

Stock exchange listings: New Zealand (NZX: AIR) / Australia (ASX: AIZ) / ADR (OTC: ANZLY)

MARKET ANNOUNCEMENT

6 April 2021

Air New Zealand welcomes announcement of trans-Tasman bubble

Air New Zealand welcomes the announcement today from the New Zealand Government regarding the commencement of quarantine-free travel from Australia into New Zealand from 19 April.

Air New Zealand Chief Executive Officer Greg Foran says the airline is incredibly excited to have the border reopen to our Aussie neighbours.

“This is terrific news. I know Kiwis and Australians have been wanting to reconnect with family and friends for a year now and we’re incredibly excited to be playing a part in those reunions.”

The airline has been preparing for a trans-Tasman bubble for a few months now, bringing approximately 330 recalled crew back onboard and ensuring they are up to speed with training, along with making sure its international airports and lounges are ready for the influx of customers.

Pre-Covid, Australia has historically been New Zealand’s largest tourism market, and demand for travel between the two countries represented approximately 20% of the airline’s passenger revenue.

Air New Zealand has been operating a skeleton schedule of services to Australia since May 2020. The airline will be re-commencing travel to 9 ports in Australia, with initial capacity at approximately 70% of pre-Covid levels.

Air New Zealand trans-Tasman flights are on sale now.

The airline has previously provided guidance regarding expected cash burn of \$45 million to \$55 million average for the period through 30 June 2021. The commencement of quarantine-free trans-Tasman travel is expected to improve cash burn, however at this time the airline is not in a position to provide updated cash burn information. As such, the airline’s cash burn guidance has been suspended at this time.

Ends.

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