



Contents

- February market conditions
- Company news
- Operating statistics table

February market conditions

Air New Zealand carried 1,138,000 passengers during the month of February, 5.0% more than the same period last year. Revenue passenger kilometres (RPKs) were 11.0% higher on a capacity (ASKs) increase of 11.0%. Group load factor was unchanged at 83.9%.

Short Haul passenger numbers were up 3.5%, while in the Domestic market demand (RPKs) and capacity (ASKs) increased by 2.6% and 5.6% respectively. Domestic load factor was 82.0%, down 2.4 percentage points.

Tasman/Pacific demand (RPKs) increased 5.9% while capacity (ASKs) increased by 2.7%. Load factor on Tasman/Pacific increased 2.6 percentage points to 86.3%.

Long Haul passenger numbers increased 17.0% when compared to February last year, with demand (RPKs) up 16.4% and capacity (ASKs) up 17.2%. Load factor on Long Haul routes was 83.2%, down 0.6 of a percentage point.

On North American/UK routes, demand (RPKs) increased 3.0% with capacity (ASKs) increasing 4.0%. Load factor was down 0.8 of a percentage point to 82.1%.

Demand (RPKs) increased 45.0% on Asia/Japan routes, with capacity (ASKs) increasing by 46.7% due to the commencement of flying on the new Auckland-Singapore route and increased frequencies on the Auckland-Tokyo route. Load factor decreased 1.0 percentage points to 85.0%.

Group-wide yields for the financial year to date were up 0.6% on the same period last year. Short Haul yields were up 2.0%, while Long Haul yields were down 0.8%. Removing the impact of foreign exchange, Group-wide yields were up 2.1%.



Company news

[Air New Zealand to launch Apple Watch app](#)

Air New Zealand will soon become one of the first New Zealand companies to launch an app for the highly anticipated Apple Watch™.

Details of Apple's first wearable device were revealed by Apple Inc. last week at a launch event in San Francisco.

Air New Zealand customers with the Apple Watch will soon be able to receive flight information and notifications on their device including boarding calls, a departure countdown feature and their electronic boarding pass. Those eligible for lounge access will even be able to order barista made coffee at some of the airline's lounges straight from their wrist.

Air New Zealand Chief Information Officer Julia Raue says the airline's developers visited Apple in California during the development of the app.

"We are continually looking at ways to enhance the customer experience and digital plays a key role in this. Our new Apple Watch app will allow us to provide real time flight updates to our customers in a unique way. Our in-house developers visited the team at Apple in California as they created the app and we're looking forward to introducing it to our customers in the coming weeks," says Ms Raue.

Air New Zealand's watch app will also feature the popular coffee-ordering function first introduced on the airline's mobile app in 2014. It automatically invites customers to order their coffee as they enter the lounge and alerts the customer when it is ready to be picked up from the barista station.

Apple has announced the Apple Watch will be available for sale from 24 April to customers in Australia, Canada, China, France, Germany, Hong Kong, Japan, the UK and the US. No sale date has yet been announced for New Zealand. Air New Zealand expects its updated iPhone and Watch app to be available in line with these release dates.

Monthly investor update



| Group | FEBRUARY | | | FINANCIAL YTD | | |
|---------------------------------|-----------------|-------------|------------|----------------------|-------------|--------------|
| | 2015 | 2014 | % * | 2015 | 2014 | % * + |
| Passengers carried (000) | 1,138 | 1,083 | 5.0% | 9,253 | 9,048 | 2.7% |
| Revenue Passenger Kilometres(m) | 2,442 | 2,199 | 11.0% | 19,445 | 18,819 | 3.8% |
| Available Seat Kilometres (m) | 2,911 | 2,622 | 11.0% | 23,067 | 22,234 | 4.2% |
| Passenger Load Factor (%) | 83.9% | 83.9% | - | 84.3% | 84.6% | (0.3 pts) |
| Short Haul Total | FEBRUARY | | | FINANCIAL YTD | | |
| | 2015 | 2014 | % * | 2015 | 2014 | % * + |
| Passengers carried (000) | 995 | 962 | 3.5% | 8,194 | 8,029 | 2.5% |
| Revenue Passenger Kilometres(m) | 1,062 | 1,014 | 4.8% | 9,094 | 8,877 | 2.9% |
| Available Seat Kilometres (m) | 1,253 | 1,208 | 3.7% | 10,959 | 10,691 | 2.9% |
| Passenger Load Factor (%) | 84.8% | 83.9% | 0.9 pts | 83.0% | 83.0% | - |
| Domestic | FEBRUARY | | | FINANCIAL YTD | | |
| | 2015 | 2014 | % * | 2015 | 2014 | % * + |
| Passengers carried (000) | 734 | 716 | 2.4% | 5,920 | 5,800 | 2.5% |
| Revenue Passenger Kilometres(m) | 367 | 358 | 2.6% | 2,931 | 2,853 | 3.2% |
| Available Seat Kilometres (m) | 448 | 424 | 5.6% | 3,626 | 3,497 | 4.1% |
| Passenger Load Factor (%) | 82.0% | 84.4% | (2.4 pts) | 80.8% | 81.6% | (0.8 pts) |
| Tasman / Pacific | FEBRUARY | | | FINANCIAL YTD | | |
| | 2015 | 2014 | % * | 2015 | 2014 | % * + |
| Passengers carried (000) | 262 | 245 | 6.7% | 2,274 | 2,229 | 2.5% |
| Revenue Passenger Kilometres(m) | 695 | 656 | 5.9% | 6,163 | 6,024 | 2.7% |
| Available Seat Kilometres (m) | 805 | 783 | 2.7% | 7,333 | 7,194 | 2.4% |
| Passenger Load Factor (%) | 86.3% | 83.7% | 2.6 pts | 84.0% | 83.7% | 0.3 pts |
| Long Haul Total | FEBRUARY | | | FINANCIAL YTD | | |
| | 2015 | 2014 | % * | 2015 | 2014 | % * + |
| Passengers carried (000) | 142 | 122 | 17.0% | 1,059 | 1,019 | 4.4% |
| Revenue Passenger Kilometres(m) | 1,380 | 1,186 | 16.4% | 10,352 | 9,942 | 4.6% |
| Available Seat Kilometres (m) | 1,658 | 1,414 | 17.2% | 12,108 | 11,542 | 5.3% |
| Passenger Load Factor (%) | 83.2% | 83.8% | (0.6 pts) | 85.5% | 86.1% | (0.6 pts) |
| Asia / Japan | FEBRUARY | | | FINANCIAL YTD | | |
| | 2015 | 2014 | % * | 2015 | 2014 | % * + |
| Passengers carried (000) | 61 | 43 | 43.7% | 387 | 344 | 13.0% |
| Revenue Passenger Kilometres(m) | 548 | 378 | 45.0% | 3,502 | 3,072 | 14.5% |
| Available Seat Kilometres (m) | 645 | 440 | 46.7% | 4,201 | 3,720 | 13.4% |
| Passenger Load Factor (%) | 85.0% | 86.0% | (1.0 pts) | 83.4% | 82.6% | 0.8 pts |
| North America / UK | FEBRUARY | | | FINANCIAL YTD | | |
| | 2015 | 2014 | % * | 2015 | 2014 | % * + |
| Passengers carried (000) | 81 | 79 | 2.6% | 672 | 675 | (0.0%) |
| Revenue Passenger Kilometres(m) | 831 | 808 | 3.0% | 6,850 | 6,871 | 0.1% |
| Available Seat Kilometres (m) | 1,013 | 974 | 4.0% | 7,907 | 7,822 | 1.5% |
| Passenger Load Factor (%) | 82.1% | 82.9% | (0.8 pts) | 86.6% | 87.8% | (1.2 pts) |

* % change is based on numbers prior to rounding.

The year to date percentage movements have been adjusted on a daily weighted average basis. The adjustment takes into account the difference in days for the accounting month of July 2014 (27 days) compared with July 2013 (28 days).

Air New Zealand operates primarily in one segment, its primary business being the transportation of passengers and cargo on an integrated network of scheduled airline services to, from and within New Zealand. The following operational data and statistics is additional supplementary information only.