



30 September 2016

**Tony Carter** Chairman

**Christopher Luxon** Chief Executive Officer





## Tony Carter Chairman





Board of Directors

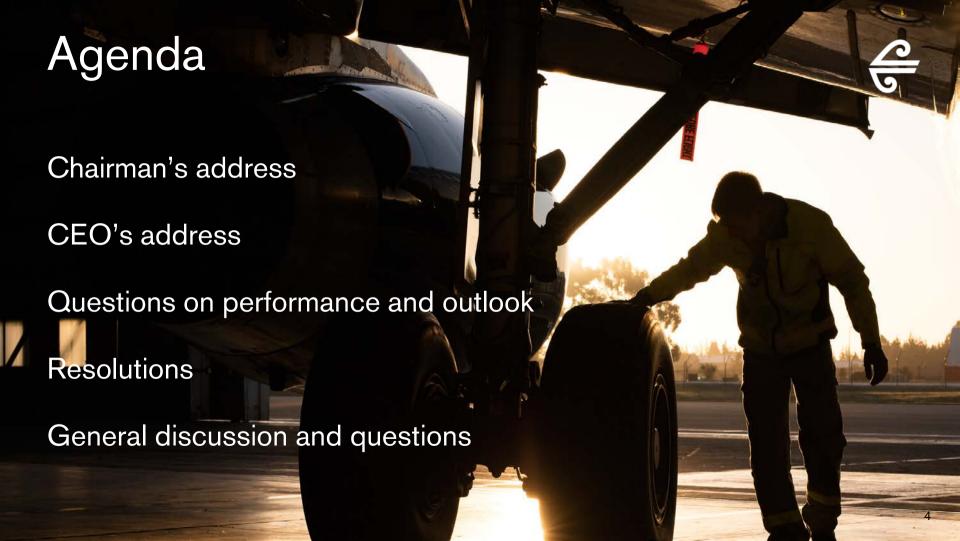


Rob Jager

Dame Therese Walsh

Paul Bingham

Linda Jenkinson



#### 2016 Financial highlights

\$5.2b

\$806m

Operating revenues

Earnings before other significant items and taxation

\$1.1b

Operating cash flow

22%

Pre-tax ROIC\*

45c

Dividends per share



### Earnings before other significant items and taxation

	June 2016 \$M
Earnings before taxation (per NZ IFRS)	663
Add back other significant items:	
Virgin Australia partial divestment	86
Settlement of legal claim	57
Earnings before other significant items and taxation	806



#### Balance sheet remains strong









Interim dividend

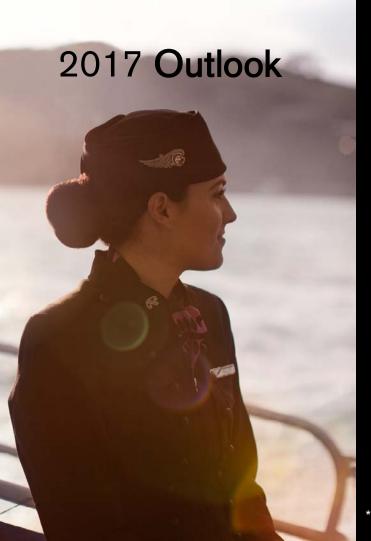
Final dividend

10c 10c per share

per share

Special dividend

25c per share





Given the uncertain impact of competition and based upon current market conditions, expect earnings before taxation for the full year 2017 to be in the range of \$400 million to \$600 million\*





## Christopher Luxon CEO



Capacity

1 2% ASK growth

Fuel



**Efficiencies** 

\$222m
contribution from fleet & operations 11

#### Customer achievements

Record customer satisfaction

Brand health in great shape

#1 corporate reputation in New Zealand

#6 corporate reputation in Australia







Record employee engagement

Driving health & safety culture

Deepened High Performance Engagement agenda

Company performance bonus

#### Market environment



Strong inbound tourism growth

Current view of stable fuel prices

Increased competitive landscape

Pressure on revenue growth in 2017

2017 performance expected to be solid

#### Our **unique** strengths





Our alliance driven network



Our brand and Kiwi service culture



Our domestic network



Our Airpoints<sup>TM</sup> members



Our simplified fleet & competitive cost structure

A proven record of adapting our business to perform well in various trading conditions

#### Growth plan for 2017

**Group Capacity** 

◆ 4% to 6%

Domestic **1** 7% to 9%

Tasman and Pacific Islands 4 3% to 5%

International long-haul 4% to 6%



#### What drives us everyday



#### GOBEYOND



Supercharge New Zealand's success socially, economically and environmentally



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



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

Questions
regarding 2016
performance and
2017 outlook





### Proxies and postal votes received (as at 28 September 2016)



	Proxy votes			
Resolution	For	Against	Abstain	Discretion
Resolution 1: Re-election of Jan Dawson	305,983,399	781,105	1,696,855	584,636,497
Resolution 2: Re-election of Jonathan Mason	305,982,548	779,830	1,698,130	584,637,348
Resolution 3: Election of Dame Therese Walsh	305,953,295	803,042	1,696,855	584,644,664

Postal votes				
For	Against	Abstain		
1,693,395	20,389	52,813		
1,704,495	15,309	46,793		
1,675,315	27,974	63,308		





#### Resolution #1

Re-election of Jan Dawson





#### Resolution #2

Re-election of **Jonathan Mason** 





#### Resolution #3

Election of

#### **Dame Therese Walsh**





General discussion and questions



# Thank you

# AIR NEW ZEALAND 5

A STAR ALLIANCE MEMBER

