South Australian market.

In its quest for more overseas airlines to serve Adelaide, Chapman said connections with "cities in China and the US are very much on our radar".

To assist its drive, AAL is expanding its business development team.

AAL managing director Mark Young said that in appointing Jonathon Cheong as head of aviation business development, in what is a new role, AAL was seeking to build on its recent successes in attracting airlines to Adelaide.

AAL's current shareholders are UniSuper (49 per cent), Statewide Super (19.5 per cent), Colonial First State (15.3 per cent), Industry Funds Management (12.8 per cent) and Perron Investments (3.4 per cent).

Meanwhile, Chapman said AAL has refinanced a maturing debt and gained working capital through a private bond issue in the US market – a first for the company.

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