

22 May 2023

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April 2023 highlights

Group traffic summary	APRIL						FINANCIAL YTD						
	FY23	FY22	% *	FY19^	% *	2023	2022	% *+	2019^	% *++			
Passengers carried (000)	1,251	832	50.5%	1,431	(12.6%)	13,226	5,758	130.5%	14,881	(11.7%)			
Revenue Passenger Kilometres(m)	2,573	1,033	149.0%	3,062	(16.0%)	23,735	4,677	409.2%	32,465	(27.4%)			
Available Seat Kilometres (m)	3,121	1,295	140.9%	3,560	(12.3%)	27,409	7,777	253.6%	38,735	(29.7%)			
Passenger Load Factor (%)	82.4%	79.7%	2.7 pts	86.0%	(3.6 pts)	86.6%	60.1%	26.5 pts	83.8%	2.8 pts			

Year-to-date RASK ¹	% change in reported R	ASK (incl. FX)	% change in reported F	RASK (excl. FX)
	vs 2022	vs 2019^	vs 2022	vs 2019^
Group	23.9%	50.4%	22.7%	48.3%
Short Haul	29.8%	40.8%	28.9%	39.9%
Long Haul	102.4%	46.1%	99.6%	42.2%

Please note that the available seat kilometre (capacity) numbers included in the tables within this disclosure do not include any cargo-only flights. This is because these capacity numbers are used to calculate passenger load factors and passenger RASK

* % 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 2021 (32 days) compared with July 2022 (31 days). This is because Air New Zealand operates on a 4,4,5 accounting calendar but closes the annual accounts on 30 June.

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[^] From 1 July 2022, Honolulu flights are categorised as Americas (was Pacific) and Denpasar flights are categorised as Asia (was Pacific). All historic data has been adjusted to reflect this change.

1 Reported RASK (unit passenger revenue per available seat kilometre) is inclusive of foreign currency impact, and underlying RASK excludes foreign currency impact.

% *•

(7.2%)

(10.9%)

(14.6%

3.6 pts

Operating statistics table

Group			APRIL			FINANCIAL YTD						
	FY23	FY22	% *	FY19^	% *	2023	2022	% *+	2019^	% *++		
Passengers carried (000)	1,251	832	50.5%	1,431	(12.6%)	13,226	5,758	130.5%	14,881	(11.7%)		
Revenue Passenger Kilometres(m)	2,573	1,033	149.0%	3,062	(16.0%)	23,735	4,677	409.2%	32,465	(27.4%)		
Available Seat Kilometres (m)	3,121	1,295	140.9%	3,560	(12.3%)	27,409	7,777	253.6%	38,735	(29.7%)		
Passenger Load Factor (%)	82.4%	79.7%	2.7 pts	86.0%	(3.6 pts)	86.6%	60.1%	26.5 pts	83.8%	2.8 pts		

Short Haul Total			APRIL				FIN	IANCIAL Y	TD
	FY23	FY22	% *	FY19^	% *	2023	2022	% *+	2019^
Passengers carried (000)	1,105	801	37.9%	1,247	(11.4%)	12,059	5,668	113.5%	12,911
Revenue Passenger Kilometres(m)	1,136	724	56.8%	1,284	(11.5%)	12,119	3,774	222.2%	13,511
Available Seat Kilometres (m)	1,385	892	55.3%	1,525	(9.2%)	14,004	5,691	146.9%	16,291
Passenger Load Factor (%)	82.0%	81.2%	0.8 pts	84.2%	(2.2 pts)	86.5%	66.3%	20.2 pts	82.9%

Domestic			APRIL			FINANCIAL YTD						
	FY23	FY22	% *	FY19^	% *	2023	2022	% *+	2019^	% *++		
Passengers carried (000)	836	654	27.7%	941	(11.2%)	9,251	5,249	76.8%	9,634	(4.6%)		
Revenue Passenger Kilometres(m)	435	346	25.7%	490	(11.2%)	4,819	2,651	82.4%	5,013	(4.5%)		
Available Seat Kilometres (m)	527	474	11.2%	555	(5.0%)	5,611	3,909	44.0%	5,977	(6.7%)		
Passenger Load Factor (%)	82.4%	72.9%	9.5 pts	88.2%	(5.8 pts)	85.9%	67.8%	18.1 pts	83.9%	2.0 pts		

Tasman / Pacific			APRIL				FIN	IANCIAL Y	TD	
	FY23	FY22	% *	FY19^	% *	2023	2022	% *+	2019^	% *++
Passengers carried (000)	269	146	83.5%	305	(12.0%)	2,808	418	573.2%	3,278	(14.9%)
Revenue Passenger Kilometres(m)	701	379	85.2%	794	(11.8%)	7,300	1,123	552.2%	8,498	(14.7%)
Available Seat Kilometres (m)	857	418	105.3%	970	(11.6%)	8,393	1,782	372.5%	10,314	(19.2%)
Passenger Load Factor (%)	81.8%	90.7%	(8.9 pts)	81.9%	(0.1 pts)	87.0%	63.0%	24.0 pts	82.4%	4.6 pts

Long Haul Total			APRIL				FI	NANCIAL Y	TD	
	FY23	FY22	% *	FY19^	% *	2023	2022	% *+	2019^	% *++
Passengers carried (000)	146	31	376.2%	185	(20.4%)	1,167	90	1205.9%	1,970	(41.1%)
Revenue Passenger Kilometres(m)	1,437	309	365.5%	1,779	(19.2%)	11,616	902	1191.5%	18,954	(39.1%)
Available Seat Kilometres (m)	1,736	404	330.2%	2,035	(14.7%)	13,405	2,085	545.0%	22,444	(40.7%)
Passenger Load Factor (%)	82.7%	76.5%	6.2 pts	87.4%	(4.7 pts)	86.7%	43.3%	43.4 pts	84.5%	2.2 pts

Asia			APRIL				FIN	NANCIAL Y	TD	
	FY23	FY22	% *	FY19^	% *	2023	2022	% *+	2019^	% *++
Passengers carried (000)	80	9	838.2%	81	(0.5%)	527	26	1974.0%	795	(34.1%)
Revenue Passenger Kilometres(m)	698	71	888.4%	716	(2.6%)	4,660	221	2013.6%	7,014	(34.0%)
Available Seat Kilometres (m)	829	121	587.3%	804	3.1%	5,420	931	484.0%	8,284	(35.0%)
Passenger Load Factor (%)	84.2%	58.5%	25.7 pts	89.1%	(4.9 pts)	86.0%	23.8%	62.2 pts	84.7%	1.3 pts

Americas / UK			APRIL				FIN	IANCIAL Y	TD	
	FY23	FY22	% *	FY19^	% *	2023	2022	% *+	2019^	% *++
Passengers carried (000)	66	22	198.3%	104	(36.0%)	640	64	900.7%	1,175	(45.8%)
Revenue Passenger Kilometres(m)	739	238	210.4%	1,062	(30.4%)	6,956	681	924.5%	11,940	(42.1%)
Available Seat Kilometres (m)	907	283	220.7%	1,231	(26.3%)	7,986	1,154	594.1%	14,160	(44.0%)
Passenger Load Factor (%)	81.4%	84.1%	(2.7 pts)	86.3%	(4.9 pts)	87.1%	59.0%	28.1 pts	84.3%	2.8 pts

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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.

Monthly investor update

Media Releases

(during the period 28 April 2023 to 21 May 2023)

Baggage tracking in Air NZ app en route for customers

11 May 2023

- New feature allows customers to track the status of their bags from check in to arrival
- Released for a percentage of app users travelling on a domestic flight as a first step
- Includes guidance for customers on what to do if their baggage isn't where it is expected to be.

Customers travelling with checked baggage will soon be able to keep tabs on their bag's journey in the Air NZ app.

After running a successful pilot programme for domestic customers in April, Air New Zealand is expanding the test run of the feature to 25 percent of app users travelling domestically and releasing the feature to five percent of app users travelling on an international short haul flight.

The feature allows customers to view the last recorded status of their bag(s) in the Air NZ app while they are travelling. After completing bag drop 'Check status' will appear on the baggage card on the flight details screen in the app.

Passengers can track the progress of their luggage throughout their journey – from check in, on board, to when it arrives at their destination.

Air New Zealand Chief Digital Officer Nikhil Ravishankar says Air New Zealand is dedicated to becoming the world's leading digital airline and baggage tracking shows its commitment to delivering customer-focussed innovations.

"Updates to our app last year mean we are now able to be more adaptable when it comes to creating and adding digital solutions that solve pain points for customers. Baggage tracking is a perfect example of this.

"Customers can track the journey of their bag and receive guidance on what to do if their bag has taken a detour. In an upcoming release, customers will also be able to report and monitor mishandled baggage via the app.

"Piloting the features gives us the opportunity to trial and test among a small group of passengers to troubleshoot any challenges, which will allow a more seamless rollout to all app users towards the middle of this year.

"Baggage tracking puts information directly in the hands of our customers, streamlining processes, relieving pressure on our teams, and giving passengers peace of mind that their luggage is on the journey with them."

When rolled out, the feature will be accessible through the Air NZ app, which is available for download on both iOS and Android devices.

Resolving the baggage backlog

Mishandled baggage came under the spotlight recently when large numbers of bags were delayed over the busy summer period, following significant weather disruptions both locally and overseas. During that period the number of mishandled bags created a significant backlog needing to be cleared through biosecurity checks prior to delivery back to their owners.

To ease the pressure on teams and repatriate bags with their owners faster, Air New Zealand worked with the Ministry of Primary Industries (MPI) Biosecurity Team to create a new digital tool



for its Baggage Tracing Unit to expedite clearance processes and remove the requirement to use paper receipts.

"In partnership with MPI, we have developed a new digital system that streamlines the biosecurity baggage screening process, introducing efficiencies that ensure customers are reunited with mishandled bags faster," says Mr Ravishankar.

"Since the challenges earlier this year, the introduction of digital tools has meant we have cleared the baggage backlog and we are now better prepared to deal with any future disruptions that may occur."

Air New Zealand attracting offshore visitors with expanded capacity and fleet investment

10 May 2023

- \$3.5 billion in new aircraft and retrofitting of its existing fleet over the next five years
- In final negotiations to secure another Boeing 777-300ER aircraft
- Flying 4.5 million seats across 39 international routes between March and October
- Domestic network returns to pre-Covid capacity and international network back to 91%
- \$30 million investment in marketing New Zealand destination.

Air New Zealand is making a significant investment in its fleet, capacity and marketing to improve the flying experience for customers and support New Zealand's tourism industry.

The airline announced at TRENZ 2023 that it will be flying 4.5 million seats on 39 international routes, between March and October this year, alongside significant investments in its international fleet.

Air New Zealand Chief Executive Officer Greg Foran says these investments sends a clear message that the airline is committed to grow and support New Zealand tourism all year round.

"Our fleet investment, capacity update, and marketing spend represent a significant commitment to New Zealand's tourism industry. By investing in new and retrofitted aircraft, adding more seats to our international routes, and increasing our marketing presence in key markets, we're making it even easier for visitors to tick New Zealand off their bucket lists."

Fleet investment

The investment includes \$3.5 billion in the purchase of eight new 787-9 Dreamliners and five Airbus A320neo aircraft to add more seats on the Tasman and Pacific Island services. This includes the interior refurbishment of its 14 Boeing 787 aircraft, including the airline's new Business Premier Luxe and refreshed cabins. Work is expected to start next year.

The airline is also in final negotiations to secure another Boeing 777-300ER, which could add 3,000 more seats per week to the airline's international network. This would bring the total 777-300 fleet to eight.

"We're proud to be making this investment in our fleet and in the future of air travel. Investing in new and retrofitted aircraft will help us attract even more premium leisure customers from the Pacific Rim to New Zealand, boosting the growth of our tourism industry.

"It's a significant investment, reflecting our commitment to delivering the best flying experience for our customers in the short and long term."



Capacity update

"Across our international network, capacity is back to about 91 percent of pre-Covid and bookings are steady."

Air New Zealand's North America network is close to pre-Covid levels, with more seats from Houston, San Francisco, and Vancouver.

"Our New York route is special, and a valuable and promising market for New Zealand. The route has demonstrated strong demand since its launch in September and presents untapped potential for us to attract high-value customers and showcase the best of what our country has to offer."

Later this year, the airline's alliance partner, United Airlines, will launch new routes from San Francisco-Christchurch and Los Angeles-Auckland, further growing North America capacity.

Air New Zealand's capacity on its Asia network is at 117 percent of pre-Covid levels, with Singapore remaining a key hub, particularly for connecting to India and Europe. Demand out of China is slowly rebuilding, and the airline's alliance partner, Air China, has restarted its Beijing-Auckland route. Capacity on Air New Zealand's Tasman and Pacific Island network is also nearing pre-Covid levels.

The airline's domestic network is back to pre-Covid levels. Air New Zealand has added 5,000 seats a week to Christchurch, connecting the Garden City more often to Hamilton, Napier, and Nelson, and added 6,000 seats on regional flights out of Auckland and to main centres.

Supporting New Zealand tourism

To support its commitment to New Zealand tourism, Air New Zealand is investing \$30 million in marketing campaigns this financial year in key markets to target high-quality visitors. The airline is also continuing to rebuild its offshore Sales and Marketing teams and has been steadily elevating its brand in key offshore markets.

"We know it's not just about bringing overseas visitors to New Zealand but also giving them plenty of options to explore around Aotearoa New Zealand.

"Our significant capacity increases across our international and domestic network, coupled with our marketing investment, will help to showcase New Zealand to the world and attract more quality visitors to our shores," says Mr Foran.

Air New Zealand announces more about Skynest rest pods

10 May 2023

Air New Zealand has today revealed more details around its Skynest – the world's first sleep pods in the sky.

The announcement was made at TRENZ – New Zealand's largest international tourism business event – where a real-life Skynest experience was available for the first time.

Air New Zealand Chief Customer and Sales Officer Leanne Geraghty says Skynest is going to be a real game changer, adding more flexibility to the economy travel experience.

"Our 83-year history is marked by a commitment to innovation and pushing the boundaries of what's possible. Skynest is the latest example, and we're proud to be leading the way with this world-first cabin feature.

"Skynest has captured the imagination of a global audience and its uniqueness has already been acknowledged by multiple awards – the latest being a finalist in the Crystal Cabin Awards. We're delighted that customers are as excited about this new innovation as we are. Our extensive research and design process, which spanned five years and 170,000 hours, has resulted in a product that we're confident will revolutionise the in-flight experience for Economy passengers."



Skynest to feature on ultra-long haul flights

"We're delighted to announce that our innovative Economy Skynest will be launching on ultra-long haul flights, starting with the popular Auckland - New York and Auckland - Chicago routes.

"North America is the perfect market for Skynest, as it has a premium segment that values comfort and sleep during long-haul travel.

"With our ultra-long haul routes to destinations such as New York and Chicago, Skynest provides a unique and innovative way for our passengers to rest and recharge, making their journey with us even more enjoyable. By launching Skynest on these routes, we are bringing to life our commitment to providing choice, alongside the best possible experience for our passengers, and to continue to innovate and lead the way in the aviation industry.

Skynest to be designed and installed in New Zealand

"As a proudly New Zealand company, we're delighted to announce that Skynest will be designed and installed right here in Aotearoa.

"While our overall 787 refit will occur offshore in the best Boeing facilities, our best engineers and designers will develop Skynest in New Zealand, using the latest in cutting-edge technology and design.

More details about Skynest

The Skynest will be a six-pod configured sleep zone that offers sessions for economy passengers to lie down when travelling long haul. It will be available from September 2024.

Each pod will include a full-size pillow, sheets and blanket, ear plugs, a separate reading light, personal device USB outlet, ventilation outlet, and lighting designed for rest.

Each passenger will be limited to one session, with families travelling on the same ticket able to book a session for each passenger, pending availability. Skynest provides economy passengers another opportunity to lie flat and rest during longer flights.

The Skynest will be located between Premium Economy and Economy, and each pod will come with a separate seatbelt to ensure passengers can fasten them and stay in the pod should the seat belt sign come on during turbulence. The bedding will be changed between each session, and a 30-minute transition time will be allowed for this. The lights will gently come on at the end of each session, and crew will politely wake any passengers who sleep through this.

"We're still working through the exact details of how the booking process will work, and we have yet to determine the price. At this stage are looking at around \$400 to \$600 for the 4-hour period."

More information on Air New Zealand's new Skynest and Cabin of Possibility can be found here.

From desert to dreamy destinations – Air New Zealand's last 777-3009 May 2023returns from Mojave Desert ready for service

The last Air New Zealand's 777 aircraft stored in the Mojave Desert during the pandemic has arrived back in Auckland, after more than 855 days in storage.

When Covid hit in 2020 and aircraft around the world were grounded, all seven of the airline's 777 aircraft were taken and put into deep storage.

Three were stored in Auckland, while the remaining four were stored in the desert near Victorville, USA, as the warm and dry conditions were ideal to keep the aircraft in pristine condition.



Air New Zealand's Chief Operations Officer Alex Marren says the return of all seven of aircraft signals the airline has bounced back after Covid and customer demand is higher than ever.

"Having all of our 777-300s back will help build more resilience and more seats into our international operation, meaning we can fly more customers to where they need to go - whether that's San Francisco, Honolulu, Houston or Tahiti!," she says.

"An incredible amount of work has gone into bringing these aircraft back. The reanimation of OKM alone has taken more than seven weeks and involved more than 1500 manhours of work."

A team of Air New Zealand engineers have been in Victorville working with a local maintenance provider to reanimate the aircraft.

"The process starts off with unwrapping the plane from its storage protection and then it gets a good wash, getting rid of the dust and grime that has accumulated in the desert. Then it goes through a thorough servicing and maintenance programme. It's a long and a

complicated process and our engineering and maintenance team have done an amazing job getting the aircraft ready to fly again."

As a final safety check, a pilot team spend a day running through checks and tests, similar to what's done when getting a new aircraft from the factory.

"Overall a team of more than 100 Air New Zealanders have been involved in bringing back these 777 aircrafts in some way."

"We're really excited to be bringing these aircraft back into our skies for years to come."

China capacity ramping up as daily Shanghai flights resume

1 May 2023

- Air New Zealand flying daily Auckland-Shanghai from 3 May
- Air China resumes flying four times a week Beijing-Auckland from 2 May
- Two services to deliver around 6,500 seats per week between Auckland and China.

The bustling cities of China are getting a whole lot closer to New Zealand as capacity between the countries expands this week.

On 2 May, Air New Zealand's alliance partner Air China touched down in Auckland for the first time in three years, giving Air New Zealand customers a direct route to Beijing – the world's most populous capital city. The next day, Air New Zealand's Auckland-Shanghai flights return to daily.

Air New Zealand Chief Customer and Sales Officer Leanne Geraghty said the resumption of the Beijing-Auckland route and daily flights to Shanghai were major milestones for the airline and for New Zealand's tourism industry as capacity to and from China ramps back up.

"We're thrilled to welcome our alliance partner Air China back to New Zealand and extend our Shanghai route to daily. China is a key market for us and the New Zealand tourism industry. The return of this route will help connect even more Chinese visitors with the amazing experiences New Zealand has to offer."

A combination of the two services will deliver around 6,500 seats a week between Auckland and China.



Pre-pandemic, China was New Zealand's second-largest international visitor market, with 450,000 visitors in 2019 and one of the most valuable in terms of holiday visitor spend, bringing in \$1.5 billion.

The resumption of the Beijing-Auckland route is part of a strategic alliance between Air New Zealand and Air China.

Ms Geraghty said the partnership with Air China would help to stimulate tourism in New Zealand and aid the industry's recovery.

"China is an incredibly important inbound visitor markets, and we expect interest in visiting New Zealand to continue to grow among Chinese travellers. Our strategic alliance with Air China provides additional capacity and improved connectivity, helping us to meet demand and showcase New Zealand as a world-class tourism destination.

"We can't wait to welcome back even more Chinese visitors to our shores and show them the warm and friendly hospitality that New Zealand is known for."

Air New Zealand and Air China's strategic alliance means that customers of both airlines enjoy reciprocal frequent flyer benefits, such as earning and spending loyalty points and lounge access. Air New Zealand customers also have access to Air China's comprehensive network of more than 300 routes, while Air China customers have access to New Zealand destinations and its Pacific network.