



Contents

- August market conditions
- Company news
- Operating statistics table

August market conditions

Air New Zealand carried 1,126,000 passengers during the month of August, 7.6% more than the same period last year. Revenue passenger kilometres (RPKs) were 10.7% higher on a capacity (ASKs) increase of 11.1%. Group load factors were down 0.3 percentage points to 83.3%.

Short Haul passenger numbers were up 6.3%. In the Domestic market demand (RPKs) and capacity (ASKs) increased by 9.0% and 8.9%, respectively. Domestic load factor was 78.2%, up 0.1 percentage points.

Tasman/Pacific demand (RPKs) increased 2.8% while capacity (ASKs) increased by 0.2%. Load factor on Tasman/Pacific increased 2.1 percentage points to 83.2%.

Long Haul passenger numbers increased 17.9% when compared to August last year, with demand (RPKs) up 16.2% and capacity (ASKs) up 19.2%. Load factor on Long Haul routes was 84.9%, down 2.2 percentage points.

On North American/UK routes, demand (RPKs) increased 4.3% with capacity (ASKs) increasing 8.6%. Load factor was down 3.6 percentage points to 85.2%.

On Asia/Japan/Singapore routes, demand (RPKs) increased 41.9%, with capacity (ASKs) increasing by 40.7% due to the new Auckland-Singapore route and larger B787-9 aircraft operating on the Auckland-Shanghai route. Load factor increased 0.7 percentage points to 84.4%.

Group-wide yields for the financial year to date were down 0.1% on the same period last year. Short Haul yields were up 0.9% while Long Haul yields were up 1.6%. Removing the impact of foreign exchange, Group-wide yields were down 2.6%.



Company news

[Air New Zealand and Air China launch new alliance route](#)

On 2 September 2015, Air New Zealand and Air China launched joint sales for a new daily direct service between Auckland and Beijing after receiving approval from New Zealand Minister of Transport Hon Simon Bridges to form a strategic alliance.

The alliance between the two national carriers will see air capacity between Auckland and Mainland China increase by more than 25 percent year round.

Under the alliance Air New Zealand will continue to operate daily between Auckland and Shanghai and Air China will operate the new service between Auckland and Beijing. The two carriers will codeshare on each other's services between New Zealand and China.

The Beijing-Auckland service will begin operating on 10 December this year and fares will go on sale immediately

Under the alliance Air New Zealand will continue to operate its new Boeing 787-9 Dreamliner aircraft on the Auckland – Shanghai route, offering customers Business Premier, Premium Economy, Economy Skycouch and Economy seating. Initially Air China will operate A330-200 aircraft between Auckland and Beijing which feature Business and Economy cabins.

[Air New Zealand launches sustainability framework](#)

Air New Zealand has developed a new sustainability framework which outlines how we will implement a programme of activity to deliver on the Go Beyond aspiration to supercharge New Zealand's success socially, environmentally and economically.

The framework includes two areas within each of these pillars:

- Socially – Our Communities, Our People
- Environmentally – Carbon, Nature and Science
- Economically – Tourism, Trade and Enterprise

The framework outlines priorities for the coming years, key indicators of our success and a governance layer that will support the programme.

In conjunction with this framework, Air New Zealand has established a Sustainability Advisory Panel comprising an internationally renowned group of external subject matter

Monthly **investor update**



experts, and chaired by Jonathon Porritt, an eminent writer, broadcaster and commentator on sustainable development. Air New Zealand's Chief Executive, Christopher Luxon, and Chief of Flight Operations and Safety, Captain David Morgan, also sit on the Sustainability Advisory Panel.

On 16 September 2015, Air New Zealand held a breakfast to launch its new sustainability framework attended by 480 business, government and community leaders as well as investors and media. As part of this launch, Air New Zealand also released its first Sustainability Report.

This report, along with further details of our sustainability framework can be viewed on our website:

<http://www.airnewzealand.co.nz/sustainability>

Monthly *investor update*



Group	AUGUST			FINANCIAL YTD		
	2015	2014	% *	2016	2015	% * +
Passengers carried (000)	1,126	1,046	7.6%	2,481	2,101	6.5%
Revenue Passenger Kilometres(m)	2,428	2,193	10.7%	5,428	4,440	10.2%
Available Seat Kilometres (m)	2,915	2,622	11.1%	6,507	5,291	10.9%
Passenger Load Factor (%)	83.3%	83.6%	(0.3 pts)	83.4%	83.9%	(0.5 pts)
Short Haul Total	AUGUST			FINANCIAL YTD		
	2015	2014	% *	2016	2015	% * +
Passengers carried (000)	988	929	6.3%	2,176	1,867	5.1%
Revenue Passenger Kilometres(m)	1,097	1,048	4.7%	2,467	2,137	4.1%
Available Seat Kilometres (m)	1,346	1,307	3.0%	3,064	2,658	3.9%
Passenger Load Factor (%)	81.5%	80.1%	1.4 pts	80.5%	80.4%	0.1 pts
Domestic	AUGUST			FINANCIAL YTD		
	2015	2014	% *	2016	2015	% * +
Passengers carried (000)	715	665	7.5%	1,557	1,327	5.8%
Revenue Passenger Kilometres(m)	355	326	9.0%	777	653	7.2%
Available Seat Kilometres (m)	454	417	8.9%	991	832	7.4%
Passenger Load Factor (%)	78.2%	78.1%	0.1 pts	78.4%	78.5%	(0.1 pts)
Tasman / Pacific	AUGUST			FINANCIAL YTD		
	2015	2014	% *	2016	2015	% * +
Passengers carried (000)	273	265	3.4%	619	540	3.4%
Revenue Passenger Kilometres(m)	742	722	2.8%	1,691	1,484	2.7%
Available Seat Kilometres (m)	892	890	0.2%	2,073	1,826	2.4%
Passenger Load Factor (%)	83.2%	81.1%	2.1 pts	81.5%	81.3%	0.2 pts
Long Haul Total	AUGUST			FINANCIAL YTD		
	2015	2014	% *	2016	2015	% * +
Passengers carried (000)	138	117	17.9%	306	234	17.6%
Revenue Passenger Kilometres(m)	1,331	1,145	16.2%	2,961	2,302	16.0%
Available Seat Kilometres (m)	1,568	1,315	19.2%	3,443	2,634	17.9%
Passenger Load Factor (%)	84.9%	87.1%	(2.2 pts)	86.0%	87.4%	(1.4 pts)
Asia / Japan / Singapore	AUGUST			FINANCIAL YTD		
	2015	2014	% *	2016	2015	% * +
Passengers carried (000)	58	40	44.5%	124	77	45.0%
Revenue Passenger Kilometres(m)	516	364	41.9%	1,105	700	42.3%
Available Seat Kilometres (m)	611	434	40.7%	1,313	853	38.8%
Passenger Load Factor (%)	84.4%	83.7%	0.7 pts	84.1%	82.1%	2.0 pts
North America / UK	AUGUST			FINANCIAL YTD		
	2015	2014	% *	2016	2015	% * +
Passengers carried (000)	80	77	4.1%	182	157	4.3%
Revenue Passenger Kilometres(m)	815	782	4.3%	1,857	1,602	4.5%
Available Seat Kilometres (m)	957	881	8.6%	2,130	1,781	7.9%
Passenger Load Factor (%)	85.2%	88.8%	(3.6 pts)	87.2%	90.0%	(2.8 pts)

* % change is based on numbers prior to rounding.

+ There were equal days (28 days) in August 2015 and August 2014. The YTD percentage movements have been adjusted for the 22% difference in days for the month of July 15 (33 days) compared with July 2014 (27 days).

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 above operational data and statistics is additional supplementary information only.