

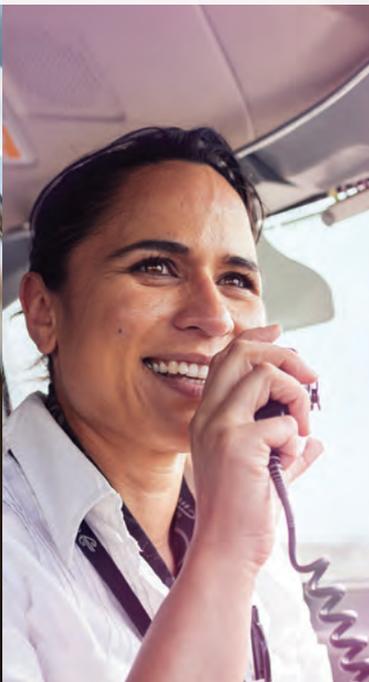
A STAR ALLIANCE MEMBER 

AIR NEW ZEALAND 



Annual Data Book

2017



A photograph of an Air New Zealand cabin crew member in profile, smiling warmly. She is wearing a dark uniform with a patterned scarf and a dark beret with a silver winged logo. She is handing a small card to a passenger whose hand is visible on the right. The scene is set inside an airplane cabin, with overhead luggage bins and seats visible. The lighting is warm and golden, suggesting a sunrise or sunset, creating a soft, inviting atmosphere.

Kia ora.

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1. Introduction to Air New Zealand

Company description

The Air New Zealand Group (‘Air New Zealand’) operates a global network that provides air passenger services and cargo transport services to, from and within New Zealand to more than 16 million passengers a year.

Air New Zealand’s strategic focus and competitive advantage lies within the Pacific Rim where the airline’s network reach extends from New Zealand into Australia, Asia, and the Americas. Air New Zealand operates its own connection to London and through global alliance partners connects New Zealand to Europe and beyond, with over 3,400 flights, on average, each week to domestic and international destinations.

Air New Zealand’s consolidated operating revenue was \$5.1 billion in the 2017 financial year, generated by a fleet of over 100 aircraft and 11,800 employees based globally.

A key contributor to and beneficiary of New Zealand tourism

As New Zealand’s national carrier and the first New Zealand experience for many overseas travellers, Air New Zealand is an integral part of the New Zealand tourism industry. Similarly, tourism is an important driver of Air New Zealand’s performance as the airline generates a significant portion of its revenue from overseas travellers.

Air New Zealand plays an active role in increasing the demand for travel into and around New Zealand through our comprehensive domestic and regional network, through our partnerships with tourism organisations and promoting our national and regional sponsorships both off-shore and within New Zealand.

In 2017, tourism was New Zealand’s top export earner. Tourism contributes 20.7 percent of New Zealand’s total exports of goods and services, employs 7.5 percent of New Zealand’s workforce and makes a total contribution to New Zealand GDP of \$22.7 billion (\$12.9 billion direct contribution and \$9.8 billion indirect value add of industries supporting tourism).¹

1. Tourism Satellite Account, March 2016.

An award-winning airline

Air New Zealand is proud of our fleet, our brand and our Kiwi customer service culture. These all contribute to Air New Zealand being an award winning airline, with the following select accolades received as recent examples.

AMR’s 2017 Corporate Reputation Index:

- Most reputable company in New Zealand
- Most reputable company in Australia

2017 Condé Nast Reader’s Choice awards:

- World’s Top Airline

2017 World Travel Awards:

- Australasia’s Leading Airline for the ninth consecutive year
- Inaugural winner of Leading Airline Brand for Australasia

2017 www.airlinerratings.com airline awards:

- Airline of the Year Award for the fourth year in a row

2017 Skytrax World Airline Awards:

- Best Airline Alliance
- Best Airline Alliance Lounge

TripAdvisor’s Travellers’ Choice Awards for 2017:

- Best Premium Economy Class in the World
- Best Airline in the South Pacific



Trading information

Air New Zealand is publicly traded on the NZX and ASX. Additionally, American Depository Shares are traded over-the-counter (OTC) in the United States under Air New Zealand’s sponsored Level 1 American Depository Receipt programme.

NZX Ticker code: **AIR**

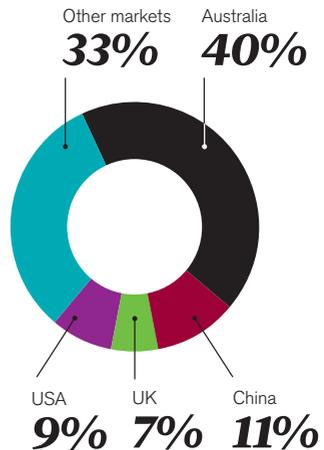
ASX Ticker code: **AIZ**

OTC Ticker code: **ANZLY**

International visitor arrivals



Top markets for international visitors to New Zealand



2. Competitive advantages

Our competitive advantages provide us with a simple and proven strategy for success.



Resilient core domestic business

Our domestic network is unmatched, offering services to 21 main centres and regions across New Zealand. Our strong corporate brand and renowned Kiwi service culture continue to drive increased loyalty from our customers, record customer satisfaction levels, strong brand health and record employee engagement. Investments in larger and modern aircraft and lounges are further stimulating travel within New Zealand from both international and domestic tourism.



Pacific Rim focused international network

Our alliance-driven international network underpins our Pacific Rim strategy. With a total of five revenue-share alliance partnerships, Air New Zealand benefits from strong relationships with market leaders in some of our key international markets, including the United States, Singapore, Hong Kong, Australia and China.



Airpoints™ loyalty programme

Our Airpoints™ programme is viewed as the most valuable loyalty programme in New Zealand. Providing our members with the world's easiest and most transparent loyalty currency, Airpoints Dollars™, has driven strong membership growth. With over 2.5 million members, Airpoints also provides Air New Zealand with valuable data that allows us to better understand our customers and their travel experiences.



Focused on driving sustainable cost improvements

Our simplified and modern fleet has an average age of 7.0 years and is contributing significant operational efficiencies to the airline. Air New Zealand is nearing the completion of a fleet programme which will deliver best-in-class aircraft, which is configured for the New Zealand market. Our fleet now consists of more fuel efficient aircraft, across fewer aircraft types – both providing the airline with an extremely competitive cost structure.



Investment-grade financial strength

We have a proven history of achieving profitability through the cycle as Air New Zealand has delivered positive earnings every year since 2003 and paid dividends to our shareholders every year since 2005. Underpinning our ability to generate strong returns is a focus on capital discipline. Air New Zealand has a credit rating of Baa2 from Moody's with stable outlook, placing us amongst the top echelon of airlines in the world.

3. 2017 highlights

No.1 employer

top rated in New Zealand

Supreme award winner

NZI Sustainable Business Network Awards

39%

of women in senior leadership positions; up from 16% in 2012

Supreme award winner

Māori Language Awards, for promoting increased usage of Te Reo

FTSE4Good

constituent¹



¹Created by the global index provider FTSE Russell, the **FTSE4Good** Index Series is designed to measure performance of companies demonstrating strong environmental, social and governance (ESG) practices.

Over 2.5m

Airpoints™ members; up 16% from 2016

894,000

flights paid for by Airpoints Dollars™ during the year

Airline of the Year

awarded by AirlineRatings.com for the 4th consecutive year

Record level

of brand health

15% improvement

2017 total recordable injuries





6.3% growth

in network capacity
(ASKs)

7.0 years

fleet age on
seat-weighted basis,
improved from
7.5 years in 2016

6 new aircraft

added to fleet
during the year;
consisting of
3 B787-9s, 1 A320
and 2 ATR72-600s

5 lounges

upgraded as part
of ~\$120 million,
multi-year lounge
upgrade programme

\$5.1b

operating revenue

\$527m

earnings before taxation

\$904m

operating cash flow

21.0 cents

full year declared
dividend per share

15.3%

pre-tax return on
invested capital

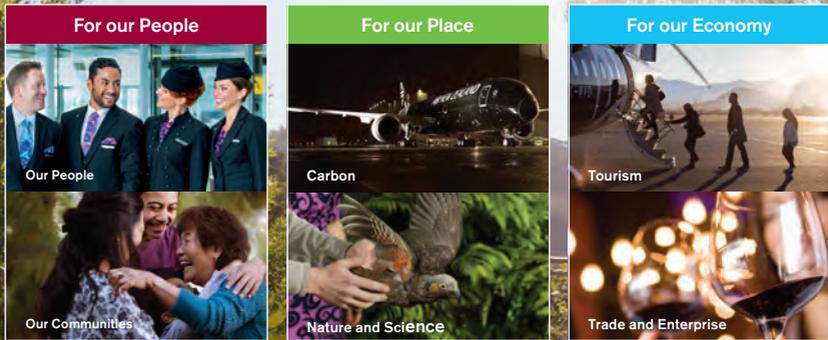
41.5%

five year average annual
shareholder return

4. Sustainability

Our sustainability agenda aligns with Air New Zealand's larger purpose to supercharge New Zealand's success – socially, economically and environmentally.

On an annual basis, Air New Zealand discloses a Sustainability Report which discusses our performance and our longer term aspirations. For more information, our Sustainability Report can be accessed online at airnewzealand.co.nz/sustainability.



Sustainability aspirations

Our People:

Air New Zealand is a global employer of choice and an inclusive and equitable place to work, helping 'raise the bar' for progressive workplace practices across New Zealand.

Our Communities:

New Zealand communities are thriving economically, culturally, socially and environmentally, with New Zealand businesses helping to address current disparities in per capita income and opportunity.

Carbon:

New Zealand transitions to an ultra-low carbon economy, on a pathway consistent with the world achieving net zero emissions by 2050.

Nature and Science:

New Zealand's ecosystems and biodiversity are restored and protected for future generations.

Tourism:

Sustainability is at the heart of New Zealand's tourism value proposition, ensuring that New Zealand's 100% Pure brand position is fully aligned with national sustainability performance.

Trade and Enterprise:

New Zealand businesses are cost-effectively connected to global markets, with a reputation worldwide for premium environmental, social and health and safety standards.



Highlighting our carbon strategy

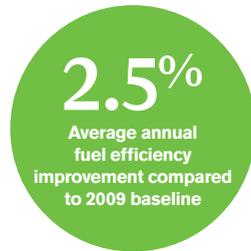
Air New Zealand supports the aviation industry's mid and longer term goals of carbon neutral growth from 2020, and halving 2005 emission levels by 2050.

We are targeting an average annual fuel efficiency improvement of 1.5% - which equates to approximately 49,000 tonnes of carbon dioxide per annum at current levels.

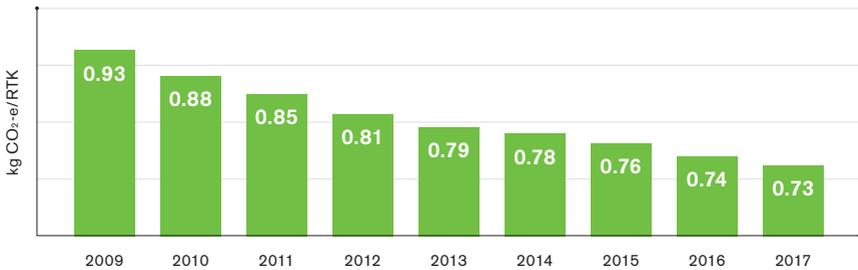
Air New Zealand believes that one of the most significant ways to reduce emissions is by operating a modern and fuel efficient fleet, and in 2017 we received three additional Boeing 787-9 Dreamliner aircraft and retired our last Boeing 767

aircraft. Over the next two years we also have commitments to have 13 fuel efficient A320X321NEOs join our fleet and replace older aircraft. Operational fuel efficiency improvements, such as reducing residual weight on some of our aircraft, and reducing the use of Auxiliary Power Units (APUs) while aircraft are on the ground, are just some of the examples of the fully integrated approach Air New Zealand is undertaking to meet our carbon reduction targets.

Also embedded in our carbon reduction programme is continuing efforts to secure high quality carbon offsets and sustainable aviation biofuels. We are committed to demonstrating carbon leadership in aviation, but also for New Zealand.



Fuel efficiency: CO₂-e per Revenue Tonne Kilometre (RTK)*



*Revenue Tonne Kilometre (RTK) is a measure of the weight that has been paid for on the aircraft (freight and passengers) multiplied by the number of kilometres transported. Freight values are from Air New Zealand records, and passenger weights are estimated at 100kg per passenger (including checked and carry-on baggage) as recommended by IATA for generating a fuel efficient target. CO₂-e emissions are from Air New Zealand's use of aviation fuel over the same time periods.



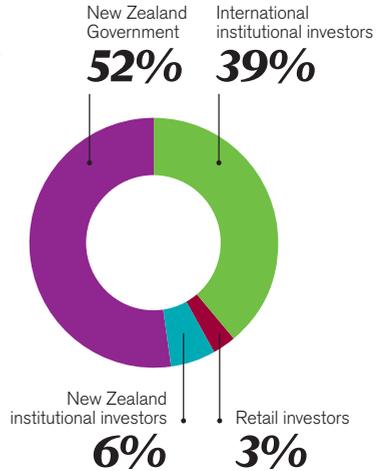
5. Shareholding structure and performance

Air New Zealand is listed on the New Zealand Stock Exchange (NZX) with the ticker symbol AIR.NZ and on the Australian Securities Exchange (ASX) with the ticker symbol AIZ.AX. Effective 17 March 2017, the ASX listing changed from a full listing to a Foreign Exempt Listing. The Foreign Exempt Listing means that Air New Zealand is expected to comply primarily with the Listing Rules of the NZX Main Board (being the rules of its home exchange) and is exempt from complying with most of ASX's Listing Rules.

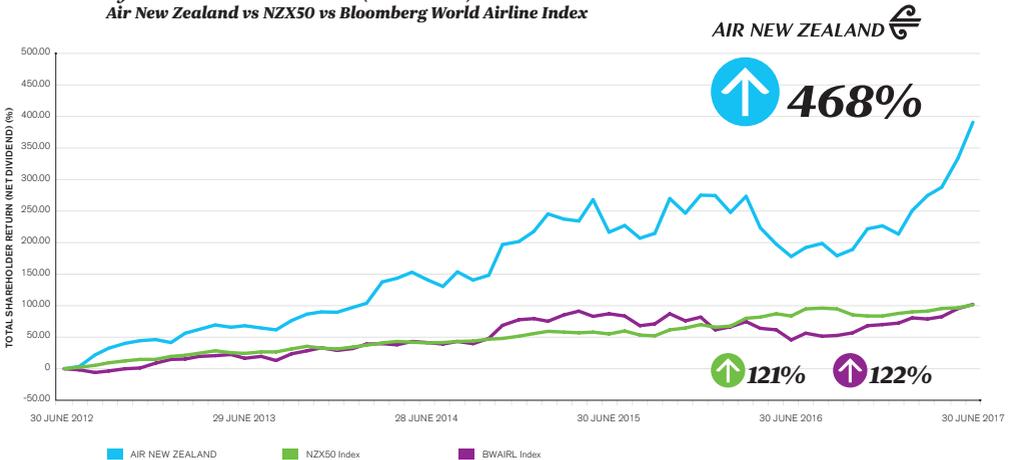
Effective as at 20 July 2017, Air New Zealand launched a sponsored Level 1 American Depository Receipt (ADR) programme. Air New Zealand's American Depository Shares, each representing five Ordinary Air New Zealand shares and evidenced by ADRs, are traded over-the-counter in the United States (ticker code ANZLY).

There are 1,122,810,044 Ordinary Shares on issue (excluding Treasury Stock), as at 30 June 2017. The New Zealand Government is the majority shareholder with 582,854,593 shares, or 52% of total issued capital. The remaining shares are held by New Zealand institutional and retail investors and institutional shareholders primarily in the United States, Australia, Asia and the United Kingdom. Air New Zealand has a robust average daily trading volume of approximately 1.8 million shares.

Share register (as at 30 June 2017)



5 year total shareholder return (net dividend) Air New Zealand vs NZX50 vs Bloomberg World Airline Index

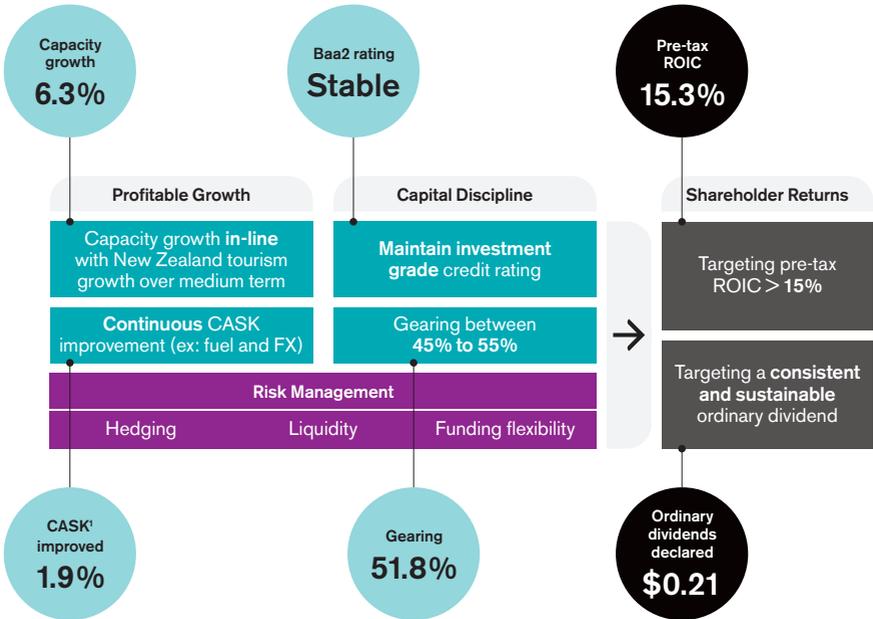


As part of our financial framework, we target a consistent and sustainable ordinary dividend as well as growth in share price to provide a combined Total Shareholder Return. Due to market fluctuations, we

monitor Total Shareholder returns over a five year period including the change in share price and dividends received (assuming dividends are reinvested in shares on the ex dividend date).

6. Financial framework and our 2017 performance

Air New Zealand utilises a financial framework that is focused on profitable growth while maintaining capital discipline. The ultimate target is to provide sustainable and strong shareholder returns over the long-term.



¹Excluding fuel price movement and foreign exchange.

7. Network

Air New Zealand provides air passenger and cargo transport services within New Zealand, as well as to and from Australia, the Pacific Islands, Asia, the Americas and the United Kingdom.

Five year key operating statistics

GROUP	JUNE 2017		JUNE 2016		JUNE 2015		JUNE 2014		JUNE 2013	
Passengers carried ('000s)	15,952	5.2%	15,161	6.0%	14,297	4.2%	13,719	2.3%	13,411	2.2%
Available Seat Kilometres (ASK, millions)	42,169	6.3%	39,684	11.5%	35,601	6.6%	33,396	0.7%	33,167	1.7%
Revenue Passenger Kilometres (RPK, millions)	34,814	4.8%	33,223	11.0%	29,934	6.6%	28,078	1.2%	27,733	2.7%
Load Factor	82.6%	(1.1 pts)	83.7%	(0.4 pts)	84.1%	-	84.1%	0.5 pts	83.6%	0.8 pts
Revenue per Available Seat Kilometres (RASK, cents)	10.4	(8.1%)	11.3	(2.3%)	11.6	0.2%	11.5	1.6%	11.4	1.9%

New Zealand domestic and regional

Air New Zealand operates one of the most comprehensive domestic and regional networks in the world with over 400 flights every day to 21 New Zealand destinations.

Our domestic jet network across the main centres in New Zealand (Auckland, Wellington, Christchurch, Dunedin and Queenstown) are operated by a fleet of 17 Airbus A320s (as at 30 June 2017). Our turboprop network across the regional centres of New Zealand are operated by a fleet of 49 turboprops (as at 30 June 2017) including ATRs and Q300.



DOMESTIC AND REGIONAL	JUNE 2017		JUNE 2016		JUNE 2015		JUNE 2014		JUNE 2013	
Passengers carried ('000s)	10,379	6.7%	9,725	5.2%	9,246	3.7%	8,920	2.6%	8,694	2.3%
Available Seat Kilometres (ASK, millions)	6,597	8.8%	6,065	8.5%	5,592	3.8%	5,385	5.4%	5,108	2.8%
Revenue Passenger Kilometres (RPK, millions)	5,311	8.7%	4,887	7.2%	4,561	4.4%	4,370	3.6%	4,218	4.2%
Load Factor	80.5%	(0.1 pt)	80.6%	(1.0 pt)	81.6%	0.5 pts	81.1%	(1.5 pts)	82.6%	1.1 pts
Revenue per Available Seat Kilometres (RASK, cents)	21.2	(2.9%)	21.8	(6.5%)	23.4	3.1%	22.7	1.0%	22.4	(4.1%)



Tasman and Pacific Islands

Air New Zealand operates an expansive network to Australia and the Pacific Islands, with over 40 flights every day to/from eight destinations in Australia and 14 flights every day to/from 10 destinations throughout the Pacific Islands. Our international short-haul network is operated by a fleet of Airbus A320s and Boeing wide body aircraft. In March 2017, we exited from service the last Boeing 767-300ERs.

TASMAN AND PACIFIC ISLANDS	JUNE 2017		JUNE 2016		JUNE 2015		JUNE 2014		JUNE 2013	
Passengers carried ('000s)	3,561	1.6%	3,507	3.5%	3,388	3.4%	3,277	3.0%	3,181	3.5%
Available Seat Kilometres (ASK, millions)	12,039	5.3%	11,438	5.1%	10,888	2.5%	10,622	3.4%	10,277	6.0%
Revenue Passenger Kilometres (RPK, millions)	9,784	2.6%	9,532	3.8%	9,184	3.7%	8,858	3.3%	8,580	5.1%
Load Factor	81.3%	(2.0 pts)	83.3%	(1.1 pts)	84.4%	1.0 pt	83.4%	(0.1 pt)	83.5%	(0.7 pts)
Revenue per Available Seat Kilometres (RASK, cents)	9.2	(7.1%)	9.9	(1.1%)	10.0	2.7%	9.8	(2.7%)	10.0	0.9%



International long-haul

New Zealand is the centre of the Pacific Rim and accordingly Air New Zealand operates a strong network within this region. The airline's fleet of Boeing 777-200s, Boeing 777-300s and Boeing 787-9s, along with a network of revenue share partnerships with other airlines, provides 34 direct flights every day to 14 international long-haul destinations (outside Australia and the Pacific Islands).

- Operated by Air China
- Operated by Singapore Airlines; Singapore-Wellington operated via Canberra
- Operated by Cathay Pacific

INTERNATIONAL LONG-HAUL	JUNE 2017		JUNE 2016		JUNE 2015		JUNE 2014		JUNE 2013	
Passengers carried ('000s)	2,012	4.3%	1,929	16.0%	1,663	9.3%	1,522	(0.9%)	1,536	(0.9%)
Available Seat Kilometres (ASK, millions)	23,533	6.1%	22,181	16.0%	19,121	10.0%	17,389	(2.2%)	17,782	(1.0%)
Revenue Passenger Kilometres (RPK, millions)	19,719	4.9%	18,804	16.2%	16,189	9.0%	14,850	(0.6%)	14,935	0.9%
Load Factor	83.8%	(1.0pt)	84.8%	0.1 pt	84.7%	(0.7 pts)	85.4%	1.4 pts	84.0%	1.6 pts
Revenue per Available Seat Kilometres (RASK, cents)	7.9	(12.9%)	9.1	1.6%	9.0	(2.1%)	9.2	2.6%	8.9	5.7%

Our network partnerships

Air New Zealand's alliance relationships range from simple interline relationships through to deep revenue share alliances, and from destination-specific arrangements to those covering the globe.

At the global level, Air New Zealand's Star Alliance membership and partnerships with other Revenue Share and Code Share Alliance partners, in addition to Interline partners, allows us to offer connections across 38 major carriers, offering access for our customers to nearly 1,700 destinations worldwide. This is achieved through bilateral interline and code share relationships with the

other Star Alliance carriers, and through honouring of each other's frequent flyer programmes under the Star Alliance status tier system.

Revenue share alliances are a key part of our Pacific Rim strategy. We have five strategic partnerships, with Air China, Cathay Pacific, Singapore Airlines, United Airlines and Virgin Australia.

We maintain a range of other code share and interline relationships with other carriers into specific markets, in particular Aerolíneas Argentina, Air Canada, ANA and Lufthansa.

Revenue share alliance partners



Code share alliance partners



8. Operating fleet

Air New Zealand has a modern and highly efficient fleet configured for its network and customers. The airline continues to simplify the fleet for greater operational efficiency and operate aircraft which are highly fuel efficient, with increased capacity and the best configuration for customers and cargo.

In June 2014, Air New Zealand announced the purchase of 13 new Airbus A320/A321NEO aircraft to refresh its international narrow body fleet. The first 10 A320/A321 NEO aircraft will enter the fleet in the 2019 financial year.

Air New Zealand currently have nine Boeing 787-9 Dreamliner aircraft in its fleet (as at 30 June 2017), servicing long-haul destinations to Asia, Hawaii, Perth and Buenos Aires. A further four aircraft are on order to be delivered in the 2018 and 2019 financial years and will increase the total number of Dreamliners in the fleet to 13. Air New Zealand has further Boeing 787-9 purchase options available.

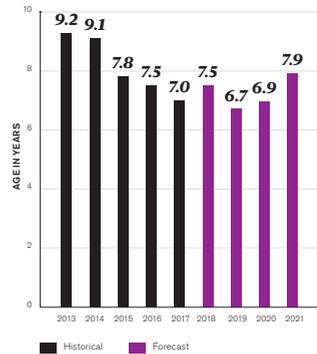
In November 2015, Air New Zealand announced the purchase of 15 new ATR72-600 aircraft to operate its regional services. Four of the new aircraft will allow for further growth on regional Air New Zealand routes while 11 will replace the airline's ATR72-500 fleet.

In August 2016, the last of our 19-seater Beech 1900Ds ceased operating in the regional network, which have now all been replaced with larger 50-seater Q300s and 68-seater ATRs. Additionally, in March 2017, the last of the Boeing 767-300ERs exited from service.

Air New Zealand continues to grow a more simplified fleet with additional fuel efficient aircraft, delivering strong efficiencies while ensuring our customers enjoy a consistent and world-class inflight experience wherever they travel.

Aircraft fleet age in years

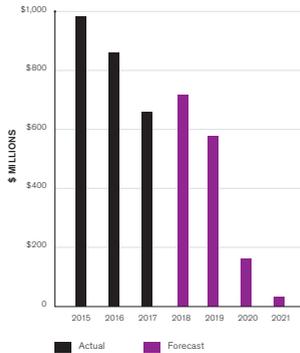
– seat weighted



Actual and forecast aircraft capital expenditure*

– \$ millions

~\$1.5b**
2018 – 2021
PROJECTED
AIRCRAFT CAPITAL
EXPENDITURE

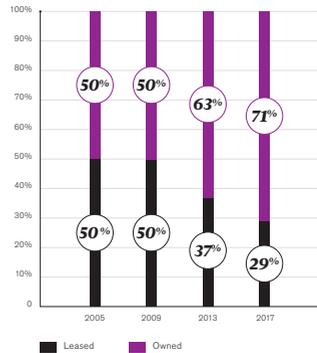


* Excludes orders of up to five A320/A321 NEOs with purchase substitution rights.

** Projected aircraft expenditure based on US dollar exchange rate of 0.725.

Historic trend of fleet ownership

– seat weighted



AIRCRAFT DELIVERY SCHEDULE (as at 30 June 2017)	Number in existing fleet	Number on order	Delivery Dates (Financial Year)			
			2018	2019	2020	2021
Owned fleet on order						
Boeing 787-9	9	3	2	1	-	-
Airbus A320/A321 NEOs [†]	-	8	-	6	2	-
ATR72-500/600	26	14	4	4	6	-
Operating leased aircraft						
Boeing 787-9	-	1	-	1	-	-
Airbus A320/A321 NEOs	-	5	-	4	1	-

[†] Excludes orders of up to five A320/A321 NEOs with purchase substitution rights.

Operating fleet as at 30 June 2017

Boeing 777-300ER

Number: 7
 Average Age: 5.2 years
 Maximum Passengers: 332*
 Cruising Speed: 910 km/hr
 Average Daily Utilisation: 14:20 hrs



Boeing 777-200ER

Number: 8
 Average Age: 11.2 years
 Maximum Passengers: 312
 Cruising Speed: 910 km/hr
 Average Daily Utilisation: 12:37 hrs



Boeing 787-9 Dreamliner

Number: 9
 Average Age: 1.8 years
 Maximum Passengers: 302
 Cruising Speed: 910 km/hr
 Average Daily Utilisation: 13:29 hrs



Airbus A320-200

Number: 30
 Average Age: 12.9 years short haul, or
 3.4 years domestic
 Maximum Passengers: 168 short haul, or
 171 domestic
 Cruising Speed: 850 km/hr
 Average Daily Utilisation: 9:02 hrs short haul, or
 8:30 hrs domestic



ATR 72-500 / ATR 72-600

Number: 26
 Average Age: 16.5 years ATR 72-500, or
 2.3 years ATR 72-600
 Maximum Passengers: 68
 Cruising Speed: 518 km/hr
 Average Daily Utilisation: 6:41 hrs ATR 72-500, or
 6:51 hrs ATR 72-600



Bombardier Q300

Number: 23
 Average Age: 10.4 years
 Maximum Passengers: 50
 Cruising Speed: 520 km/hr
 Average Daily Utilisation: 6:24 hrs



* As at 30 June 2017, three aircraft had been reconfigured to 342 seats with the remaining aircraft to be reconfigured by the end of 2017.

9. Balance sheet structure and funding

Credit rating

On 3 July 2015 Moody's upgraded Air New Zealand Limited's (AIR NZ) senior unsecured issuer rating to Baa2 from Baa3. The outlook on the rating is stable as at 30 June 2017. This puts Air New Zealand as one of the top investment grade rated airlines in the world.

Funding

Air New Zealand aircraft and associated aircraft assets are acquired via a mixture of ownership and lease structures. As at 30 June 2017, 83 of Air New Zealand's 103 aircraft fleet were effectively owned.

Secured borrowings

Air New Zealand funds the purchase of its aircraft and other aircraft related assets through secured bank borrowings from major international banks which specialise in airline and aircraft funding.

As at 30 June 2017, Air New Zealand had total secured bank borrowings of \$1,243 million.

Finance leases

As at 30 June 2017, Air New Zealand had total finance leases of \$1,221 million. Finance lease liabilities are secured over aircraft and aircraft related assets and are subject to both fixed and floating interest rates. Fixed interest rates as at 30 June 2017 ranged from 0.7% to 3.4%.

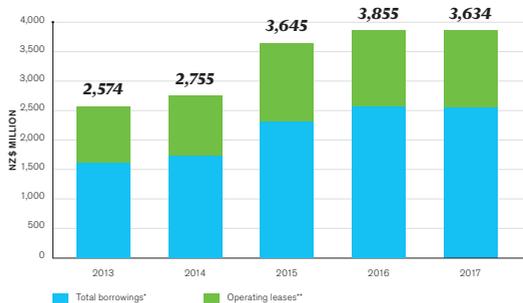
Purchase options are available on expiry or, if applicable under the lease agreement, on early termination of the finance leases. Finance leases are treated as owned aircraft.

Unsecured borrowings

As at 30 June 2017, Air New Zealand had NZX listed bonds of \$50 million. The unsecured, unsubordinated fixed rate bonds have a maturity date of 28 October 2022 and an interest rate of 4.25% payable semi-annually. The bonds are quoted on the NZX Debt Market under the ticker code AIR020.

Gross debt (\$m)

as at 30 June



Operating leases

As at 30 June 2017, 20 of Air New Zealand's 103 aircraft fleet were under operating lease contracts. Payments made under operating leases (net of any incentives received) are recognised as an expense in the Statement of Financial Performance on a straight-line basis over the term of the lease.

For the year ended 30 June 2017, Air New Zealand recognised \$178 million of operating lease expenses in relation to aircraft, and as at 30 June 2017, had \$785 million future operating lease commitments in relation to aircraft.

For the purposes of Net Debt and gearing calculations, operating leases are capitalised as aircraft operating lease commitments for the next 12 months multiplied by a factor of seven. As at 30 June 2017, Air New Zealand included \$1,120 million of net aircraft operating lease commitments as part of Net Debt.

*Total borrowings comprise secured borrowings, bonds and finance lease liabilities.

**Operating leases comprise aircraft operating lease commitments for the next twelve months, multiplied by a factor of seven.

Gearing¹

When calculating the level of gearing, Net Debt includes secured and unsecured borrowings, finance leases, capitalised aircraft operating leases less interest-bearing and non interest-bearing assets and unrealised gains/losses on open debt derivatives. As at 30 June 2017, Net Debt (including capitalised aircraft operating leases) was \$2,133 million and gearing (including capitalised aircraft operating leases) was 51.8%. Air New Zealand targets a capital structure within the range of 45% to 55%.

Distribution policy

The Air New Zealand Board of Directors (the Board) is committed to a Distribution Policy geared towards providing a consistent and sustainable ordinary dividend stream to shareholders in the medium term while maintaining financial flexibility through the business cycle

Policy guidelines

The following policy guidelines form Air New Zealand's Distribution Policy:

- Dividend declarations will take into account current earnings, the medium-term trading outlook, long term capital structure and future capital expenditure requirements.

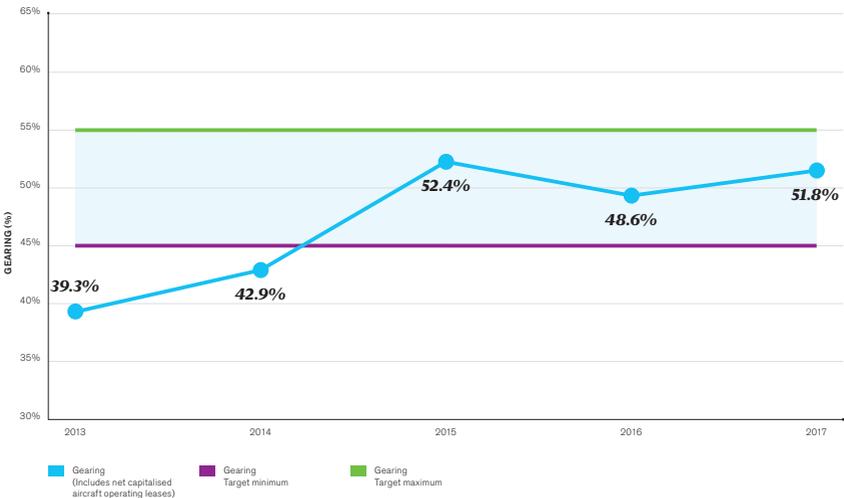
- Target capital structure (including capitalised aircraft operating leases recognised as debt) is within the range of 45% to 55%.
- Given the cyclical nature of the airline industry and the requirement to undertake significant fleet reinvestment programmes, Air New Zealand may, for periods, operate outside the target net gearing range.
- Other relevant economic factors impacting on the Air New Zealand Group.

The Board recognises that distributions to shareholders by way of fully imputed dividends represent the optimal way in which to return funds to shareholders. This is dependent on the level of imputation credits available to be attached to dividends.

Gearing %

as at 30 June

(including capitalised aircraft operating leases)



¹ Gearing defined as Net Debt/(Net Debt plus Equity)

10. Risk management

Risk management

Air New Zealand is subject to foreign currency, fuel price, interest rate and credit risks. These risks are managed with various financial instruments, applying a set of policies approved by the Board of Directors. Compliance with these policies is reviewed and reported monthly to the Board and is included as part of the internal audit programme. The Group policy is not to enter, issue or hold financial instruments for speculative purposes. The latest Air New Zealand Annual Financial Results provides a full description of financial risk management and discusses the specific risks and risk management applicable to Air New Zealand, including fuel price risk and foreign exchange risk.

Fuel price risk

Fuel price risk is the risk of loss to Air New Zealand arising from adverse fluctuations in fuel prices. The objective of Air New Zealand's commodity risk management activities is to provide time to adjust to changing fuel prices while protecting the operating margin in the short term.

Air New Zealand manages jet fuel price risk by using crude oil hedges consisting of Brent Crude hedges.

Any fuel price hedge term does not exceed 12 months. In general, the next four months of future fuel purchases are hedged to a minimum of 50% and then progressively reducing to zero by the eighth month. The maximum amount of hedges can be 80% for the next six months and then progressively falling to 20% in the twelfth month.

On a quarterly basis, Air New Zealand discloses its fuel hedging position for the next 12 months, which can be accessed online at www.airnewzealand.co.nz/fuel-hedging-announcements.

Foreign currency risk

The Group's currency exposure primarily arises from operating activities, receiving ticket sales in foreign currencies and paying for fuel, aircraft leases and aircraft maintenance largely in USD. From capital activities, the company purchases fixed assets denominated in foreign currency on a regular basis and also has borrowings in foreign currency.

Currency risk management has the objective to give the company time to adjust to changes in market circumstances.

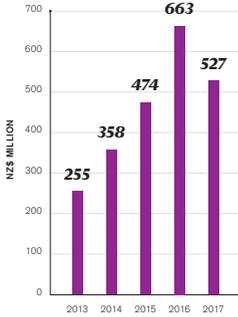
Air New Zealand manages currency risk through two methodologies:

- Placement of hedging cover on identified operating foreign currency exposures.
- Management of foreign currency balance sheet items, mainly debt, by way of actual hedges, use of future foreign currency revenues, and aircraft values which are largely determined in USD.

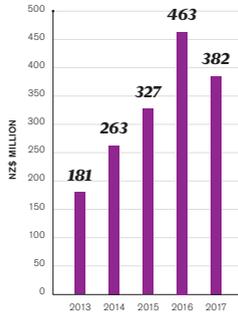
The above policies are adhered to and monitored on a day to day operational basis. The Executive Management Team and the Board of Directors reserve the right to operate outside of these policy parameters from time to time and as required for the financial and operational benefit of Air New Zealand.

11. Earnings and dividend performance

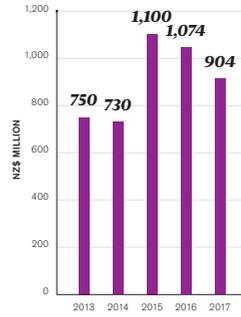
Earnings before taxation



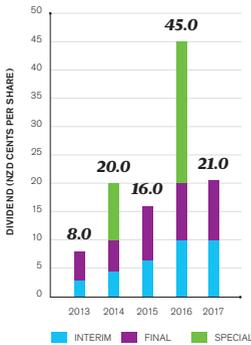
Net profit after taxation



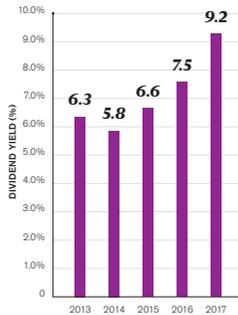
Operating cash flow



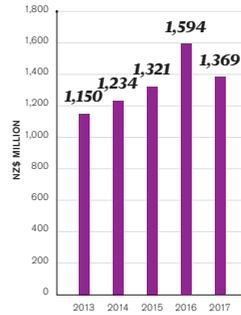
Dividends (declared)



Ordinary dividend yield



Cash on hand



12. Five year statistical review

Key Financial Metrics

For the year ended 30 June

		2017	2016	2015	2014	2013
Profitability and Capital Management						
EBIT ¹ /Operating Revenue	%	10.6	15.9	11.1	8.4	6.7
EBITDRA ² /Operating Revenue	%	24.8	29.5	23.6	21.6	19.4
Passenger Revenue per Revenue Passenger Kilometre (Yield)	cents	12.6	13.5	13.7	13.7	13.6
Passenger Revenue per Available Seat Kilometre (RASK)	cents	10.4	11.3	11.6	11.5	11.4
Cost per Available Seat Kilometre (CASK) ³	cents	9.1	9.3	10.6	10.9	11.2
Return on Invested Capital Pre-tax (ROIC) ⁴	%	15.3	18.8	15.6	14.3	11.6
Liquidity ratio ⁵	%	30.0	36.0	29.7	29.2	29.9
Gearing (incl. net capitalised aircraft operating leases) ⁶	%	51.8	48.6	52.4	42.9	39.3
Shareholder Value						
Basic Earnings per Share ⁷	cps	34.0	41.3	29.2	23.9	16.5
Operating Cash Flow per Share ⁷	cps	80.5	95.6	98.1	65.5	67.9
Ordinary Dividends Declared per Share ⁷	cps	21.0	20.0	16.0	10.0	8.0
Special Dividends Declared per Share ⁷	cps	-	25.0	-	10.0	-
Net Tangible Assets per Share ⁷	\$	1.64	1.76	1.66	1.60	1.57
Closing Share Price 30 June	\$	3.26	2.10	2.55	2.08	1.49
Weighted Average Number of Ordinary Shares	m	1,123	1,122	1,118	1,101	1,096
Total Number of Ordinary Shares	m	1,123	1,123	1,122	1,114	1,104
Total Market Capitalisation	\$m	3,660	2,352	2,861	2,318	1,639
Total Shareholder Returns ⁸	%	41.5	20.0	25.6	24.0	11.6

1 Earnings before interest and taxation (EBIT) excluding share of earnings of associates (net of taxation) and other significant items.

2 EBITDRA excludes share of earnings of associates (net of taxation) and other significant items.

3 Operating expenditure per ASK.

4 (EBIT plus interest component of aircraft operating leases)/average capital employed (being Net Debt plus Equity) over the period.

5 (Bank and short-term deposits, interest-bearing assets and non-interest bearing assets)/Operating Revenue.

6 Net Debt (including capitalised aircraft operating leases)/(Net Debt plus Equity).

7 Per-share measures based upon Ordinary Shares.

8 Return over five years including the change in share price and dividends received (assuming dividends are reinvested in shares on ex dividend date).

Certain comparatives within the five year statistical review have been reclassified for comparative purposes, to ensure consistency with the current year. The Group adopted NZ IFRS 9 (2010) - Financial Instruments and NZ IFRS 9 (2013) - Hedge Accounting and amendments to NZ IFRS 9, NZ IFRS 7, and NZ IAS 39 on 1 July 2014. Comparatives have been restated for the 2014 financial year only in respect of the adopted standards and the amounts for the 2013 financial year are as previously published.

Key operating statistics

For the year to 30 June

	2017	2016	2015	2014	2013
Passengers Carried (000)					
Domestic	10,379	9,725	9,246	8,920	8,694
International					
Australia and Pacific Islands	3,561	3,507	3,388	3,277	3,181
Asia*	814	791	642	517	596
America and Europe	1,198	1,138	1,021	1,005	940
Total International	5,573	5,436	5,051	4,799	4,717
Total Group	15,952	15,161	14,297	13,719	13,411
Available Seat Kilometres (m)					
Domestic	6,597	6,065	5,592	5,385	5,108
International					
Australia and Pacific Islands	12,039	11,438	10,888	10,622	10,277
Asia*	8,918	8,349	7,022	5,656	6,780
America and Europe	14,615	13,832	12,099	11,733	11,002
Total International	35,572	33,619	30,009	28,011	28,059
Total Group	42,169	39,684	35,601	33,396	33,167
Revenue Passenger Kilometres (m)					
Domestic	5,311	4,887	4,561	4,370	4,218
International					
Australia and Pacific Islands	9,784	9,532	9,184	8,858	8,580
Asia*	7,270	7,070	5,784	4,630	5,418
America and Europe	12,449	11,734	10,405	10,220	9,517
Total International	29,503	28,336	26,373	23,708	23,515
Total Group	34,814	33,223	29,934	28,078	27,733
Passenger Load Factor (%)					
Domestic	80.5	80.6	81.6	81.1	82.6
International					
Australia and Pacific Islands	81.3	83.3	84.4	83.4	83.5
Asia*	81.5	84.7	82.4	81.9	79.9
America and Europe	85.2	84.8	86.0	87.1	86.5
Total International	83.8	84.3	84.6	84.7	83.8
Total Group	82.6	83.7	84.1	84.1	83.6

* Asia included Hong Kong – London flying up until March 2013.

Summary Financial Performance

For the year to 30 June

	2017 \$M	2016 \$M	2015 \$M	2014 \$M	2013 \$M
Operating Revenue					
Passenger revenue	4,376	4,481	4,113	3,851	3,765
Cargo	335	349	317	287	301
Contract services	164	172	258	277	310
Other revenue	234	229	237	237	239
	5,109	5,231	4,925	4,652	4,615
Operating Expenditure					
Labour	(1,261)	(1,225)	(1,193)	(1,151)	(1,068)
Fuel	(827)	(846)	(1,089)	(1,120)	(1,204)
Maintenance	(321)	(350)	(320)	(285)	(302)
Aircraft operations	(556)	(531)	(466)	(424)	(419)
Passenger services	(266)	(246)	(220)	(212)	(222)
Sales and marketing	(352)	(348)	(303)	(280)	(274)
Foreign exchange (losses)/gains	(6)	112	79	45	7
Other expenses	(265)	(265)	(252)	(222)	(236)
	(3,844)	(3,689)	(3,764)	(3,649)	(3,718)
Operating Earnings (excluding items below)	1,265	1,542	1,161	1,003	897
Depreciation and amortisation	(493)	(465)	(402)	(436)	(411)
Rental and lease expenses	(230)	(244)	(211)	(174)	(177)
Earnings Before Finance Costs, Associates, Other Significant Items and Taxation	542	833	548	393	309
Finance income	43	53	56	44	37
Finance costs	(87)	(100)	(108)	(90)	(91)
Share of earnings of associates (net of taxation)	26	20	(22)	11	-
Earnings Before Other Significant Items and Taxation	524	806	474	358	255
Other significant items	3	(143)	-	-	-
Earnings Before Taxation	527	663	474	358	255
Taxation expense	(145)	(200)	(147)	(95)	(74)
Net Profit Attributable to Shareholders of Parent Company	382	463	327	263	181

Summary of Cash Flows

For the year to 30 June

	2017 \$M	2016 \$M	2015 \$M	2014 \$M	2013 \$M
Cash flow from operating activities	904	1,074	1,100	730	750
Cash flow from investing activities	(616)	(797)	(1,066)	(727)	(480)
Cash flow from financing activities	(513)	(4)	53	81	(147)
(Decrease)/increase in cash holding	(225)	273	87	84	123
Total cash and cash equivalents	1,369	1,594	1,321	1,234	1,150

Summary Financial Position

As at 30 June

	2017 \$M	2016 \$M	2015 \$M	2014 \$M	2013 \$M
Current Assets					
Bank and short-term deposits	1,369	1,594	1,321	1,234	1,150
Other current assets	518	745	661	593	693
Total Current Assets	1,887	2,339	1,982	1,827	1,843
Non-Current Assets					
Property, plant and equipment	4,745	4,485	4,061	3,279	2,933
Other non-current assets	539	427	732	744	820
Total Non-Current Assets	5,284	4,912	4,793	4,023	3,753
Total Assets	7,171	7,251	6,775	5,850	5,596
Current Liabilities					
Debt ¹	317	464	253	190	159
Other current liabilities	2,088	2,007	1,875	1,682	1,555
Total Current Liabilities	2,405	2,471	2,128	1,872	1,714
Non-Current Liabilities					
Debt ¹	2,197	2,103	2,069	1,543	1,470
Other non-current liabilities	583	569	613	563	611
Total Non-Current Liabilities	2,780	2,672	2,682	2,106	2,081
Total Liabilities	5,185	5,143	4,810	3,978	3,795
Net Assets	1,986	2,108	1,965	1,872	1,801
Total Equity	1,986	2,108	1,965	1,872	1,801

1. Debt is comprised of secured borrowings, bonds and finance lease liabilities.

Summary of Debt

As at 30 June

	2017 \$M	2016 \$M	2015 \$M	2014 \$M	2013 \$M
Debt					
Secured borrowings	1,243	930	512	213	84
Unsecured bonds	50	150	150	150	150
Finance lease liabilities	1,221	1,487	1,660	1,370	1,395
	2,514	2,567	2,322	1,733	1,629
Bank and short-term deposits	1,369	1,594	1,321	1,234	1,150
Net open derivatives held in relation to interest-bearing liabilities ¹	(32)	(17)	24	(10)	28
Non interest-bearing assets (included within Other assets)	-	-	-	-	44
Interest-bearing assets (included within Other assets)	164	288	141	125	184
Net Debt	1,013	702	836	384	223
Net aircraft operating lease commitments ²	1,120	1,288	1,323	1,022	945
Net Debt (including off Balance Sheet)	2,133	1,990	2,159	1,406	1,168

1. Unrealised gains/losses on open debt derivatives.

2. Net aircraft operating lease commitments for the next twelve months, multiplied by a factor of seven.

13. Other information

Company history

April 1940	Tasman Empire Airways Limited (TEAL) incorporated
April 1965	TEAL renamed Air New Zealand Limited
April 1978	Air New Zealand and National Airways Corporation (NAC) merge
April 1989	New Zealand Government privatises Air New Zealand
October 1989	Air New Zealand listed on the New Zealand Stock Exchange (NZX)
October 1996	Air New Zealand acquires 50 percent of Ansett Australia
March 1999	Air New Zealand becomes a member of the Star Alliance group
June 2000	Air New Zealand acquires remaining 50 percent of Ansett Australia
September 2001	Ansett Australia placed into voluntary administration due to downturn
January 2002	Air New Zealand recapitalised by New Zealand Government for \$885m resulting in 82 percent government ownership
March 2011 to May 2014	Air New Zealand purchased shares in Virgin Australia taking ownership to 25.9 percent as at 30 June 2015
July 2011	Revenue share alliance with Virgin Australia commenced
January 2013	Revenue share alliance with Cathay Pacific commenced
November 2013	New Zealand Government sells down its holding to 52 percent
January 2015	Revenue share alliance with Singapore Airlines commenced
December 2015	Revenue share alliance with Air China commenced
June 2016	Air New Zealand sells 19.98 percent of its stake in Virgin Australia, reducing total stake to 2.5 percent
July 2016	Revenue share alliance with United Airlines commenced
October 2016	Air New Zealand sells remaining stake in Virgin Australia

Glossary of key 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
EBIT	Earnings before interest and taxation
EBITDRA	Earnings before interest, taxation, depreciation, rentals and amortisation
Gearing	Net debt / (net debt plus equity); Net debt includes capitalised aircraft operating leases
Liquidity	Total cash (comprising Bank and short-term deposits, interest-bearing assets and non-interest bearing assets as at the end of the financial year divided by total operating revenue for that financial year
Net Debt	Interest-bearing liabilities less bank and short-term deposits, net open derivatives held in relation to interest-bearing liabilities, interest-bearing assets and non-interest bearing assets, plus net aircraft operating lease commitments for the next twelve months multiplied by a factor of seven
Other Significant Items	Other significant items are items of revenue or expenditure which due to their size and nature warrant separate disclosure to assist with the understanding of the financial performance of the Group. Other significant items is reported within the Group's audited annual financial statements
Passenger Load Factor	RPKs as a percentage of ASKs
Passenger Revenue/ASK (RASK)	Passenger revenue for the period divided by the total ASK for the period
Pre-Tax Return on Invested Capital (ROIC)	Earnings before interest and taxation (EBIT), and aircraft lease expense divided by three, all divided by the average capital employed (being net debt plus equity) over the period
Revenue passenger kilometres (RPKs)	Number of revenue passengers carried multiplied by the distance flown (demand)

The following non-GAAP measures are not audited: CASK, Gearing, Net Debt, RASK and ROIC. Amounts used within the calculations are derived from the audited Group financial statements and Five Year Statistical Review contained in the 2017 Annual Financial Results. 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.

Expenditure classifications

Labour	All salaries, wages and employee benefits
Fuel	Fuel including hedging gains/losses
Maintenance	Materials and services
Aircraft operations	Airport dues, aircraft ground handling, line servicing, loading, air navigation and tech crew trip costs
Passenger services	Passenger ground handling, meals, inflight services, cabin crew trip expenses, lounge expenses and security charges
Sales and marketing	Commissions, advertising, promotions, marketing, FFP costs and distribution costs
Other expenses	Safety, IT costs, legal and accounting, insurance, employee relations and property costs
Rental and lease expenses	Aircraft and property operating lease rentals

14. Executive management team



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. Christopher has a Master of Commerce in Business Administration from the University of Canterbury.



Jodie King | CHIEF PEOPLE OFFICER

Jodie joined Air New Zealand in 2012 as an HR General Manager and member of the People Leadership Team, before being appointed as Chief People Officer in February 2016. Prior to this she had managed Air New Zealand's Organisational Effectiveness and Talent, HR Corporate and HR Airports and Sales and Commercial teams.

Jodie has had a significant international career, living and working in the United Kingdom for 16 years. During her time in London Jodie worked at KPMG in leadership and management consultancy roles across a range of industries, including infrastructure, oil and gas, banking and retail. Her last role at KPMG saw her as Director of Talent Management across nine European countries. Prior to KPMG she worked for New Zealand Treasury and NZ Dairy Co-operative after graduating from Otago University with an Arts and a Commerce degree.



Avi Golan | CHIEF DIGITAL OFFICER

Avi joined Air New Zealand as Chief Digital Officer in January 2016 and has been leading the Digital Team through a significant transformation to engage digitally with customers across multiple international markets and enhance the new revenue opportunities while driving customer innovation. Previously based in the United States, Avi has held senior leadership positions in some of the most innovative global companies across a range of industries, including Google, Intuit and Nook Digital. He also spent the first part of his career as a product leader in Israeli based start-ups and co-founding the Israeli Entrepreneurs and Founders Foundation (IEFF), an organisation that helps technology start-ups be more successful in Silicon Valley.



Nick Judd | CHIEF STRATEGY, NETWORKS & ALLIANCES OFFICER

Nick Judd was appointed as the Chief Strategy, Networks and Alliances Officer in October 2017 and leads Air New Zealand's five Joint Venture Alliance partnerships, the Star Alliance relationship and the Sustainability and Transformation portfolios. He has worked across a number of functions and regions in the business beginning his Air New Zealand career in Finance, before holding senior roles in Loyalty, Sales and Commercial areas across Australia, China, America and New Zealand.

Nick joined Air New Zealand in May 2003 after working in the United Kingdom and Canada in finance roles for companies such as Chase Manhattan Bank and News Limited. Nick is a Chartered Accountant and holds a Bachelor of Management Studies (Hons) from the University of Waikato.



Rob McDonald | CHIEF FINANCIAL OFFICER

Rob started his finance career as a commerce graduate with a large building products company in 1980. He worked overseas before joining Coopers and Lybrand in the corporate advisory and valuation practice in 1985. Rob took up the position of Group Financial Planning Manager at Air New Zealand in 1993 and was appointed Group Treasurer in 1995. In October 2004 Rob was appointed as Chief Financial Officer of Air New Zealand. Rob has a Bachelor of Commerce from Auckland University and in 1999 completed the Program of Management Development at Harvard Business School. He is a Fellow of Chartered Accountants Australia and New Zealand a member of the Institute of Finance Professionals New Zealand Inc. and from 2006 to 2015 was a member of the IATA Financial Committee, appointed as Vice Chairman from 2013 to 2015.

In September 2017, Air New Zealand announced Rob McDonald will retire at the end of 2017 and will be succeeded by Group General Manager Corporate Finance, Jeff McDowall.



Captain David Morgan | CHIEF OPERATIONAL INTEGRITY & STANDARDS OFFICER

David joined Air New Zealand in 1985 after a career in general aviation and subsequently joined the Flight Operations management team in 1996. David has held various senior operational management positions and was appointed to the Executive in 2008. In his current role David is responsible for the essential core airline activity of operational integrity and safety, regulatory accountability, aeronautical policy and process, standards, security and emergency management.



Bruce Parton | CHIEF OPERATIONS OFFICER

Bruce has a Bachelor of Business degree from Massey University. He has worked in a variety of businesses, including five years for Coca-Cola in London in the logistics and supplier management field, and three years with Tegel Foods in New Zealand in logistics. He joined Air New Zealand in 1996. His roles have included Group General Manager Australasia, Logistics and Components management at Engineering, General Manager of Operations for the Airline, General Manager of the Pacific Airline (Australia, Pacific Islands and Domestic Jets), and General Manager Domestic Jet (737 Fleet and New Zealand Airports).



Mike Tod | CHIEF MARKETING & CUSTOMER OFFICER

Mike has responsibility for Air New Zealand's global marketing and its customer experience related functions together with accountability for Corporate Affairs, Government Affairs and Industry Relations, Sponsorship and Community Partnership programmes. Mike was previously General Manager of Marketing and Communications and prior to that General Manager of Communications. He joined Air New Zealand from Fonterra where he held the roles of Assistant to the Chief Executive Officer and Shareholder Communications Manager. Prior to these roles he held senior positions with Television New Zealand and in the print industry. Mike is a Fellow of the Chartered Institute of Marketing and a graduate of Harvard Business School's Advanced Management Programme.



Cam Wallace | CHIEF REVENUE OFFICER

Cam was appointed as Chief Revenue Officer in January 2014 and is responsible for generating Air New Zealand's passenger and cargo revenue, currently a portfolio with a turnover of \$5 billion. His responsibilities include revenue management, global pricing, online sales, grabaseat, retail marketing, corporate, distribution, government sales and contact centres.

Cam joined Air New Zealand in 2001 and has held a number of senior positions in the airline including Group General Manager New Zealand and Pacific Islands and General Manager Australia. Cam has completed business management programmes at Darden School of Business, Kellogg School of Management – Northwestern University Chicago and the London Business School. Most recently he studied at INSEAD, France where he completed the Advanced Management Programme.



John Whittaker | CHIEF AIR OPERATIONS & PEOPLE SAFETY OFFICER

John leads the 3,300 people in Air New Zealand's Jet Pilot, Cabin Crew and People Safety teams. He started with broad based tourism Mount Cook Group in 1985 and was General Manager of Mount Cook Airline when this was integrated into Air New Zealand. Since then John has held General Management roles in Operations, Loyalty, Alliances and Government Relations. Prior to his 2016 appointment to Chief Air Operations & People Safety Officer, he held the role of Group General Manager Airports leading the worldwide Airport and Lounge teams and championed the adoption of High Performance Engagement with unions and Air New Zealanders. He has a Bachelor of Commerce from the University of Canterbury.

15. Board of Directors



Antony (Tony) Carter | CHAIRMAN

BE (Hons), M.E., MPhil

Independent Non-Executive Director (Appointed 1 December 2010)

Mr Carter is Chairman of Fisher & Paykel Healthcare Limited, a director of Fletcher Building Limited and ANZ Bank New Zealand Limited and Independent Chairman of Blues LLP.

He attended the University of Canterbury where he studied chemical engineering, graduating with a Bachelor in Engineering with honours and a Masters in Engineering in 1980. He then went on to study at Loughborough University of Technology in the United Kingdom and graduated in 1982 with a Master of Philosophy degree.



Janice (Jan) Dawson | DEPUTY CHAIR

CNZM, BCom, FCA

Independent Non-Executive Director (Appointed 1 April 2011)

Ms Dawson is Chairman of Westpac New Zealand and a director of AIG Insurance New Zealand Limited, Beca Group Limited, Fulbright New Zealand, Meridian Energy Limited and World Sailing. Ms Dawson is Pro-Chancellor and a member of the University of Auckland Council, the Capital Investment Committee of the National Health Board and a Trustee of the National Maritime Museum.

Ms Dawson was a partner of KPMG for 30 years, specialising in audit and risk advisory, and the Chair and Chief Executive of KPMG New Zealand from 2006 until 2011.

Ms Dawson holds a Bachelor of Commerce from the University of Auckland. She is a Fellow of the New Zealand Institute of Chartered Accountants, a Fellow of the Institute of Directors in New Zealand, a Paul Harris Fellow and a North Shore Business Hall of Fame Laureate (2010). Ms Dawson was named Chartered Accountant of the Year in 2011 by the New Zealand Institute of Chartered Accountants.



Robert (Rob) Jager | DIRECTOR

BE (Hons), MBA

Independent Non-Executive Director (Appointed 1 April 2013)

Mr Jager is Chairman of the Shell Companies in New Zealand and General Manager, Shell Todd Oil Services. He chaired the Workplace Health and Safety Review Taskforce in New Zealand, which has been instrumental in encouraging fundamental changes to New Zealand's approach to workplace health and safety. Mr Jager chairs the Petroleum Exploration and Production Association NZ and is a member of the Business Leaders Health and Safety Forum steering committee. Mr Jager is a Director for National Science Challenge – Sustainable Seas – Project.

Mr Jager joined Shell in New Zealand in 1978 as an engineering cadet. He completed his Bachelor of Engineering degree in 1983 with 1st Class Honours and later gained an MBA with Distinction. Mr Jager has nearly 40 years experience in the oil and gas industry in New Zealand and overseas.



Linda Jenkinson | DIRECTOR

MBA, BBS

Independent Non-Executive Director (Appointed 1 June 2014)

Ms Jenkinson was the Co-Founder of John Paul Inc., a United Kingdom based global concierge services and digital solutions company that services some of the world's leading customer facing businesses.

Ms Jenkinson is currently director and secretary of Massey University US Foundation and a Trustee of the Massey University Foundation in New Zealand. Ms Jenkinson is also a Director of Guild Group Holdings Ltd.

Ms Jenkinson holds a Master of Business Administration from The Wharton School, University of Pennsylvania and a Bachelor of Business Studies from Massey University.



Rt Hon Sir John Key | DIRECTOR
GNZM, AC

Independent Non-Executive Director (Appointed 1 September 2017)

Sir John was Prime Minister of New Zealand from 2008 to 2016. He successfully led the country through the aftermath of the global financial crisis and a series of devastating earthquakes in New Zealand's second-biggest city, Christchurch. Among his portfolios, Sir John was Minister for Tourism.

Sir John chairs the International Democrat Union and chaired the United Nations Security Council in 2016. Sir John, who was knighted in the 2017 Queen's Birthday Honours, has also been appointed an Honorary Companion of the Order of Australia.

Sir John's current business activities include a role advising a \$200 billion United States corporation on its investments in China as well as an advisory role with a New York fund manager.

In October 2017, Sir John was appointed to the Board of Directors of ANZ Bank New Zealand and will become Chairman effective January 2018.

Sir John worked in investment banking for 20 years primarily for Bankers Trust in New Zealand and Merrill Lynch in Singapore, London and Sydney. His positions included heading Merrill Lynch's global foreign exchange business along with responsibility for European derivative trading and E. Commerce. He was a member of the Foreign Exchange Committee of the Federal Reserve Bank of New York (1999-2001).



Jonathan Mason | DIRECTOR
BA, MBA, MA

Independent Non-Executive Director (Appointed 1 March 2014)

Mr Mason has more than 30 years experience in the financial sector, with an emphasis on emerging markets. Prior to joining Air New Zealand's Board in March 2014, he was Fonterra Co-operative Group's Chief Financial Officer.

He joined Fonterra in 2009 from US-based chemicals company Cabot Corporation where he was Executive Vice-President and Chief Financial Officer. Prior to this he was employed as the Chief Financial Officer at forest products company Carter Holt Harvey Limited.

His current directorships include Vector Limited, Westpac New Zealand Limited and Zespri Group Limited. Mr Mason also serves as an Adjunct Professor of Management at the University of Auckland, specialising in international finance.



Dame Therese Walsh | DIRECTOR
DNZM, BCA, FCA

Independent Non-Executive Director (Appointed 1 May 2016)

Dame Therese is Chairman of Television New Zealand Limited, a Director of NZX Limited, and ASB Bank Limited, a Trustee of Wellington Regional Stadium, and a Victoria University Council Member. She also sits on a number of Government panels.

Previously she was the Head of the New Zealand for the ICC Cricket World Cup 2015, and the Chief Operating Officer for Rugby New Zealand 2011 Limited.

Dame Therese is a Fellow of the New Zealand Institute of Chartered Accountants and a commerce graduate from Victoria University. In 2013, she was named the inaugural supreme winner of the Women of Influence Awards and was awarded a Sir Peter Blake Trust Leadership Award in 2014. She became a Dame Companion of the New Zealand Order of Merit in June 2015.



16. Investor resources

Investor Centre	airnewzealand.co.nz/investor-centre
Monthly traffic updates	airnewzealand.co.nz/monthly-operating-data
Quarterly fuel hedging disclosure	airnewzealand.co.nz/fuel-hedging-announcements
Corporate Governance	airnewzealand.co.nz/corporate-governance
Sustainability	airnewzealand.co.nz/sustainability

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