



26 June 2023

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May 2023 highlights

Group traffic summary	MAY					FINANCIAL YTD				
	FY23	FY22	% *	FY19 [^]	% *	2023	2022	% **	2019 [^]	% **
Passengers carried (000)	1,168	891	31.1%	1,281	(8.9%)	14,393	6,649	117.1%	16,162	(11.5%)
Revenue Passenger Kilometres(m)	2,364	1,113	112.3%	2,684	(12.0%)	26,100	5,790	352.2%	35,149	(26.2%)
Available Seat Kilometres (m)	3,128	1,328	135.6%	3,187	(1.8%)	30,538	9,104	236.4%	41,922	(27.6%)
Passenger Load Factor (%)	75.6%	83.8%	(8.2 pts)	84.2%	(8.6 pts)	85.5%	63.6%	21.9 pts	83.8%	1.7 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	18.6%	47.6%	17.5%	45.6%
Short Haul	26.1%	39.1%	25.2%	38.2%
Long Haul	77.2%	43.4%	74.8%	39.7%

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.

Monthly *investor update*



Operating statistics table

Group	MAY					FINANCIAL YTD				
	FY23	FY22	% *	FY19 [^]	% *	2023	2022	% **	2019 [^]	% ***
Passengers carried (000)	1,168	891	31.1%	1,281	(8.9%)	14,393	6,649	117.1%	16,162	(11.5%)
Revenue Passenger Kilometres(m)	2,364	1,113	112.3%	2,684	(12.0%)	26,100	5,790	352.2%	35,149	(26.2%)
Available Seat Kilometres (m)	3,128	1,328	135.6%	3,187	(1.8%)	30,538	9,104	236.4%	41,922	(27.6%)
Passenger Load Factor (%)	75.6%	83.8%	(8.2 pts)	84.2%	(8.6 pts)	85.5%	63.6%	21.9 pts	83.8%	1.7 pts

Short Haul Total	MAY					FINANCIAL YTD				
	FY23	FY22	% *	FY19 [^]	% *	2023	2022	% **	2019 [^]	% ***
Passengers carried (000)	1,031	853	20.9%	1,117	(7.7%)	13,089	6,521	101.3%	14,028	(7.3%)
Revenue Passenger Kilometres(m)	1,029	731	40.8%	1,103	(6.7%)	13,149	4,505	192.8%	14,614	(10.6%)
Available Seat Kilometres (m)	1,329	887	49.8%	1,316	1.0%	15,333	6,578	133.8%	17,607	(13.4%)
Passenger Load Factor (%)	77.4%	82.4%	(5.0 pts)	83.8%	(6.4 pts)	85.8%	68.5%	17.3 pts	83.0%	2.8 pts

Domestic	MAY					FINANCIAL YTD				
	FY23	FY22	% *	FY19 [^]	% *	2023	2022	% **	2019 [^]	% ***
Passengers carried (000)	788	708	11.3%	855	(7.8%)	10,038	5,957	69.0%	10,488	(4.9%)
Revenue Passenger Kilometres(m)	399	357	11.8%	431	(7.4%)	5,219	3,008	74.0%	5,444	(4.7%)
Available Seat Kilometres (m)	495	476	3.9%	500	(1.0%)	6,106	4,385	39.7%	6,476	(6.3%)
Passenger Load Factor (%)	80.7%	75.0%	5.7 pts	86.3%	(5.6 pts)	85.5%	68.6%	16.9 pts	84.1%	1.4 pts

Tasman / Pacific	MAY					FINANCIAL YTD				
	FY23	FY22	% *	FY19 [^]	% *	2023	2022	% **	2019 [^]	% ***
Passengers carried (000)	243	145	67.7%	262	(7.1%)	3,051	564	443.0%	3,540	(14.3%)
Revenue Passenger Kilometres(m)	630	373	68.6%	672	(6.3%)	7,930	1,496	431.5%	9,169	(14.0%)
Available Seat Kilometres (m)	834	411	103.0%	816	2.2%	9,227	2,193	322.0%	11,131	(17.6%)
Passenger Load Factor (%)	75.5%	90.9%	(15.4 pts)	82.3%	(6.8 pts)	85.9%	68.2%	17.7 pts	82.4%	3.5 pts

Long Haul Total	MAY					FINANCIAL YTD				
	FY23	FY22	% *	FY19 [^]	% *	2023	2022	% **	2019 [^]	% ***
Passengers carried (000)	137	38	260.3%	165	(16.8%)	1,304	128	924.7%	2,134	(39.2%)
Revenue Passenger Kilometres(m)	1,335	382	249.0%	1,581	(15.6%)	12,951	1,285	911.0%	20,535	(37.3%)
Available Seat Kilometres (m)	1,799	441	308.4%	1,871	(3.8%)	15,205	2,526	503.8%	24,315	(37.8%)
Passenger Load Factor (%)	74.2%	86.8%	(12.6 pts)	84.5%	(10.3 pts)	85.2%	50.9%	34.3 pts	84.5%	0.7 pts

Asia	MAY					FINANCIAL YTD				
	FY23	FY22	% *	FY19 [^]	% *	2023	2022	% **	2019 [^]	% ***
Passengers carried (000)	76	11	605.0%	71	6.9%	603	36	1567.8%	866	(30.8%)
Revenue Passenger Kilometres(m)	659	92	615.1%	629	4.7%	5,319	313	1602.7%	7,643	(30.8%)
Available Seat Kilometres (m)	921	124	641.2%	764	20.6%	6,341	1,055	502.7%	9,048	(30.3%)
Passenger Load Factor (%)	71.5%	74.1%	(2.6 pts)	82.4%	(10.9 pts)	83.9%	29.7%	54.2 pts	84.5%	(0.6 pts)

Americas / UK	MAY					FINANCIAL YTD				
	FY23	FY22	% *	FY19 [^]	% *	2023	2022	% **	2019 [^]	% ***
Passengers carried (000)	61	27	124.0%	94	(34.9%)	701	91	669.5%	1,268	(45.0%)
Revenue Passenger Kilometres(m)	676	290	132.9%	952	(29.0%)	7,632	972	688.0%	12,892	(41.2%)
Available Seat Kilometres (m)	878	316	177.7%	1,107	(20.7%)	8,864	1,470	504.6%	15,266	(42.3%)
Passenger Load Factor (%)	77.0%	91.8%	(14.8 pts)	86.0%	(9.0 pts)	86.1%	66.1%	20.0 pts	84.4%	1.7 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.



Market Announcements

(during the period 22 May 2023 to 25 June 2023)

[Air New Zealand provides earnings guidance update for FY23](#)

8 June 2023

Air New Zealand last provided earnings guidance for the 2023 financial year to the market on 27 April 2023, and is today providing an update to that guidance.

Since the previous update, the airline has experienced stronger ongoing demand than usually observed at this time of the year, which is typically considered the airline's off-peak period. In addition to this, US dollar jet fuel prices have declined even further and have been consistently below those assumed in the earnings guidance provided in April.

On the basis of the updates above, and assuming an average jet fuel price for June of US \$89 per barrel, the airline now expects earnings before other significant items and taxation for the 2023 financial year to be no less than \$580 million. This compares with the prior guidance range given in April of \$510 million to \$560 million.

Air New Zealand continues to invest in our people, our customers and our digital capabilities. As indicated at the interim results in February 2023, over the next five years the airline is investing approximately \$3.5 billion in aircraft and retrofitting alone.

Looking ahead to the 2024 financial year, the airline remains mindful of the uncertain economic environment it is facing into. With more capacity entering the market in the coming months, fares are expected to moderate from the current peaks.

Media Releases

(during the period 22 May 2023 to 25 June 2023)

[Air New Zealand swoops back into the Sunny Coast!](#)

23 June 2023

Ready, set, sun! This Sunday 25 June, Air New Zealand will be restarting its season service between Auckland and the Sunshine Coast of Australia.

Flying three times a week on Sunday, Wednesday and Friday and departing Auckland at 9:10am, customers can be kicking back on the beach by lunchtime.

Air New Zealand General Manager Short Haul Jeremy O'Brien says bookings for winter getaways are always strong and the Sunshine Coast is no different.

"With more than 16,000 seats available between 25 June and 15 October, we're already seeing strong demand as Kiwis and Aussies look for a getaway over the winter months.

"The incredible beaches, rich food culture and laid-back nature of the Sunny Coast is the perfect place for Kiwis to unwind. Couples, families and even solo travelers are guaranteed to have a great time – there's something to do for everyone.



“Likewise, it makes travel for those visiting New Zealand from the Sunshine Coast much easier. With more than 360,000 people residing on the Sunshine Coast, a holiday to New Zealand to enjoy our ski season or to visit whānau and friends is much more accessible now we have the direct services back in the skies”.

“Seasonal services are important for us as an airline as they give us the flexibility to open up new destinations on our network when we know the demand for travel is there.

“We’ve had a long partnership with the Sunshine Coast Airport and Tourism and Events Queensland, and we look forward to continuing to offer this service to both Kiwis and Aussies.”

Star Alliance Named World’s Best Airline Alliance at the Skytrax 2023 World Airline Awards

16 June 2023

Star Alliance has once again won the title of World’s Best Airline Alliance at the prestigious Skytrax World Airline Awards this year. The Alliance’s famed Los Angeles lounge has also maintained its position of World’s Best Airline Alliance Lounge for the seventh year running. Star Alliance CEO Theo Panagiotoulias received the awards at a ceremony held at the Paris Air Show.

Delighted at the win, Mr Panagiotoulias said: “Star Alliance offers a robust network and promises seamless journeys. We are very happy to learn that millions of flyers have recognised the exceptional value our alliance extends. With the skies getting busier, we welcome many more flyers to experience what Star Alliance and its 26 member airlines stand for.”

Mr Panagiotoulias also congratulated the team and continued: “The resilience and hard work of every single employee of Star Alliance and its member airlines through a tough 2022 has paid off with this win. I receive this honour on their behalf, and encourage them to strive for more this year and beyond.”

Star Alliance, which offers the widest network in the sky, is committed to enhancing the customer experience through a comprehensive strategy focusing on digitalising the journey, extending unparalleled loyalty benefits, and launching industry-first innovations such as the Intermodal Partnership model with the German rail network, Deutsche Bahn, and the HSBC Star Alliance Credit Card for the Australian market recently.

The Star Alliance Los Angeles Airport lounge is one of most highly rated airport lounges bagging several prestigious awards consistently. With an outdoor terrace that offers enviable views, the lounge is a visual delight by the day and a vibrant energetic space by the evening.

The Skytrax World Airline Awards are known as “*the Oscars of the aviation industry*”, as they are decided through impartial international customer voting. This year, 20.23 million eligible entries were counted in a survey that ran from September 2022 to March 2023, representing passengers with over 100 nationalities. The survey was also provided in six major international languages.

Since its introduction in the award categories in 2005, the World’s Best Airline Alliance award has witnessed multiple victories by Star Alliance.

Edward Plaisted, CEO of Skytrax said: “We congratulate Star Alliance on this fabulous double achievement in the World Airline Awards, receiving both the World’s Best Airline Alliance, and for having the World’s Best Airline Alliance Lounge. The Star Alliance lounge in the Tom Bradley International Terminal has long been a customer favourite having previously been recognised as an award-winning lounge.”

In addition to the Alliance awards, 13 Star Alliance member airlines received 35 additional awards this year, including the coveted World’s Best Airline award for Singapore Airlines. Other awards range from World’s Cleanest Airline and World’s Best Premium Economy Class to several best regional airline awards.

Note to editors: The LAX Star Alliance Lounge was developed and is operated by Air New Zealand.



Air New Zealand and New Zealand Government to invest more than \$2m in sustainable aviation fuel studies

16 June 2023

Air New Zealand and the New Zealand Government have today announced a \$2 million plus investment in next phase studies to consider the feasibility of producing sustainable aviation fuel (SAF) in Aotearoa.

The announcement, including a commitment of more than \$1.5 million from Air New Zealand and \$765,000 from the Government, was made today at the launch of the draft Tourism Environment Action Plan, hosted by Air New Zealand and attended by Minister of Tourism, Hon Peeni Henare.

SAF is fuel made from waste feedstocks, like forestry residues, municipal waste, or used cooking oils, and can be 'dropped in' to existing refueling systems for current aircraft without any modification. The inputs and processes used to make SAF result in significantly lower lifecycle greenhouse gas emissions than fossil jet fuel.

This new investment follows an [earlier yearlong RFP process](#) that invited innovators to demonstrate the viability of operating a SAF plant at a commercial scale in New Zealand.

The airline, along with Government officials, evaluated proposals from multiple international SAF producers to understand what technologies are available globally and how these could be transposed into the New Zealand context.

Moving into phase two, the working group is progressing two proposals: one with LanzaJet and another with Fulcrum BioEnergy, both US-based. The next phase will further evaluate the technical, economic, supply chain, and environmental feasibility of establishing and operating a SAF production facility in New Zealand.

Air New Zealand Chief Sustainability Officer Kiri Hannifin says the airline is grateful for the support from the Government to progress work considering the viability of SAF production in New Zealand.

“Our climate is worsening at a rate far faster than predicted. We all need to take immediate and drastic action to protect what we love, including our land, and all that depends on her.

“So much of what we rely on in Aotearoa is based on our magnificent natural assets including tourism and food production. Air New Zealand has a significant role to play in transitioning our economy to a lower carbon future and flying with SAF is a key part of this transition.

“Globally, SAF is in very high demand but limited supply. Commercially producing SAF in New Zealand would not only help lower the country’s emissions while creating jobs, regional economic development, and Māori and Iwi investment opportunities, but also provide energy security and energy independence which is something New Zealand doesn’t have.”

The second stage of the SAF feasibility work will continue through to early 2024.

Qantas and Air New Zealand joint statement: Auckland Airport closes the door on New Zealand

8 June 2023

- Airport charges to increase significantly due to Auckland Airport’s planned redevelopment
- Will mean additional upward pressure on cost of travel
- Tourism and trade to suffer



Qantas and Air New Zealand, the two largest customers of Auckland International Airport Limited (AIAL), have united in their opposition to the scale and cost of Auckland Airport's planned redevelopment and are calling for an urgent rethink of the plan.

AIAL announced in March this year that it would spend \$3.9 billion on the initial phase of the airport redevelopment over the next 5-6 years. The cost of that redevelopment will be paid for by airport users.

Air New Zealand and Qantas have each provided AIAL with details of their network impact, underpinned by independent economic analysis. This shows the cost of the Airport's planned redevelopment is predicted to increase airport charges to the point that air travel may become unaffordable for a significant number of travelers. This would impact both airlines, including Qantas' subsidiary Jetstar.

AIAL has today made a market disclosure and published its increased aeronautical charges. Indicative per passenger charges will roughly double on international routes by the end of this five-year pricing period (FY27), and more than double on domestic. Given AIAL's intention to spend billions more, there will have to be further significant increases to follow in the next pricing period, the extent of which AIAL has remained silent on.

Airports should be building their assets to fulfill the needs of their customers and the two major airline customers don't agree with the scale and cost of the current plan. It's also important to note that AIAL may have only released the first phase of the redevelopment plan, and it appears that the costs will keep climbing. One analyst estimates the overall costs for phases one and two of AIAL's four phase master plan will likely be \$6bn. As such there will be significantly more cost to come in the future.

"We all agree that some investment in Auckland Airport is necessary," says Air New Zealand Chief Executive Greg Foran. "However, this is an enormous spend over a short period of time that adds almost no additional capacity. All it is expected to result in is more costs for everyone who uses, relies on, or passes through the airport, including the aviation industry, the tourism industry, the whole economy, and Air New Zealand's passengers."

"Airlines accept that investment is needed, but what AIAL is proposing goes far beyond what is needed or affordable," says Qantas Chief Executive Alan Joyce. "Based on Qantas' experience, the necessary first phase of this redevelopment could be delivered for significantly less than \$3.9 billion, and we're conscious that the final number will probably be higher, with cost overruns common to most large infrastructure projects."

Industry analysis shows the longer-term pricing outlook for airfares is downwards as capacity constraints ease globally. However, cost pressures for the airline industry are increasing, limiting how far airfares can fall.

Both airlines are calling on Auckland Airport to reconsider its approach.

AIAL should invest efficiently and affordably in its infrastructure, building an airport that is useful and efficient for the airlines that use it. Air New Zealand and Qantas suggest:

- A pause on major growth programmes and their enabling projects while an affordable plan is developed, either through reducing cost or exploring a more workable funding and pricing model. There is a solution that provides a basis for sustainable growth and improving amenities



over the medium term for AIAL, the airlines, and a better result for New Zealanders and the travelling public;

- Investing some of the profits AIAL earns from other services like parking and retail to pay for some of the project; and
- Prioritising reducing the impact of the cost of infrastructure so passengers and those who use airline services can afford to keep flying.

[Air New Zealand Skynest™ takes out top global awards](#)

7 June 2023

Air New Zealand's Skynest™ has taken out a top international award for showing significant innovation in its future cabin design at the Crystal Cabin Awards in Hamburg overnight.

The Crystal Cabin Award is the only international award for excellence in aircraft interior innovation with Air New Zealand winning the Innovative Cabin Concept category.

Air New Zealand Head of Aircraft Programmes Kerry Reeves was in Hamburg to accept the award on behalf of the airline.

"It's an incredibly proud moment for us to receive this award. Air New Zealanders come to work everyday and challenge each other to think differently and the Skynest™ is a perfect example of this mindset in action.

"On the scale of airlines around the world we're a small player – so innovating, listening to our customers and producing products that push the boundaries is how we stand out and compete on a global scale.

"The development of the Skynest™ has been a labour of love. As it's a world-first there are plenty of hoops we need to jump through and problems we need to solve, but the popularity and excitement around it coming to market is what keeps us going.

"We can't wait for our customers to experience it in action in September 2024 when we welcome the first of our new 787-9 into Aotearoa."

Air New Zealand also picked up the Onboard Hospitality Cabin Concept of the Year Award for its innovative FACE programme (Future Aircraft Cabin Experience). The award looks at the very best in cabin-wide innovation from airlines around the globe, with the airline taking out the award for redefining the future of its onboard customer experience with a focus on the future and its 'Manaaki – taking care further' brand promise.

The airline is no stranger to the Crystal Cabin Awards, winning the Greener Cabin, Health, Safety and Environment category in 2019 for the Economy Skycouch™.

[Air New Zealand receives Airline of the Year, Most Attractive Employer accolades](#)

31 May 2023

Air New Zealand has been humbled to be named 2023 Airline of the Year by the internationally renowned [AirlineRatings.com](#) and has also received the award for this year's Most Attractive Employer by Randstad.



The judges of Airline of the Year called out Air New Zealand's exceptional achievements in in-flight innovations, including the upcoming Skynest beds in the Economy cabin, its environmental leadership, and the unwavering dedication of its staff.

Air New Zealand Chief Executive Officer Greg Foran says the recognition is all down to a remarkable team.

“We owe our success to the dedication and hard work of our 12,000 Air New Zealanders who wake each morning to connect Kiwis with each other and the world. This award belongs to them for their grit, commitment, and the exceptional service they deliver every day.

“It is a sign that we have got our swing back and that our relentless focus on doing the basics brilliantly and delivering our Kia Mau strategy with precision and ambition is working.

“As with many airlines worldwide, we understand that our fantastic team faces difficulties in providing the service we strive for and that our customers expect. We're working hard to address these challenges.

“There is no doubt that we have more work to do to tackle customer concerns like wait times, on-time departures and arrivals, lost baggage, and refunds. We want to thank our customers for their patience and support as we work towards delivering the greatest flying experience on Earth.

“We're also pleased to have been awarded Most Attractive Employer by Randstad. Air New Zealanders have worked incredibly hard through what has been a difficult time. We have focused on building sustainable jobs and a great culture at Air New Zealand, where people can be themselves and thrive. We have recruited at a phenomenal pace post-pandemic. Employers everywhere know how difficult it is to recruit in the current market, we hope this acknowledgement will attract even more talent as we continue to rebuild.”

- The AirlineRatings.com Airline Excellence Awards, judged by a distinguished panel of industry experts, evaluate airlines based on a comprehensive set of criteria, encompassing safety, innovation, passenger reviews, profitability, and more. Air New Zealand's exceptional performance across these key areas set it apart from its competitors, solidifying its position as a leader in the industry.
- The 2023 Randstad Employer Brand Research explores New Zealand workers' perceptions of employer brands, providing a unique understanding of employee and job seeker preferences. This is the largest independent employer brand research in the world, providing insights from nearly 163,000 respondents and 6,022 organisations in 32 countries worldwide including 4,302 New Zealanders.