

2008

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report



FIRST CLASS

Salute to our golden gateway

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Prime Min
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Airports go to
new owner

EVERYTHING ran
smoothly at Adelaide's
domestic and inter-
national airport ter-
minals yesterday - the
first day of operation by
private enterprise.
A director of new
owner Adelaide Airport
Ltd, Mr Phil Baker,
said: "Any changes
today have been fairly
subtle. We want it to be
as seamless a transfer
as possible."
The Federal Airports
Corporation handed
control of the city's air-
port to the new owner

arrival yesterday, when his RAAF
VIP jet docked at one of the new
aerobridges at 11.20am.
And this weekend up to 200,000
people are expected to bus in to
the airport as the doors of the
terminal are finally flung open for
viewing by the public.
Mr Howard and Premier Mike
Rann conducted the official open-
ing ceremony in the arrival and
departures area, before attending
a gala lunch.

"It's a wonderful facility and I
think it will add enormous value
to the economy of South Australia."
Mr Howard told the lunch guests.
"It will add enormous value to
the cultural and other life of South
Australia."
"It will strengthen its links with
the rest of the world."
Mr Rann said the new airport
terminal would be an invaluable
"welcoming doormat for
coming



On May 28 2008 Adelaide Airport Ltd (AAL) began a year-long celebration of its 10th anniversary, marking the date when AAL and the Federal Government signed the operating lease for 50 years for Adelaide Airport and Parafield Airport, plus right of renewal for a further 49 years.

The privatisation of the airport has been an outstanding success, most notably the construction of the new terminal, attracting new airlines, significant passenger growth and the expansion of on-airport commercial development.

AAL also has won several national and international aviation awards since the new terminal opened.



corporate information

Chairman	The Company
David Munt	Adelaide Airport Limited (AAL) purchased the operating lease for Adelaide and Parafield Airports in May 1998, to operate the airports for the next 50 years with an option for a further 49 years. Adelaide Airport is the sixth largest international and fourth largest domestic airport in Australia. It is the aviation gateway to South Australia and handled 6.725 million passengers in the 2007/2008 financial year. Parafield Airport is South Australia's premier general aviation airport and is a major international training airport.
Managing Director	
Phil Baker	
Directors	
John McDonald	
Alan Mulgrew	
Graham Scott	
James Tolhurst	
John Ward	
Solicitors	Shareholders
Thomson Playford Cutlers	UniSuper Ltd - 38.51%
Auditors	Motor Traders Association of Australia Superannuation Fund Pty Ltd - 28.35%
PricewaterhouseCoopers	Local Government Superannuation Board - 16.15%
	Others - 16.99%
Registered Office	Subsidiaries
1 James Schofield Drive	100% Parafield Airport Limited
Adelaide Airport	100% Adelaide Airport Management Limited
South Australia 5950	100% New Terminal Financing Company Pty Limited
Phone: +61 8 8308 9211	100% New Terminal Construction Company Pty Limited
Fax: +61 8 8308 9311	
Email: airport@aal.com.au	
Website: www.aal.com.au	Front cover - articles courtesy 'The Advertiser'

our vision

Adelaide Airport will be a successful, modern, vibrant Centre and Gateway, promoting the economic benefits and cultural experience of South Australia. Customer service, critical to our success, will be provided at the highest levels to our community and stakeholders. Our people will be continuously developed to provide them with the requisite skills and experience to perform their duties efficiently. The environment, safety and security remain paramount.

our mission

AAL develops and operates Adelaide and Parafield Airports as a business enterprise. We deliver safe and efficient facilities for passengers, aircraft, freight and property services for tenants and retailers, alongside general commercial developments.

our values

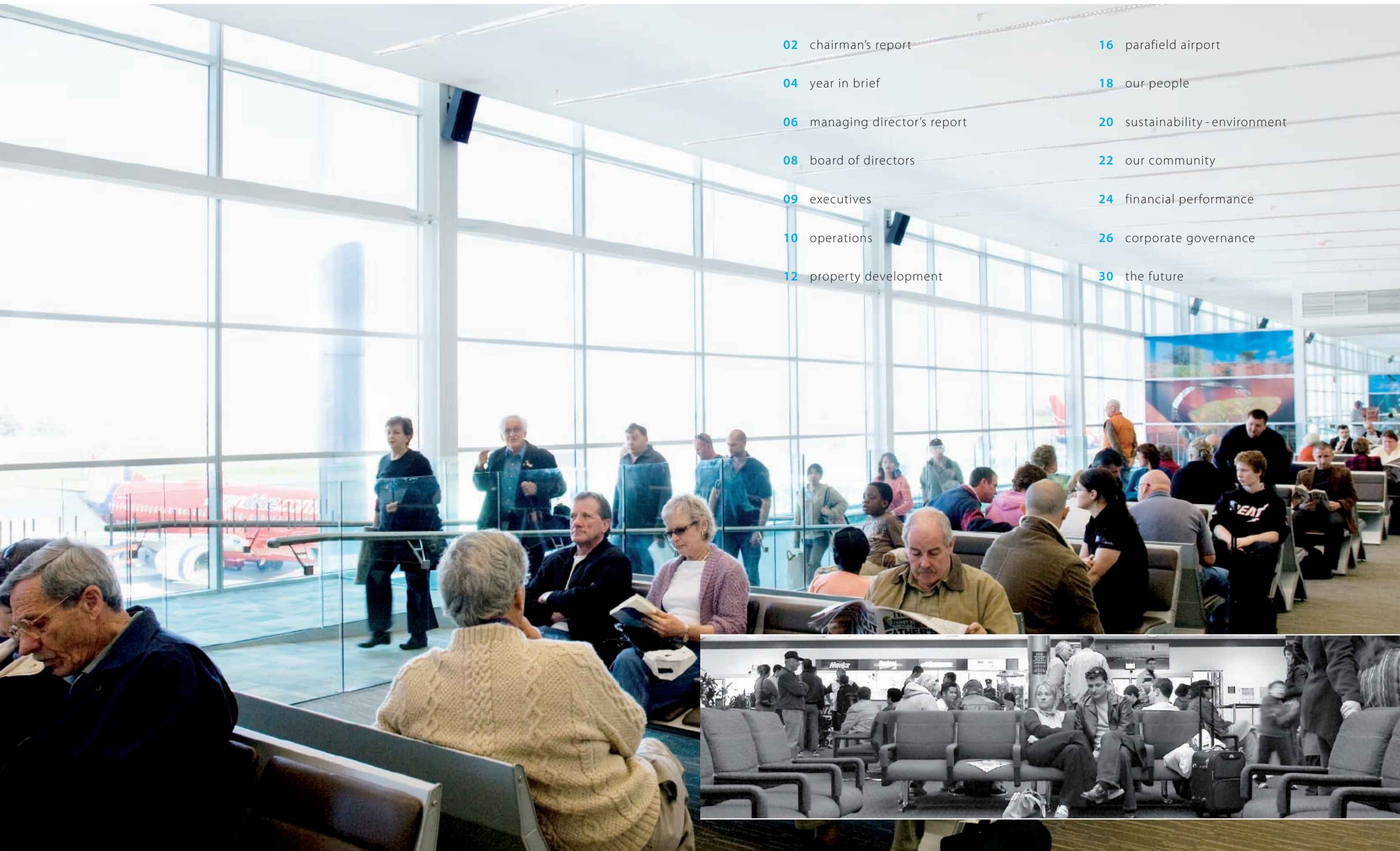
- We will:
- conduct ourselves with integrity in a responsible manner.
- be efficient and practical.
- remain open and friendly.
- be responsive and respectful.
- consistently behaving in a positive manner.

our edge

- We will thrive:
- by making timely and effective decisions.
- by developing innovative solutions.
- through clear and consistent communication with all stakeholders.

contents

02	chairman's report	16	parafield airport
04	year in brief	18	our people
06	managing director's report	20	sustainability - environment
08	board of directors	22	our community
09	executives	24	financial performance
10	operations	26	corporate governance
12	property development	30	the future



chairman's report

Adelaide Airport Ltd (AAL) has celebrated its 10th anniversary in style, with continued strong growth and attraction of new business in the face of a challenging period for the aviation industry.

In 1998, when AAL signed a 50 year lease with a 49 year option to extend with the Commonwealth Government to operate Adelaide and Parafield airports, few could have imagined the incredible highs and lows we would have encountered to reach this milestone.

On balance, and following yet another record breaking year, AAL has proven itself to be a leader in airport management through significant investment, prudent decision making and attraction of both aeronautical and non-aeronautical business.

A faltering international economy exacerbated by record fuel prices created considerable uncertainty in the ability of the aviation sector to continue its recent growth.

However, the local aviation sector has proved more resilient to economic shocks than in other countries, and this has been reflected in our financial year results and passenger figures.

In 2007/08, passenger numbers have surged through the 6½ million mark. While last year the strongest growth was in international traffic on the back of the opening of the new terminal, this year it is the regional sector that has provided the best results.

Importantly, passenger numbers for international, domestic and regional flights have all increased at a solid rate.

Overall AAL has invested well in excess of \$450 million in infrastructure works over time.

This year has also seen what could be described as the 'finishing touches' put on our state-of-the-art Terminal 1 building. Most notably, all retail tenancies within T1 are now filled, and the building is now being part powered by solar energy.

We now have our sights firmly on the next 10 years and beyond. To this end AAL is finalising plans for the next stage in its growth which will see more gates and more aircraft parking created at T1, as well as multi level car parking and a major hotel development.

AAL continues to place a high value on our non-aeronautical activities to balance the risks associated with operating a sustainable aviation business.

The Harbour Town Shopping Centre, opened just 5 years ago, is already undergoing a major expansion with the addition of a supermarket and further retail outlets, while Burbridge Business Park in the north western corner of the airport precinct continues to grow with the construction of office warehousing and the opening of Thermo Fisher Scientific's new premises.

AAL continues to play a major role in supporting the local community by committing a substantial amount towards worthy charities, sponsorship of community organisations and sporting clubs. We are also looking to revitalise the former playing fields to the west of the airport, and have called for Expressions of Interest from interested sporting groups to better utilise this space.

AAL's commitment to the environment remains strong. In addition to the new T1 solar system, we have supported the construction of a pipeline across airport land that will see recycled water pumped from the Glenelg Wastewater Treatment Plant to water the Adelaide Parklands.



David Munt - Chairman





Financial results

- Revenue (including interest)
\$140.5 million
(Last Year \$126.3 million)
- Earnings before interest, tax,
depreciation and amortisation and
fair value adjustment of investment
properties \$83.2 million
(last year \$74.7 million)
- Net profit before tax of \$18.6 million
(last year net profit before tax of
\$4.8 million)
- Dividends on redeemable
preference shares \$28.4 million
(last year \$28.3 million)
- Increase in fair value of investment
properties of \$14.1 million
(last year \$7.8 million)
- Credit Rating - Moody's upgraded
to Baa2 / stable; S&P upgraded to
BBB / stable

Statutory Compliance

- Aviation Security programs for both
Adelaide and Parafield endorsed
- Safety and Security regulatory audit
compliance satisfactorily maintained
- Equal Opportunity for Women
in the Workplace compliance
satisfactorily maintained
- DITRDLG lease review assessment
satisfactory report
- Health Safety and Environment Policy
and Procedures review well advanced

Airport Operations

- Air-side inspection regime introduced
through Airport Security Program
- Regional and Charter passenger
bussing operations successfully
introduced
- Long term car park expansion
successfully launched
- Sharp Aviation, Alliance and
Tiger Airways commenced operations

Property Development

- Bennett & Fisher Road through
Parafield Airport commissioned
- Burbridge Business Park Stage 2
commenced – new left in left out
access commissioned
- Taxi lay-off and rest room area
completed and commissioned
- Joint State Government and AAL
traffic access studies Stage 3 completed
and with Minister for sign off
- Supermarket construction in Tapleys
precinct commenced

Other Notable Events

- T1 Retail Precinct recognised
in State Awards
- Highest passenger numbers on
record continue to be achieved
- SA Water and Adelaide Airport
Water management MOU signed
- Joint State Government and AAL
solar energy project commissioned
- Business Continuity Plan developed
and practiced
- Parafield Airport celebrates 80 years
of operation
- Company's 10th Anniversary
project supporting Smith Family
in Regional SA
- Major sponsorship of the
Come Out Festival
- Major sponsorship of the
Young Achiever Awards



Towards the end of the financial year on 28 May 2008 to be exact, Adelaide Airport Ltd celebrated the 10th anniversary since securing the lease of both Adelaide and Parafield Airports from the Commonwealth Government.

Despite significant upheavals that have had an enormous impact on the aviation sector over the past decade, AAL has weathered the shocks, invested in its future and is now reaping the dividends.

Even over the past year, when a faltering worldwide economy and record oil prices has put pressure on the industry, we have continued to break records for patronage and provide facilities and services that are the best in Australia whilst continuing to be recognised internationally for customer service high quality.

While we highly value the views of our customers and peers through such scrutiny, the strongest sign of support has been the continued rapid increase in passenger numbers and our ability to attract new airlines to Adelaide.

Only last year we reported that we had passed the 6 million annual passengers milestone. One year later we are already starting to close in on the 7 million passenger mark.

For the 2007/08 financial year, Adelaide Airport recorded a 7.5 per cent increase to 6.725 million passengers. Leading the way has been growth in regional traffic, where we saw a 15.4 per cent jump in passengers to 546,000. Domestic patronage increased 6.8 per cent to 5.69 million, while international numbers increased by 7.12 per cent to 485,000.

To put this in perspective, prior to constructing the terminal in 2003, we projected what our likely growth would be over the first ten years life of the building once open. We are currently some six years ahead of those historical forecasts.

Whilst airlines generate this growth, AAL actively encourages all carriers to expand their existing frequencies and regularly presents information to current and new airlines to investigate

the potential for additional routes to expand the range of destinations available. In January this year, Tiger Airways commenced regular flights between Adelaide and Melbourne and at the time of writing, Tiger has just announced it will set up a second base at Adelaide Airport in 2009. The existing domestic airlines, Qantas, Virgin and Jetstar have all increased services recently too.

We are delighted with the continued support of our incumbent international operators, who remain the backbone of our operation. However, we are hoping to expand our network in the near future.

Regional or intrastate traffic is growing rapidly. In February this year we welcomed regional carrier Sharp Airlines, which has taken over the Port Augusta route and re-introduced direct flights to Mildura, while Rex continues to grow its flight schedule to popular destinations. Alliance has also grown its local fleet of F50 aircraft predominantly serving the mining industry and will soon have five units dedicated to the Adelaide market.

Meanwhile, the amount of international freight travelling on direct flights from Adelaide to overseas destinations has increased by more than 7 per cent at a time when overall export levels in SA has decreased. The volume percentage of exports travelling direct out of Adelaide Airport has also increased significantly from 41.9 per cent last year to 48.9 per cent this year.

Parafield Airport also continues to achieve solid growth. In particular the demand for new pilots has seen flight schools at Parafield experience a boom period.

As a result of our rapid growth, a strategic review has been carried out over the past 12 months resulting in current concept plans which incorporate future development of airport facilities, at Adelaide.

These include a multi level car park, a 200 room hotel, reshaping of the access and egress road network, development of a plaza forecourt as a feature entrance to T1, a regional terminal to accommodate mining charter and general aviation passengers and even identification of a future light rail access and terminus within the precinct should that prove necessary in the long term. Taxi and hire car facilities will also be relocated with dedicated and user friendly pick up and set down points.

Looking ahead, our forecast is for further increases in passenger numbers, although perhaps not at the same rapid rate as in the past couple of years, and strong ongoing interest in non-aeronautical development around both Adelaide and Parafield airports.

Finally, I would like to particularly thank our staff, our customers and our key stakeholders for their continued enthusiasm, initiative and support as we seek to maintain our status as Australia's most modern, customer friendly airport.

Phil Baker - Managing Director

board of directors



John McDonald

Dip Tech, FCA, FASA, CPA, FIAA

Non-executive Director, appointed 29 July 1998
Member Property Development and Building Committee
Member Audit & Compliance Committee

Graham Scott

B.Ec(Hons)

Non-executive Director, appointed 24 April 1998,
AAL's First Chairman from 24 April 1998 to 30 June 2004
Member Audit & Compliance Committee
Member Property Development and Building Committee

Phil Baker

FCILT, FAICD

Managing Director, appointed 24 April 1998
Member Property Development and Building Committee

Alan Mulgrew

B.A(Mgmt), Dip Corp Fin, J.P., GRAICD

Non-executive Director, appointed 6 September 2006
Member Property Development and Building Committee

James Tolhurst

B.Comms, MBA, FCPA, FCIS, FAICD

Non-executive Director, appointed 29 September 2004
Chairman Audit & Compliance Committee
Member Remuneration Committee
Member Property Development and Building Committee

David Munt

LL.B(Hons)

Non-executive Director and Chairman, appointed 30 June 2004
Chairman Remuneration Committee
Chairman Property Development and Building Committee

John Ward

BSc, FAICD, FAIM, FAMI, FCILT

Non-executive Director, appointed 28 August 2002
Member Remuneration Committee
Member Property Development and Building Committee

executives

Phil Baker

Managing Director

Executive Team leader and full Board member responsible for implementing group strategies and policies.

Sue Doyle

Manager

Executive Services

Responsible for managing support services to the Board of Directors, the Managing Director and Executive, including the recruitment, induction and development of staff, human resource policies and service levels to customers.

Len Goff

Company Secretary

Responsible for corporate administration, accounting, statutory and regulatory financial reporting.

Ken May

General Manager

Property Development

Responsible for the management and enhancement of the property portfolio including retail, leasing, property development and tenancy management.

Mark Young

Chief Financial Officer

Responsible for the sound financial position and commercially prudent conduct of the business including effective reporting and information management systems and stakeholder communications.

Malcolm Andrews

General Manager

Business Development

Responsible for route marketing and development, airline liaison, customer relations, facilitation, product enhancement and ground transportation.

Vince Scanlon

General Manager

Airport Operations

Responsible for aviation safety, security and regulatory compliance, terminals and car-park operations, infrastructure and facility management, project management and engineering of both aviation and commercial developments.

John McArdle

General Manager

Corporate Affairs

Manages, interprets and facilitates the community consultation, communication, regulatory and statutory responsibilities. Facilitates corporate risk policy, business continuity and review.



operations

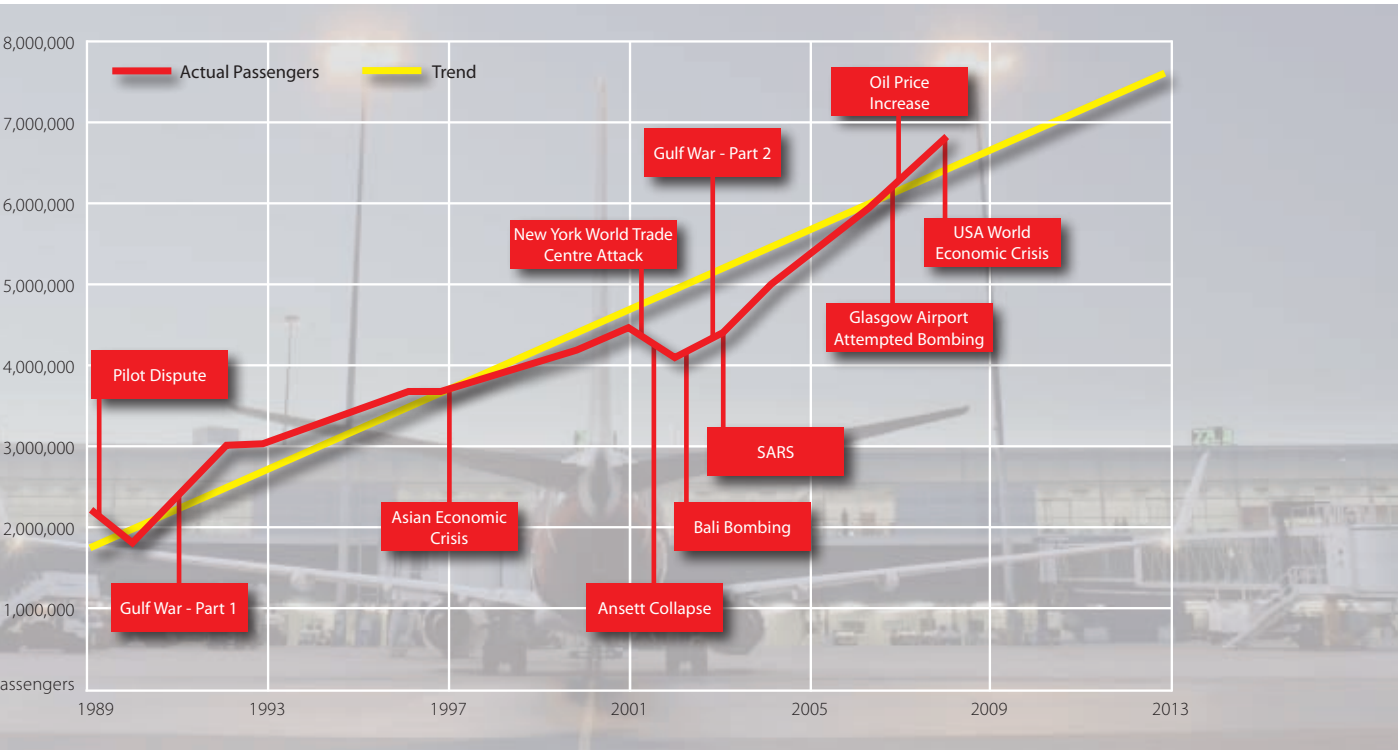
Aeronautical traffic performance

	Financial Year 1997/98	Financial Year 2005/06	Financial Year 2006/07	Financial Year 2007/08	Change this Year %	Change last 10 Years %
Passengers						
Domestic	3,391,144	5,019,377	5,331,421	5,694,184	6.8%	69.4%
International	227,381	358,135	452,985	485,025	7.1%	112.8%
Regional	366,325	412,711	473,409	546,177	15.4%	49.1%
Total PAX	3,984,850	5,790,223	6,257,815	6,725,386	7.5%	69.4%
Aircraft Movements						
Regular Public Transport	70,204	70,284	72,228	76,176	5.5%	8.5%
General Aviation	35,076	27,999	29,838	27,009	-9.5%	-22.9%
Total Aircraft Movements	105,280	98,283	102,066	103,185	1.1%	-2.0%
Landed Tonnes						
Total Landed Tonnes	1,622,681	2,033,522	2,142,489	2,276,273	6.2%	40.2%

Freight

	Export Tonnes	Import Tonnes
Jan - Dec 04	7,197	7,907
Jan - Dec 05	7,818 = 8.3%	9,075 = 15.1%
Jan - Dec 06	9,379 = 19.9%	10,039 = 0.6%
Jan - Dec 07	8,582	9,090

Adelaide Airport passenger movements



Over the past year, when a faltering worldwide economy and record oil prices have put pressure on the industry, we have continued to break records for patronage and provide facilities and services that are among the best in Australia.

International Markets

The international market enjoyed a modest growth rate of 7.1%, which was above the national average yet at the same time was affected by the reduction in services by Air New Zealand and countered to a lesser degree by supplementary services by Singapore Airlines and Malaysia Airline Services over the December to February period.

Forward planning expects a renewal of daily services by Air New Zealand and the return of Garuda Airlines.

Domestic Market

The domestic market was influenced by a roller coaster ride of service adjustments while gaining a 6.8% increase on last year. Cairns services were increased by Jetstar while it ceased services to the Sunshine Coast and Hobart.

Tiger introduced Melbourne services and announced that their second base would be in Adelaide with additional services in the new year.

Regional Market

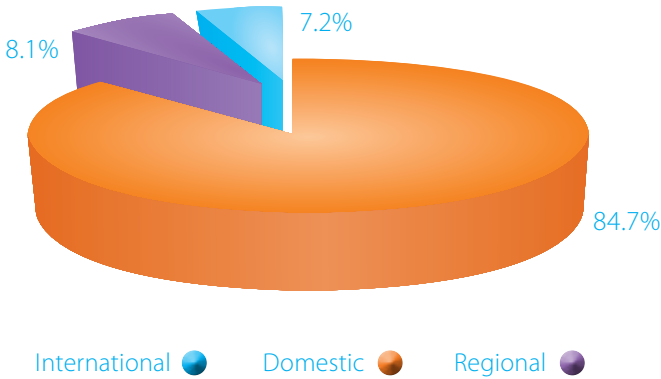
The regional market recorded strong growth of around 15.4% while seeing O'Connor cease operations and be replaced a few months later with Sharp Airlines re-opening services to Pt Augusta and Mildura.

Regional growth is expected to be strong as the resource and tourism industries gain momentum.

Quality of Service

This year for the first time, Adelaide Airport has been recognised by the Australian Competition & Consumer Commission as the equal best airport in Australia. In addition, the internationally recognised SkyTrax World Airport Awards rated Adelaide the third best in the Australia Pacific region.

We also continue to be measured independently by the Airports Council International passenger quality of service survey program where we remain in the top ten of our category world wide and in the top five for a significant number of the 34 category measures undertaken.



Terminal 1 Retailing and Concessions

A new retailing concession to commence trading within Terminal 1 during 2007/2008 was a unique store focusing upon South Australian products and wine, and featuring historical images and goods, and entitled "Icons South Australia". It was established as a joint initiative by Lagadere and Adelaide Airport Limited. Other stores to open included the Airport Pharmacy after securing a special Pharmacy Licence from the Commonwealth Government, Tie Rack and Rolling Luggage in November 2007 and the fashion store Rip Curl in March 2008, thereby filling all constructed stores in the departures area of the Terminal.

A further excellence in marketing award "Shopping at the Airport - It's really taking off" from the Property Council of Australia was also obtained, building upon "Working with the Community" obtained the previous year.

Terminal Precinct

Following the approval of a Planning Merit Use application, consistent with the provisions of the Adelaide Airport Master Plan, a Medical Centre was developed through the refit of a former office building on the corner of Frank Collopy Court and Sir Hubert Wilkins Avenue. The medical practice, specialising in occupational medical services and aviation medical testing, was officially opened in February 2008.

Nearby in Frank Collopy Court the Australian Customs Service also took up occupancy in a former office building in March 2008 following suitable alterations and construction of storage facilities.



In early 2008, AAL completed a draft Major Development Plan (MDP) for a Hotel, expected to be in the category of 4 star, comprising 120 to 200 guest rooms and function facilities to be located in close proximity to Terminal 1.

Public consultation followed clearance of the Exposure Draft of the MDP by the Commonwealth, Department of Infrastructure, Transport, Regional Development and Local Government.

Regional Express secured the lease of the one remaining aircraft Hangar site in James Schofield Drive, and commenced construction of a Hangar of a size to accommodate three SAAB Aircraft or potentially up to one Boeing 737 aeroplane, with a completion of works expected around August 2008.

Burbridge Precinct

In the Burbridge Precinct, Hertz completed extensions to its Rent-a-Car Back-up Facility, with over 2,000m² of additional land for car storage which was completed in February 2008.

Nearby, in the Burbridge Business Park the Australand/Commercial and Industrial Property consortium completed a new 7,700m² Technological Office/Warehouse for Thermo Fisher Scientific in December 2007, which was officially opened by the State Treasurer, Kevin Foley, MP, on March 6, 2008. Thermo Fisher Scientific activities

at the site are directed to mineral testing, servicing the mining industry worldwide.

The second stage of a Multi-Unit Office Warehouse complex of 8,200m² comprising four tenancies was also commenced, with pre-commitment leasing occurring to Herbalife Services. Strong leasing interest was also evident for the remaining three office/warehouse units while construction continued.

Further tenants committing to the first stage of the Multi-Unit Office/Warehouse during the year included Miele, HMPS, Adelaide Packaging Services and Pro Vet.

Coinciding with the development of the second stage of the Multi-Unit Office/Warehouse, Adelaide Airport Limited commenced the second stage of Infrastructure Works in Burbridge Business Park, which activated the primary "Vimy Avenue" Boulevard entrance into the Business Park as a left-in left-out access point from Sir Donald Bradman Drive. These roadworks and services reached practical completion on May 29, 2008.



Tapleys Precincts

Subsequent to the acceptance of the Merit Use of a Supermarket in the Tapleys South Precinct at Adelaide Airport in May 2007, arrangements were concluded with Lewis Land to develop both the Woolworths Supermarket and the expansion of the Harbour Town Brand Outlet Centre by some 30 shops and associated support retail activities. Construction commenced in early 2008, with AAL and Lewis Land constructing necessary infrastructure, including services, roadworks and car parking. Opening of the extended Retail Centre is expected by the end of 2008.

Adjoining the Tapleys West Precinct, the State Government commenced the removal of the former Silt Storage Ponds that had occupied some 10 hectares of Airport land for over a decade, when the Patawalonga Basin had been dredged of silt. The silt has been progressively relocated by the Land Management Corporation to Gillman, and to an eastern part of airport land adjoining the Brownhill Creek reserve facing Watson Avenue, Netley.

Airport East

At Airport East, Adelaide Airport Limited arranged for the installation of an sound attenuation mound, using soil from the State Government Silt Storage Ponds, the mound was suitably landscaped to provide an acoustic barrier to enable further airport development adjoining the LG Warehouse on Transport Avenue. Negotiations were also concluded with Airservices Australia to decommission the Non Directional Beacon in that locality of the Airport to allow future development after 2009.

Morphett Precinct

In response to an approach from the Adelaide and Mt Lofty Ranges Natural Resources Management Board, AAL concluded a Site Licence Agreement with the Glenelg Golf Club to allow for the passage of a water pipeline connecting the Brownhill Creek Easement on Airport land to detention basins within the Glenelg Golf Club for the purpose of implementing a Storm-water Aquifer Storage and Recovery (ASR) facility.

Industrial Development

The State Minister for Planning released an Industrial Land Strategy for Metropolitan Adelaide during 2007, which identified potential land for development at both Adelaide and Parafield Airports as part of the industrial land bank for the Adelaide Metropolitan area, specifically in the Airport East, Morphett and Burbridge Precincts at Adelaide Airport totalling 75 hectares. As well, in the Cross Keys and Kings Precinct at Parafield Airport, a land bank amounting to 80 hectares was identified.

The release of the State Industrial Land Strategy was in recognition of the dwindling stock of suitable industrial lands throughout Adelaide, and the availability of such development land at both airports catered for some of the metropolitan short supply needs between 2007 and 2011.

Parafield Airport

At Parafield, Elder Smith Road was constructed by the State Department of Transport, Energy and Infrastructure, following approval for the road corridor to be transferred from the Commonwealth to the State, with Parafield Airport relinquishing the parcel of land from the Airport site. The road was completed in November, 2007 thereby enabling direct access to the industrially zoned Cross Keys Precinct of some 70 hectares in size.

In the Runways Precinct, Airservices Australia commenced installation works for the placement of a new Non Directional Beacon (NDB) thereby replacing obsolete aeronautical equipment in the Cross Keys Precinct. The new NDB is to become operational in late 2008, thereby enabling the closure of a similar obsolete facility at Adelaide Airport (Airport East).

In the Commercial Estate, new Bulky Goods Retailing premises were completed, catering for new retailing occupants including Origin Energy, Uniforms Plus and a Dulux Paints Retail Trade Centre.

Rivergum Homes also undertook further alterations to the Homes Display Centre alongside Main North Road by the addition of new premises and a re-configured layout.

parafield airport



Flying training at Parafield has sustained its high level of activity with 228,398 aircraft movements recorded in 2007/08 during airport control tower hours of 0800 to 1800 each day. 226,742 aircraft movements were recorded in 2006/07.

Having won the Business SA Export Award for a second time, Flight Training Adelaide (FTA) was also recognised nationally, taking out the recent Australian Export Award for Education.

FTA currently has students from Qantas, Cathay Pacific Airlines, China Airlines, Dragonair, JAL Express, Emirates and the Hong Kong Government Flying Service. In the past year FTA has commenced helicopter pilot training, fuelled by the buoyancy of the helicopter pilot employment market and having acquired two new Schweizer 300CBi Piston Helicopters during the year.

Training of local pilots also continues to grow through the services of The University of Adelaide Aviation Academy, Adelaide Flight Training Centre, Forsyth Aviation and the Bruce Hartwig Flying School.

The upgrade of the airport's security infrastructure was completed with the installation of a new access system,

CCTV and vehicle plate recognition cameras, apron lighting, security fencing and realignment of the airports perimeter road. The airports entire internal road network has also been resealed.

Airservices Australia will soon commission a new Non Directional Beacon (NDB), following the relocation and upgrading of the existing NDB from the south-western corner of Parafield airport to a location between the runway systems. Electricity supply to the Bureau of Meteorology airport weather station was also upgraded as part of this project.

Elder Smith Road was completed and officially opened in September 2007 to permit access across the airport's southern boundary from Maxwell Road to Main Street Mawson Lakes. The road corridor can be extended to two lanes each way when required, with this parcel of airport land formally transferring from the Commonwealth to the State Government.

The completion of this road has also released approximately 70 hectares of land in the Cross Keys precinct for the development of an Enterprise Park in accordance with the Parafield Airport Master Plan.

Retail development continues to expand at 'Airport City - Parafield' with the opening of a Dulux Paints 'Inspirations' retail trade centre and Toyworld shop, and work has commenced on a new kitchenware premises. Rivergum Homes formally opened their new Display Village, Roulettes Tavern undertook a substantial redecoration of their premises and the Big Bucket Car Wash has added truck and dog washing facilities.

Good seasonal rain has seen the Parafield Water Harvesting scheme basins completely full for the first time in over a year; with over 1000 mega litres stored in an aquifer 180 metres below the site for recovery during the drier months. Negotiations have been finalised with the City of Salisbury for an extension of the water reticulation network from the airport, to increase the customer base which currently includes local sporting grounds and schools. Take-off points will also be included for the airport's future use.

Parafield Airport conducted an Airport Emergency field exercise to test all airport emergency agencies ability to coordinate and respond to an airport incident.

During the year a Fokker F27 aircraft, first flown in 1959 and recently abandoned at Parafield, was donated to the SA Aviation Museum at Port Adelaide.

Parafield Airport is expected to continue to be a significant economic driver for the region.



our people

In the year 07/08 a new approach to induction was introduced offering a more thorough and consistent procedure for all new staff. They are provided with the opportunity to read the policies, comment and make recommendations for change, prior to acceptance.

Another initiative in 07/08 was the introduction of an independent, online external exit interview system with all departing employees being encouraged to participate. This new system provides AAL with an insight into the reasons why people choose to leave and to identify potential issues within the company.

In addition Adelaide Airport Limited re-appointed Converge International (previously ITIM) as an independent agency to update and review an Equal Opportunity Survey to identify any internal issues of concern and to obtain a measure of our internal "culture".

One outcome encouraged AAL to undertake a Communications Audit to develop a consistent and accurate message for both internal and external stakeholders, particularly our staff. This audit will be reviewed on an annual basis.

AAL openly encourages, promotes and strongly supports all staff in furthering their education, particularly where the studies are supportive of their current or potential roles.

Where relevant, flexible working arrangements are offered to all staff, particularly where there are carer/family responsibilities.

AAL also offers benefits to employees such as gymnasium membership subsidies, 24/7 staff counselling service, vision assessments, flu shot, participation in fun runs and charity walk-a-thons; a staff benefit program that entitles staff to discounted shopping and entertainment privileges.

AAL's commitment to the principles and practices of Equal Opportunity encourages a culture of inclusion which we extended into the community through participation in special learning programs with local schools.

The Supported Learning Centre at a local high school for example, provided the opportunity for two students with learning disabilities to undertake work experience in the horticulture/maintenance area at Adelaide Airport.

In addition a person with Cerebral Palsy joined the administration team and was an integral member in the development of the graphic design and maintenance of our updated intranet.

AAL also provided work placement support to a local indigenous college, which was preceded by educational tours of the office administration area, and discussion with the managing director, including a boardroom luncheon.

The Adopt-A-School program was continued through 07/08. It is an initiative developing partnerships between schools from the local region and the variety of businesses on the airport. The aim of this program is to provide students with an awareness of the range of education and training requirements necessary to achieve a successful transition from school, to further education and subsequent employment.





In recent times public interest in climate change has increased significantly. Of the transport sector modalities that contribute to increasing greenhouse gas levels, aviation is most frequently represented in the public debate on climate change. Globally, aviation contributes approximately 2% to total greenhouse gas emissions and this is projected to increase with the growth in aviation. In Australia, the aviation industry recognises the varied challenges that climate change presents and the imperative in continuing to tackle this issue with commitment, innovation and transparency.

Adelaide Airport Ltd (AAL) has been a leading aviation player in climate change, liaising with other industry stakeholders on integrated greenhouse strategies and partnering with the Australian Airports Association to develop greenhouse management and reporting tools for airports. We have streamlined internal data management for the calculation of our company carbon footprint, now integrated into

our financial accounting system. Following last year's audits of our administration buildings, detailed energy audits were conducted of our Terminal 1 building. Last year, AAL reported for the first time on programs managed under the banner of sustainability, focussing on key environmental challenges – carbon and water. This report covers a year in which we made significant progress in these priority performance areas, and in health and safety, all of which are essential for realising our medium and long-term goals in environmental and social sustainability and in delivering sustainable benefits to our investors and other stakeholders.

Growth Management

Since the conclusion of 2007/08 financial year we replaced our Environment Policy with the September release of our Sustainability Policy – a central document for our company, laying the foundation for integrated financial, social and environmental planning, management and reporting.

Its influence will be quickly felt in the structure and content of Adelaide and Parafield Airport's next 5-year Master Plan and Sustainability Strategy (scheduled for release in 2009), that will guide us through our next exciting growth phase.

The Adelaide Airport Hotel Major Development Plan included a draft set of guiding principles relating to sustainable construction and development. This draft set of principles has since metamorphosed into the Adelaide Airport Sustainable Development Guidelines.

In 2008, we commenced the rollout of an integrated Health, Safety and Environmental Management System that conforms to the requirements of both ISO 14001 and WorkCover SA's Safety Achiever Business System.

AAL is supporting it's tenants through the release of a set of Tenant Environmental Management Planning Guidelines and Environmental Site Assessment Guidelines.

Carbon

AAL measured and reported on the company carbon footprint for the first time last year. Since then, the Commonwealth Government released the National Greenhouse and Energy Reporting Regulations 2008 and the Carbon Pollution Reduction Scheme Green Paper. Subsequently, we have liaised extensively with the Department of Climate Change to ensure our 2007/08 carbon footprint calculations conform with the Regulations.

Energy (ie. gas and electricity) consumption is the greatest contributor to AAL's carbon footprint constituting over 90% of CO₂ emitted, leading us to conduct an extensive energy audit of Terminal 1. The findings from this and other audits form the foundation of a Carbon Strategy that will provide a road map for how we intend to meet energy reduction targets into the future.

Water

With South Australia still firmly entrenched in a drought, water security has continued to be a business priority. A detailed Water Strategy has been developed by AAL that will be actioned from the 2008/09 financial year. Based on the outcomes of several comprehensive studies we plan to retrofit

areas of Terminal 1 with water-saving measures, further assess the potential for extending our recycled water supply to the Terminal 1 cooling system, and progress our plans for an aquifer storage and recovery system at Adelaide Airport

Health and Safety

AAL has without doubt an enviable health and safety record in a high-risk industry. The rigour applied to aviation safety over the many decades has inevitably been reflected in our approach to occupational health and safety.

Workplace incidents resulted in only 4 claims in 2007/08, of which 3 were classified as Lost Time Injuries. The incidence and frequency rates of 3 and 1 respectively were well below the national transport industry benchmarks of 33 and 17.

Despite our safety record, AAL is aiming to set a new benchmark – the implementation of an integrated Health, Safety and Environmental Management System that conforms to the requirements of WorkCover SA's Safety Achiever Business System criteria. The new system will provide an improved framework that will enable us to better manage risk and more efficiently monitor our progress in key safety performance areas.

Regulatory Performance

AAL's Sustainability Policy commits to legal compliance. Our intent is to exceed, where possible, all relevant health, safety and environmental regulations through a combination of vision, strategic planning, and our team of dynamic, professional staff.

Whilst striving to achieve more far-reaching goals in sustainability AAL maintains a rigorous environmental compliance program that ensures we perform against all relevant Commonwealth and State regulatory requirements, most importantly the Airports (Environment Protection) Regulations 1997, regulated by the Department of Infrastructure, Transport, Regional Development & Local Government.

Crucial to maintaining AAL's legal compliance record is setting the same expectations of our tenants who we routinely monitor. Our aviation and non-aviation tenants continue to demonstrate a duty of care towards the environment, meeting and in many cases exceeding their regulatory requirements.

AAL's strong performance in health and safety is due to our strong safety culture and ongoing compliance with the South Australian Occupational Health, Safety and Welfare Regulations 1995.

AAL/PAL Injury Statistics 2007-2008

Claims	AAL/PAL	Transport Industry
No. of Incidents (resulting in claims)	4	-
Incident Rate (no. claims / 1,000 employees)	3	33
Frequency Rate (no. claims / million hours worked)	1	17
Lost time injuries (LTIs)		
No. of Incidents (resulting in LTIs)	3	-
No. LTIs (total hours)	257	-

our community

Our Corporate Vision encapsulates a number of key drivers that our sponsorship and a grants program can readily relate to, including; a vibrant centre, gateway and promoter of the economic benefits and cultural experience of the State of South Australia. Our vision further singles out the environment as a core value and that our mandate is that of a business venture.

Accordingly, Adelaide Airport Limited budgets an amount each year to grants/ sponsorship for the arts, education, recreation, the environment and youth communities. Strong preference is given to not-for-profit organisations.

Through this sponsorship program the company is committed to supporting initiatives that address community issues while assisting Adelaide Airport Limited to fulfil its corporate objectives.

We also place a significant priority on informing the various communities of developments and changes to the airports through a comprehensive speaking circuit program, regular newsletters, web site and active participation in electronic media and talk back segments.

In this our 10th year as a company, we recognised that what AAL has achieved over the past 10 years has been considerable and made possible in part by the high regard we have earned from the community in which we operate. We believe strongly in the need to invest in the community and reciprocate the opportunities we create for all South Australians.

To mark our 10 years, we chose to increase our existing partnership with The Smith Family, to assist a range of financially disadvantaged regional and remote South Australian families.

At the same time we have continued our ongoing support of our preferred charity, the Royal Flying Doctor Service. A cross section of activities and sponsorships that we are involved in are detailed hereunder:

- Come Out Youth Festival;
- Young Achiever Awards;
- Lockleys Primary School;
- Flinders University Women's Soccer;
- West Beach Junior Lifesaving Club;
- Thebarton Aquatic Centre;
- Hallett Cove Volleyball development;
- Gleeson College Soccer;
- Fulham Sea Scouts;
- Western Warriors Football Club;
- West Torrens Eagles Softball Club;
- Parafield Gardens Soccer Club;
- Salisbury Little Athletics;
- Athletics SA;
- Fringe Festival New Talent development;
- Crime Stoppers SA;
- Neighbourhood Watch;
- Friends of the Patawalonga Creek;
- Trees for Life; and
- The Botanic Gardens.

We continue our association with major Tertiary institutions through the regular Quality of Service surveys undertaken by the graduating class of the Tourism and International studies school of the Adelaide TAFE and we are the major sponsor of the Graduation Ceremony for those students.

The University of Adelaide continues its valuable safety program with us in the monitoring of bird and wildlife habitat to minimise adverse safety impacts with aircraft.

As an integral part of the tourism and transport chain, AAL is the name sponsor of the Taxi Driver of the Year Awards in addition to the provision of a dedicated Taxi Driver rest room and amenity building.

We also support many other charities through the donation of items of interest for auctions at various fund-raising events. A particularly popular item is an introductory flying training flight that we supply from our valued tenant Flight Training Adelaide.

Communication is also important and to that end we have updated the presentation of our newsletter "Plane Talking" to include many new items and integrating our Environmental Section "Green Landings".

AAL also hits above its weight in representation on many industry related national and international advisory and representative forums.



financial performance

Financial Results	2005 \$'000	2006 \$'000	2007 \$'000	2008 \$'000
Revenue				
Aeronautical	30,031	46,369	69,570	75,431
Commercial trading revenue	14,853	17,643	23,876	27,504
Property Revenue	23,092	24,437	24,556	27,442
Other Revenue	390	5,718	1,393	3,515
Other Income	700	829	874	734
Total Revenue	69,066	94,996	120,269	134,626
Increments/(decrements) in fair value of investment properties	12,805	(2,278)	7,803	14,053
Operating Expenses	25,592	36,357	45,521	51,465
EBITDA	56,279	56,361	82,551	97,214
Depreciation and amortisation	7,382	15,211	17,825	18,015
EBIT	48,897	41,150	64,726	79,199
Borrowing Costs				
Interest on senior debt	17,709	26,900	31,601	32,212
Net interest on Airport Notes/Dividends on RPS	17,311	26,214	28,285	28,362
Net Profit/(Loss) Before Tax	13,877	(11,964)	4,840	18,625
Income Tax (Expense) Benefit	(3,975)	897	(4,383)	(10,214)
Net Profit/(Loss) After Tax	9,902	(11,067)	457	8,411

Noteworthy aspects are:

- Earnings before interest, tax, depreciation and amortisation and fair value adjustment of investment properties - \$83.2 million (last year \$74.7 million) an increase of 11.4 %.
- Net profit before tax of \$18.6 million (last year net profit before tax of \$4.8 million)
- Dividends on redeemable preference shares \$28.4 million (last year \$28.3 million).
- Increase in fair value of investment properties of \$14.1 million (last year \$7.8 million)
- Credit Rating - Moody's upgraded to Baa2 / stable; S&P is upgraded to BBB / stable.

Cash Flow

After funding interest on borrowings and dividends on RPS, cash flow from operating activities was a positive \$19.9 million (last year \$15.3 million).

A net increase of \$15.3 million (last year \$17.1 million decrease after special dividend of \$26.6 million) was recorded in cash held after capital expenditure. Of this balance \$10.5 million (last year \$9.8 million) is quarantined in a debt service reserve account.

Balance Sheet

Year ended 30 June	2007 (\$million)	2008 (\$million)
Cash	36.3	51.6
Total Assets	868.2	904.2
Interest Bearing Liabilities (excl stapled securities)	520.8	523.3
Total Liabilities (excl stapled securities)	626.8	642.2
Total Equity (plus stapled securities)	241.4	262.0

There has been a net decrease in Total Assets resulting from:

- An increase in cash as outlined on the previous page;
- an increase in the fair value of Investment Property;
- a decrease in Property, Plant and Equipment being the net impact of asset additions / disposals and depreciation; and
- a net increase in the mark to market value of interest rate hedges.

Total Liabilities have increased resulting primarily from an increase in deferred tax liabilities.

The Group's total of equity and Redeemable Preference Shares (RPS) (being stapled securities) stands at \$262.0 million at the end of the year (last year \$241.4 million).

OTHER MATTERS

Capital Structure

Issue	Amount (\$million)	Term
Medium Term Note	\$264.0	Dec 2010
Medium Term Note (\$100m fixed interest)	\$265.0	Sep 2016
Working Capital Facility (\$20.0m available at year end)	\$20.0	Nov 2008
RPS	\$188.6	Jun 2014

The term of the working capital facility was extended from November 2008 to December 2010.

Interest Rate Management

The Group manages its exposure to interest rate fluctuations using interest rate swaps.

The Group has effectively fixed the interest rate on approximately 91% of outstanding debt (exposed to variable interest rates) to December 2015 (assuming the existing \$264.0m note is refinanced in Dec '10) with approximately 40% fixed thereafter to September 2016.

Ratings

The long term finance strategy of the Group continues to be reviewed by the rating agencies, Standard and Poors and Moody's and has improved its ratings to BBB stable and Baa2 stable respectively which is a pleasing endorsement of the company's long term plan in the context of the current global economic volatility.



corporate governance

Adelaide Airport Ltd and the Board are committed to achieving and demonstrating the highest standards of corporate governance.

The relationship between the Board and senior management is critical to the Group's long term success. The Directors are responsible for the performance of the company in both the short and the longer term and seek to balance sometimes competing objectives in the best interests of the Group as a whole. Their focus is to enhance the interests of shareholders and other key stakeholders and to ensure the Group is properly managed.

Day to day management of the Group's affairs and the implementation of the corporate strategy and policy initiatives are formally delegated by the Board to the Managing Director and senior executives as set out in the Group's delegations policy. These delegations are reviewed on an annual basis.

A description of the company's main corporate governance practices is set out below. All these practices, unless otherwise stated were in place for the entire year.

Board composition

In accordance with the Shareholders Agreement the Board comprises of a minimum of 4 and a maximum of 9 Directors (inclusive of the Managing Director).

Each shareholder holding not less than 15% of the issued shares of the company is entitled to nominate one or more Directors depending on the total proportion of shares held to the shares on issue.

The Directors may appoint one of their number as Chairman or an independent Chairman who would become a Director if so appointed. The Chairman is required to

meet regularly with the Managing Director. The Board has the right to appoint Directors under the Company's Constitution.

The Board is required to undertake an annual Board performance review and consider the appropriate mix of skills required by the Board to maximise its effectiveness and its contribution to the Group.

Board responsibilities

The responsibilities of the Board include:

- Providing strategic guidance to the company including contributing to the development of and approving the corporate strategy.
- Reviewing and approving business plans, the annual budget and financial plans including available resources and major capital expenditure initiatives within the financial limits set in the Shareholders Agreement Overseeing and monitoring.
- Organisational performance and the achievement of the Group's strategic goals and objectives.
- Compliance with the company's Code of Conduct.
- Progress of major capital expenditures and other significant corporate projects including any acquisitions or divestments.
- Monitoring financial performance including approval of the annual and half-year financial reports and liaison with the company's auditors.
- Appointment, performance assessment and, if necessary removal of the Managing Director.
- Ensuring there are effective management processes in place and approving major corporate initiatives.
- Enhancing and protecting the reputation of the organisation.
- Overseeing the operation of the Group's system for compliance and risk management reporting to shareholders.

Board members

Details of members of the Board, their experience, expertise, qualifications, term of office and independent status are set out in the Directors' report under the heading "Information on Directors". There are six non-executive Directors and two alternate non-executive Directors.

Directors independence

Directors are appointed in accordance with the Shareholders Agreement by nomination of the shareholders, provision has been made in that agreement for the Directors to appoint a Chairman who is not one of their number who would as a consequence of that appointment become and be a Director. The Board opted to appoint a chairman on 30 June 2004 who is independent from the shareholders of the Company.

Non-executive Directors

The non-executive Directors are able to meet in scheduled sessions without the presence of management, to discuss the operation of the Board and a range of matters. Relevant matters arising from these meetings are to be shared with the full Board.

Term of office

Nominee Directors hold office at the discretion of the appointing shareholder. Other Directors are appointed on a term of three years.

It is recognised that lengthy service on the Board may impact on a Director's independence and therefore non-nominee Directors must retire from office no later than completion of four terms of office (12 years). On attaining the age of 70 years, a Director will retire, by agreement at the next AGM.



Chairman

The Chairman is responsible for leading the Board, ensuring Directors are properly briefed in all matters relevant to their role and responsibilities, facilitating Board discussions and managing the Board's relationship with the company's senior executives.

Managing Director

The Managing Director is responsible for implementing Group strategies and policies.

Commitment

The Agreement requires that the Board meets at least once in each quarter of the financial year.

The Board held 12 Board meetings during the year. The number of meetings of the company's Board of Directors and of each Board committee held during each financial year and the number of meetings attended by each Director are set out in the Directors' report under the heading "Directors' Meetings" in the annual statutory accounts for the Group.

Conflicts of Interests

The Directors shall comply with all of their obligations either at law or under the Corporations Act in relation to potential or actual conflicts of interest provided always that the other Directors (i.e. who do not have a conflict or material interest in the matter) shall be at liberty, subject to proper disclosure having been made, to resolve to permit the Director with the potential or actual conflict of interest to participate in discussions and voting on the matter giving rise to the conflict. In general terms the Directors shall deal with each matter of conflict on its merits.

Independent Professional Advice

The Directors, both individually or as a group, in furtherance of their duties, may seek and obtain independent legal and professional advice from external sources at the expense of the Company. Prior to seeking such advice Directors will seek the approval of the Chair, such approval not to be unreasonably withheld. Each Director has the right of access to all relevant Company information. A Director also has the right to have access to all documents which have been presented to meetings of the Board whilst in office, or made available in relation to their position as Director after ceasing to be a Director.

Performance Assessment

The Board undertakes an annual assessment of its collective performance, the performance of the Chairman and of its committees.

The Chairman undertakes an annual assessment of the performance of individual Directors and meets privately with each Director to discuss his assessment.

Corporate Reporting

The Managing Director and CFO have made the following certifications to the Board:

- That the company's financial reports are complete and present
- a true and fair view, in all material respects, of the financial condition and operational results of the company and Group
- and are in accordance with the relevant accounting standards
- That the above statement is founded on a sound system of risk management and internal compliance and control and which implements the policies adopted by the Board and that the company's risk management and internal compliance and control is operating efficiently and effectively in all material respects.

Board Committees

The Board has established a number of committees to assist in the execution of its duties and to allow detailed consideration of complex issues, current committees of the Board are the Remuneration, Audit and Compliance, Property Development and Building Committees. The committee structure and membership is reviewed on an annual basis. A policy of rotation of committee members applies.

Each committee has its own written charter setting out its role and responsibilities, composition and structure, membership requirements and the manner in which the committee is to operate. All of these charters are reviewed on an annual basis.

All matters determined by committees are submitted to the full Board as recommendations for Board decision.

Minutes of committee meetings once signed by the Chair of the committee are tabled at the immediate subsequent Board meeting.

Details of the meetings of committees and attendance of committee members are set out in the Directors' report under the heading "Directors' Meetings" in the annual statutory accounts for the Group.

External Auditors

The company and Audit and Compliance Committee policy is to appoint external auditors who clearly demonstrate quality and independence. The performance of the external auditor is reviewed annually and applications for tender of external audit services are requested as deemed appropriate, taking into consideration assessment of performance, existing value and tender costs.

It is a requirement that the external auditor ensure that the lead engagement partner is rotated at least every five years.

The external auditor is expected to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the audit report.

Risk assessment and management

The Board through the Audit and Compliance Committee is responsible for ensuring there are adequate policies in relation to risk management, compliance and internal control systems.

In summary, the company policies are designed to ensure strategic, operational, legal, reputation and financial risks are identified, assessed, effectively managed and monitored to enable achievement of the Group's business objectives.

Considerable importance is placed on maintaining a strong control environment. There is an organisation structure with clearly drawn lines of accountability and delegation of authority. Adherence to the company Code of Conduct is required at all times and the Board actively promotes a culture of quality and integrity.

The company Risk Management Policy and the operation of the risk management

and compliance system are managed by a Risk Management Group comprising senior executives. The Board receives regular reports from this group.

Detailed control procedures cover management accounting, financial reporting, project appraisal, environment health and safety, IT security, compliance and other risk management issues. Internal audit carry out regular systematic monitoring of control activities and report to both relevant business unit and the audit and compliance committee. In addition each business unit reports on the key business risks in their area to the Risk Management Group.

The basis for this report is an annual review of the past performance of their area of responsibility, and the current and future risks they face. Results of internal audit work are incorporated into this review if applicable.

The Risk Management Group consolidates the business unit reports for an annual corporate strategy workshop attended by the Board and senior management. This reviews the Group's strategic direction in detail and includes specific focus on the identification of the key business and financial risks which could prevent the company from achieving its objectives.

The Risk Management Group is required to ensure that appropriate controls are in place to effectively manage those risks.

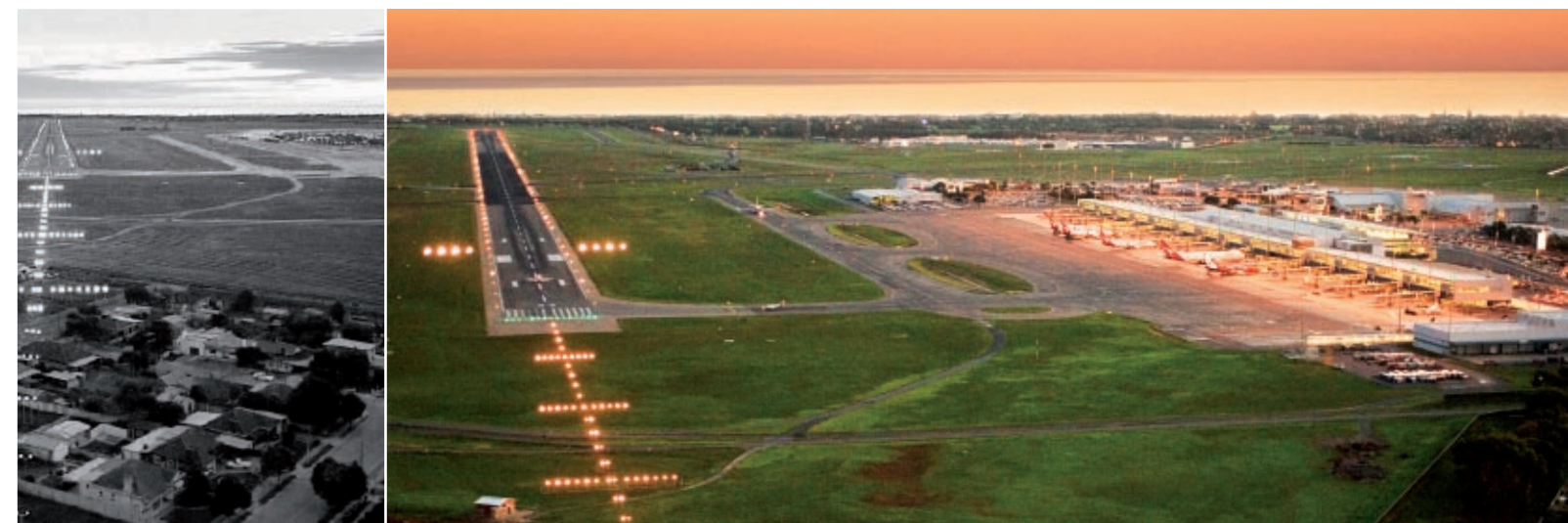
In addition the Board requires that each major proposal submitted to the Board for decision is accompanied by a comprehensive risk assessment and, where required, management's proposed mitigation strategies.

Code of Conduct

The Board is committed to the development of a Code of Conduct for the guidance of Directors, officers and other key executives. The code is to be regularly reviewed and updated as necessary to ensure that it reflects the highest standards of behaviour and professionalism and the practices necessary to maintain confidence in the Group's integrity.

Shareholder communication

All shareholders receive a copy of the company's annual and half-yearly reports. In addition those reports are accompanied by a detailed report on the performance of the Group and other material issues prepared by the Managing Director. Detailed briefings and site tours are available to shareholders attending the AGM.





With the rapid growth detailed in this report has come the need to move quickly on future expansion plans for T1.

AAL has identified the necessary major infrastructure changes to accommodate the increased passenger, vehicle and aircraft traffic without significant degradation and impact on service levels.

The Terminal Precinct currently includes T1 and support infrastructure, access roads, car parks, offices, and maintenance and freight facilities in the central publicly accessible portion of the airport.

A strategic review was carried out over the past 12 months resulting in concept plans which incorporate development of a multi level car park, a 200-room hotel, reshaping of the road network, development of a plaza forecourt as a feature entrance to T1, a regional terminal to accommodate mining charter and general aviation passengers

and identification of a future light rail access and terminus within the precinct.

Taxi and hire car facilities will also be relocated with dedicated and user-friendly pick-up and set-down points.

The result will provide an integrated approach to vehicular traffic and pedestrian flow and improve security outcomes while maintaining and continuing to enhance the ambience created initially by the development of T1.

Formal details and time lines for the introduction of these changes and proposed facilities will be displayed through Adelaide Airport's Master Plan review due out for public consultation early in 2009.

In the meantime, the first of the proposed new facilities, the 200-room hotel, is currently under Federal ministerial consideration having recently

undergone extensive public consultation through the Major Development Planning process. Aside from T1, AAL has continued to attract significant development within the airport precinct.

The Harbour Town Shopping Centre, opened just five years ago, is already undergoing a major expansion with the addition of a supermarket and further retail outlets, while Burbridge Business Park in the north western corner of the airport precinct continues to grow with the construction of office warehousing and attraction of new businesses to the precinct.

AAL is also responsible for the management of Parafield Airport, which continues to expand. In particular, the demand for new pilots has seen flight schools at Parafield, such as the world-renowned Flight Training Adelaide, experience a period of high growth.





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