

Stock exchange listings: New Zealand (NZX: AIR) / Australia (ASX: AIZ) / ADR (OTC: ANZLY)

MARKET ANNOUNCEMENT

27 June 2018

Australian Court Declines Air Cargo Appeal

The Federal Court has today ordered Air New Zealand to pay A\$15 million in penalties in relation to a previous decision of the High Court of Australia that the Company had breached Australian law in applying fuel and security charges to cargo transported from Hong Kong and Singapore to Australia in the period 2000 – 2006 (please refer to release dated 14 June 2017). Air New Zealand has also agreed to pay A\$2 million towards the ACCC's legal costs.

The penalty will not impact previous guidance given by the Company related to 2018 earnings before taxation.

Ends.