

Contents

21 November 2017

- October 2017 traffic highlights •
- Operating statistics table
- Recent market announcements and media releases

October 2017 highlights

Group traffic summary		OCTOBER			FINANCIAL YTD			
	2017	2016	%*	201	8 2017	%*+		
Passengers carried (000)	1,318	1,226	7.6%	5,51	5 5,259	5.7%		
Revenue Passenger Kilometres(m)	2,781	2,614	6.3%	11,9	18 11,638	3.2%		
Available Seat Kilometres (m)	3,346	3,168	5.7%	14,5	05 14,033	4.2%		
Passenger Load Factor (%)	83.1%	82.5%	0.6 pts	82.2	% 82.9%	(0.7 pts)		

Year-to-date RASK ¹	% change in reported RASK (incl. FX)	% change in underlying RASK (excl. FX)		
Group	1.7%	2.8%		
Short Haul	5.4%	5.7%		
Long Haul	(4.0%)	(1.8%)		

¹ Reported RASK (unit passenger revenue per available seat kilometre) is inclusive of foreign currency impact, and underlying RASK excludes foreign currency impact.

The year to date percentage movements have been adjusted on a daily weighted average basis. The adjustment takes into account the difference in days for the accounting month of July 17 (30 days) compared with July 16 (31 days).
* % change is based on numbers prior to rounding.

Operating statistics table

Group		OCTOBER	FINANCIAL YTD				
Group		2016	% *	2018	2017		
	2017					% * +	
Passengers carried (000)	1,318	1,226	7.6%	5,515	5,259	5.7%	
Revenue Passenger Kilometres(m)	2,781	2,614	6.3%	11,918	11,638	3.2%	
Available Seat Kilometres (m)	3,346	3,168	5.7%	14,505	14,033	4.2%	
Passenger Load Factor (%)	83.1%	82.5%	0.6 pts	82.2%	82.9%	(0.7 pts)	
Short Haul Total	(OCTOBER		FINANCIAL YTD			
	2017	2016	% *	2018	2017	% *+	
Passengers carried (000)	1,164	1,079	8.0%	4,850	4,593	6.5%	
Revenue Passenger Kilometres(m)	1,277	1,176	8.5%	5,411	5,121	6.5%	
Available Seat Kilometres (m)	1,522	1,418	7.4%	6,622	6,331	5.5%	
Passenger Load Factor (%)	83.8%	83.0%	0.8 pts	81.7%	80.9%	0.8 pts	
Domestic	(OCTOBER		FINANCIAL YTD			
	2017	2016	% *	2018	2017	% *+	
Passengers carried (000)	865	797	8.6%	3,570	3,361	7.1%	
Revenue Passenger Kilometres(m)	441	399	10.4%	1,817	1,696	8.0%	
Available Seat Kilometres (m)	527	499	5.7%	2,249	2,152	5.4%	
Passenger Load Factor (%)	83.6%	80.1%	3.5 pts	80.8%	78.8%	2.0 pts	
				FINANCIAL YTD			
Tasman / Pacific	2017	DCTOBER 2016	% *	2018	1ANCIAL Y 2017	1D % *+	
Passengers carried (000)	299	282	6.4%	1,280	1,232	4.7%	
Revenue Passenger Kilometres(m)	836	777	7.6%	3,594	3,425	5.8%	
Available Seat Kilometres (m)	995	919	8.3%	4,373	4,179	5.5%	
Passenger Load Factor (%)	84.0%	84.6%	(0.6 pts)	82.2%	82.0%	0.2 pts	
				· · · · · · · · · · · · · · · · · · ·			
Long Haul Total	OCTOBER						
	2017	2016	% *	2018	2017	% *+	
Passengers carried (000)	154	147	4.4%	665	666	0.7%	
Revenue Passenger Kilometres(m)	1,504	1,438	4.5%	6,507	6,517	0.7%	
Available Seat Kilometres (m)	1,824	1,750	4.2%	7,883	7,702	3.2%	
Passenger Load Factor (%)	82.4%	82.2%	0.2 pts	82.5%	84.6%	(2.1 pts)	
Asia / Japan / Singapore	(OCTOBER		FINANCIAL YTD			
		0040	0/ +	2018	2017	% * +	
	2017	2016	% *	2010	2017		
Passengers carried (000)	2017 64	2016 60	% ^ 6.0%	267	266	1.2%	
Passengers carried (000) Revenue Passenger Kilometres(m)					-	1.2% 1.2%	
0	64	60	6.0%	267	266		
Revenue Passenger Kilometres(m)	64 572	60 539	6.0% 6.0%	267 2,384	266 2,374	1.2%	
Revenue Passenger Kilometres(m) Available Seat Kilometres (m) Passenger Load Factor (%)	64 572 700 81.7%	60 539 667 80.9%	6.0% 6.0% 4.9% 0.8 pts	267 2,384 3,016 79.0%	266 2,374 2,879 82.5%	1.2% 5.6% (3.5 pts)	
Revenue Passenger Kilometres(m) Available Seat Kilometres (m)	64 572 700 81.7%	60 539 667 80.9%	6.0% 6.0% 4.9% 0.8 pts	267 2,384 3,016 79.0%	266 2,374 2,879 82.5%	1.2% 5.6% (3.5 pts)	
Revenue Passenger Kilometres(m) Available Seat Kilometres (m) Passenger Load Factor (%) Americas / UK	64 572 700 81.7%	60 539 667 80.9% DCTOBER 2016	6.0% 6.0% 4.9% 0.8 pts	267 2,384 3,016 79.0% FIN 2018	266 2,374 2,879 82.5% IANCIAL Y 2017	1.2% 5.6% (3.5 pts) TD % *+	
Revenue Passenger Kilometres(m) Available Seat Kilometres (m) Passenger Load Factor (%) Americas / UK Passengers carried (000)	64 572 700 81.7% 2017 90	60 539 667 80.9% DCTOBER 2016 87	6.0% 6.0% 4.9% 0.8 pts % * 3.2%	267 2,384 3,016 79.0% FIN 2018 398	266 2,374 2,879 82.5% IANCIAL Y 2017 400	1.2% 5.6% (3.5 pts) TD % *+ 0.3%	
Revenue Passenger Kilometres(m) Available Seat Kilometres (m) Passenger Load Factor (%) Americas / UK	64 572 700 81.7%	60 539 667 80.9% DCTOBER 2016	6.0% 6.0% 4.9% 0.8 pts	267 2,384 3,016 79.0% FIN 2018	266 2,374 2,879 82.5% IANCIAL Y 2017	1.2% 5.6% (3.5 pts) TD % *+	

+ The year to date percentage movements have been adjusted on a daily weighted average basis. The adjustment takes into account the difference in days for the accounting month of July 2017 (30 days) compared with July 2016 (31 days). * % change is based on numbers prior to rounding.

Air New Zealand operates primarily in one segment, its primary business being the transportation of passengers and cargo on an integrated network of scheduled airline services to, from and within New Zealand. The following operational data and statistics is additional supplementary information only.



Media releases

(during the period 17 October to 17 November 2017)

Air New Zealand first airline to join global EV movement

10 November 2017

Reinforcing its leadership position in the shift to electric vehicles, Air New Zealand has been announced as the first airline to join The Climate Group's EV100 initiative.

The global not-for-profit works with businesses and governments around the world on initiatives that help to reduce greenhouse gas emissions. EV100 is its new global programme which aims to fast track business uptake of electric vehicles, encouraging organisations to use their buying power and influence to build demand and ultimately help reduce the cost barrier to mainstream use.

Earlier this year Air New Zealand completed the transition of its light vehicle fleet to EVs and the airline's Head of Sustainability Lisa Daniell says seeing its EVs on the road is a visible reminder of its commitment to more sustainable options.

"Electric transport offers a major solution in cutting millions of tons of greenhouse emissions worldwide. Having led the way in New Zealand it's exciting to be part of a global initiative committed to making EVs the new normal."

Air New Zealand named top airline in Oceania

Air New Zealand has been named Best Airline in Oceania at the Future Travel Experience Asia Awards.

The awards, which recognise customer experience and innovation leadership, were presented at the Future Travel Experience Asia Expo 2017 in Singapore which was attended by more than 2,000 air transport and travel industry leaders.

Air New Zealand Chief Digital Officer Avi Golan says it's terrific for the airline to be recognised for its ongoing efforts to enhance the customer experience through innovation.

"We have been investing heavily in innovation to make the travel experience more seamless for customers. This includes recently starting to trial Inflight Wi-Fi on the airline's long-haul Boeing 777-300 aircraft, introducing Oscar the artificial intelligence chatbot to assist with customer queries, our award winning Airband[™] product for unaccompanied minors and the popular coffee ordering feature on our mobile app."

"We are also continuing to explore the potential of new and emerging technologies, including augmented reality and robotics to enhance the customer experience as part of our aspiration to become the world's best digital airline," says Mr Golan.

New tracking technology for Air New Zealand Cargo

Air New Zealand is rolling out new tracking technology which will allow the airline to more easily track and analyse the movements of cargo shipments and its cargo equipment worldwide. The airline is currently installing more than 5,500 Bluetooth® tags on its cargo containers, pallets and unit load devices as well as more than 100 readers at 29 airports it provides cargo services to around the world. When a tagged item passes the reader it automatically updates an online application providing real time information to the team.

The airline has been working with Core Transport Technologies Inc. on the technology which has been designed and manufactured in New Zealand.

10 November 2017

8 November 2017

Monthly investor update

Air New Zealand Cargo plays an important role in growing New Zealand's high value exports, processing the majority of the country's air freighted imports. The airline operates an average of 3,566 cargo flights per week and exports a total of 42,000 tonnes of goods from New Zealand annually.

Air New Zealand named Airline of the Year for 5th year running

Air New Zealand has been crowned 2018 Airline of the Year by leading international aviation website AirlineRatings.com.

The award marks the 5th consecutive year Air New Zealand has received the top honour in its Airline Excellence Awards. In addition to being named Airline of the Year, Air New Zealand won the AirlineRatings.com award for Best Premium Economy - also for the 5th straight year.

AirlineRatings.com's panel of six judges assess airlines on 13 major criteria for the awards each year. These include passenger reviews, in-flight product offerings, safety, profitability, fleet age and environmental policies.

Air New Zealand named world's top airline by Condé Nast Traveler 19 October 2017

Air New Zealand has been named Top Airline in the World by prestigious US magazine Condé Nast Traveler in its 30th annual Readers' Choice Awards.

More than 300,000 readers submitted ratings and comments for the awards which rank the best hotels, cities, islands, airlines, airports and cruise lines in the world, with votes collected for 158 airlines worldwide.

Air New Zealand Chief Marketing and Customer Officer Mike Tod says it's terrific to be named the Top Airline in the World by readers of Condé Nast Traveler.

"This latest award is a testament to the consistent hard work of our 11,800 staff right around the world and is also a reflection of our continued investment in the customer experience in the past few years on the ground, inflight and through our digital channels."

Air New Zealand boosts Houston services

Air New Zealand will fly daily to Houston for most of next winter as demand for travel between New Zealand and Texas continues to soar.

Air New Zealand currently operates five services per week to Houston year-round. From 25 March to 27 October 2018 it will increase to a mix of daily services and six services per week, a capacity increase of 16,000 seats on the route over this period.

The airline will deploy its newly configured 787-9 Dreamliner aircraft on Auckland-Houston from December 2017, the first time the Dreamliner will regularly service one of Air New Zealand's North American routes.

The newly configurated 787 offers more premium seating for customers, with 27 Business Premier[™] seats up from 18 on the existing Air New Zealand Dreamliner, and 33 Premium Economy seats, up from 21. Air New Zealand also offers its popular Economy Skycouch[™] alongside the Premium Economy and Business Premier options on services to Houston.

4

11 October 2017

2 November 2017

