Annual Shareholder’s Meeting 2017

28 September 2017
chairman

Tony Carter
Agenda

• Chairman’s address
• CEO’s address
• Questions on performance and outlook
• Resolutions
• General discussion and questions
The second best result in our history

Earnings before taxation

- 2013: $255M
- 2014: $358M
- 2015: $474M
- 2016: $663M
- 2017: $527M
$5.1b
Operating revenue

$527m
Earnings before taxation

$904m
Operating cash flow

15.3%
Pre-tax return on invested capital
A robust balance sheet

$1.4b
Cash on hand

51.8%
Gearing

Baa2
Investment grade credit rating
Delivering strong dividends

Declared dividends (cps)

Ordinary Special

<table>
<thead>
<tr>
<th>Year</th>
<th>Ordinary</th>
<th>Special</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>8.0</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>10.0</td>
<td>10.0</td>
</tr>
<tr>
<td>2015</td>
<td>16.0</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>20.0</td>
<td>5.0</td>
</tr>
<tr>
<td>2017</td>
<td>21.0</td>
<td></td>
</tr>
</tbody>
</table>
chief executive officer

Christopher Luxon
Success measured on three dimensions

- ENHANCED Customer Experience
- SUPERIOR Commercial Results
- HIGH PERFORMANCE Engaged Culture
Our virtuous circle

GROW PROFIT

GROW REVENUE

CONTROL COSTS

INVEST IN OUR BUSINESS

SUSTAINABLE RETURNS TO SHAREHOLDERS
Reinvestment matters

People

Digital

Airports

Aircraft
Commercial results that outperform the market

Total shareholder return

- Air New Zealand
- NZX50
- ASX200
- Bloomberg World Airlines Index
- S&P500

Source: Bloomberg, period ended as at 30 June 2017.
An enhanced customer experience

2017 Top Corporate Reputation in New Zealand (from #1 in 2016)
2017 Top Corporate Reputation in Australia (from #6 in 2016)
Long-haul airline of Star Alliance for 2016

Short-haul airline of Star Alliance for 2016
Customer Satisfaction Improvement 2017 vs 2015
Sustainable Companies in New Zealand
*Australian Centre for Corporate Social Responsibility
An engaged and high performance culture

**No.1 employer**
top rated in New Zealand

**Supreme award winner**
NZI Sustainable Business Network Awards

**39%**
of senior leadership positions held by woman; up from 16% in 2012

**Supreme award winner**
Māori Language Awards, for promoting increased usage of Te Reo

**15% improvement**
2017 total recordable injuries
Improving market dynamics for the year ahead
2018 capacity will increase 4% to 6%

International long-haul

3% - 5%

Tasman & Pacific Islands¹

8% - 10%

Domestic New Zealand

4% - 6%

¹ Pacific Islands includes Bali and Honolulu.
Expanding our core domestic business
Targeted growth across the Tasman and Pacific Islands
Building scale in our existing long-haul markets
Loyalty programme continues to build strength

Frequent flyer programme reset and expansion

New card products

Programme expansion

Retail coalition
Supercharging New Zealand’s success

Socially, economically and environmentally

For our People
- Our People
- Our Communities

For our Place
- Carbon
- Nature and Science

For our Economy
- Tourism
- Trade and Enterprise
Resolutions
## Proxies and postal votes received
(as at 27 September 2017)

<table>
<thead>
<tr>
<th>Resolution</th>
<th>For</th>
<th>Against</th>
<th>Abstain</th>
<th>Discretion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resolution 1:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Re-election of Linda Jenkinson</td>
<td>345,093,966</td>
<td>272,578</td>
<td>1,567,253</td>
<td>583,555,239</td>
</tr>
<tr>
<td>Resolution 2:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Election of Sir John Key</td>
<td>345,071,900</td>
<td>326,938</td>
<td>1,569,714</td>
<td>583,520,484</td>
</tr>
</tbody>
</table>

### Postal votes

<table>
<thead>
<tr>
<th>Resolution</th>
<th>For</th>
<th>Against</th>
<th>Abstain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resolution 1:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Re-election of Linda Jenkinson</td>
<td>1,224,835</td>
<td>278,693</td>
<td>84,308</td>
</tr>
<tr>
<td>Resolution 2:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Election of Sir John Key</td>
<td>1,415,421</td>
<td>143,828</td>
<td>28,587</td>
</tr>
</tbody>
</table>
RESOLUTION NO. 1

re-election of

Linda Jenkinson
RESOLUTION NO. 2

election of

Sir John Key
General discussion and questions
Thank you