



PAPAIOEA
PALMERSTON
NORTH
CITY

PALMERSTON NORTH CITY COUNCIL

AGENDA
MINUTES ATTACHMENTS
**FINANCE, PERFORMANCE &
AUDIT COMMITTEE**

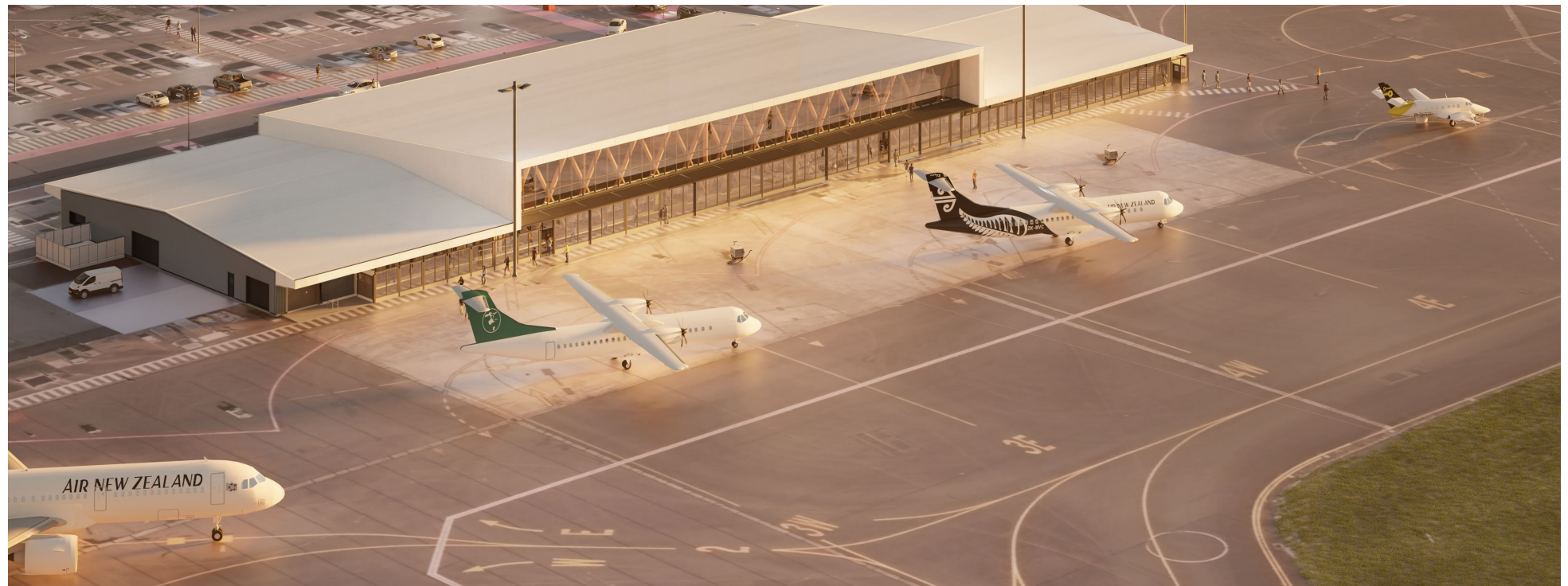
9.00AM, WEDNESDAY 1 APRIL 2026

COUNCIL CHAMBER, FIRST FLOOR
CIVIC ADMINISTRATION BUILDING
32 THE SQUARE, PALMERSTON NORTH

FINANCE, PERFORMANCE & AUDIT COMMITTEE MEETING

1 April 2026

- 9 Palmerston North Airport Limited - Interim report for six months ending 31 December 2025**
1. Palmerston North Airport Limited - Interim report for six months ending 31 December 2025 and Draft Statement of Intent 4
- 12 Central Economic Development Agency (CEDA): 6 month report 1 July 2025 to 31 December 2025 and Draft Statement of Intent 2026/27**
1. Central Economic Development Agency (CEDA): 6 month report 1 July 2025 to 31 December 2025 and Draft Statement of Intent 2026/27 31
- 14 Manderson Private District Plan Change acceptance and notification approval**
1. Manderson Private Plan Change acceptance and notification approval 42



FY26 Interim Result & Draft FY27-FY29 SOI



AGENDA

- FY26 Interim Report
- FY27 – FY29 SOI
- FY27 – FY29 Financial Outlook

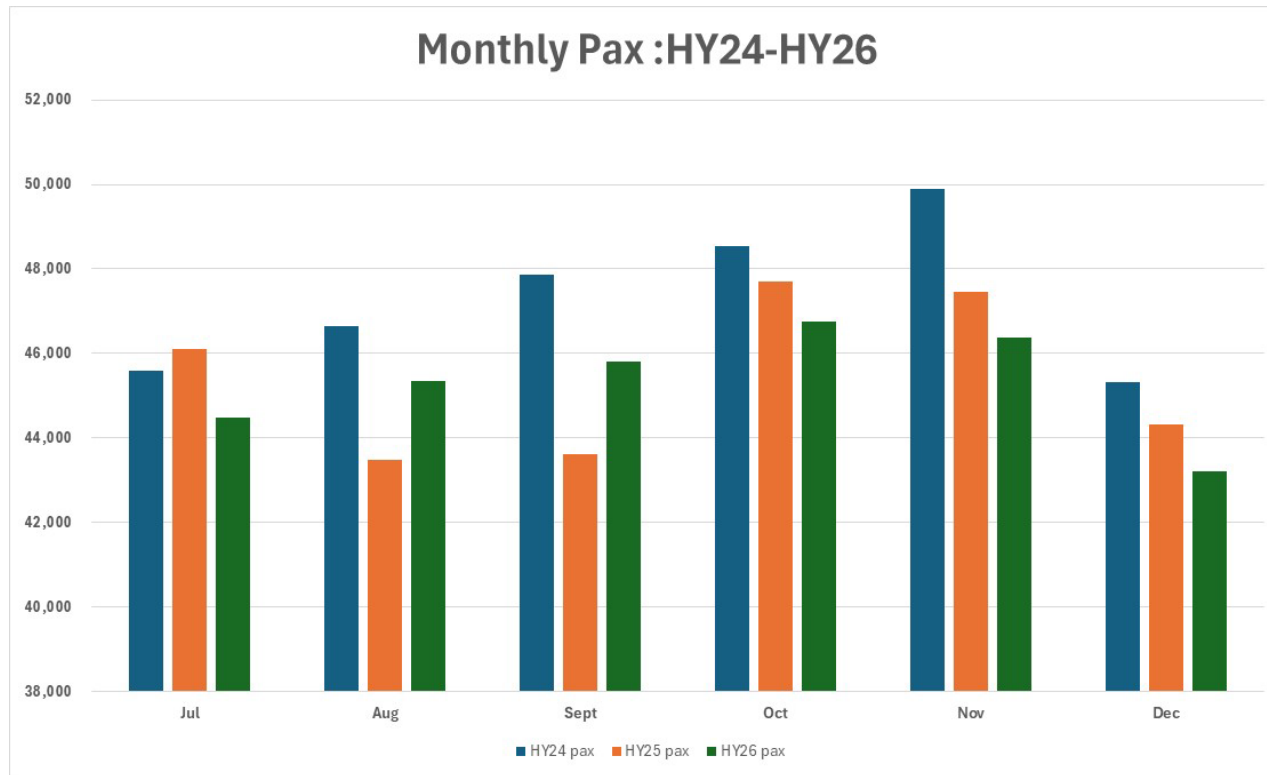
FY26 INTERIM RESULT

FY26 HI HIGHLIGHTS



- ✓ Stage 1 of TDP underway
- ✓ Freightways warehouse construction commenced
- ✓ Banking relationship with ICBC secured
- ✓ Net Promoter Score 31%
- ✓ Team engagement score of 82%
- ✓ ACA Level 4 recertified
- ✓ Originair launch Blenheim-Palmerston North route

FY26 HI FINANCIALS AND PASSENGERS



- 271,953 passengers (SOI: 274,513)
- 1% unfavourable on SOI and prior year
- Income of \$9.28m – in line with SOI
- Normalised expenditure of \$4.5m – 5% favourable to SOI
- Six month NPAT of \$0.5m – 177% ahead of SOI
- Capex of \$7.3m (SOI: \$11.1m)

FY26 H2 PLANS

- ✓ TDP & Freightways Warehouse construction progresses
- ✓ Obtain Resource Consent for Zone C Commercial Precinct
- ✓ Submit Resource Consent for Zone A Rental Car Precinct
- ✓ Conclude land sale to PNCC for City water bore
- ✓ Advance discussions with investment partners re commercial opportunities
- ✓ Maintain Part 139 compliance /Zero LTI
- ✓ Watching brief to be kept on fuel impacts on air services and PNAL operations

Middle East Conflict

- Short-term impact includes loss of 6,500 seats across Auckland and Christchurch routes through to beginning of May 2026.
- May impact up to 5,000 pax.
- Industry-wide scenario planning underway re potential ongoing supply constraints.
- Regional route suspensions and closures are the clearest early signal.

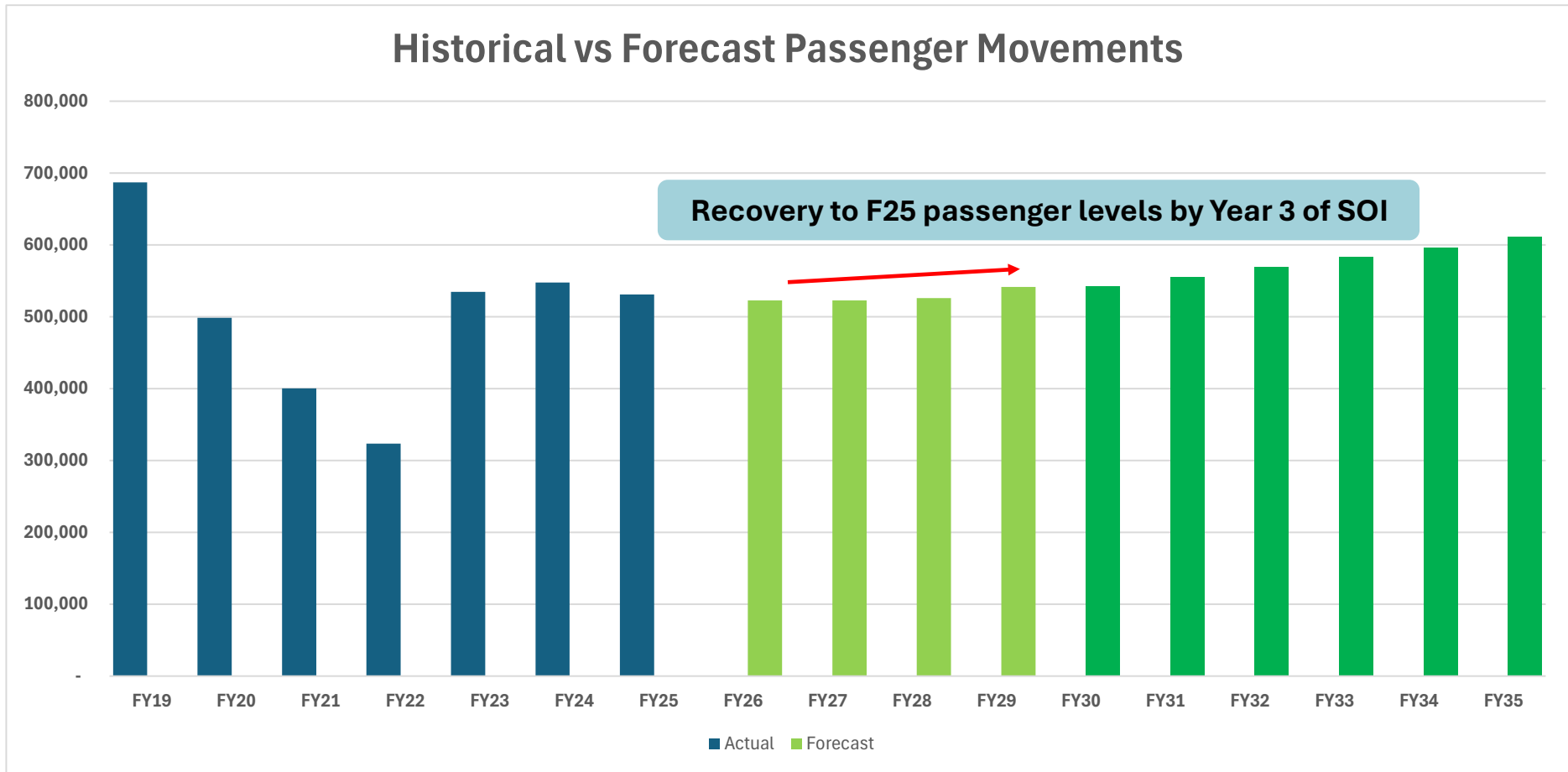




FY27-FY29 DRAFT SOI



Air Services



Air New Zealand

- Awaiting outcome of Air NZ network strategy reset
 - Not anticipating material schedule impacts to Palmerston North – but uncertainty does exist
 - Middle East conflict may influence reset



Air Service Development

- Domestic Jet strategy being pursued for launch in 2028
 - Work underway with CAA to facilitate
 - New terminal is domestic jet capable
- Regional air service development
 - Ongoing discussions with regional carriers around additional routes to Palmerston North





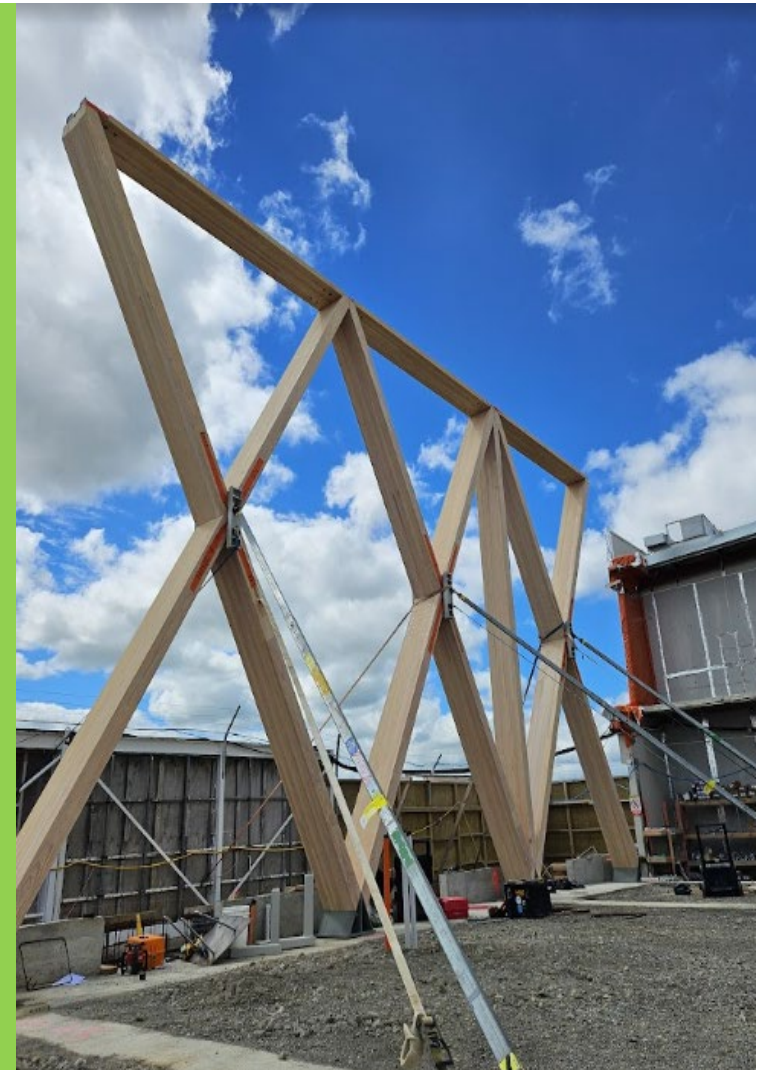
Terminal Development

Terminal Development Progress

- Stage 1 construction complete late 2026.
- Stage 2 construction complete late 2027.
- Installation of laminated timber beams for the check-in and departures area of the new terminal has begun.
- Project remains on budget.

Local content

- 22 local sub-contractors
- Up to 18 locally based LT McGuinness employees on site.
- LTs office established in PNth.





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