



Air New Zealand Limited
Fuel Hedge Position as at 22 April 2008

		Units	FY08 Q3 Jan – Mar	FY08 Q4 Apr - Jun	FY09 Q1 Jul - Sep	FY09 Q2 Oct – Dec	FY09 Q3 Jan – Mar	Total FY08 2nd Half	Total FY09 1st Half	Total FY09 2nd Half
WTI Collars	Volume	Barrels	1,615,000	1,690,000	1,355,000	765,000	170,000	3,305,000	2,120,000	170,000
	Ceiling Price	USD	75.74	83.81	91.06	95.64	102.09	79.87	92.71	102.09
	Floor Price	USD	63.75	69.37	73.81	77.80	81.76	66.62	75.25	81.76
Singapore Jet Collars	Volume	Barrels	245,000					245,000		
	Ceiling Price	USD	93.16					93.16		
	Floor Price	USD	82.34					82.34		
Total hedged		Barrels	1,860,000	1,690,000	1,355,000	765,000	170,000	3,550,000	2,120,000	170,000
Estimated Fuel Consumption (1)		Barrels	2,250,126	2,048,333	2,095,168	2,255,421	2,267,631	4,298,460	4,350,588	4,371,957
Hedge Ratio		%	83%	83%	65%	34%	7%	83%	49%	4%
Compensation from fuel hedges (2)		USD	32,471,709	47,563,606	34,804,468	15,923,102	2,670,885	80,035,315	50,727,570	2,670,885
Purchase Cost of Options		USD	(3,871,900)	(4,132,350)	(3,853,950)	(2,471,900)	(609,200)	(8,004,250)	(6,325,850)	(609,200)
Net Compensation from hedges (3)		USD	28,599,809	43,431,256	30,950,518	13,451,202	2,061,685	72,031,065	44,401,720	2,061,685

Notes:

- (1) The estimated fuel consumption excludes the round the world freighter.
- (2) Compensation from fuel hedges is the sum of the mark-to-market value of all fuel swaps and options as at 22 April 2008.
- (3) Net compensation from fuel hedges represents the unrealised gains and losses on fuel hedges. These gains and losses will be accounted for in line with Air New Zealand Limited's fuel instrument accounting policy:
- The effective portion of changes in the intrinsic value of fuel derivatives is recognised through the cash flow hedge reserve;
 - Changes in the time value of fuel derivatives are recognised through earnings; and
 - Any accounting ineffectiveness is recognised through earnings.
- (4) Periods relate to the month of uplift.
- (5) Air New Zealand does not use three way call structures or leveraged collar structures.

Key: Volume: Fuel volume is reported in barrels (42 US gallons in a barrel)

Price: Price is quoted in USD cost per barrel of Singapore Jet and West Texas Intermediate (WTI)