



31 May 2021

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## April 2021 highlights

Group traffic summary	APRIL			FINANCIAL YTD		
	2021	2020 <sup>1</sup>	% *	2021	2020	% *
Passengers carried (000)	866	15	5603.0%	6,904	13,027	(47.0%)
Revenue Passenger Kilometres(m)	584	60	877.7%	4,507	29,160	(84.5%)
Available Seat Kilometres (m)	942	232	306.3%	8,085	35,548	(77.3%)
Passenger Load Factor (%)	62.0%	25.8%	36.2 pts	55.8%	82.0%	(26.2 pts)

Year-to-date RASK <sup>2</sup>	% change in reported RASK (incl. FX)	% change in underlying RASK (excl. FX)
Group	34.9%	35.0%
Short Haul	27.3%	27.2%
Long Haul	(33.3%)	(32.6%)

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.

<sup>1</sup> Note: For most of April 2020, New Zealand was at Covid Alert Level 4, which involved a nationwide lockdown. During this time, people were instructed to stay at home, all gatherings were cancelled, and public venues closed. All forms of travel, including air travel were also severely restricted. As such, April 2020 represents one of the lowest periods of travel in Air New Zealand's recent history.

<sup>2</sup> 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	APRIL			FINANCIAL YTD		
	2021	2020	% *	2021	2020	% *
Passengers carried (000)	866	15	5603.0%	6,904	13,027	(47.0%)
Revenue Passenger Kilometres(m)	584	60	877.7%	4,507	29,160	(84.5%)
Available Seat Kilometres (m)	942	232	306.3%	8,085	35,548	(77.3%)
Passenger Load Factor (%)	62.0%	25.8%	36.2 pts	55.8%	82.0%	(26.2 pts)
<b>Short Haul Total</b>						
Passengers carried (000)	862	10	8446.3%	6,841	11,338	(39.7%)
Revenue Passenger Kilometres(m)	548	7	7624.9%	3,884	12,537	(69.0%)
Available Seat Kilometres (m)	779	82	855.0%	5,793	15,498	(62.6%)
Passenger Load Factor (%)	70.4%	8.7%	61.7 pts	67.1%	80.9%	(13.8 pts)
<b>Domestic</b>						
Passengers carried (000)	811	9	9394.9%	6,665	8,358	(20.3%)
Revenue Passenger Kilometres(m)	421	5	9130.0%	3,475	4,324	(19.6%)
Available Seat Kilometres (m)	498	36	1290.3%	4,518	5,266	(14.2%)
Passenger Load Factor (%)	84.6%	12.7%	71.9 pts	76.9%	82.1%	(5.2 pts)
<b>Tasman / Pacific</b>						
Passengers carried (000)	51	2	3188.3%	176	2,980	(94.1%)
Revenue Passenger Kilometres(m)	127	3	4909.6%	409	8,213	(95.0%)
Available Seat Kilometres (m)	281	46	514.2%	1,274	10,232	(87.5%)
Passenger Load Factor (%)	45.1%	5.5%	39.6 pts	32.1%	80.3%	(48.2 pts)
<b>Long Haul Total</b>						
Passengers carried (000)	4	5	(29.1%)	63	1,689	(96.3%)
Revenue Passenger Kilometres(m)	36	53	(31.4%)	623	16,623	(96.3%)
Available Seat Kilometres (m)	163	150	8.5%	2,292	20,050	(88.6%)
Passenger Load Factor (%)	22.1%	35.0%	(12.9 pts)	27.2%	82.9%	(55.7 pts)
<b>Asia / Japan / Singapore</b>						
Passengers carried (000)	1	1	90.4%	29	732	(96.0%)
Revenue Passenger Kilometres(m)	12	6	91.9%	269	6,502	(95.9%)
Available Seat Kilometres (m)	117	46	155.6%	1,350	8,010	(83.1%)
Passenger Load Factor (%)	10.1%	13.5%	(3.4 pts)	19.9%	81.2%	(61.3 pts)
<b>Americas / UK</b>						
Passengers carried (000)	2	4	(47.5%)	34	958	(96.5%)
Revenue Passenger Kilometres(m)	24	46	(47.7%)	354	10,121	(96.5%)
Available Seat Kilometres (m)	46	105	(55.7%)	942	12,040	(92.2%)
Passenger Load Factor (%)	52.4%	44.4%	8.0 pts	37.6%	84.1%	(46.5 pts)

\* % change is based on numbers prior to rounding

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 3 May 2021 to 28 May 2021)

### Air New Zealand awarded further international cargo flights

27 May 2021

Air New Zealand has been awarded an additional five months of cargo flights under the Government's Maintaining International Air Connectivity (MIAC) scheme.

The MIAC scheme (the scheme) was announced by the Government in March 2021, following the success of the International Air Freight capacity (IAFC) scheme, to ensure a predictable and regular schedule of international air services. Under the scheme the Government provides financial assistance to all airlines that are awarded flights, to support the cost of flying. This will help keep New Zealand connected to its global trade partners and allow for essential travel to continue while international borders remain closed.

With the scheme now operating through to the end of October 2021, the airline has been awarded an average of 30 flights per week to 13 destinations including Los Angeles, Hong Kong, Shanghai and key Pacific ports. With the trans-Tasman and Rarotonga bubbles now in operation, services to Australia and the Cook Islands are currently operating outside of the scheme.

The Government financial support for these flights is expected to contribute between \$120 million and \$145 million towards the airline's cargo revenue over the five-month period of the current scheme. For FY21 overall, Government financial support will contribute between \$320 million and \$340 million to total cargo revenue.

The MIAC award will continue to support the company's international business until such time as international borders reopen. With the certainty of the next phase of this arrangement, along with cargo flying previously undertaken under the IAFC, cargo revenue for FY21 will exceed FY20 levels, however the airline still expects to make a significant loss in FY21.

## Media Releases

(during the period 3 May 2021 to 28 May 2021)

### Sunseekers rejoice as the first flight to Rarotonga takes off

18 May 2021

Togs, hat, sunscreen, check! New Zealanders are off to get some sun as the first flight in the two-way Cook Islands travel bubble departed Auckland.

A full flight, NZ940 departed Auckland bound for Rarotonga, reconnecting families, helping to give a much-needed boost to the local economy. The flight will also deliver doses of the Pfizer vaccine ahead of the Cook Islands vaccination roll out.

Air New Zealand Chief Customer & Sales Officer Leanne Geraghty said the airline has seen strong sales, in particular throughout July and October, coinciding with school holidays.

"It's no surprise that Kiwis are booking in a much-needed break, especially as the temperature drops at home. In 2019 we saw almost 110,000 New Zealanders head to Rarotonga, so it's great to see strong demand for flights following the bubble announcement.

"Initially, we'll be offering two flights a week on Tuesday and Saturday. This will ramp up to daily in July to ensure that we can help as many Kiwis as possible escape for some well-deserved R&R."

# Monthly *investor update*



With New Zealanders comprising two-thirds of all visitors to the Cook Islands and tourism being the mainstay of the economy, the first flight taking off is a significant milestone in the region's recovery.

Cook Islands Tourism Corporation General Manager for Australasia Graeme West says there is no better time for Kiwis to visit the tropical island paradise as holidaymakers will have the place to themselves.

"Tourism makes up 75% of the Cook Islands GDP, so when numbers hit zero in March 2021 when borders closed, it caused significant hardship for many people. This is a momentous occasion for the local community, and they will be ready to welcome the first arrivals with open arms."

Customers will be required to wear masks during travel to and from Rarotonga and screening questions will be asked at check-in. To be eligible to travel, customers will need to have been in New Zealand for the preceding 14 days. Due to requirements from the Government of The Cook Islands, bookings for flights to Rarotonga will be closed 48 hours prior to departure.

We know that last minute changes can happen so we've extended our flexibility policy allowing customers with flights scheduled to depart before 11:59pm on 31 December 2021 have the ability to opt into credit or make a change to the date or time of the flight with change fees waived (fare difference may still apply).

## Services between Auckland and Adelaide take off

5 May 2021

Air New Zealand's first flight to South Australia in 400 days has taken off from Auckland.

Renowned for its world-famous wine regions right on the city's doorstep, Adelaide is the latest Australian city to open up to quarantine-free travel under the trans-Tasman bubble.

Air New Zealand Chief Customer and Sales Officer Leanne Geraghty says the three times weekly Auckland-Adelaide service gives customers yet more choice when it comes to travel across the Tasman.

"There's no denying COVID-19 has made the world feel small at times and many people have itchy feet to get back out there and experience the excitement of international travel.

"Our people, particularly those working on our front-line, continue to talk about the buzz generated by the return of our services connecting New Zealand to Australia.

"Whether sampling a glass of Adelaide Hills' world-famous wines, strolling the small South Australian town of Hahndorf or taking in the beauty of New Zealand's South Island in winter, there's something for everyone no matter the direction of travel."

The addition of direct flights between Auckland and Adelaide means the airline now operates Tasman bubble flights to seven Australian cities, Brisbane, Melbourne, Sydney, Perth, the Gold Coast and Hobart.

Services to Cairns and the Sunshine Coast are currently scheduled to operate by late June.

## Kicking off bubble number two with Rarotonga

3 May 2021

As New Zealand's temperatures drop, Air New Zealand is warming up its engines for more flights to Rarotonga.

From 17 May, Air New Zealand will operate to the Cook Islands 2-3 times weekly using its 787-9 fleet, following the opening of two-way quarantine-free travel bubble between New Zealand and Rarotonga. The airline expects to operate daily from July in time for the school holidays.

Air New Zealand Chief Executive Officer Greg Foran says it's terrific to be opening the bubble between Rarotonga and New Zealand in both directions after four months of a one-way arrangement.

# Monthly *investor update*



“The announcement of a travel bubble is a major milestone for both New Zealand, the Cook Islands and Air New Zealand.

“The Cook Islands hold a very special place for New Zealanders and Air New Zealand. More than a paradise with off-the-scale natural beauty, many Kiwis will be eager to head over for a warm break and some R&R. We know it’s a popular destination because in 2019, of the 446,000 Kiwis who took a trip to the Pacific Islands, almost 110,000 headed to Rarotonga.

“We’re certain our Cook Island neighbours will welcome Kiwis with open arms for a much-needed boost for the local economy, and we’re looking forward to reconnecting friends and whānau who haven’t been able to take advantage of the one-way travel arrangement that’s been in place since January.”

Having the Tasman and Cook Islands up and running offers Air New Zealand customers more destinations to add to their holiday plans.

## Extension to Air New Zealand and Air China alliance

3 May 2021

Air New Zealand and Air China have extended their strategic alliance partnership on services between New Zealand and China for a further five years.

The announcement was made by Air New Zealand Chief Executive Officer Greg Foran at the China Business Summit in Auckland.

Mr Foran welcomed the extension, saying it will help New Zealand rebuild together.

“China is an incredibly important market for Aotearoa, and for Air New Zealand. The renewal of our strategic cooperation with Air China will be a vital boost for our tourism industry as it recovers from the severe impact of COVID-19.

“Our alliance with Air China has delivered, and will continue to deliver, real benefit to New Zealand – including greater choice, extra seats and more flights into New Zealand.

“It’s a great example of how we can build sustainable air connectivity to and from New Zealand.”

Mr Foran told the summit that although COVID-19 has affected passenger travel, the trade and business cooperation between China and New Zealand has remained relatively stable.

“Our Shanghai route has the highest proportion of cargo on any network we fly. Last year we carried 2,600 tonnes of exports to Shanghai – up 23 percent on the year before. We’re proud to bring PPE into New Zealand and take the best of Aotearoa’s premium fresh produce – seafood, red meat, dairy, fresh fruit and vegetables – to Shanghai.”

Pre-pandemic, China was New Zealand’s second-largest international visitor market (450,000 in 2019) and one of the most valuable in terms of holiday visitor spend (\$1.5 billion).

The alliance agreement was first put in place in 2015 and will be extended to March 2026, having been approved by regulators in New Zealand and China.

Through the strategic alliance, services can be easily booked through either airline. Air New Zealand and Air China customers enjoy reciprocal frequent flyer benefits, such as earning and spending loyalty points and lounge access. Air New Zealand customers also receive better access to Air China’s comprehensive domestic network. For Air China customers the alliance enhances their customers’ access to New Zealand’s regions.