

Name of Listed Issuer:

AIR NEW ZEALAND LIMITED

Results for announcement to the market

Reporting Period 12 months to 30 June 2012

Previous Reporting Period 12 months to 30 June 2011

| | Amount \$NZ'm | Percentage change |
|--|---------------|-------------------|
| Revenue from ordinary activities (including finance income) | 4,514 | 3% |
| Profit from ordinary activities after tax attributable to security holders | 71 | (12%) |
| Net profit attributable to security holders | 71 | (12%) |

| Dividends (NZ cents) | Amount per security | Imputed amount per security |
|----------------------|---------------------|-----------------------------|
| Interim dividend | 2.0 | - |
| Final dividend* | 3.5 | - |

* Final dividend was declared on 29 August 2012

| Details of final dividend | |
|---------------------------------|-----------|
| Record Date for Final Dividend | 14-Sep-12 |
| Payment Date for Final Dividend | 26-Sep-12 |

Comments:

PRELIMINARY FULL YEAR REPORT ANNOUNCEMENT
AIR NEW ZEALAND LIMITED
Full Year Ended 30 June 2012 (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 2012 with the comparative period being for the year ended 30 June 2011.

1.2 Information prescribed by NZX

Refer to Results for announcement to the market.

1.3 The following information, which may be 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 29 August 2012, the Board of Directors declared a final dividend for the 2012 financial year of 3.5 cents per Ordinary Share, payable on 26 September 2012 to registered shareholders at 14 September 2012. The total dividend payable will be \$38 million. No imputation credits will be attached. This dividend has not been recognised in the June 2012 financial statements.

An interim dividend of 2.0 cents per Ordinary Share was paid on 21 March 2012. No imputation credits were attached. Under the dividend reinvestment plan, interim dividends payable of \$3 million were settled by the issue of 3,341,345 Ordinary Shares, at \$0.8483 per Ordinary Share.

A final dividend in respect of the 2011 financial year of 2.5 cents per Ordinary Share was paid on 21 September 2011. No imputation credits were attached. Under the dividend reinvestment plan, dividends payable of \$3 million were settled by the issue of 2,965,084 Ordinary Shares, at \$1.0818 per Ordinary Share.

| | \$NZ'm | NZ Cents Per Share |
|---|--------|--------------------|
| Distributions recognised | | |
| Final dividend for 2011 financial year on Ordinary Shares | 27 | 2.5 |
| Interim dividend for 2012 financial year on Ordinary Shares | 22 | 2.0 |
| Distributions paid | | |
| Final dividend for 2011 financial year on Ordinary Shares | 24 | 2.5 |
| Interim dividend for 2012 financial year on Ordinary Shares | 19 | 2.0 |

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(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.

The dividend reinvestment plan is currently suspended.

(f) A 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 | 148 | 133 |

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

Parts (i) to (iii)

Entities over which control has been gained

| Name | Date of control | Contribution to entities profit from ordinary activities \$NZ'm |
|--------------------------------|-----------------|--|
| ANZGT Field Services LLC | 29 July 2011 | - |
| Pacific Leisure Group Limited* | 20 October 2011 | - |
| VCubed Pty Limited** | 6 October 2011 | (1) |

* Pacific Leisure Group Limited was incorporated on 20 October 2011 and commenced trading as a joint venture on 25 November 2011.

** The contribution to entities profit from ordinary activities is from when control was gained, being 6 October 2011. Prior to this date VCubed Pty Limited was an associate of the Group.

Entities over which control has been lost

| Name | Date of disposal | Contribution to entities profit from ordinary activities | Contribution to entities profit from ordinary activities |
|-----------------|------------------|--|--|
| | | Current Year \$NZ'm | Previous Year \$NZ'm |
| ADP Pty Limited | 26 February 2012 | - | - |

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Full Year Ended 30 June 2012 (referred to in this report as the "current full year")

(i) Details of associates and joint ventures:

Parts (i) to (iii)

| Name | % Held Current Year | % Held Previous Year | Contribution to entities profit Current Year \$NZ'm | Contribution to entities profit Previous Year \$NZ'm |
|-----------------------------------|------------------------|-------------------------|--|---|
| Associate | | | | |
| Christchurch Engine Centre (CEC)* | 49% | 49% | 6 | 3 |
| VCubed Pty Limited** | 70% | 26% | - | - |
| Joint Venture | | | | |
| Pacific Leisure Group Limited*** | 50% | - | - | - |

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

** The Group gained control of VCubed Pty Limited on 6 October 2011, therefore the contribution to profit for the current year is to the period up to 6 October 2011.

*** The joint venture in Pacific Leisure Group Limited was entered into on 25 November 2011.

(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 | 13,122 | 13,103 | 0.1% |
| Revenue Passenger Kilometres | m | 27,013 | 26,996 | 0.1% |
| Available Seat Kilometres | m | 32,618 | 32,353 | 0.8% |
| Passenger Load Factor | % | 82.8 | 83.4 | -0.6% pts |

(k) Commentary on the results

| | Measurement | Current Year | Previous Year |
|--|-----------------|--------------|---------------|
| (i) Basic and diluted earnings per share | Cents per share | 6.5 | 7.5 |
| (ii) Returns to shareholders (see also section (d) above) | | | |
| Final dividend on Ordinary Shares* | \$NZ'm | 27 | 43 |
| Interim dividend on Ordinary Shares | \$NZ'm | 22 | 32 |

* Reflects the final dividend for the 2011 and 2010 financial years. Details on the final dividend for the 2012 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 an integrated network of scheduled airline services to, from and within New Zealand. Resource allocation decisions across the network are made to optimise the consolidated Group's financial result.

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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 | 2,593 | 2,496 |
| Australia and Pacific Islands | 677 | 611 |
| United Kingdom and Europe | 363 | 374 |
| Asia | 363 | 397 |
| North America | 487 | 463 |
| Total operating revenue | 4,483 | 4,341 |

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

(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.

3.2 Accounting policies

Refer to Statement of Accounting Policies in the financial statements.

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AIR NEW ZEALAND LIMITED

Full Year Ended 30 June 2012 (referred to in this report as the "current full year")

3.3 Changes in accounting policies

FRS 44 - New Zealand Additional Disclosures (April 2011) and Amendments to FRS 44 - New Zealand Additional Disclosures (June 2011) were adopted on 1 July 2011. In addition, Amendments to New Zealand Equivalents to International Financial Reporting Standards to Harmonise with International Financial Reporting Standards and Australian Accounting Standards was adopted on 1 July 2011. The adoptions have not had a significant impact on the financial statements presented and have resulted in a minor reduction in the level of disclosure.

There have not been any other accounting policy changes during the year.

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 30 August 2012.

John Palmer
Chairman

Notice of event affecting securitiesNZSX Listing Rule 7.12.2. For rights, NZSX Listing Rules 7.10.9 and 7.10.10.
For change to allotment, NZSX Listing Rule 7.12.1, a separate advice is required.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 **64 9 336 2910** Contact fax number **64 9 336 2667** Date **29 / 08 / 2012**

Nature of event
Tick as appropriate

Bonus Issue If ticked, state whether: Taxable / Non Taxable Conversion Interest Rights Issue Renounceable

Rights Issue non-renounceable Capital change Call Dividend If ticked, state whether: Interim Full Year Special DRP Applies

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**
*If unknown, contact NZX***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
*If unknown, contact NZX*Number of Securities to be issued following event Minimum Entitlement Ratio, e.g. ① for ② for Conversion, Maturity, Call Payable or Exercise Date Enter N/A if not applicable
Treatment of Fractions
Tick if *pari passu* 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.*

In dollars and cents

Amount per security (does not include any excluded income) **\$0.035** Source of Payment **Retained Earnings**

Excluded income per security (only applicable to listed PIEs)

Currency **NZ Dollars** Supplementary dividend details - NZSX Listing Rule 7.12.7 Amount per security in dollars and cents **\$0.000000**

Total monies **\$38 million** Date Payable **n/a**

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 **\$0.011550** Imputation Credits (Give details) **\$0.000000**

Foreign Withholding Tax FWP Credits (Give details)

Timing (Refer Appendix 8 in the NZSX Listing Rules)

Record Date 5pm
For calculation of entitlements - **14 September 2012**

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. **26 September 2012**

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 application closing date. **n/a**

OFFICE USE ONLYEx Date:
Commence Quoting Rights
Cease Quoting Rights 5pm:
Commence Quoting New Securities
Cease Quoting Old Security 5pm:

Security Code:

Security Code:

