

Name of Listed Issuer:

AIR NEW ZEALAND LIMITED

Results for announcement to the market

Reporting Period 12 months to 30 June 2008

Previous Reporting Period 12 months to 30 June 2007

	Amount \$NZ'm	Percentage change
Revenue from ordinary activities	4,784	9%
Profit from ordinary activities after tax attributable to security holders	218	(1)%
Net profit attributable to security holders	218	(1)%

Dividends (NZ cents)	Amount per security	Imputed amount per security
Interim dividend	5.00	2.46
Final dividend*	3.50	1.72

* Final dividend was declared on 25 August 2008

Details of final dividend	
Record Date for Final Dividend	9-Sep-08
Payment Date for Final Dividend	19-Sep-08

Comments:

PRELIMINARY FULL YEAR REPORT ANNOUNCEMENT

AIR NEW ZEALAND LIMITED

Full Year Ended 30 June 2008 (referred to in this report as the "current full year")

1.1 Details of the reporting period and the previous reporting period

The reporting period is for the year ended 30 June 2008 with the comparative period being for the year ended 30 June 2007.

1.2 Information prescribed by NZX

Refer to Results for announcement to the market

1.3 The following information, which may presented in whatever way the Issuer considers is the most clear and helpful to users e.g. combined with notes to the financial statements or set out separately.

(a) A Statement of Financial Performance

Refer to the Financial Statements.

(b) A Statement of Financial Position

Refer to the Financial Statements.

(c) A Statement of Cash Flows

Refer to the Financial Statements.

(d) Details of individual and total dividends or distributions and dividend or distribution payments. The details must include the date on which each dividend or distribution is payable and (if known) the amount per security of foreign sourced dividends or distributions.

On 25 August 2008, the Board of directors declared a final dividend for the 2008 financial year of 3.5 cents per Ordinary Share, payable on 19 September 2008 to registered shareholders at 9 September 2008. The total dividend payable will be \$37 million. Imputation credits will be attached and supplementary dividends paid to non-resident shareholders. This dividend has not been recognised in the June 2008 financial statements.

An interim dividend of 5.0 cents per Ordinary Share was paid on 28 March 2008. Imputation credits were attached and supplementary dividends paid to non-resident shareholders. Under the dividend reinvestment plan, interim dividends payable of \$4 million were settled by the issue of 2,759,057 Ordinary Shares, at \$1.3269 per Ordinary Share.

A final dividend in respect of the 2007 financial year of 5.0 cents per Ordinary Share was paid on 27 September 2007. Imputation credits were attached and supplementary dividends paid to non-resident shareholders. Under the dividend reinvestment plan, dividends payable of \$5 million were settled by the issue of 2,296,165 Ordinary Shares, at \$2.1529 per Ordinary Share.

	\$NZ'm	NZ cents per share
Distributions recognised		
Interim dividend on Ordinary Shares	53	5.0
Final dividend for 2007 financial year on Ordinary Shares	53	5.0
Distributions paid		
Interim dividend on Ordinary Shares	51	5.0
Final dividend for 2007 financial year on Ordinary Shares	49	5.0

PRELIMINARY FULL YEAR REPORT ANNOUNCEMENT

AIR NEW ZEALAND LIMITED

Full Year Ended 30 June 2008 (referred to in this report as the "current full year")

(e) Details of any dividend or distribution reinvestment plans in operation and the last date for the receipt of an election notice for participation in any dividend or distribution reinvestment plan.

A dividend reinvestment plan (the Plan) has been established which offers eligible shareholders the opportunity to increase their investment in the Company by applying dividends received on some or all of their existing Ordinary Shares to the acquisition of additional Ordinary Shares. All shareholders with registered addresses in New Zealand and Australia are entitled to participate in the Plan. The subscription price of Ordinary Shares issued under the Plan will be at a discount of 1.5 percent of the volume weighted average sale price of the Ordinary Shares on the NZSX and ASX over the first five trading days on which the Shares trade ex-entitlement on the NZSX. For participation in the Plan to be effective in relation to the Final dividend which is proposed to be paid on 19 September 2008, a properly completed participation form must already be held, or will need to be received, by Computershare prior to 5.00 pm (NZ time) on 9 September 2008.

(f) Statement of Movements in Equity

Refer to the Financial Statements.

(g) Net tangible assets per security with the comparative figure for the previous corresponding period

(NZ Cents Per Share)	Current Year	Previous Year
Ordinary Shares	145	128

(h) Details of entities over which control has been gained or lost during the period

Nil

(i) Details of associates and joint ventures:

Parts (i) and (ii)

Name	% owned
Christchurch Engine Centre (CEC)*	49%
Travel Software Solutions Pty Limited	25%

* The CEC is operated in partnership with Pratt and Whitney.

Part (iii) - Profit by associate

Associate	Current Year \$NZ'm	Previous Year \$NZ'm
Christchurch Engine Centre	1	1
Travel Software Solutions Pty Limited	(1)	-

(j) Any other significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position

	Measurement	Current Year	Previous Year	% Change
Passengers Carried	000	13,176	12,480	6%
Revenue Passenger Kilometres	m	29,349	26,874	9%
Available Seat Kilometres	m	36,991	35,113	5%
Passenger Load Factor	%	79.3	76.5	2.8% pts

PRELIMINARY FULL YEAR REPORT ANNOUNCEMENT

AIR NEW ZEALAND LIMITED

Full Year Ended 30 June 2008 (referred to in this report as the "current full year")

(k) Commentary on the results

	Measurement	Current Year	Previous Year
(i) Basic earnings per share	Cents per share	20.7	21.6
(i) Diluted earnings per share	Cents per share	20.7	21.1
(ii) Returns to shareholders (see also section (d) above)			
Interim dividend on Ordinary Shares	\$NZ'm	53	32
Special dividend on Ordinary Shares	\$NZ'm	-	105
Final dividend on Ordinary Shares*	\$NZ'm	53	25

* Reflects the final dividend for the 2007 and 2006 financial years. Details on the final dividend for the 2008 financial year are provided in the first paragraph of section (d) above.

(iii) Significant features of operating performance:

Refer to the media release.

(iv) Segmental results:

Industry segment

Air New Zealand operates predominantly in one segment, its primary business being the transportation of passengers and cargo on scheduled airline services to, from and within New Zealand.

Geographical segment

An analysis of operating revenue by geographic region of original sale is provided below.

	Current Year \$NZ'm	Previous Year \$NZ'm
Analysis of revenue by geographical region of original sale		
New Zealand	2,448	2,299
Australia and Pacific Islands	625	550
United Kingdom and Europe	551	458
Asia	480	458
North America	563	514
Total operating revenue	4,667	4,279

The principal non-current assets of the Group are the aircraft fleet which is registered in New Zealand and employed across the worldwide network. Accordingly, there is no reasonable basis for allocating these assets to geographical segments.

(v) Discussion of trends in performance:

Refer to the media release.

(vi) Any other factors which have or are likely to affect the results, including those where the effect could not be quantified:

Refer to the media release.

PRELIMINARY FULL YEAR REPORT ANNOUNCEMENT

AIR NEW ZEALAND LIMITED

Full Year Ended 30 June 2008 (referred to in this report as the "current full year")

(l) Audit of financial statements

This report is based on accounts which have been audited. The audit opinion has been attached which contains no qualifications.

(m) Major changes in trends in the business subsequent to the end of the financial year

Refer to the media release.

(n) Unrealised gains resulting from the revaluation of assets of the parent, any subsidiaries or any associated company

Nil

3.1 Basis of preparation

This report is compiled in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). NZ GAAP consists of New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS") and other applicable financial reporting standards as appropriate to profit-oriented entities. Air New Zealand adopted NZ IFRS on 1 July 2007.

3.2 Accounting policies

Refer to Statement of Accounting Policies in the financial statements.

3.3 Changes in accounting policies

There have not been any accounting policy changes since the date of adoption of New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS").

3.4 Audit Report

A copy of the audit report is attached at the back of the financial statements.

3.5 Additional information

Not applicable.

This full year report was approved by the Board of Directors on 26 August 2008.

John Palmer

Chairman

Notice of event affecting securities

NZX Listing Rule 7.12.2. For rights, Listing Rules 7.10.9 and 7.10.10. For change to allotment, Listing Rule 7.12.1, a separate advice is required.

Number of pages including this one
(Please provide any other relevant details on additional pages)

1

Full name of Issuer	Air New Zealand Limited		
Name of officer authorised to make this notice	John Blair	Authority for event, e.g. Directors' resolution	Directors' Resolution
Contact phone number	649 336 2910	Contact fax number	649 336 2765
Date	25 / 08 / 08		

Nature of event Tick as appropriate	Bonus Issue <input type="checkbox"/>	If ticked, state whether: Taxable <input type="checkbox"/> / Non Taxable <input type="checkbox"/>	Conversion <input type="checkbox"/>	Interest <input type="checkbox"/>	Rights Issue Renounceable <input type="checkbox"/>
	Rights Issue non-renounceable <input type="checkbox"/>	Capital change <input type="checkbox"/>	Call <input type="checkbox"/>	Dividend <input checked="" type="checkbox"/>	If ticked, state whether: Interim <input type="checkbox"/>
				Full Year <input checked="" type="checkbox"/>	Special <input type="checkbox"/>

EXISTING securities affected by this *If more than one security is affected by the event, use a separate form.*

Description of the class of securities	Ordinary Shares	ISIN	NZAIRE0001S2
			<i>If unknown, contact NZX</i>

Details of securities issued pursuant to this event *If more than one class of security is to be issued, use a separate form for each class.*

Description of the class of securities		ISIN	
			<i>If unknown, contact NZX</i>
Number of Securities to be issued following event		Minimum Entitlement	
			Ratio, e.g. ① for ② <input type="checkbox"/> for <input type="checkbox"/>
Conversion, Maturity, Call Payable or Exercise Date		Treatment of Fractions	
	<i>Enter N/A if not applicable</i>	Tick if <i>pari passu</i> <input type="checkbox"/>	OR provide an explanation of the ranking
Strike price per security for any issue in lieu or date Strike Price available.			

Monies Associated with Event *Dividend payable, Call payable, Exercise price, Conversion price, Redemption price, Application money.*

<i>In dollars and cents</i>		Source of Payment	
Amount per security	\$0.035		Retained Earnings
Currency	NZ Dollars	Supplementary dividend details - Listing Rule 7.12.7	Amount per security in dollars and cents \$0.006176
Total monies	\$37 million		Date Payable 19 September 2008

Taxation *Amount per Security in Dollars and cents to six decimal places*

In the case of a taxable bonus issue state strike price	n/a	Resident Withholding Tax	nil	Credits (Give details)	\$0.017239
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Timing (Refer Appendix 8 in the Listing Rules)

Record Date 5pm For calculation of entitlements	9 September 2008	Application Date Also, Call Payable, Dividend / Interest Payable, Exercise Date, Conversion Date. In the case of applications this must be the last business day of the week.	19 September 2008
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Notice Date Entitlement letters, call notices, conversion notices mailed	n/a	Allotment Date For the issue of new securities. Must be within 5 business days of record date.	n/a
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OFFICE USE ONLY

Ex Date:
Commence Quoting Rights: Security Code:
Cease Quoting Rights 5pm:
Commence Quoting New Securities: Security Code:
Cease Quoting Old Security 5pm: