Investor Day 2017

1 June 2017

AIR NEW ZEALAND

A STAR ALLIANCE MEMBER

20 YEARS

Forward looking statements

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Today's speakers

Christopher Luxon
Chief Executive Officer

Bruce Parton
Chief Operations Officer

Rob McDonald
Chief Financial Officer

Jeff McDowall
Group General Manager
Corporate Finance

Mark Street
General Manager
Loyalty

Leila Peters
Head of Investor Relations

Agenda

9:00am – 10:15am

Business update and strategic growth priorities

Christopher Luxon
Chief Executive Officer

Jeff McDowall
Group General Manager Corporate Finance

Mark Street
General Manager Loyalty

10:15am – 10:30am

Break

10:30am – 11:15am

Continued cost opportunity

Bruce Parton
Chief Operations Officer

Jeff McDowall
Group General Manager Corporate Finance

11:15am – 12:00pm

Financial priorities

Rob McDonald
Chief Financial Officer

12:00pm – 12:30pm

Questions and answers

Business update

Christopher Luxon
Chief Executive Officer

Investor Day 2017

Air New Zealand at a glance

77
Years in operation

Pacific Rim
Focused network driven by alliance relationships

15m
Passengers carried annually

11,700
Air New Zealand employees based globally

30
International destinations

21
Domestic destinations

#1
Corporate reputation in New Zealand

#1
Corporate reputation in Australia

12
Years of consecutive dividend distributions

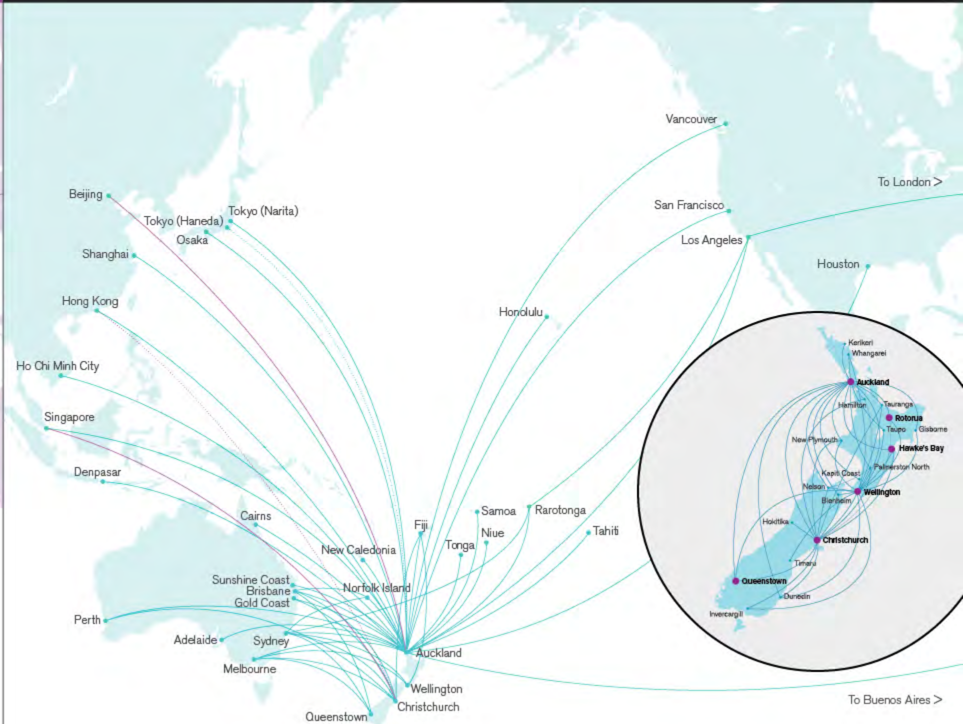
Baa2
Investment grade credit rating from Moody’s

Our focus on New Zealand and the Pacific Rim has resulted in a network that is 30% larger

2012

Routes operated by Air New Zealand

2017



Routes operated by Air New Zealand

Routes operated solely by alliance partners

Services to Tokyo's Haneda Airport commencing July 2017

Our growth has been supported by robust demand drivers that are expected to remain strong for the foreseeable future

- ✓ Inbound New Zealand tourism continues to grow strongly
- ✓ Growing domestic tourism
- ✓ High-single digit growth in New Zealanders traveling abroad
- ✓ Robust New Zealand economy

Our own success is inextricably linked to the success of New Zealand and this mission is what drives us every day

GOBEYOND

OUR **PURPOSE**

Supercharge New Zealand's success socially, economically and environmentally

OUR **PROMISE**

Connect New Zealanders with each other and New Zealand with the world, through a liberating travel experience

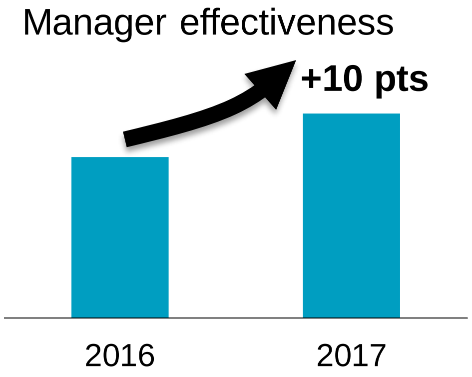
OUR **OBJECTIVE**

Create a world class organisation by delivering cultural, customer and commercial excellence

A consistently high-performing culture that cannot be easily replicated

#1

New Zealand's most attractive employer since 2011*



* Randstad survey.

Fostering deep and meaningful connections with our customers and our community

#1

2017 Top Corporate Reputation in New Zealand

(from #1 in 2016)

#1

2017 Top Corporate Reputation in Australia

(from #6 in 2016)

#2

Long-haul airline of Star Alliance for 2016

#2

Short-haul airline of Star Alliance for 2016

+3 pts

Customer Satisfaction

Improvement 2017 vs. 2015

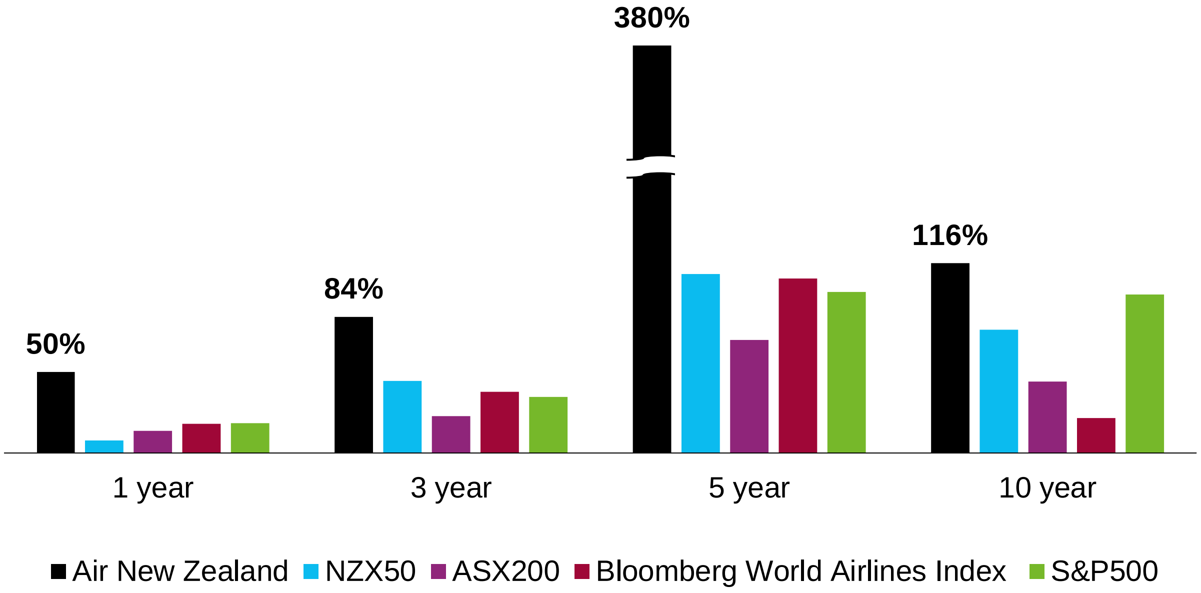
#3

Sustainable Companies in New Zealand*

*Australian Centre for Corporate Social Responsibility.

We have demonstrated our ability to generate strong returns…

Total shareholder return



Source: Bloomberg, period ending as at 12 May 2017.

…with profitability and dividends achieved through the cycle

14 years

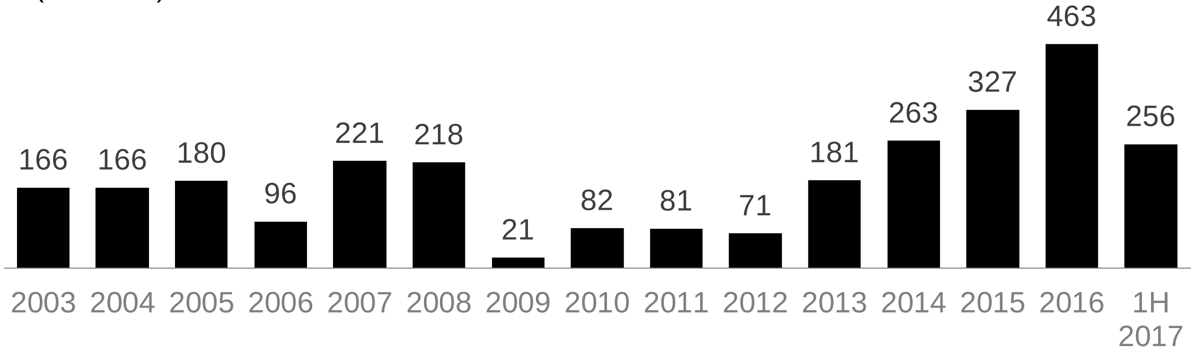
of consecutive profitability*

12 years

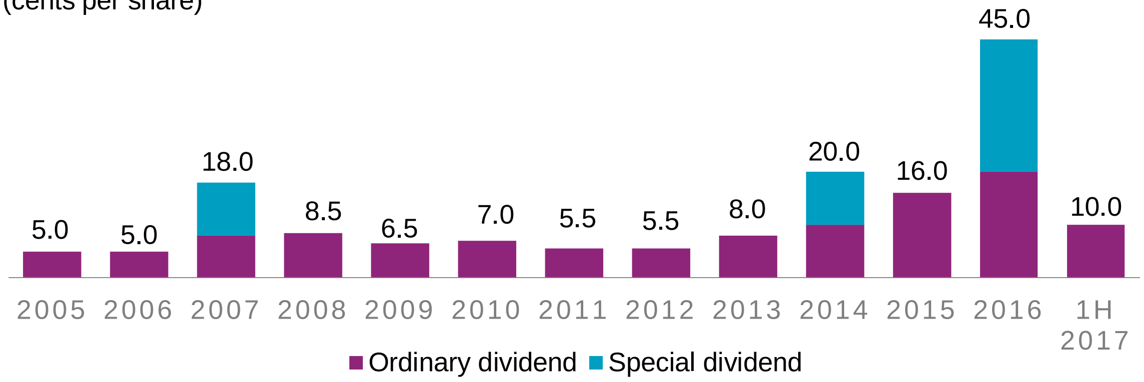
of consecutive dividends

* Based on 2017 full year outlook.

Net profit after tax
($ millions)



Dividends declared
(cents per share)



Our second best result ever – proving the agility and resilience of our business

Updating our 2017 outlook*

Based on the current market environment and jet fuel price, 2017 earnings before taxation **are likely to exceed $525 million[1]**

Prior 2017 outlook*

Based on the current market environment and expectations for the average jet fuel price in the second half of the year of US$ 65/bbl[2], we are targeting 2017 earnings before taxation **to be in the range of $475 to $525 million[1]**

* Current outlook compares to prior outlook as disclosed during 2017 Interim Results on 23 February 2017.
[1] Outlook for earnings before taxation includes the $22 million gain related to the divestment of the remaining interest in Virgin Australia and Air New Zealand's share of earnings in associates.
[2] Refers to Singapore jet fuel.

Strategic growth priorities

Christopher Luxon
Chief Executive Officer

Jeff McDowall
Group General Manager
Corporate Finance

Mark Street
General Manager
Loyalty

Leveraging our unique competitive advantages to drive future returns for our shareholders

Attractive sources of future growth

- Expand our core domestic business
- Leverage the strengths of our long-haul network
- Expand our loyalty programme

Continued cost opportunity

- Cost discipline to deliver economies of scale
- Modern and simplified fleet delivering efficiencies

Investment-grade financial strength and sound risk management

- Appropriate gearing with low cost of debt
- Sufficient liquidity and diverse funding sources
- Fuel and FX risk mitigated with hedging

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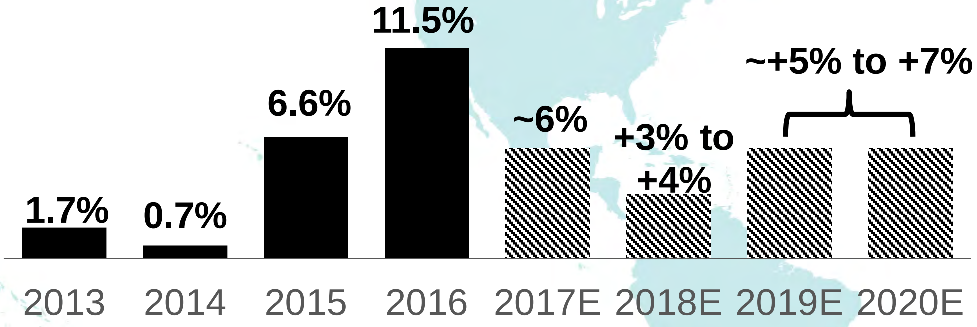
Capacity will moderate as we consolidate our recent growth

Group capacity growth
(Historical and current targets)

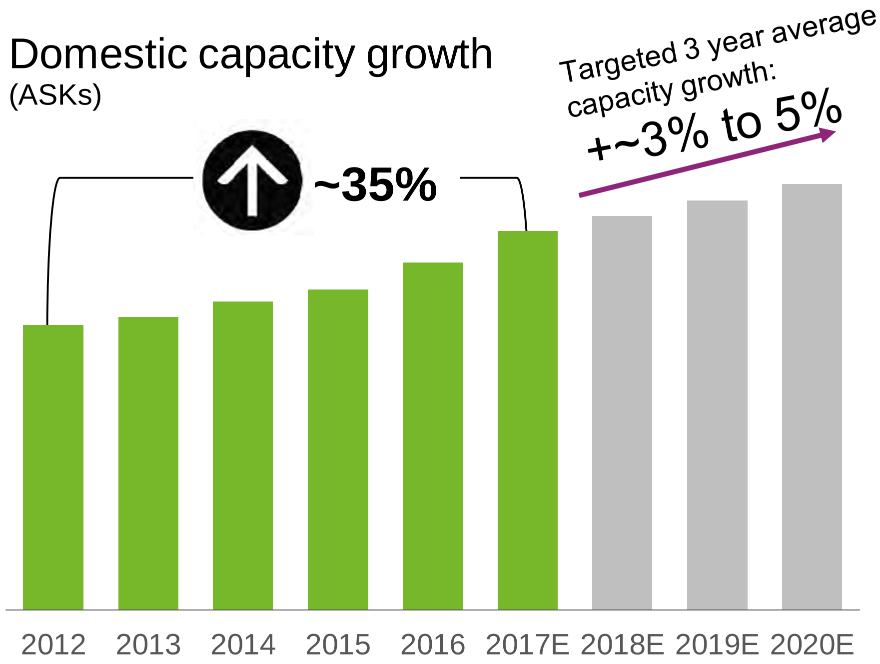


Expanding our core domestic business

Growing our home market with premium network and service offerings, efficient aircraft and coordinated partnerships with regional stakeholders

Stimulate additional demand by growing core jet and regional routes

Invest in coordinated campaigns focused on growing regional tourism further



Stimulating additional demand by growing core jet and regional routes

Growing jet service to Queenstown

~30%

Annual capacity growth for past two years

- Night flying commenced in June 2016
- Adjusted domestic schedule better aligns with connections to international flights

Growing regional service to Napier

~7%

Annual capacity growth for past two years

- Coordination with regional tourism stakeholders
- Strategic marketing campaign

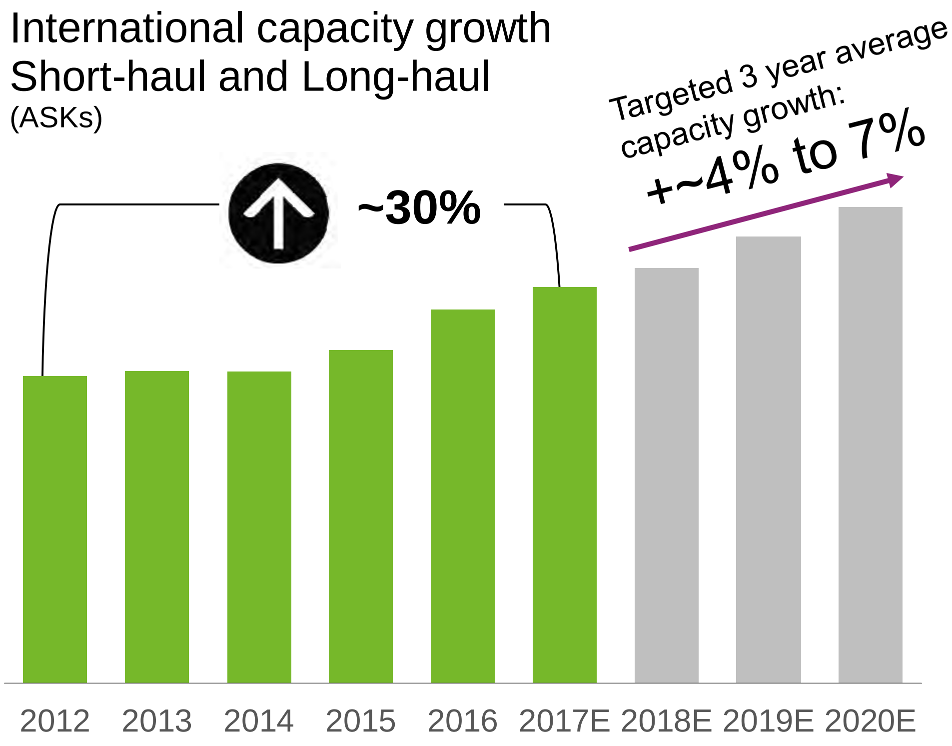
Investing in coordinated regional tourism campaigns

Leveraging the strengths of our long-haul network

Further scale opportunities across the Pacific Rim

Increasing connection opportunities via Auckland

Leverage strength from alliance partnerships



Further scale opportunities across the Pacific Rim

Building scale in our existing long-haul markets

For example, over time we are looking to:

- Continue to build Tokyo over Haneda airport; maintain Narita presence
- Grow our Houston service to daily
- Increase Buenos Aires services

In addition to 1 or 2 new destinations

Building scale:
Strategic growth centred around Tokyo’s Haneda airport

Beginning in July 2017, will operate three services/week into Tokyo’s Haneda Airport

- Will continue to operate daily services to Tokyo’s Narita Airport

Why Haneda Airport?

- Closer to central Tokyo
- Better connectivity to domestic services via our partner ANA

~15%

2018 ASK growth for Japan

Building scale:
Specific regional targeting to grow U.S. traffic

Our opportunity

- “One size fits all” approach not appropriate for the U.S. market
- Awareness and consideration rates for New Zealand decline beyond the West Coast

Houston ideal for accessing new demand pools

- Key catchment areas within Midwest, Mid-Atlantic and Southeast regions of the U.S.
- Direct Texas market

Increasing connection opportunities via Auckland

Leveraging Australia demand to maximise returns on our Americas route

Revenue management

- Gives us the ability to control the volume of traffic we generate from each region of sale

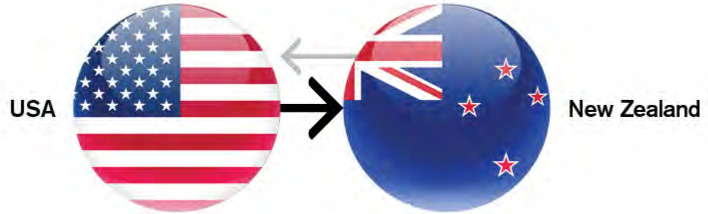
Indirect traffic

- Can be a valuable tool that allows us to maintain pricing strength in our core markets

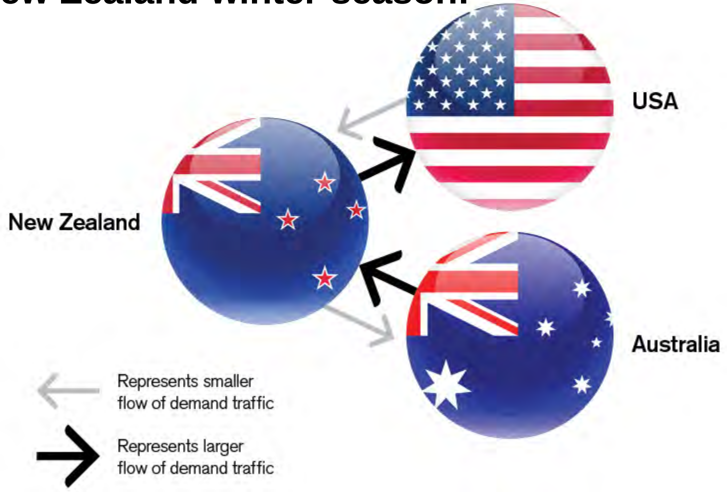
Australian indirect long-haul example

- Allows us to maximise profitability during relatively low demand periods

New Zealand summer season:

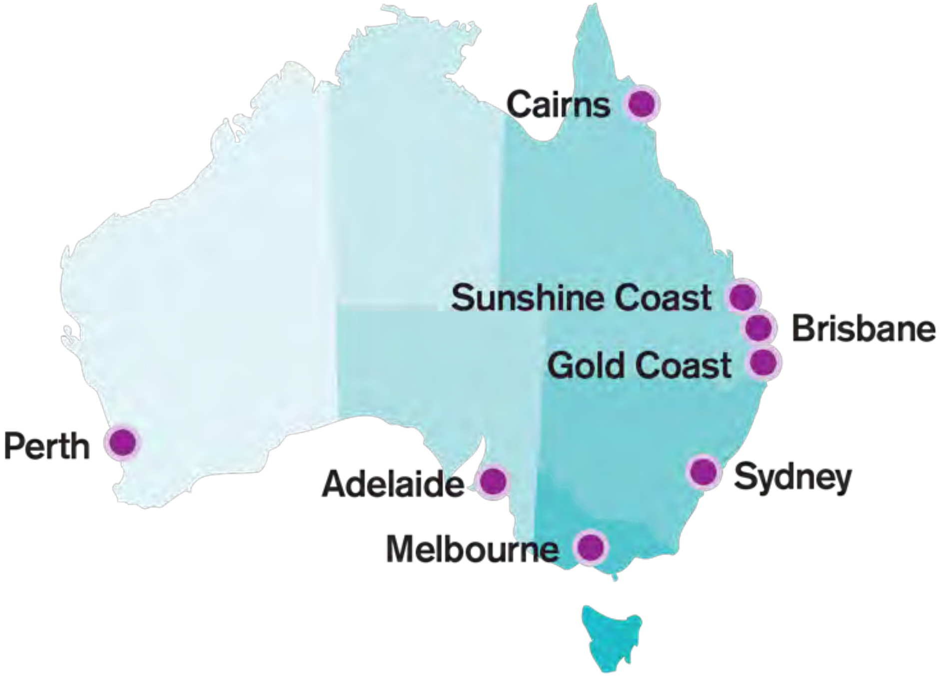


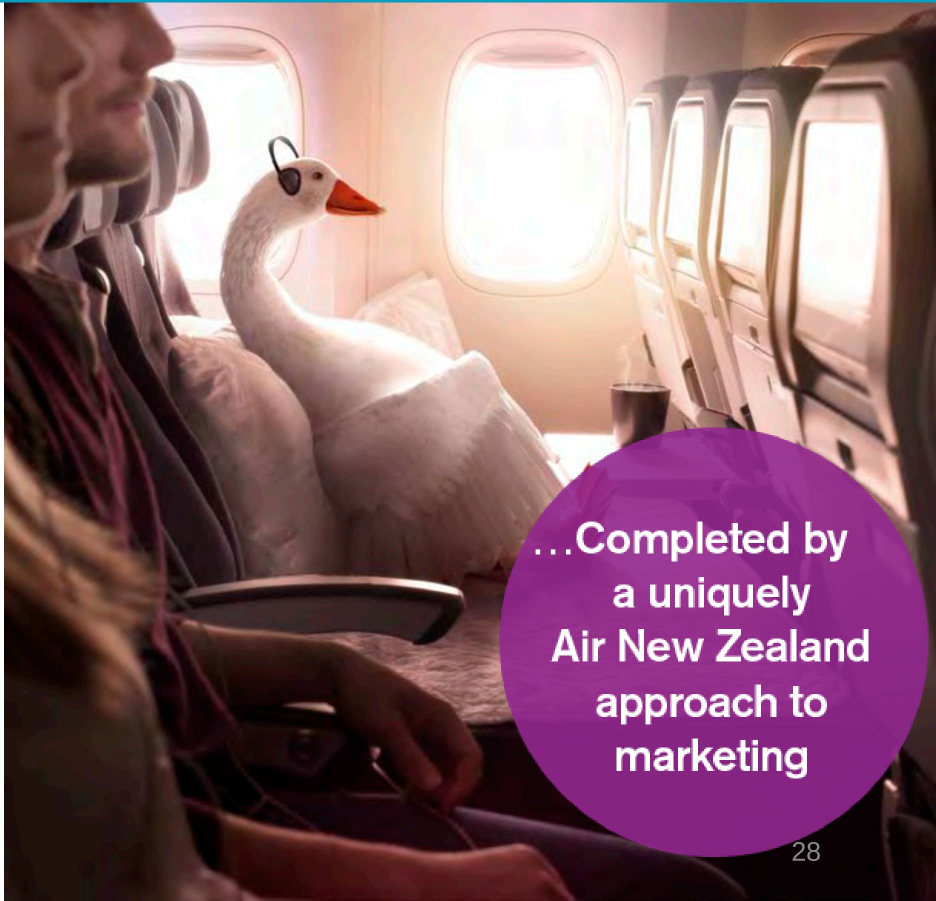
New Zealand winter season:



Targeted approach to growing Australian demand for our long-haul services

State by state sales approach to Australia…





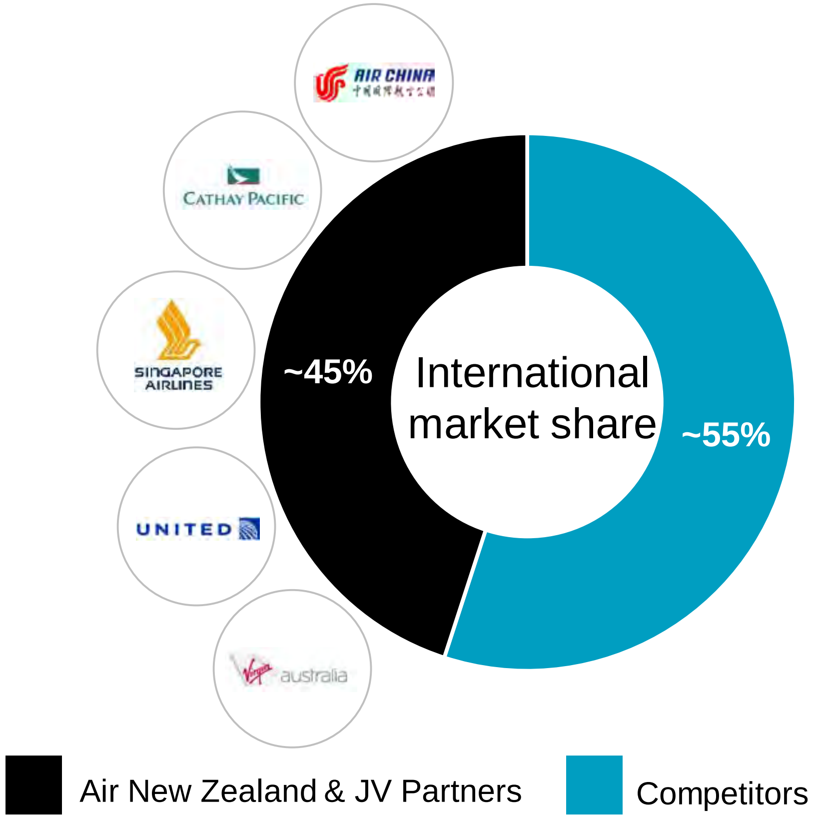
Leverage strength from our revenue-share alliance partnerships

What it is:

- Immunised revenue share arrangement negotiated bilaterally
- Allows Air New Zealand to coordinate pricing, schedules and capacity with each of our partners
- Provides a deeper level of cooperation and coordination than traditional codeshare arrangements

What we gain:

- Improved economics for us and our partners
- Ability to grow further and faster with revenue-share alliances vs. "going at it alone"



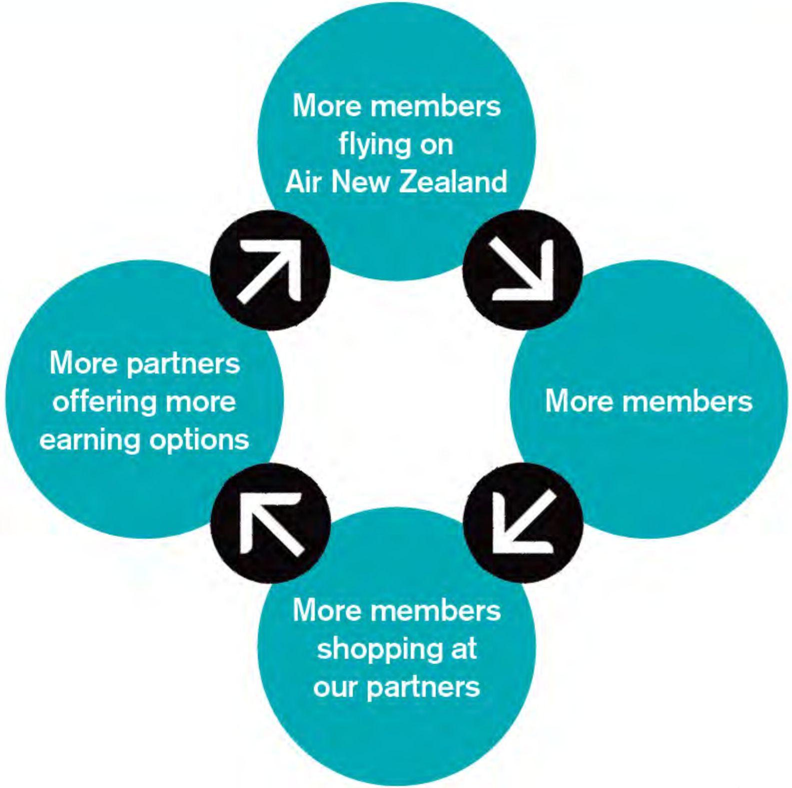
Expansion of our loyalty programme has been a core focus

Delivering value to our members and driving value to our business…

Giving our members the freedom of flight

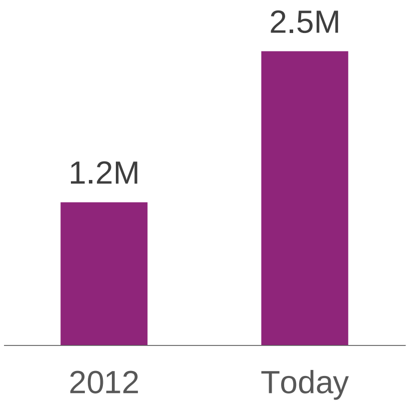
Through New Zealand's best coalition of partners (physical and online)

Using the world's easiest loyalty currency

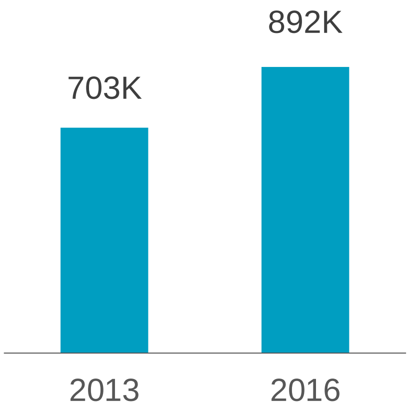


…and delivering notable success in key loyalty metrics

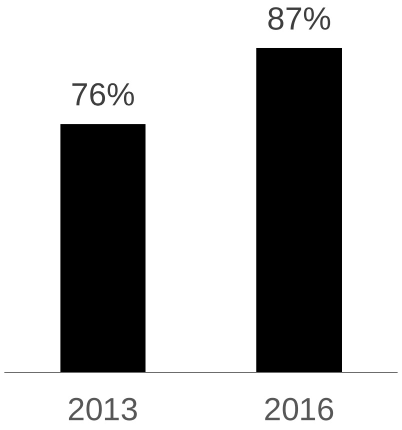
Membership growth



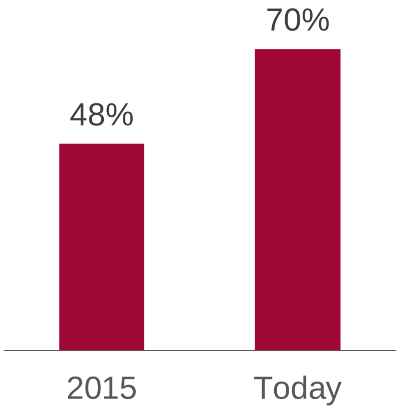
Flights purchased using Airpoints Dollars™



High Value Customer satisfaction



Overall member engagement



1 **in every** **2**
households in New Zealand is an Airpoints™ member

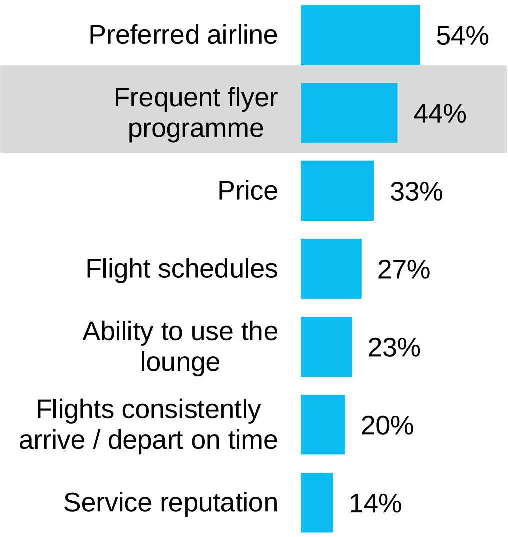
New Zealand's most rewarding loyalty programme by **2x**

Our loyalty programme is highly valued by our most engaged and valued customers

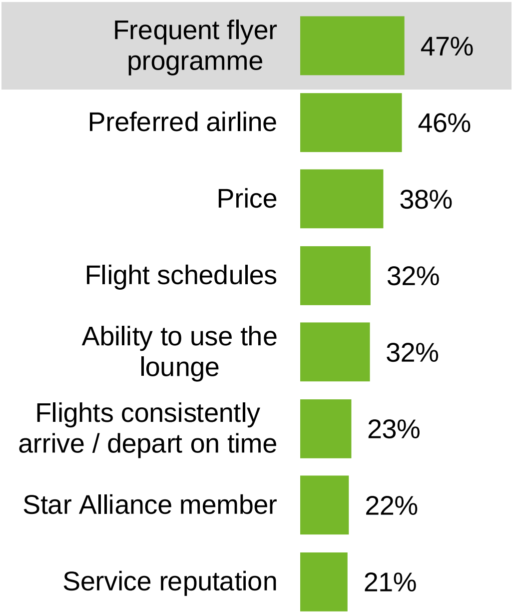
Airpoints™ viewed as an "excellent" frequent flyer programme

Airpoints™ is a key decision criteria for our most engaged customers

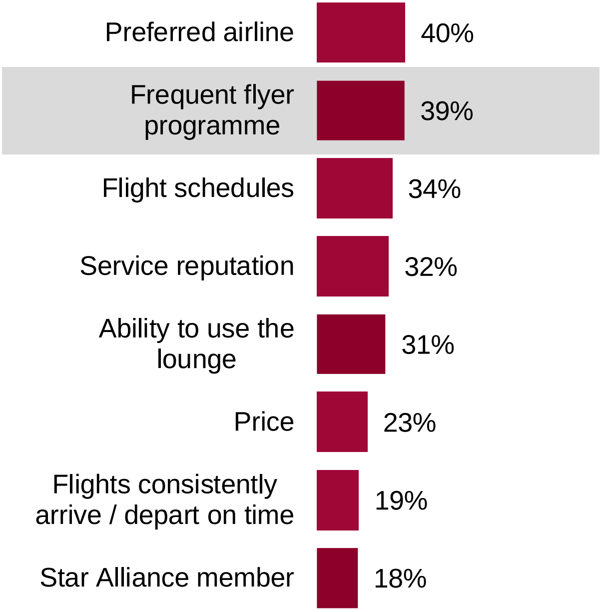
Domestic



Short Haul



Long Haul

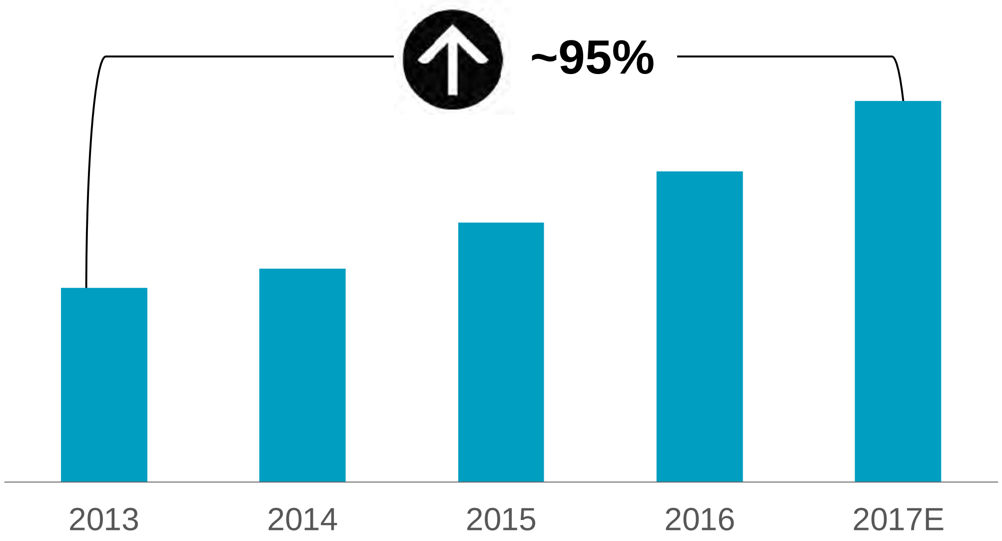


Source: Air New Zealand 2016 High value customer survey.

Working closely with our credit card partners has delivered strong value

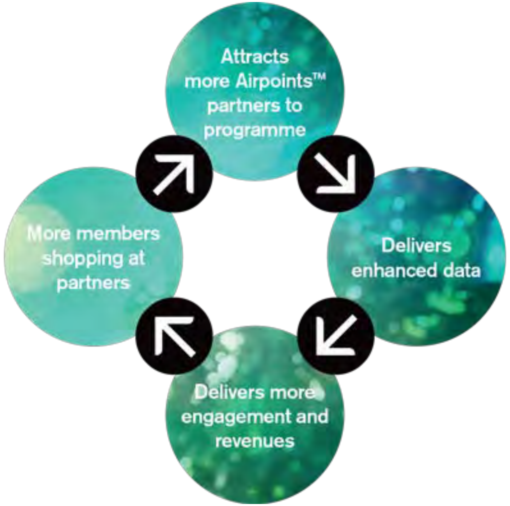
A strong portfolio of card partners

Airpoints Dollars™ issuance from financial partners



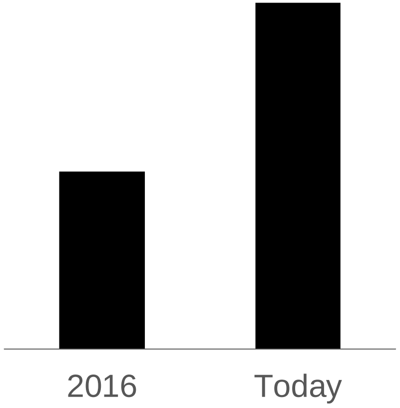
Our new retail loyalty coalition provides unique opportunities for additional growth

More engagement



A growing coalition is better for everyone

Easier to earn



~95% Lift in members earning at ground partners

Value-add

Market-leading data coalition provides unique value for Air New Zealand and our partners

Continued cost opportunity

Bruce Parton
Chief Operations Officer

Jeff McDowall
Group General Manager
Corporate Finance

Leveraging our unique competitive advantages to drive future returns for our shareholders

Attractive sources of future growth

- Expand our core domestic business
- Leverage the strengths of our long-haul network
- Expand our loyalty programme

Continued cost opportunity

- Cost discipline to deliver economies of scale
- Modern and simplified fleet delivering efficiencies

Investment-grade financial strength and sound risk management

- Appropriate gearing with low cost of debt
- Sufficient liquidity and diverse funding sources
- Fuel and FX risk mitigated with hedging

Balancing cost management with investments for our long-term success

Our approach to cost management

Benchmark against global standards

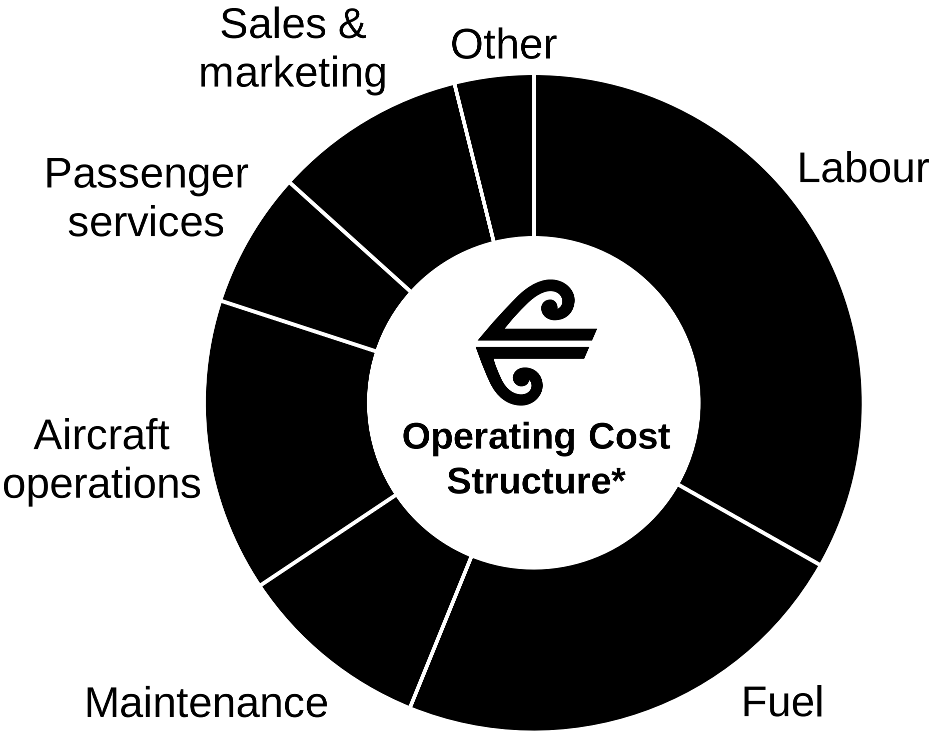
Culture of continuous improvement

Focus on sustainable improvements

What gets measured gets managed

Small initiatives add up over time

Ongoing communication to discuss the “what’ and the “why” is critical



* Breakout of operating costs based on Financial Year 2016.

We have made significant improvements in our unit costs (ex: fuel & FX)

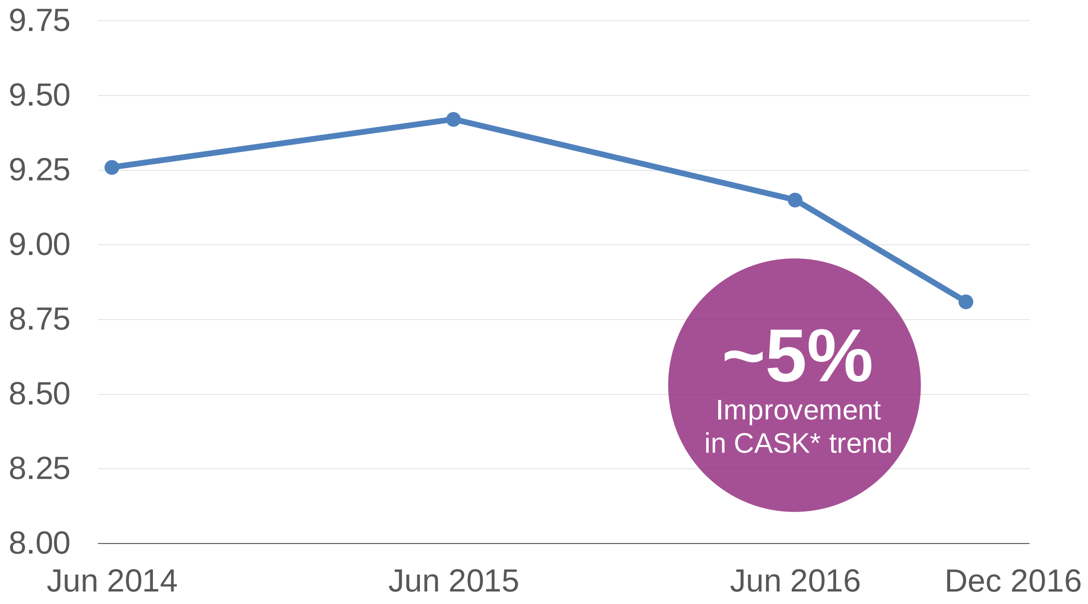
Primary drivers of historical CASK improvement

Up-gauging

Fuel efficiency

Scale economies

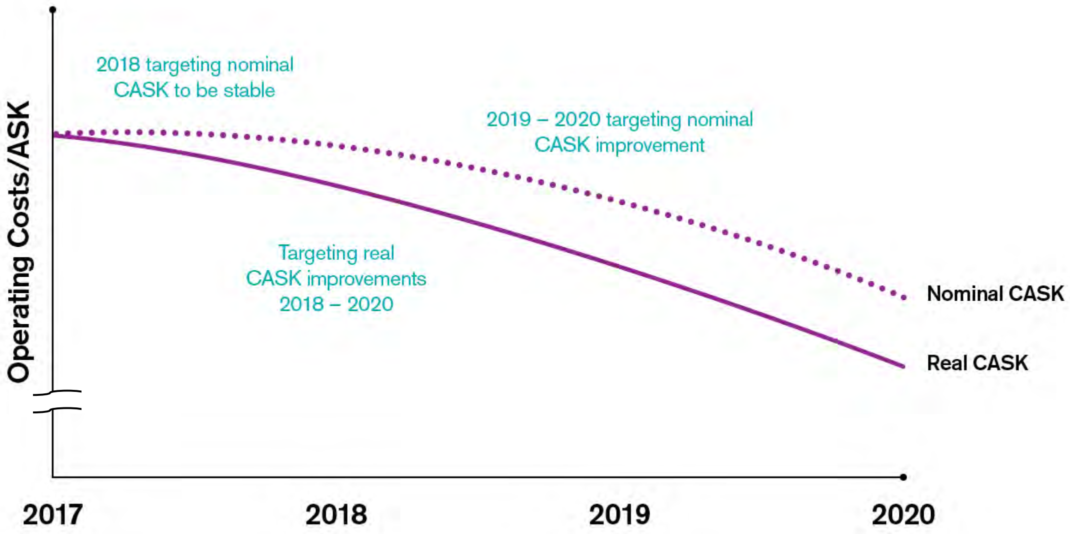
CASK* trend



* Prior year CASK adjusted to the average fuel and foreign exchange rates for the six month period ending in December 2016 and excluding divested operations.

Continued cost improvement targeted for 2018 to 2020 period

Illustrative CASK* targets 2018-2020



- Stable unit cost targets for 2018 reflective of lower capacity growth forecasts
  - Targeting efficiencies to offset inflation
- Unit cost improvement (ex: fuel & FX) targeted to continue in 2019 and 2020 as capacity growth forecasts increase
  - Targeting low-single digit nominal CASK improvement

* CASK excluding fuel price and foreign exchange changes; assumes inflation remains at similar level to 2017.

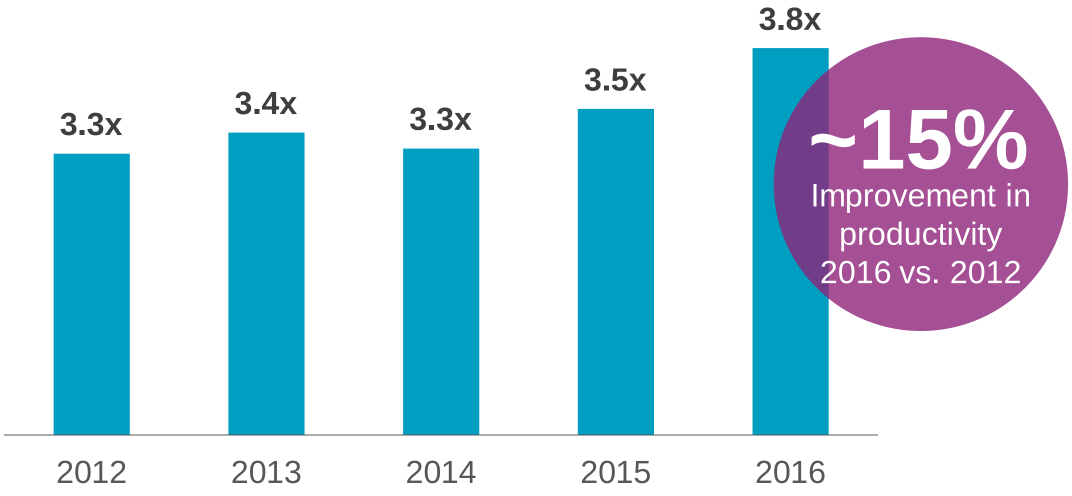
Strategic investments have made our operations increasingly productive

6% Increase in headcount* 2012-2016

22% Capacity growth over the same period

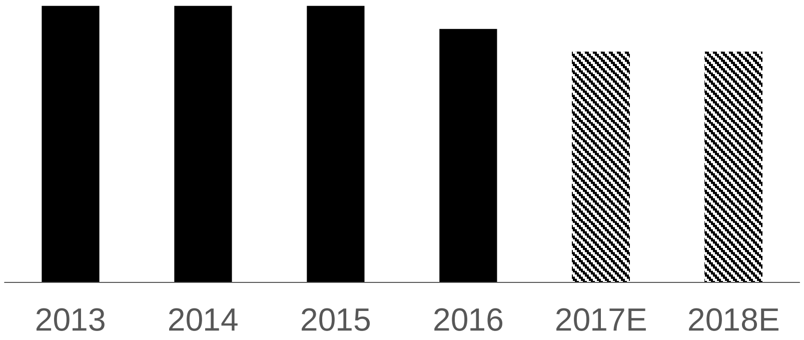
* Full-time employees adjusted for divestments.

Capacity (ASKs in millions) per Full-time Employee (FTEs)



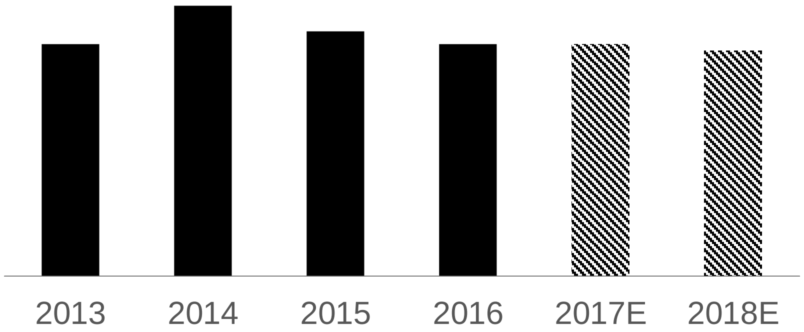
Insight into our improving variable labour unit costs

Jet cabin crew CASK
(includes inflation)



- A new collective agreement was reached with jet cabin crew unions in 2013
- Assuming 2% annual inflation, there is a 14% improvement in real unit costs
- On the current cost base, represents ~$20 million in savings and aligns our cabin crew costs with our competitors

Jet pilots CASK
(includes inflation)



- 2014 was a peak year for pilot training
- Assuming 2% annual inflation, there is a 11% improvement in real unit costs
- On the current cost base, represents ~$25 million in efficiencies, related to simplification from five jet fleet types to three

Proven benefits from undergoing interest-based problem solving with our unionised work force

High Performance Engagement

What is it?

- Interest-based problem solving during the course of a contract period
- People affected by a problem are directly involved in solving it

Proven value

- Settlements reached averaging ~2%
- Negotiations at renewal period takes several days, not weeks and months
- Reinforces strong culture

Superior wages for superior productivity and performance

Focus area: targeting stable level of non-variable operating costs to 2020

In recent years we have strengthened our business with key investments in areas including:

- Digital
- Brand
- New market development

~$600 million

non-variable operating costs that can leverage with growth

Additional improvements from operational areas

Select cost initiatives

"One way, same way, best way"

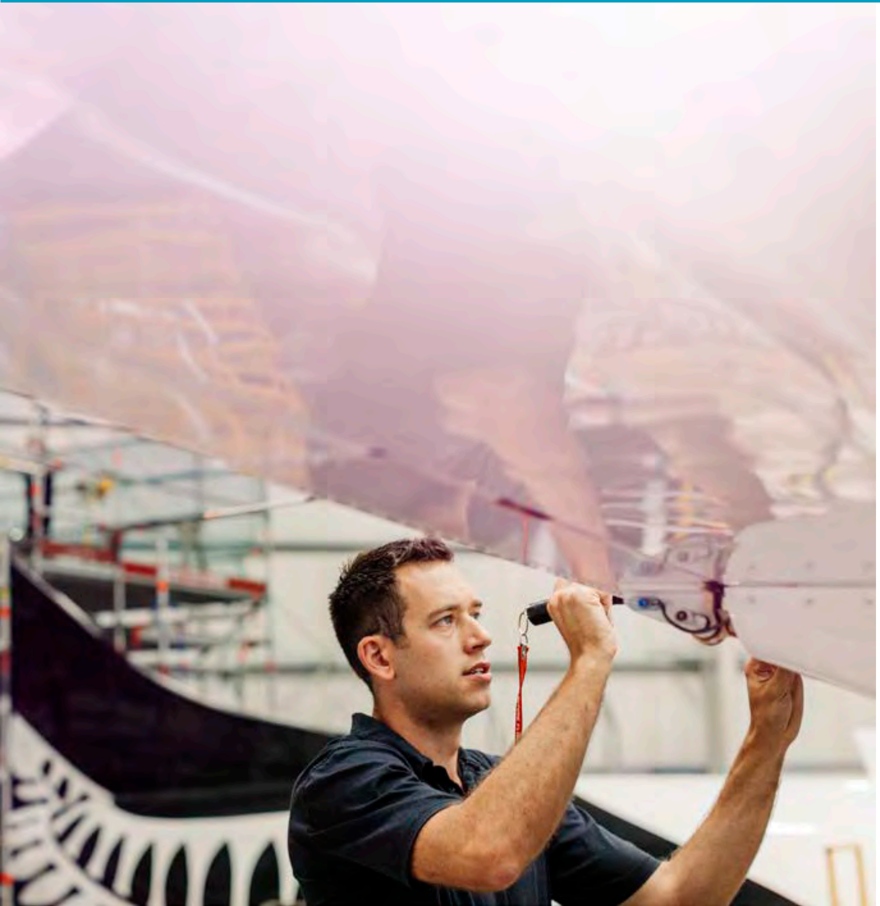
New rostering system implementation

Leveraging better procurement terms via scaling with 3rd parties

Mobile enabled digital solutions for cabin crew

Embed emerging technologies across operational areas

While lumpy and event-driven, targeting improvement in maintenance costs



Simplified and modern fleet will result in:

- ✓ Fewer heavy maintenance checks for airframe
- ✓ Fewer components to replace or hold in inventory

Age of the fleet will not impact:

- Engine maintenance – driven by usage

Leveraging our maintenance skillset and expertise to drive additional value

Christchurch Engine Centre

- 49% ownership stake
- Operated by Pratt & Whitney
- Strong growth prospects with V2500 engine

APU Partnership with Honeywell

- 8 year deal to overhaul and repair Honeywell Aerospace's auxiliary power units

Regional maintenance contract with ATR

- Perform third-party work on ATRs in the APAC region

Our strategy of a simplified and modern fleet is proving successful

2012	Today
Wide-body	
B747 B767 B777 family	~~B747~~ ~~B767~~ **B777 family** **B787**
Narrow-body	
B737 A320	~~B737~~ **A320**
Turbo-prop	
ATR72s Q300 Beech 1900D	**ATR72s** **Q300** ~~Beech 1900D~~

Benefits from fleet programme:

- ✓ Competitive customer proposition with same seat types, fresh and modern interiors and same IFE
- ✓ Configuration suited to the New Zealand market
- ✓ Improving operating economics

A consistent, high quality aircraft product that delivers tangible value

Our new deliveries of 787-9 aircraft will have a different configuration that is skewed to a higher premium product

4 Remaining B787-9 aircraft delivered in 2018 and 2019*

54% Increase in premium cabin seats vs. current B787-9s

* Represents financial year.

Code 1 B787-9 configuration (all 9 aircraft currently in fleet)

- **Flying west to Asia**
  Market preference towards lower proportion premium product

302 seats

Code 2 B787-9 configuration (4 aircraft to be delivered)

- **Flying to the Americas or Asia**
  Market preference towards higher proportion premium product

275 seats

Great strides have been made in fleet efficiency to date

Realising efficiencies today

Wide-body

B787-9

vs B767-300ER

↑ 31%

Additional seats

(230 seats to 302)

↓ 20 to 25%

Variable Operating Cost

(per seat)

Marked improvement in routes that have transitioned to the B787-9

…and our short-haul fleet will soon gain strong efficiencies with delivery of neo aircraft

Additional efficiencies still to come

Narrow-body

A321 NEO

vs A320 CEO

↑ 27%

Additional seats

(168 seats to 214)

↓ 15%+

Variable Operating Cost

(per seat)

Financial priorities

Rob McDonald
Chief Financial Officer

Leveraging our unique competitive advantages to drive future returns for our shareholders

Attractive sources of future growth

- Expand our core domestic business
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Continued cost opportunity

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Investment-grade financial strength and sound risk management

- Appropriate gearing with low cost of debt
- Sufficient liquidity and diverse funding sources
- Fuel and FX risk mitigated with hedging

The financial framework that guides us

Profitable Growth

Capacity growth **in-line** with New Zealand tourism growth over medium term

Continuous CASK improvement (ex: fuel and FX)

Capital Discipline

Maintain investment grade credit rating

Gearing between **45% to 55%**

Risk Management

Hedging | Liquidity | Funding flexibility

Shareholder Returns

Targeting pre-tax ROIC > **15%**

Targeting a **consistent and sustainable** ordinary dividend

A stable investment credit rating backed by strong financials

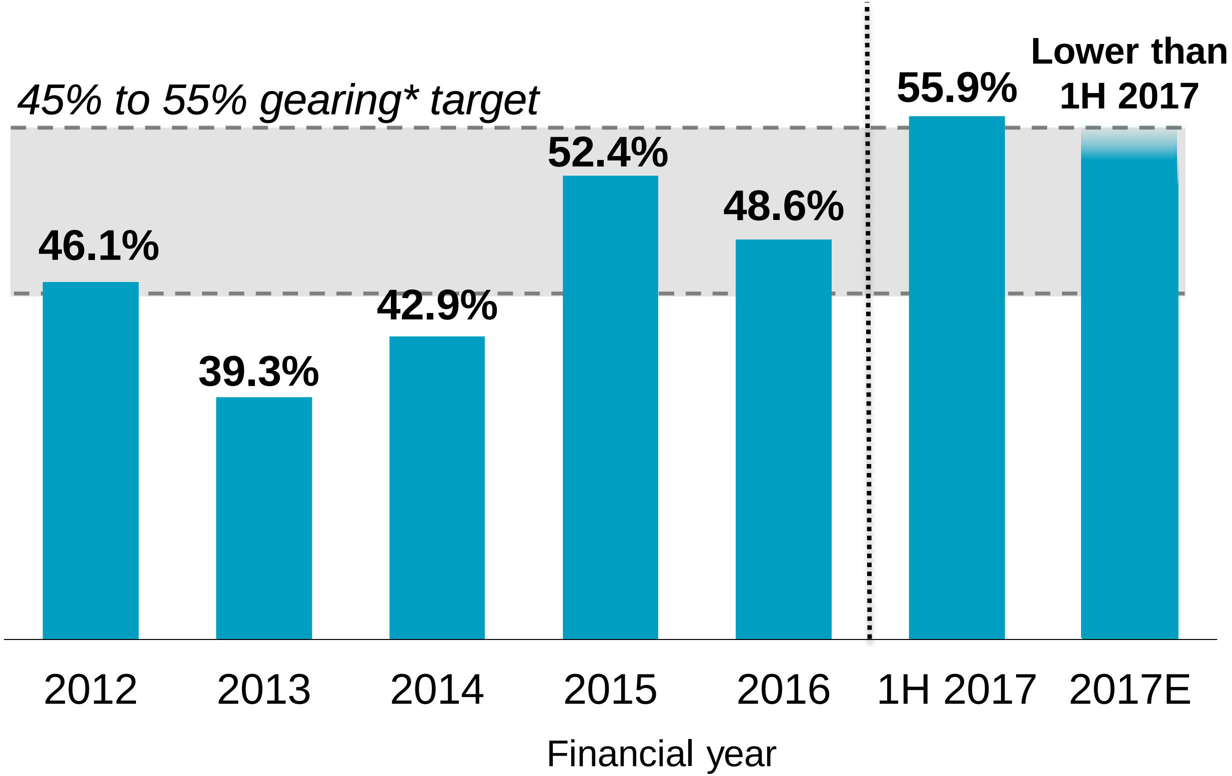
Our investment grade rating reflects:

- Strong domestic market position
- Resilience of international routes to competitive pressure
- Strong liquidity position
- Robust financial framework

	Moody's credit rating	
Investment grade	Baa1	Southwest, easyJet
	Baa2	Air New Zealand, Qantas
	Baa3	Delta
	Ba1	Lufthansa
	Ba2	United
	Ba3	jetBlue, British Airways, American Airlines

Source: Bloomberg as at 15 May 2017.

An appropriate level of gearing that reflects the near completion of our capex programme



* Gearing defined as net debt / (net debt plus equity); debt includes net aircraft operating lease commitments for the next twelve months, multiplied by a factor of seven.

45% to 55% target

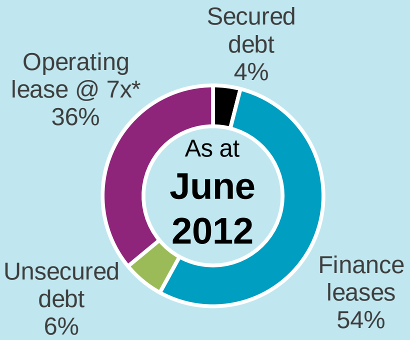
Range serves as a guide - some years it may be appropriate to be above or below the target range

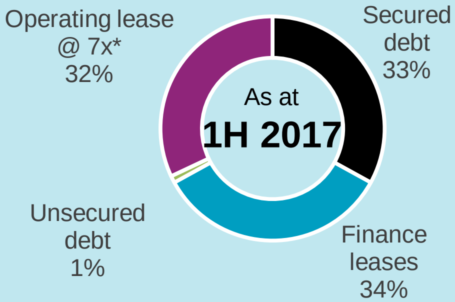
Weighted to 1H

Majority of aircraft deliveries occur in 1H of each financial year, resulting in higher gearing levels in 1H compared to the full year

Our debt portfolio today is diverse and flexible, with a preference towards long-term borrowings

Our debt funding profile has transformed

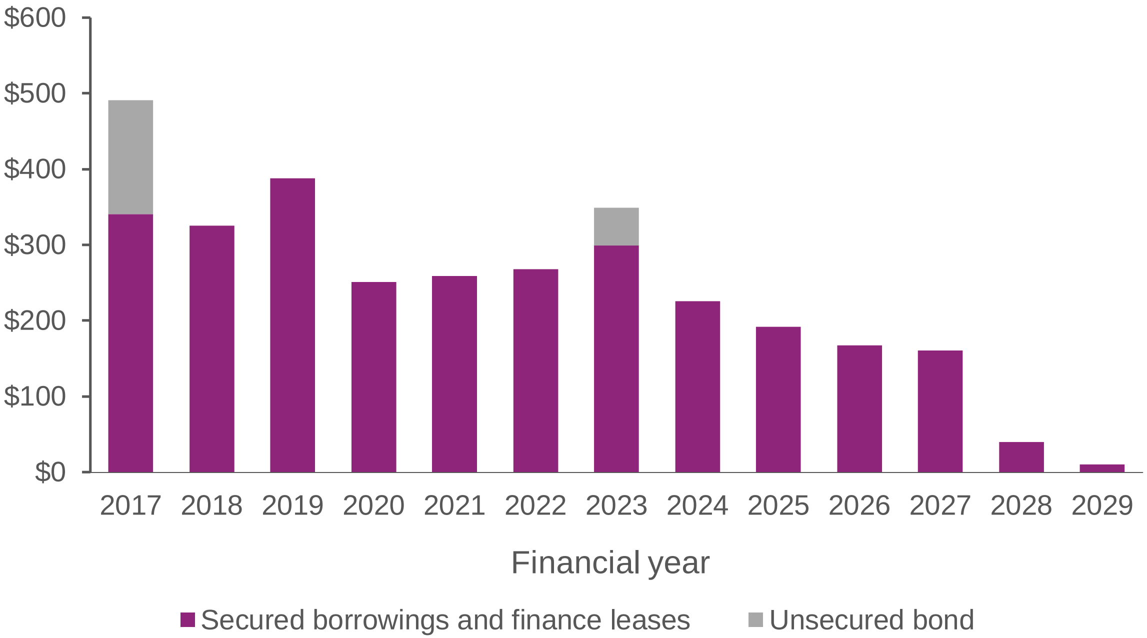




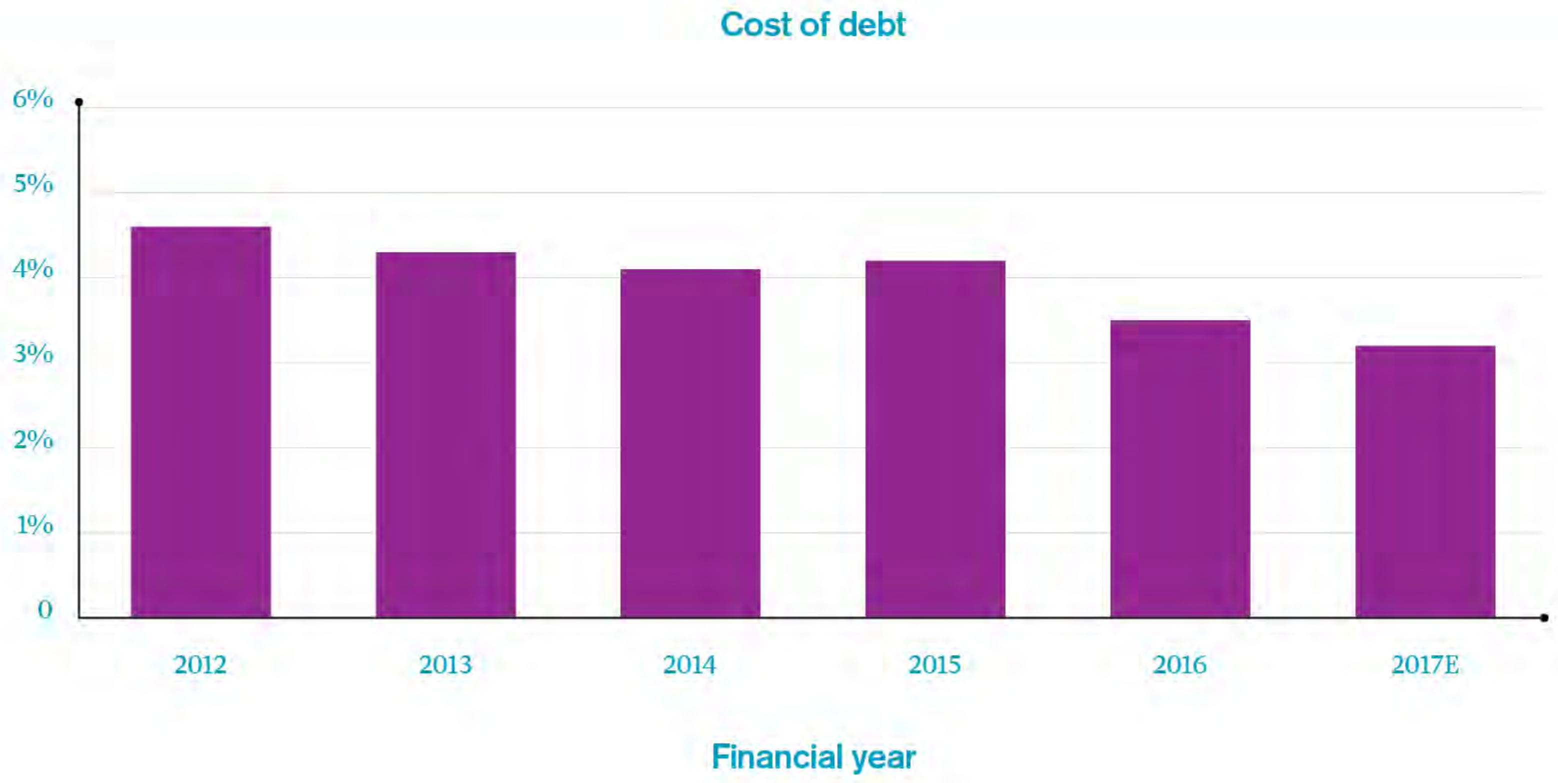
* Aircraft operating lease commitments for the next twelve months multiplied by a factor of seven.

Debt maturity

(in NZ$ millions)



Over time, the changing mix of our debt has contributed to a lower cost of funding



Delivery of NEO aircraft will be delayed ~12 months, impacting timing of capex spend

- Existing lease periods on five A320ceo aircraft extended to safeguard impact of delay

- Allows for the new version of A321, with redesigned interior
  - 214 seats vs. original configuration of 209 seats

Delivery of 1st A320neo
July 2018

Delivery of 1st A321neo
Sept 2018

Aircraft delivery schedule adjusted for the NEO delay

Aircraft delivery schedule (as at 31 May 2017)

		Number in existing fleet	Number on order	Delivery Dates (financial year)				
				2H 2017	2018	2019	2020	2021
Owned fleet on order	Boeing 787-9	9	3	-	2	1	-	-
	Airbus A320/A321 NEOs*	-	8	-	-	6	2	-
	ATR72-600	26	14	-	4	5	5	-
Operating leased aircraft	Boeing 787-9	-	1	-	-	1	-	-
	Airbus A320/A321 NEOs	-	5	-	-	4	1	-

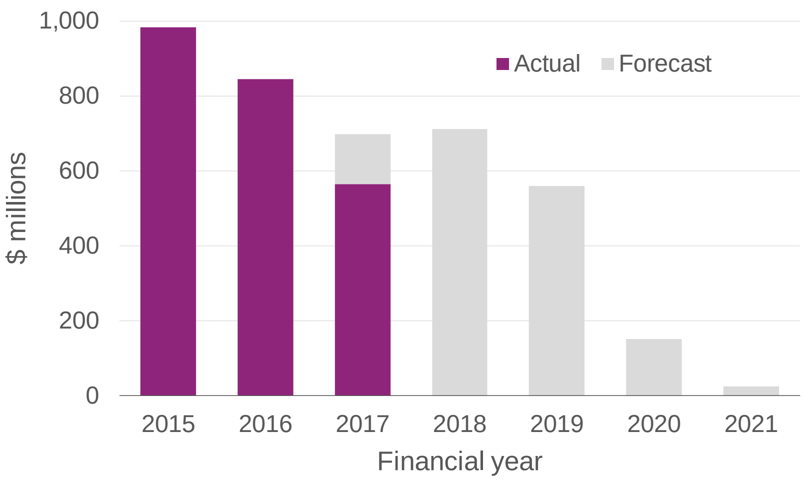
Reflects shift of ~1 year for NEO deliveries vs. prior schedule**

* Excludes orders of up to five A320/A321 NEOs with purchase substitution rights

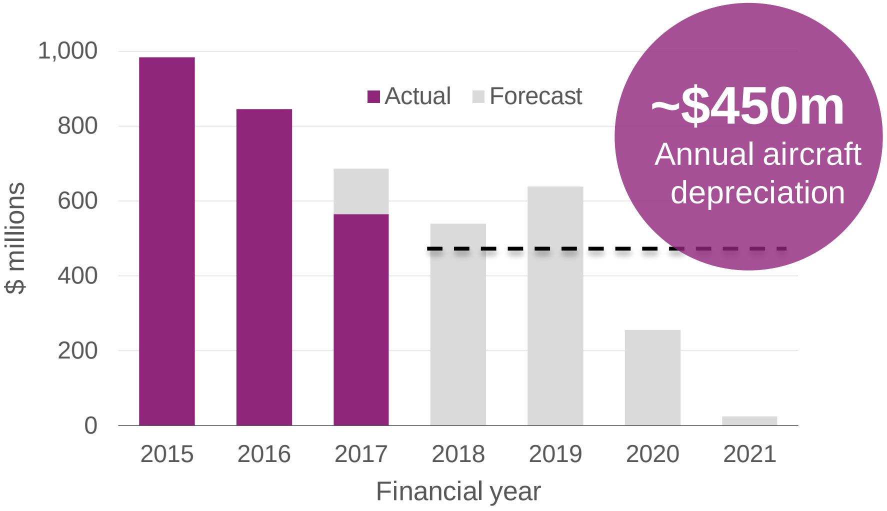
** Prior aircraft delivery schedule disclosed as at 23 February 2017.

Minor timing shift in aircraft-related capex of ~$1.6 billion through 2021

What we said in February 2017*

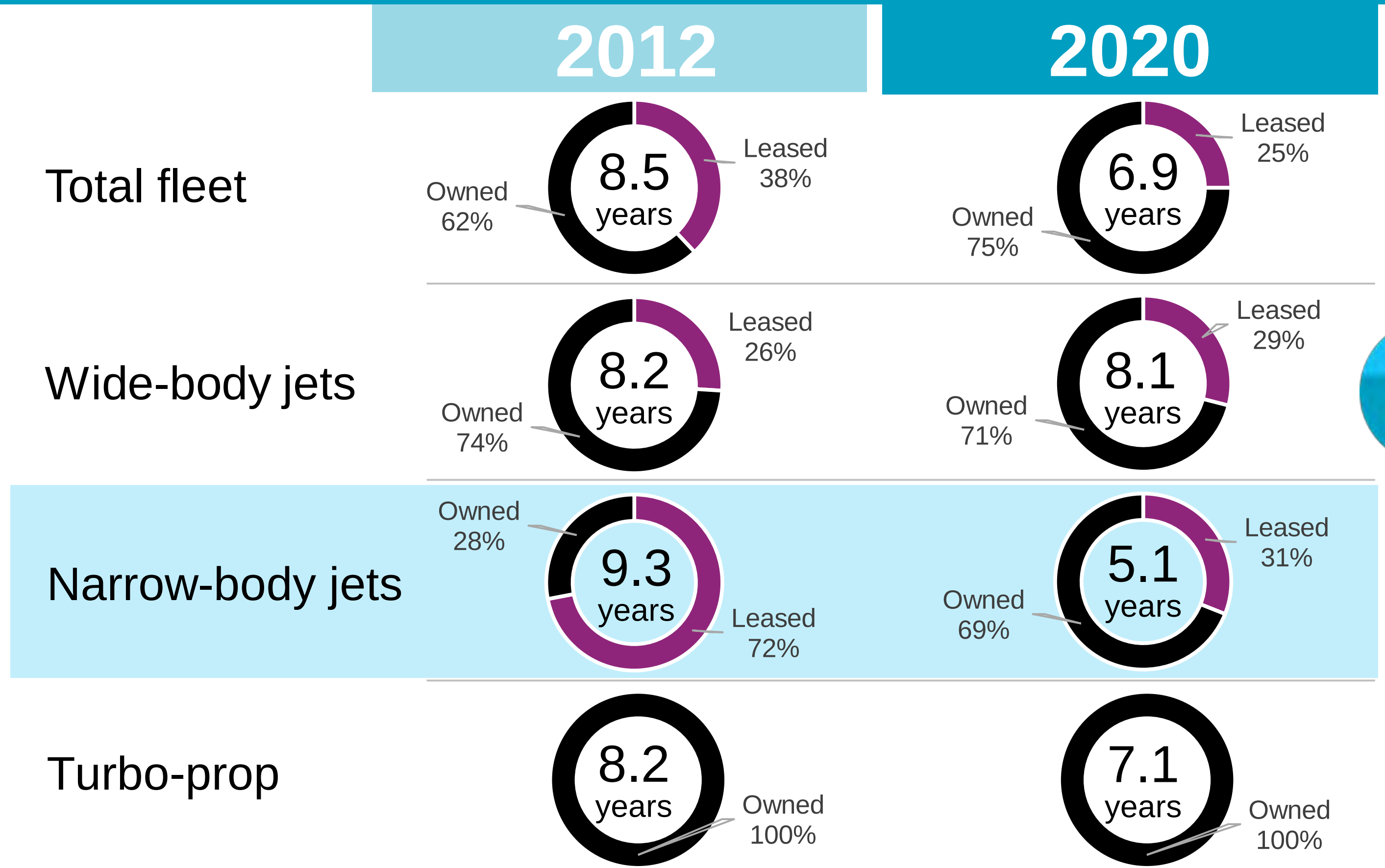


Today's aircraft capex outlook*



* Assumes NZD/USD = 0.725; excludes orders of up to five A320/A321 NEOs with purchase substitution rights.

Increasing proportion of owned fleet with targeted age between 8 to 10 years



Flexibility to adjust our fleet should the demand environment change

Ability to flex down our fleet

2 lease expirations in the next 3 years

two B777-200ERs expiring 2020

6 early termination options

2019
one B777-300ER
two A320 domestics

2020
two B777-300ER
two A320 domestics

33 unencumbered aircraft by 2020

Wide-body
four B777-200ERs

Narrow-body
six A320CEOs

Turbo-prop
23 Q300s

Ability to expand the fleet

Purchase growth units

Incremental operating leases

Use purchase rights and options for growth units

Utilising hedging and liquidity to effectively manage our risk

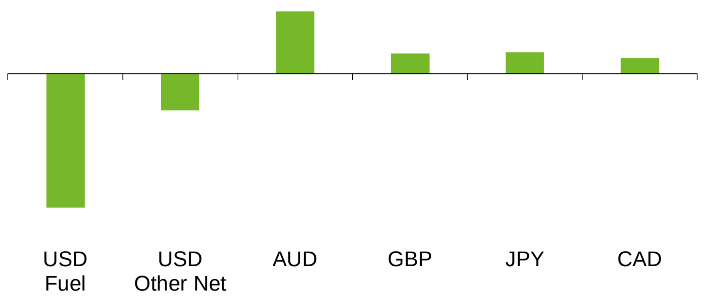
Fuel

- Tenor of 12 months
- Primarily utilise collar structure
- Currently hedged near policy maximums

Foreign Exchange

- Hedging cover on operating exposures denominated in non-NZD currencies

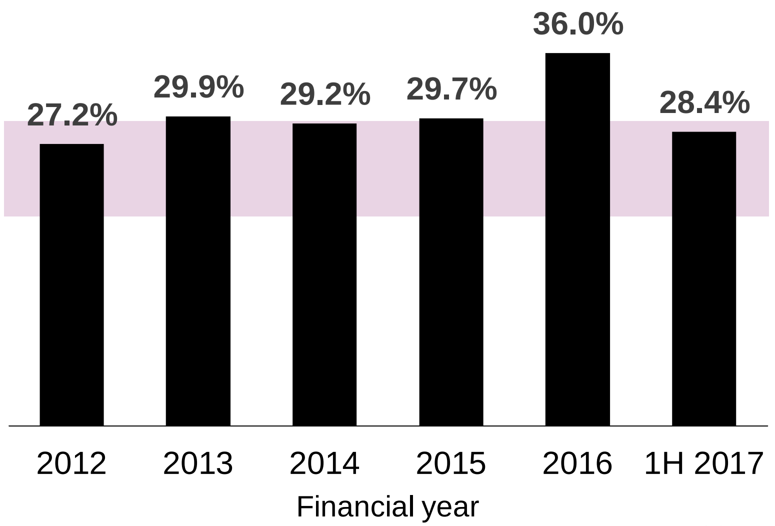
2017 Net exposures – top 5 currencies



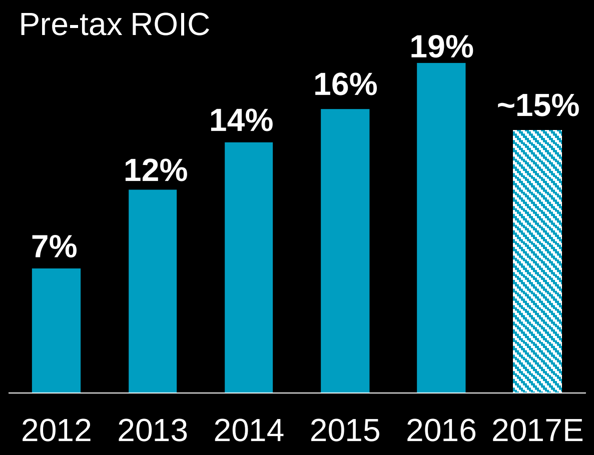
Liquidity

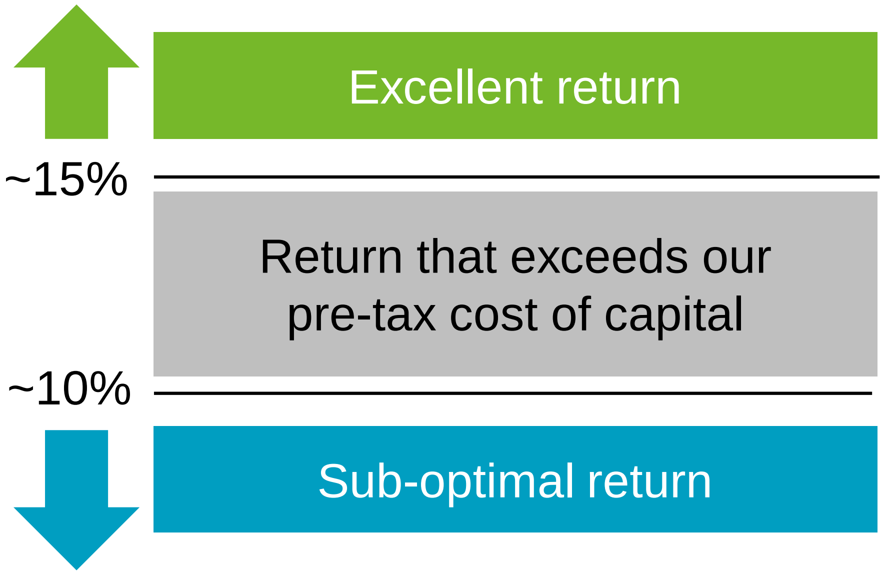
- Target liquidity ratio of 20% to 30%
- Flexible debt structure allows us to effectively manage our liquidity position

Liquidity ratio



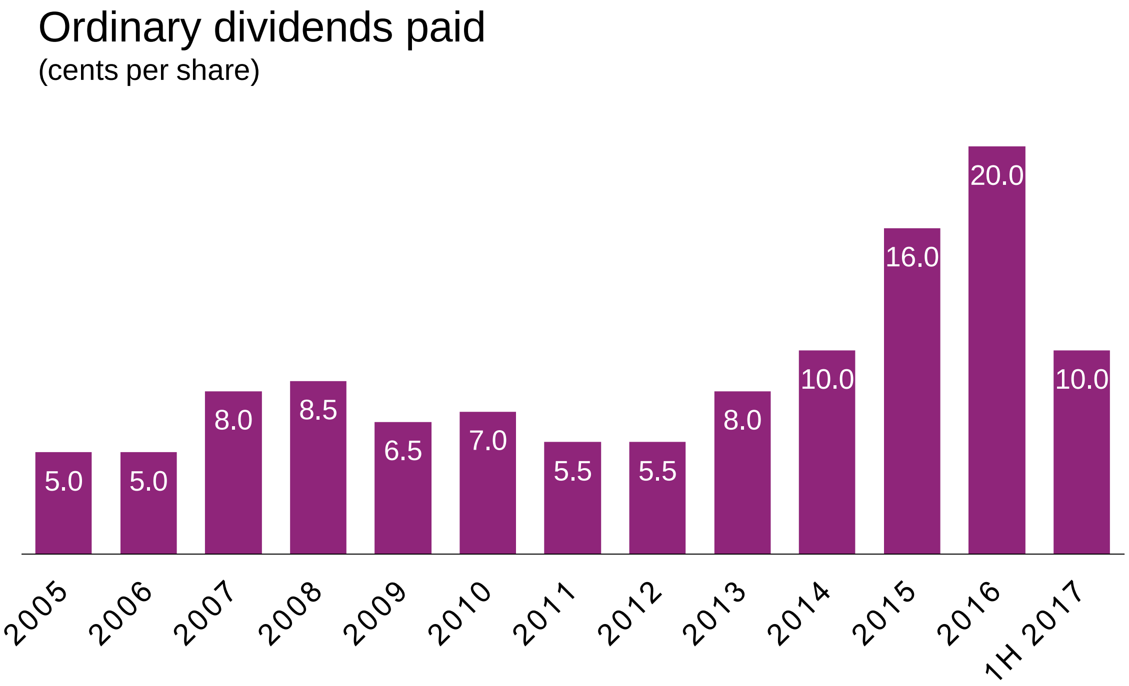
Putting ROIC performance into perspective





A sustainable business positioned to deliver strong dividends for our shareholders

- We target consistently distributing dividends to our shareholders each period
- Dividend is not linked to a pay-out ratio
- Looking beyond short-term peaks and troughs in the earnings profile when determining dividend




Positioned to leverage our unique competitive advantages to **drive future returns for our shareholders**

- ✓ Resilient core domestic business
- ✓ Pacific Rim focused international network
- ✓ Focused on sustainable cost improvements
- ✓ Investment-grade financial strength

Thank you

Appendix

Speaker biographies

Christopher Luxon
Chief Executive Officer

Christopher has been Chief Executive Officer since January 2013 having previously held the role of Group General Manager International Airline for almost two years. Prior to joining Air New Zealand, Christopher was President and Chief Executive Officer at Unilever Canada. This was one of several senior leadership roles he held during an 18-year career at the multi-national that saw him work in roles in Europe, North America and Asia/Pacific.

Bruce Parton
Chief Operations Officer

Bruce joined Air New Zealand in 1996 and has been Chief Operations Officer since 2013. His roles have included Group General Manager Australasia, Logistics and Components management at ANZES, General Manager of Operations for the Airline, General Manager of the Pacific Airline, and General Manager Domestic Jet.

Rob McDonald
Chief Financial Officer

Rob joined Air New Zealand in 1993 and has been Chief Financial Officer since 2004. His roles have included Group Treasurer and Group Financial Planning Manager. Rob is a Fellow of Chartered Accountants Australia and New Zealand and a member of the Institute of Finance Professionals New Zealand Inc. In November 2015 Rob was awarded CFO of the Year by Deloitte, and is currently a Director of Contact Energy Limited.

Jeff McDowall
Group General Manager Corporate Finance

Jeff joined Air New Zealand in 2000 and has held a variety of senior management roles across Corporate Finance and Commercial functions. Prior to joining Air New Zealand, Jeff spent 6 years as a management consultant, working in New Zealand, Europe, Asia and the United States.

Mark Street
General Manager Loyalty

Mark joined Air New Zealand in 2003. He has held a variety of senior management roles within the Public Affairs, Marketing and Loyalty areas of Air New Zealand, working in both New Zealand and Australia. Prior to joining Air New Zealand Mark spent 6 years working in agency and in-house communications roles.

Leila Peters
Head of Investor Relations

Leila joined Air New Zealand in 2015. She was most recently Director of Investor Relations for a multinational industrial company based in the United States. Prior to that role, Leila had 3 years experience in treasury management, and 10 years experience in the financial services industry, working in the United States.

Glossary of terms

Available Seat Kilometres (ASKs)	Number of seats operated multiplied by the distance flown (capacity)
Cost/ASK (CASK)	Operating expenses divided by the total ASK for the period
Cost of Debt	Effective pre-tax interest rate paid on current debt obligations
Gearing	Net Debt / (Net Debt + Equity); Net Debt includes net aircraft operating leases
Liquidity	Total Cash (comprising Bank and short-term deposits, interest-bearing deposits, non-interest bearing deposits and bank overdraft) as at the end of the financial year divided by Total Operating Revenue for that financial year
Net Debt	Interest-bearing liabilities and bank overdrafts, less bank and short-term deposits, net open derivatives held in relation to interest-bearing liabilities, interest-bearing deposits and non-interest bearing deposits, plus net aircraft operating lease commitments for the next twelve months multiplied by a factor of seven
Pre-Tax Return on Invested Capital (ROIC)	Earnings Before Interest and Taxation (EBIT) excluding associate earnings, and aircraft lease expense divided by three, all divided by the average Capital Employed (being Net Debt plus Equity) over the period
Total Shareholder Return (TSR)	The movement in share price, and assuming that all dividends are reinvested in shares on the ex-dividend date throughout the period

The following non-GAAP measures are not audited: CASK, Cost of debt, Gearing, Liquidity, Net Debt, ROIC and TSR. Amounts used within the calculations are derived where possible from the audited 2016 Group financial statements, the Five Year Statistical Review contained in the 2016 Annual Financial Results and the condensed 2017 Group interim financial statements (which have been reviewed by the Group's external auditors). The non-GAAP measures are used by management and the Board of Directors to assess the underlying financial performance of the Group in order to make decisions around the allocation of resources.

Pre-tax ROIC calculation example

	June 2016 $M	June 2015 $M	Reference in 2016 Annual Financial Results
Earnings before taxation	663	474	Statement of Financial Performance (page 2)
Add back: Net finance costs	47	52	Statement of Financial Performance (page 2)
Add back: Implied interest in operating leases[1]	64	53	Note 21 – Operating Leases (page 27) *(refer to Aircraft value within "Rental and lease expenses" recognised in earnings)*
EBIT adjusted for operating lease interest	**774**	**579**	
Net debt (including off balance sheet items)	1,990	2,159	Historical Summary of Debt (page 46)
Equity	2,108	1,965	Statement of Financial Position (page 5)
Total capital employed	4,098	4,124	
Average capital employed[2]	**4,111**	**3,701**	
Pre-tax Return on Invested Capital	**19%**	**16%**	

[1] Represents the implied interest included in the aircraft operating lease expense within the Statement of Financial Performance; one-third of aircraft operating lease expense is assumed to be interest expense.

[2] Calculation of 2015 Average Capital Employed includes 2014 Total capital employed of $3,278 million.

Where to find more information about us

Resources

Investor website: www.airnewzealand.co.nz/investor-centre

Monthly traffic updates: www.airnewzealand.co.nz/monthly-operating-data

Quarterly fuel hedging disclosure: www.airnewzealand.co.nz/fuel-hedging-announcements

Corporate governance: www.airnewzealand.co.nz/corporate-governance

Sustainability: https://www.airnewzealand.co.nz/sustainability

Contact information

Email: investor@airnz.co.nz

Share registrar: enquiries@linkmarketservices.com

AIR NEW ZEALAND

A STAR ALLIANCE MEMBER ™ | 20 YEARS