

Monthly *investor update*



22 February 2023

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January 2023 highlights

Group traffic summary	JANUARY					FINANCIAL YTD				
	FY23	FY22	% *	FY19 [^]	% *	2023	2022	% *+	2019 [^]	% *++
Passengers carried (000)	1,197	618	93.5%	1,305	(8.3%)	9,149	3,821	140.6%	10,201	(11.2%)
Revenue Passenger Kilometres(m)	2,522	415	508.2%	3,245	(22.3%)	15,762	2,581	513.6%	22,489	(30.6%)
Available Seat Kilometres (m)	2,867	815	251.8%	3,849	(25.5%)	17,993	4,519	300.1%	26,933	(33.8%)
Passenger Load Factor (%)	87.9%	50.9%	37.0 pts	84.3%	3.6 pts	87.6%	57.1%	30.5 pts	83.5%	4.1 pts

Year-to-date RASK ¹	% change in reported RASK (incl. FX)		% change in reported RASK (excl. FX)	
	vs 2022	vs 2019 [^]	vs 2022	vs 2019 [^]
Group	23.9%	54.5%	22.7%	52.7%
Short Haul	25.9%	40.4%	25.0%	39.6%
Long Haul	156.1%	51.6%	152.1%	47.9%

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.

++ 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 2018 (29 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.

[^] 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.



Operating statistics table

Group	JANUARY					FINANCIAL YTD				
	FY23	FY22	% *	FY19 ^A	% *	2023	2022	% **	2019 ^A	% **
Passengers carried (000)	1,197	618	93.5%	1,305	(8.3%)	9,149	3,821	140.6%	10,201	(11.2%)
Revenue Passenger Kilometres(m)	2,522	415	508.2%	3,245	(22.3%)	15,762	2,581	513.6%	22,489	(30.6%)
Available Seat Kilometres (m)	2,867	815	251.8%	3,849	(25.5%)	17,993	4,519	300.1%	26,933	(33.8%)
Passenger Load Factor (%)	87.9%	50.9%	37.0 pts	84.3%	3.6 pts	87.6%	57.1%	30.5 pts	83.5%	4.1 pts

Short Haul Total	JANUARY					FINANCIAL YTD				
	FY23	FY22	% *	FY19 ^A	% *	2023	2022	% **	2019 ^A	% **
Passengers carried (000)	1,062	613	73.2%	1,104	(3.9%)	8,418	3,789	123.2%	8,827	(5.5%)
Revenue Passenger Kilometres(m)	1,165	360	223.7%	1,281	(9.1%)	8,490	2,259	277.7%	9,332	(9.9%)
Available Seat Kilometres (m)	1,353	615	119.8%	1,591	(15.0%)	9,752	3,426	186.0%	11,315	(14.6%)
Passenger Load Factor (%)	86.1%	58.5%	27.6 pts	80.5%	5.6 pts	87.1%	65.9%	21.2 pts	82.5%	4.6 pts

Domestic	JANUARY					FINANCIAL YTD				
	FY23	FY22	% *	FY19 ^A	% *	2023	2022	% **	2019 ^A	% **
Passengers carried (000)	770	596	29.1%	775	(0.7%)	6,449	3,630	78.5%	6,531	(2.2%)
Revenue Passenger Kilometres(m)	416	316	31.6%	420	(1.2%)	3,367	1,805	87.5%	3,390	(1.6%)
Available Seat Kilometres (m)	507	485	4.5%	510	(0.8%)	3,887	2,536	54.0%	4,102	(6.1%)
Passenger Load Factor (%)	82.0%	65.2%	16.8 pts	82.4%	(0.4 pts)	86.6%	71.2%	15.4 pts	82.7%	3.9 pts

Tasman / Pacific	JANUARY					FINANCIAL YTD				
	FY23	FY22	% *	FY19 ^A	% *	2023	2022	% **	2019 ^A	% **
Passengers carried (000)	292	17	1664.5%	329	(11.5%)	1,969	159	1141.8%	2,296	(15.1%)
Revenue Passenger Kilometres(m)	749	44	1603.1%	860	(12.9%)	5,123	454	1034.0%	5,941	(14.6%)
Available Seat Kilometres (m)	846	131	546.7%	1,080	(21.7%)	5,865	890	562.0%	7,213	(19.5%)
Passenger Load Factor (%)	88.5%	33.6%	54.9 pts	79.6%	8.9 pts	87.4%	51.0%	36.4 pts	82.4%	5.0 pts

Long Haul Total	JANUARY					FINANCIAL YTD				
	FY23	FY22	% *	FY19 ^A	% *	2023	2022	% **	2019 ^A	% **
Passengers carried (000)	135	5	2385.0%	201	(32.8%)	731	32	2196.4%	1,374	(47.3%)
Revenue Passenger Kilometres(m)	1,357	55	2375.1%	1,964	(30.9%)	7,272	322	2165.6%	13,158	(45.3%)
Available Seat Kilometres (m)	1,514	199	659.3%	2,258	(33.0%)	8,241	1,093	657.6%	15,618	(47.7%)
Passenger Load Factor (%)	89.6%	27.5%	62.1 pts	87.0%	2.6 pts	88.2%	29.5%	58.7 pts	84.2%	4.0 pts

Asia	JANUARY					FINANCIAL YTD				
	FY23	FY22	% *	FY19 ^A	% *	2023	2022	% **	2019 ^A	% **
Passengers carried (000)	59	2	3660.2%	77	(23.7%)	307	9	3233.4%	547	(44.4%)
Revenue Passenger Kilometres(m)	525	14	3576.3%	688	(23.6%)	2,718	84	3132.5%	4,802	(43.9%)
Available Seat Kilometres (m)	593	82	624.0%	772	(23.2%)	3,145	582	442.5%	5,712	(45.5%)
Passenger Load Factor (%)	88.6%	17.4%	71.2 pts	89.1%	(0.5 pts)	86.4%	14.5%	71.9 pts	84.1%	2.3 pts

Americas / UK	JANUARY					FINANCIAL YTD				
	FY23	FY22	% *	FY19 ^A	% *	2023	2022	% **	2019 ^A	% **
Passengers carried (000)	76	4	1869.3%	124	(38.5%)	424	23	1773.8%	827	(49.3%)
Revenue Passenger Kilometres(m)	832	41	1951.6%	1,276	(34.8%)	4,554	238	1822.4%	8,355	(46.0%)
Available Seat Kilometres (m)	921	118	683.8%	1,486	(38.0%)	5,096	510	903.0%	9,905	(49.0%)
Passenger Load Factor (%)	90.3%	34.5%	55.8 pts	85.9%	4.4 pts	89.4%	46.6%	42.8 pts	84.4%	5.0 pts

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^A 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.

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.



Market Announcements

(during the period 31 January 2023 to 21 February 2023)

Air New Zealand 2023 Interim Results Webcast Details

7 February 2023

Air New Zealand's 2023 interim results will be announced before NZX trading begins on Thursday 23 February 2023.

A conference call for investors and analysts will be hosted by Greg Foran (Chief Executive Officer) and Richard Thomson (Chief Financial Officer) at 10:00 am NZST on the same day and can be accessed in the following ways:

1. Live via webcast: Click [here](#) for a link to the investor and analyst webcast.
2. Live via telephone (for "listen-only" participants and those who would like to ask a question):

Conference link: Please click [here](#) for a link to the conference call.

Please register in advance of the conference using the link provided above. Upon registering, you will be provided with participant dial-in numbers, Direct Event passcode and unique registrant ID.

3. Replay via webcast – will be accessible through the results section of the Investor Centre on Air New Zealand's website: <https://www.airnewzealand.co.nz/investor-centre>

Media Releases

(during the period 31 January 2023 to 21 February 2023)

More choice and comfort with Air New Zealand Economy Stretch

20 February 2023

Delivering more legroom than ever before, there's a more comfortable way to fly economy with Air New Zealand. Introducing Economy Stretch, now available to book on the airline's Los Angeles route for travel from 27 February 2023.

Recognising one size doesn't fit all, customers flying the Auckland – Los Angeles route will now have three ways to fly in Economy: Economy, Economy Skycouch and the new Economy Stretch.

From an additional NZD \$175 one-way, customers can upgrade to a dedicated stretch zone in the first four rows, enhancing the economy travel experience by having:

- Up to 39 percent more legroom than the airline's standard Economy seat
- A roomy 35-inch (89cm) seat pitch
- A comfortable headset and pillow designed for long-haul comfort
- Free advanced seat selection and early disembarkation

As Air New Zealand operates some of the world's longest flights, Chief Customer and Sales Office Leanne Geraghty says space and comfort is always high on travellers' wish lists.

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“Customers have told us they want more room to relax, and at a competitive price. Economy Stretch answers this challenge, with some luxury for the legs all while enjoying our renowned in-flight service, Kiwi cuisine and wine, and seat-back entertainment.

“Through innovations such as the Economy Skycouch and with Economy Skynest launching later next year, Air New Zealand continues to push boundaries in Economy travel.

“The Economy cabin welcomes the most diverse group of travellers. The introduction of Economy Stretch means we are providing more choice for customers at an Economy price point that will meet the needs of families, solo travellers, as well as those just looking for that little bit extra of extra comfort.”

There are 42 Economy Stretch seats on the airline’s Boeing 777s. Seats are subject to availability and are charged on a per sector basis.

Note to editors:

- Economy Stretch is introduced as the airline’s Boeing 777-300s on the Los Angeles route are reanimated and return to service. Air New Zealand is looking to introduce Economy Stretch on its Houston route as part of phase two.
- The airline is using its current Economy seat with sculptured upholstery and flexible headrest for the new product.
- Seat pitch refers to the distance between one point on an aircraft seat and the same point on the seat in front. Standard Economy seat pitch on Air New Zealand’s widebody fleet starts at 31 inches. Its Premium Economy seats have a 41-inch pitch.
- Economy Stretch provides the additional legroom as the distance between the front of the seat pad and the back of the seat in front.
- Along with seat perks, Economy Stretch customers will enjoy Air New Zealand’s full Economy service, including meals and drinks, and entertainment.

[Air New Zealand introduces special fares to keep Gisborne & Napier communities connected](#)

18 February 2023

Air New Zealand has reduced the cost of travelling to and from the communities hit hardest by Cyclone Gabrielle, with lower fares for all flights into and out of Gisborne and Napier until February 28.

Chief Customer & Sales Officer Leanne Geraghty says the airline introduced new fares this afternoon to ensure travel to and from these areas is made easier as local communities begin their recovery.

“As the extent of the damage to the Tairāwhiti and Hawkes Bay regions becomes clearer, and we see the damage to roads connecting those areas, we know air travel will be more important than ever.”

“Having restored our services to Gisborne and Napier on Thursday and extended fare flexibility, we’re now reducing our pricing to make it even easier for those communities to stay connected with the rest of New Zealand,” says Ms Geraghty.

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Air New Zealand's prices on all domestic flights into or out of Gisborne and Napier are:

- 'Seat only' fares for a flight are \$55 one way or \$105 if the journey requires two connecting domestic flights.
- Those booking a 'seat and bag' will pay \$75 one way for a flight or \$125 if the journey requires two connecting domestic flights.

Fares can be booked with immediate effect through to midnight Tuesday February 28 via the Air New Zealand website or your local travel agent.

Ms Geraghty says Air New Zealand's Flexi change and Flexi refund fares remain available.

The new fares are in addition to fare flexibility announced last week, which means those who booked travel to/from Gisborne or Napier between February 17 and February 26 2023 have until March 5 2023 to change the date of their flight without a change fee, service fee or fare difference applying. Customers also have the option of placing fares into credit if they no longer wish to travel.

Customers can also choose to reroute their flight to another domestic destination without facing additional charges.

Customers who booked through a travel agent or third-party online agent should contact them directly about making changes to their bookings or credit validity.

Air New Zealand provides nine daily flights to Gisborne and up to 18 services a day to Napier, with 14 on Sunday.

Air New Zealand operation back up and running

15 February 2023

- Flights have resumed to all ports including New Plymouth, Napier and Gisborne
- Special assistance flight to Gisborne to begin reconnecting region
- 11 additional services added to support customer recovery
- 6,500 disrupted customers to rebook following yesterday's disruption
- Supporting national emergency response and employees in affected regions
- A total 821 cancelled flights and 49,000 impacted customers since Cyclone Gabrielle began.

Air New Zealand's international and domestic network is back up and running. Flying into heavily impacted regions New Plymouth, Napier and Gisborne has also resumed with some minor disruptions this morning as the airline worked through operationalising the routes.

Following the increased wind gusts yesterday afternoon, the airline was forced to halt its domestic and international operation out of Auckland resulting in a further 300 cancelled services.

Air New Zealand Chief Customer and Sales Officer Leanne Geraghty says while yesterday's gusts set back the airline's recovery from the initial cancellations, the network is largely operating as usual.

"With aircraft and crew displaced around the network, our morning operations were a little bumpy. But we're largely back in the swing of things and are completely focused on customer recovery.

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“We got halfway there yesterday with our restart but, as we have throughout the recent weather events, we put safety first. It’s the right thing to do – every time.

“To have the airline operating largely as normal today is no small feat. We had to divert nine services last night to other ports like Christchurch and Nadi, rework our schedule to allow for the planes and crew we had out of place, bring a large proportion of turboprops back out of storage and then work to rebook and look after those who have been disrupted.

“I’m continually amazed by the resilience of our Air New Zealand whānau – it has been one of the toughest periods in our history and they have put everything on the line to help keep the business running and our customers flying. A huge thank you to them and our customers who have been incredibly patient and understanding.

“We’re deeply saddened by the ongoing impact of Cyclone Gabrielle on those affected regions, particularly Gisborne and Hawke’s Bay.

“We’re ready and waiting to support the national state of emergency response and are talking to affected communities about how we can help. We’re also supporting our own people who are still badly affected by the terrible weather. We will continue to monitor the situation and support wherever we can.”

Air New Zealand, in coordination with government agencies is deploying a special assistance flight, carrying communication support, emergency supplies and airport operational staff into Gisborne at midday. The aim is to assess and secure the reopening of the Gisborne airport to reconnect the region with much needed support and supplies.

Huge customer recovery effort underway

On top of yesterday’s disruption, the airline has had a total of 821 cancelled flights and 49,000 impacted customers since Cyclone Gabrielle began.

“We’ve again turned our focus to rebooking disrupted customers, with a focus on our 6,500 international customers impacted from yesterday’s cancellations. We’re looking at where the areas of greatest need are and will be adding services and changing to larger aircraft where possible.

“This may take some time, so we once again ask customers for their patience while we work through this.”

The airline has added extra services to Nadi, Tahiti, Brisbane, Melbourne, Sydney and Apia to its international network as well as additional domestic services between Christchurch and Auckland to recover passengers that were diverted south. Extra flights to North America are also being explored.

Extending international flexibility

Air New Zealand has extended flexibility for those customers affected by cyclone disruptions up to 17 February 2023.

International customers can now change travel up to 8 March 2023 without a change fee, service fee or fare difference applying. If travel is only available in a higher cabin, the fare differential will apply. Tickets can also be put into credit towards travel within 12 months.

For those travelling domestically, flexibility applies until 22 February 2023.

Customers who booked through a travel agent or third-party online agent should contact them directly about making changes to their bookings or credit validity.

The airline’s Travel Alerts page has the most up to date information on operating flights.

The airline is focused on managing these impacts for our customer and will not be able to provide specific flight details at this time.



Air New Zealand announces further Mission Next Gen Aircraft partners

8 February 2023

Universal Hydrogen, Embraer and Heart Aerospace join Airbus and ATR as the long-term partners Air New Zealand is currently working with on its mission to replace its Q300 domestic fleet with a more sustainable option from 2030.

These partners will work alongside Air New Zealand to accelerate the development and introduction of zero emissions aircraft technology for regional fleet in New Zealand.

Air New Zealand Chief Sustainability Officer Kiri Hannifin says working with the world's leading innovators is critical to addressing the climate crisis.

"Through our partnerships with Airbus and ATR, we've been able to deepen our understanding of the impact green hydrogen and battery hybrid aircraft may have on our network, operations and infrastructure, as well as the opportunities and challenges of flying low and zero emissions aircraft in New Zealand."

"Adding Universal Hydrogen, Embraer and Heart Aerospace will broaden our knowledge of the technologies being developed for potential future aircraft."

"This isn't about selecting a new aircraft. It's about growing our collective understanding to advance a new era of travel. These partners were selected because they are taking action now to progress decarbonising the aviation industry," says Ms Hannifin.

Air New Zealand's long-term partners are developing green hydrogen and battery-hybrid aircraft with between 30 and 200 seats.

Air New Zealand has also teamed up with Victoria University of Wellington's Robinson Research Institute to help the airline evaluate and validate aircraft propulsion technology as concepts develop and mature.

The research institution is a world-leader in developing power electronics and superconducting machines and is currently working on their application to the aviation industry.

"Air New Zealand will work with Paihau – Robinson Research Institute to ensure new aircraft technology can be integrated into New Zealand's future air transport system," says Ms Hannifin.

While zero emissions aircraft technology will help decarbonise the airline's domestic network over the period to 2050, Sustainable Aviation Fuel (SAF) is critical in the near term, particularly for the long-haul fleet.

SAF is a 'drop in' fuel which when combined with jet fuel can power the airline's current aircraft. This can reduce emissions for long haul travel and domestic flights while the airline continues to operate conventional aircraft. The inputs and processes used to make SAF result in lower lifecycle emissions than fossil jet, with the opportunity to generate significant CO2 savings.

Air New Zealand adds extra flights to clear backlog

1 February 2023

- Recovery flights added to Samoa and Japan
- 8,700 international customers rebooked
- Airline's schedule operating as normal from tomorrow

As disrupted international customers continue to be rebooked onto alternative services, Air New Zealand is delivering more recovery flights from Japan and Samoa to bring home customers who have been stranded overseas due to recent Auckland airport disruptions.

An extra Apia, Samoa flight NZ6055 has also been scheduled for 2 February local time, providing an earlier travel option for a further 300 customers. An additional 787-9 service from Narita, Japan NZ94 departing on 6 February local time will fly 300 customers back to Aotearoa New Zealand earlier than expected.

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The recovery flights are part of a wider effort from the airline to add more seats to bring disrupted customers home more quickly. They're in addition to previously announced extra flights from Los Angeles, Niue, Fiji and the larger aircraft flown by Singapore Airlines from Singapore.

Air New Zealand Chief Customer and Sales Officer Leanne Geraghty says the airline's top priority is getting disrupted customers to their final destination as quickly as possible.

"We've pulled out all the stops to get our customers in the air. We've redirected Cargo flights to pick up passengers, called in favours from our Alliance partners, used larger aircraft and adjusted our schedule wherever possible to make it happen. No stone has been left unturned.

"Our teams have worked tirelessly to enable further capacity to be added so we can get more people from Samoa and Japan, which are two ports that remain in high demand with limited options - these extra flights will be a relief to those needing to get home."

Air New Zealand is now contacting all disrupted customers in Japan and Samoa to advise them of the extra flights and asks customers to bear with us as the airline's team works through the backlog.

Nearly all disrupted customers rebooked on alternative services

Air New Zealand also announced that nearly all 9,000 disrupted customers have been rebooked, with an estimated 300 still outstanding.

"Our focus has always been to prioritise rebooking our disrupted customers. Rebooking 8,700 customers has been a massive undertaking and one of our biggest rebookings in our history – effectively two customers rebooked every minute since late Saturday evening.

"We're continuing our work to rebook the remaining 300 customers. When this is done, we'll be turning our focus to responding to the other outstanding queries we've received and supporting all our valued customers. An enormous thanks to everyone for their patience and understanding as we've worked through this challenging time.

"I'd also like to again thank our wonderful employees, Alliance and travel agent partners who have supported us and helped complete this enormous task."

Airport still working through challenges

"While we are running our schedule as planned at the domestic terminal, things are still recovering at the international terminal. We understand that this has caused inconvenience for some customers and we're doing everything in our power to get things back to normal as quickly as possible.

"We'd like to remind customers taking an international flight with us to please bear with us when checking in. Repairs are going well but many systems are still not yet operational. We have brought in volunteers from across the business to assist with check-in and baggage, and we appreciate everyone's patience and understanding as we work through recovering from this unprecedented event."

It is the airlines intent to operate all services and the schedule will largely be operating as normal from the 2nd of February.

Air New Zealand customer recovery well underway

31 January 2023

One of the biggest customer recoveries in Air New Zealand's history is well underway as it rebooks all 9,000 customers disrupted from the extreme weather event in Auckland and the closure of the Auckland airport.

Air New Zealand Chief Customer and Sales Officer Leanne Geraghty says the airline refocused the international call centre team to focus on rebooking impacted customers which has helped clear the back log more quickly.

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“The team have made great inroads working around the clock to rebook the 9,000 disrupted customers onto alternative travel. We have around 1,200 customers left to finalise travel for which is a great effort in a short time period.

“I want to say a massive thank you to our customers for their patience and acknowledge the huge amount of work our people and our travel agency partners have done to reaccomodate customers.

“We also know there will be some customers whose rebooked flight is further out then they would have hoped. Our next phase of recovery is to work through our schedule and see how we can get them home on earlier services, where possible.

“We’re pulling all available levers to get customers on services as soon as possible. This includes working with alliance partners for them to use larger aircraft where possible and reworking our schedule to see where extra capacity can be added.

“Our friends at Singapore Airlines have upgauged a 777-300 to an A380 adding around 200 seats for our customers needing to get into or out of Singapore tonight.

“We’ve added an additional service from Los Angeles departing this evening which will get nearly another 300 customers back to Aotearoa New Zealand on top of the extra Niue flight scheduled for 2 February. And, our New York service tonight will stopover in Fiji to collect another 111 passengers on the way through.”

The airline is also exploring the ability to add passengers to flights currently scheduled for cargo, and using larger aircraft within the Air New Zealand fleet – all opportunities to get people travelling as quickly as possible are being explored.

Many customers have taken up the offer of the accommodation goodwill payment of \$250 per night and thousands more have used the flexibility options to put non-urgent flights into credit.

“We know this has been a distressing time for some customers, but rest assured we are using every available option to get them back into the skies and to their destination as quickly as we can.

“We’re grateful for the patience and support of our customers while we do everything we can to recover from this significant event, and I would like to acknowledge and thank our travel agent partners, alliance partners and our Air New Zealand teams across the globe – this is a shining example of what people can do when we all pull together.”

Through all of this we have maintained our international schedule every day since Sunday appreciating the airport did not open until 5am Sunday and many of the baggage systems are still inoperable which requires substantial manual handling.

The airline is keeping a close eye on the weather over the coming days and is working closely with Auckland Airport to mitigate any potential further flooding where possible.