

Name of Listed Issuer:

AIR NEW ZEALAND LIMITED

**Results for announcement to the market**

Reporting Period 12 months to 30 June 2018  
Previous Reporting Period 12 months to 30 June 2017

	Amount \$NZ'm	Percentage change
Revenue from ordinary activities (including finance income)	5,525	7%
Profit from ordinary activities after tax attributable to security holders	390	2%
Net profit attributable to security holders	390	2%

Dividends (NZ cents)	Amount per security	Imputed amount per security
Interim dividend	11.0	4.28
Final dividend*	11.0	4.28

\* The final dividend was declared on 22 August 2018

Details of final dividend	
Record Date for Final Dividend	7-Sep-18
Payment Date for Final Dividend	19-Sep-18

Comments:

**Air New Zealand Limited**  
**Preliminary Full Year Results**  
**23 August 2018**

**CONTENTS**

NZX Appendix 1, pursuant to NZX Listing Rule 10.3.2

NZX Appendix 7

**PRELIMINARY FULL YEAR REPORT ANNOUNCEMENT**  
**AIR NEW ZEALAND LIMITED**  
**Full Year Ended 30 June 2018 (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 2018 with the comparative period being for the year ended 30 June 2017.

**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 22 August 2018, the Board of Directors declared a final dividend for the 2018 financial year of 11.0 cents per Ordinary Share, payable on 19 September 2018 to registered shareholders at 7 September 2018. The total dividend payable will be \$124 million. Imputation credits will be attached and supplementary dividends paid to non-resident shareholders. The dividend has not been recognised in the June 2018 financial statements.

An interim dividend of 11.0 cents per Ordinary Share was paid on 16 March 2018. Imputation credits were attached and supplementary dividends paid to non-resident shareholders.

A final dividend in respect of the 2017 financial year of 11.0 cents per Ordinary Share was paid on 18 September 2017. Imputation credits were attached and supplementary dividends paid to non-resident shareholders.

	\$NZ'm*	NZ Cents Per Share
<b>Distributions recognised</b>		
Final dividend for 2017 financial year on Ordinary Shares	124	11.0
Interim dividend for 2018 financial year on Ordinary Shares	124	11.0
<b>Distributions paid</b>		
Final dividend for 2017 financial year on Ordinary Shares	130	11.0
Interim dividend for 2018 financial year on Ordinary Shares	130	11.0

\*The difference between distributions recognised and paid relates to supplementary dividends.

**(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.

**PRELIMINARY FULL YEAR REPORT ANNOUNCEMENT****AIR NEW ZEALAND LIMITED**

Full Year Ended 30 June 2018 (referred to in this report as the "current full year")

**(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	179	164

**(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**

Entity Name	Date of control
11Ants Analytics Group Limited	29-Sep-17

**(i) Details of associates and joint ventures:****Parts (i) to (iii)**

Name	% Held Current Year	% Held Previous Year	Contribution to Net Profit Current Year \$NZ'm	Contribution to Net Profit Previous Year \$NZ'm
<b>Associate</b>				
Christchurch Engine Centre (CEC)*	49%	49%	33	26

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

Name	% Held Current Year	% Held Previous Year
<b>Joint Venture</b>		
ANZGT Field Services LLC	51%	51%
11Ants Analytics Group Limited*	N/A	50%

\* The Group gained control of 11Ants Analytics Group Limited on 29 September 2017 and accounted for the entity as a wholly owned subsidiary from that date.

**(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	16,966	15,952	6.4%
Revenue Passenger Kilometres	m	36,662	34,814	5.3%
Available Seat Kilometres	m	44,274	42,169	5.0%
Passenger Load Factor	%	82.8	82.6	0.2% pts

## PRELIMINARY FULL YEAR REPORT ANNOUNCEMENT

### AIR NEW ZEALAND LIMITED

Full Year Ended 30 June 2018 (referred to in this report as the "current full year")

#### (k) Commentary on the results

	Measurement	Current Year	Previous Year
(i) Basic earnings per share	NZ cents per share	34.7	34.0
Diluted earnings per share	NZ cents per share	34.4	33.5
(ii) Returns to shareholders (see also section (d) above)			
Final dividend on Ordinary Shares*	\$NZ'm	124	112
Special dividend on Ordinary Shares*	\$NZ'm	-	281
Interim dividend on Ordinary Shares	\$NZ'm	124	112

\* Reflects the final dividends for the 2016 and 2017 financial years and the special dividend for the 2016 financial year. Details on the final dividend for the 2018 financial year is 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.

##### Geographical segment

An analysis of revenue by geographic region of original sale is provided below.

	Current Year \$NZ'm	Previous Year \$NZ'm
<b>Analysis of revenue by geographical region of original sale</b>		
New Zealand	3,267	3,041
Australia and Pacific Islands	695	621
United Kingdom and Europe	274	278
Asia	476	440
America	773	729
<b>Total operating revenue</b>	<b>5,485</b>	<b>5,109</b>

The principal non-current assets of the Group are 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 to the back of the financial statements and contains no qualifications.

#### (m) Major changes in trends in the business subsequent to the end of the financial year

Refer to the media release.

**PRELIMINARY FULL YEAR REPORT ANNOUNCEMENT**  
**AIR NEW ZEALAND LIMITED**  
**Full Year Ended 30 June 2018 (referred to in this report as the "current full year")**

**(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 the Statement of Accounting Policies and Notes in the financial statements.

**3.3 Changes in accounting policies**

There have not been any 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 23 August 2018.



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**Tony Carter**  
**Chairman**

# Notice of event affecting securities

NZSX 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.

Number of pages including this one  
(Please provide any other relevant  
details on additional pages)

Full name of Issuer

Name of officer authorised to make this notice  Authority for event, e.g. Directors' resolution

Contact phone number  Contact fax number  Date

**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  ISIN   
*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  Treatment of Fractions

Strike price per security for any issue in lieu or date Strike Price available.  Tick if *pari passu*  OR provide an explanation of the ranking

**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)  Source of Payment

Excluded income per security (only applicable to listed PIEs)

Currency  Supplementary dividend details - NZSX Listing Rule 7.12.7

Total monies

**Taxation** *Amount per Security in Dollars and cents to six decimal places*

In the case of a taxable bonus issue state strike price  Resident Withholding Tax  Imputation Credit (Give details)

Foreign Withholding Tax  FDP Credits (Give details)

**Timing** (Refer Appendix 8 in the NZSX Listing Rules)

**Record Date 5pm** For calculation of entitlements -  **Application Date** Also, Call Payable, Dividend / Interest Payable, Exercise Date, Conversion Date.

**Notice Date** Entitlement letters, call notices, conversion notices mailed  **Allotment Date** For the issue of new securities. Must be within 5 business days of application closing date.

**OFFICE USE ONLY**  
Ex Date:  
Commence Quoting Rights  
Cease Quoting Rights 5pm:  
Commence Quoting New Securities:  
Cease Quoting Old Security 5pm:

Security Code:  
Security Code:

