



Air New Zealand Limited
Fuel Hedge Position as at 15 February 2012

		Units	FY12 Q3 Jan-Mar	FY12 Q4 Apr-Jun	FY13 Q1 Jul-Sep	FY13 Q2 Oct-Dec	Total FY12 1st Half	Total FY12 2nd Half	Total FY13 1st Half
WTI Collars	Volume	Barrels	1,155,000	810,000	170,000	-	3,292,500	1,965,000	170,000
	Ceiling Price	USD	105.12	107.19	106.40	-	100.84	105.97	106.40
	Floor Price	USD	91.07	81.63	82.26	-	88.45	87.18	82.26
WTI Bought Put	Volume	Barrels	75,000	-	-	-	675,000	75,000	-
	Strike Price	USD	80.00	-	-	-	80.00	80.00	-
Total hedged		Barrels	1,155,000	810,000	170,000	-	3,292,500	1,965,000	170,000
Estimated fuel consumption		Barrels	1,883,010	1,721,495	1,804,884	1,883,140	3,697,761	3,604,505	3,688,024
Hedge ratio			61%	47%	9%	-	89%	55%	5%
Compensation from fuel hedges (1)		USD	534,751	2,519,986	919,265	-	(2,838,995)	3,054,737	919,265
Purchase cost of options		USD	(3,178,500)	(2,065,650)	(486,650)	-	(10,844,625)	(5,244,150)	(486,650)
Net compensation from hedges (2)		USD	(2,643,749)	454,336	432,615	-	(13,683,620)	(2,189,413)	432,615

Notes:

WTI spot was US\$102.00. 12 month WTI was US\$104.00. Periods relate to the month of uplift.

Air New Zealand does not use three way call structures or leveraged collar structures.

(1) Compensation from fuel hedges is the sum of the mark-to-market value of all fuel swaps and options as at 15 February 2012.

(2) 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.

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

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