



Air New Zealand Limited
Fuel Hedge Position as at 18 February 2013

		Units	FY13 Q3	FY13 Q4	FY14 Q1	FY14 Q2	Total FY13	Total FY14
			Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	2nd Half	1st Half
Brent Swaps	Volume	Barrels	122,500	717,500	370,000	75,000	840,000	445,000
	Price	USD	109.42	107.76	107.52	112.10	108.00	108.29
WTI Collars	Volume	Barrels	462,500	92,500			555,000	
	Ceiling Price	USD	96.73	96.73			96.73	
	Floor Price	USD	78.65	78.65			78.65	
WTI Calls	Volume	Barrels	717,500	90,000			807,500	
	Ceiling Price	USD	103.76	111.11			104.58	
Total hedged		Barrels	1,302,500	900,000	370,000	75,000	2,202,500	445,000
Estimated fuel consumption		Barrels	1,851,842	1,670,675	1,868,749	1,920,624	3,522,517	3,789,373
Hedge ratio			70%	54%	20%	4%	63%	12%
Compensation from fuel hedges (2)		USD	1,268,128	5,796,845	2,214,864	(22,575)	7,064,973	2,192,289
Purchase cost of options		USD	(3,659,075)	(560,025)	0	0	(4,219,100)	0
Net compensation from hedges (3)		USD	(2,390,947)	5,236,820	2,214,864	(22,575)	2,845,873	2,192,289

Notes:

Brent spot was US\$117 and 12 month Brent was US\$110. WTI spot was US\$96 and 12 month WTI was US\$96. 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 18 February 2013.

(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.

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) and Brent.