

Monthly *investor update*



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September 2020 highlights

Note: The September 2020 Passenger Load Factor in the table below includes a 15-day period across which social distancing requirements had to be maintained on board Domestic flights as a result of COVID-19. Excluding the impact of social distancing, Domestic Passenger Load Factor was 79.3% (vs 67.7%), Short Haul was 66.4% (vs 58.6%) and Group was 50.6% (vs 46.8%).

Group traffic summary	SEPTEMBER			FINANCIAL YTD		
	2020	2019	% *	2021	2020	% *+
Passengers carried (000)	679	1,694	(59.9%)	1,742	4,419	(62.6%)
Revenue Passenger Kilometres(m)	476	3,761	(87.3%)	1,238	9,918	(88.2%)
Available Seat Kilometres (m)	1,018	4,428	(77.0%)	2,609	11,793	(79.0%)
Passenger Load Factor (%)	46.8%	84.9%	(38.1 pts)	47.4%	84.1%	(36.7 pts)

Year-to-date RASK ¹	% change in reported RASK (incl. FX)		% change in underlying RASK (excl. FX)	
Group		18.9%		18.5%
Short Haul		24.0%		23.9%
Long Haul		(31.2%)		(32.1%)

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.

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

+ 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 2019 (28 days) compared with July 2020 (33 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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Operating statistics table

Group	SEPTEMBER			FINANCIAL YTD		
	2020	2019	% *	2021	2020	% **
Passengers carried (000)	679	1,694	(59.9%)	1,742	4,419	(62.6%)
Revenue Passenger Kilometres(m)	476	3,761	(87.3%)	1,238	9,918	(88.2%)
Available Seat Kilometres (m)	1,018	4,428	(77.0%)	2,609	11,793	(79.0%)
Passenger Load Factor (%)	46.8%	84.9%	(38.1 pts)	47.4%	84.1%	(36.7 pts)
Short Haul Total	SEPTEMBER			FINANCIAL YTD		
	2020	2019	% *	2021	2020	% **
Passengers carried (000)	669	1,482	(54.8%)	1,715	3,864	(57.9%)
Revenue Passenger Kilometres(m)	383	1,680	(77.2%)	976	4,462	(79.3%)
Available Seat Kilometres (m)	655	1,993	(67.2%)	1,583	5,403	(72.2%)
Passenger Load Factor (%)	58.6%	84.3%	(25.7 pts)	61.7%	82.6%	(20.9 pts)
Domestic	SEPTEMBER			FINANCIAL YTD		
	2020	2019	% *	2021	2020	% **
Passengers carried (000)	658	1,081	(39.1%)	1,679	2,791	(43.0%)
Revenue Passenger Kilometres(m)	356	546	(34.7%)	894	1,422	(40.4%)
Available Seat Kilometres (m)	526	637	(17.4%)	1,245	1,704	(30.7%)
Passenger Load Factor (%)	67.7%	85.6%	(17.9 pts)	71.8%	83.5%	(11.7 pts)
Tasman / Pacific	SEPTEMBER			FINANCIAL YTD		
	2020	2019	% *	2021	2020	% **
Passengers carried (000)	12	401	(97.1%)	36	1,072	(96.8%)
Revenue Passenger Kilometres(m)	27	1,134	(97.6%)	82	3,040	(97.4%)
Available Seat Kilometres (m)	128	1,356	(90.5%)	338	3,700	(91.3%)
Passenger Load Factor (%)	21.1%	83.6%	(62.5 pts)	24.3%	82.2%	(57.9 pts)
Long Haul Total	SEPTEMBER			FINANCIAL YTD		
	2020	2019	% *	2021	2020	% **
Passengers carried (000)	9	212	(95.5%)	27	556	(95.5%)
Revenue Passenger Kilometres(m)	93	2,081	(95.5%)	261	5,456	(95.5%)
Available Seat Kilometres (m)	363	2,435	(85.1%)	1,026	6,390	(84.8%)
Passenger Load Factor (%)	25.6%	85.5%	(59.9 pts)	25.5%	85.4%	(59.9 pts)
Asia / Japan / Singapore +	SEPTEMBER			FINANCIAL YTD		
	2020	2019	% *	2021	2020	% **
Passengers carried (000)	5	91	(94.4%)	14	238	(94.6%)
Revenue Passenger Kilometres(m)	47	803	(94.2%)	125	2,110	(94.4%)
Available Seat Kilometres (m)	172	964	(82.2%)	443	2,529	(83.4%)
Passenger Load Factor (%)	27.2%	83.3%	(56.1 pts)	28.1%	83.4%	(55.3 pts)
Americas / UK	SEPTEMBER			FINANCIAL YTD		
	2020	2019	% *	2021	2020	% **
Passengers carried (000)	4	122	(96.4%)	13	317	(96.1%)
Revenue Passenger Kilometres(m)	46	1,278	(96.4%)	137	3,346	(96.1%)
Available Seat Kilometres (m)	191	1,471	(87.0%)	583	3,861	(85.7%)
Passenger Load Factor (%)	24.1%	86.9%	(62.8 pts)	23.4%	86.7%	(63.3 pts)

* % 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 2019 (28 days) compared with July 2020 (33 days). This is because Air New Zealand operates on a 4,4,5 accounting calendar but closes the annual accounts on 30 June.

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.



Media Releases

(during the period 7 October to 1 November 2020)

Air New Zealand and Tourism New Zealand team up on safety video to star Aotearoa

21 October 2020

Air New Zealand has kicked off filming its next safety video which is set to showcase some of the best of Aotearoa.

The safety video is being created in partnership with Tourism New Zealand. Air New Zealand and Tourism New Zealand signed a new three-year Memorandum of Understanding last year to undertake cooperative marketing activity to promote New Zealand.

Air New Zealand General Manager Brand & Marketing Jeremy O'Brien says some of the safety video scenes were filmed in Tairāwhiti Gisborne yesterday, and in other regions over the past week.

"While New Zealand's scenery has been the backdrop for many Air New Zealand safety videos, this time it has a starring role.

"It's fantastic to team up with Tourism New Zealand to combine efforts and showcase some of our world-famous scenery and destinations through this safety video. This safety video is a truly collaborative effort with Tourism New Zealand and by working in partnership we can showcase New Zealand's iconic attractions to both New Zealanders and a global audience. It is undoubtedly the best time for Kiwis to discover what we're world famous for and the video will also help support the recovery of international tourism once borders reopen.

"Air New Zealand has become known around the world for leading the way when it comes to inflight safety videos. Our videos continue to deliver real value and make customers stop and pay attention to our important safety messages."

Air New Zealand's next safety video will be out later this year. The video will feature local actors as well as Air New Zealand cabin crew.

Air New Zealand update on Safe Travel Zone with NSW

15 October 2020

Air New Zealand has operated its first flights as part of the Safe Travel Zone with New South Wales.

From 16 October, passengers travelling from New Zealand will be able to travel to New South Wales without the requirement for quarantine on arrival in Australia.

Passengers travelling from New Zealand will be required to complete a health declaration stating they have been in New Zealand the preceding 14 days. Health screening will also take place on arrival in Sydney.

Air New Zealand Chief Executive Officer Greg Foran says in order for the airline to continue to carry passengers safely and identify passengers with travel not originating in New Zealand, it has introduced what's known as 'quarantine' and 'quarantine-free' flights.

"The quarantine-free flights will be for travellers originating from New Zealand who are flying from Auckland to Sydney and are not required to quarantine on arrival in Australia. Quarantine flights will be open to passengers who do not meet the Safe Travel Zone criteria and will be required to quarantine on arrival in Australia.

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“Flight NZ103 tomorrow will depart Auckland at 10:40am NZT and will be a quarantine-free flight. It is expected to arrive in Sydney around 12:20pm (AEDT).

“It’s been a huge undertaking to ensure we are ready for this one-way arrangement. We know passengers onboard may have been waiting a long time to get back to New South Wales. Around 90 percent of those travelling on tomorrow’s flight are booked to travel one-way.”

Air New Zealand is currently operating eight return flights between Auckland and Sydney per week and will look to operate two quarantine flights per week, while the remaining flights will be quarantine-free.

Between 16 October and 24 October, the airline will operate three quarantine flights – on 17 October, 22 October and 24 October and all other flights will be quarantine-free. On 22 October the airline will operate both a quarantine-free and a quarantine flight. The airline is working through flights from 25 October.

Passengers planning to travel interstate beyond New South Wales will need to ensure they have checked state and territory travel restrictions and have the appropriate exemptions/approvals to travel as these continue to change.

This Safe Travel Zone is a one-way arrangement and those returning to New Zealand will still need to quarantine for 14 days upon return, provide payment for quarantine and register their managed isolation accommodation requirements via the New Zealand Government’s [Managed Isolation and Quarantine website](#).

Due to Australian State restrictions, fares beyond Sydney to destinations within Australia are not available to be booked via Air New Zealand.

Quarantine flights will not be able to be booked by people beginning their journey in New Zealand.

More information on those eligible to travel to New South Wales as part of the Safe Travel Zone can be found here – <https://covid19.homeaffairs.gov.au/new-zealand-safe-travel-zone>

Air New Zealand offers thousands of domestic fares for under \$60

12 October 2020

Air New Zealand is offering more than 140,000 domestic one-way fares for under \$60.

The fares are available for travel in the second half of November through to the first half of February 2021.

Air New Zealand Chief Customer and Sales Officer Leanne Geraghty says the fares are available to all of the domestic destinations the airline flies to.

“Whether Kiwis are looking to check out a place they’re yet to explore in New Zealand or planning a catch up with friends and family, this is their chance to fly at a fantastic price.

“The school holidays brought a big boost to domestic tourism and we hope these fares will encourage New Zealanders to keep travelling and take advantage of some of the great deals tourism operators are providing at the moment.”

Tickets for Air New Zealand’s World Premiere in the Air with Kiwi band SIX60 sell out in seven hours

8 October 2020

Tickets for Air New Zealand’s *World Premiere in the Air*, a dedicated flight from Auckland to Dunedin that will premiere a new film about Kiwi band SIX60 have been snapped up in just seven hours.

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Ticket holders will have the chance to rub shoulders with the band, who will be travelling on the service, as well as be the first in the world to see the film *SIX60: Till the Lights Go Out* by local film maker Julia Parnell.

Air New Zealand's General Manager Brand and Marketing Jeremy O'Brien says the speed at which the flight sold out is a sign of just how popular SIX60 is with New Zealanders young and old.

"We're thrilled the tickets sold so quickly – it's a real reflection of the band's popularity and how proud we are of them as Kiwis. We're putting on our larger A321neo aircraft for the service, and we expect the full flight will help boost local business and tourism in Dunedin over the weekend. We're really excited to host the premiere inflight and look forward to welcoming customers on board in November."

Flight NZ660 departs Auckland for Dunedin on Saturday 14 November.