



AIR NEW ZEALAND

Annual Shareholder Meeting

7 October 2015

Tony Carter
Chairman

Christopher Luxon
Chief Executive Officer

A STAR ALLIANCE MEMBER 

AIR NEW ZEALAND 

Tony Carter
Chairman

A STAR ALLIANCE MEMBER 

Meeting agenda



- Chairman's address
- Chief Executive's address
- Questions on financial performance and outlook
- Resolutions regarding Directors
- General discussion and questions

2015 Financial Highlights



- Normalised earnings before taxation of **\$496 million**, up 49%
- Statutory earnings before taxation of **\$474 million**, up 32%
- Statutory net profit after taxation of **\$327 million**, up 24%
- Operating revenue of **\$4.9 billion**, up 6%
- Operating cash flow of **\$1.1 billion**, up 51%

Dividends



- Fully imputed final ordinary dividend of **9.5 cents per share**, up 73%
- Fully imputed full year ordinary dividend of **16.0 cents per share**, up 60%

2016 Outlook



- At the 2015 annual results we said that given the current known operating environment, along with increased capacity and improved operating efficiencies, we expect to achieve significant earnings growth in the coming year. This view has strengthened.
- We are very pleased with the first quarter performance and the business is on target to exceed profit before tax of \$400 million for the first half of this financial year. This outlook excludes equity earnings from our Virgin Australia shareholding.
- The company is very well positioned with:
 - buoyant tourism to New Zealand;
 - a lower current fuel price environment;
 - an increasingly efficient fleet; and
 - a company with proven agility in responding to changing circumstances
- As a consequence, we are confident of our ongoing strong performance in the coming years.




Thank you

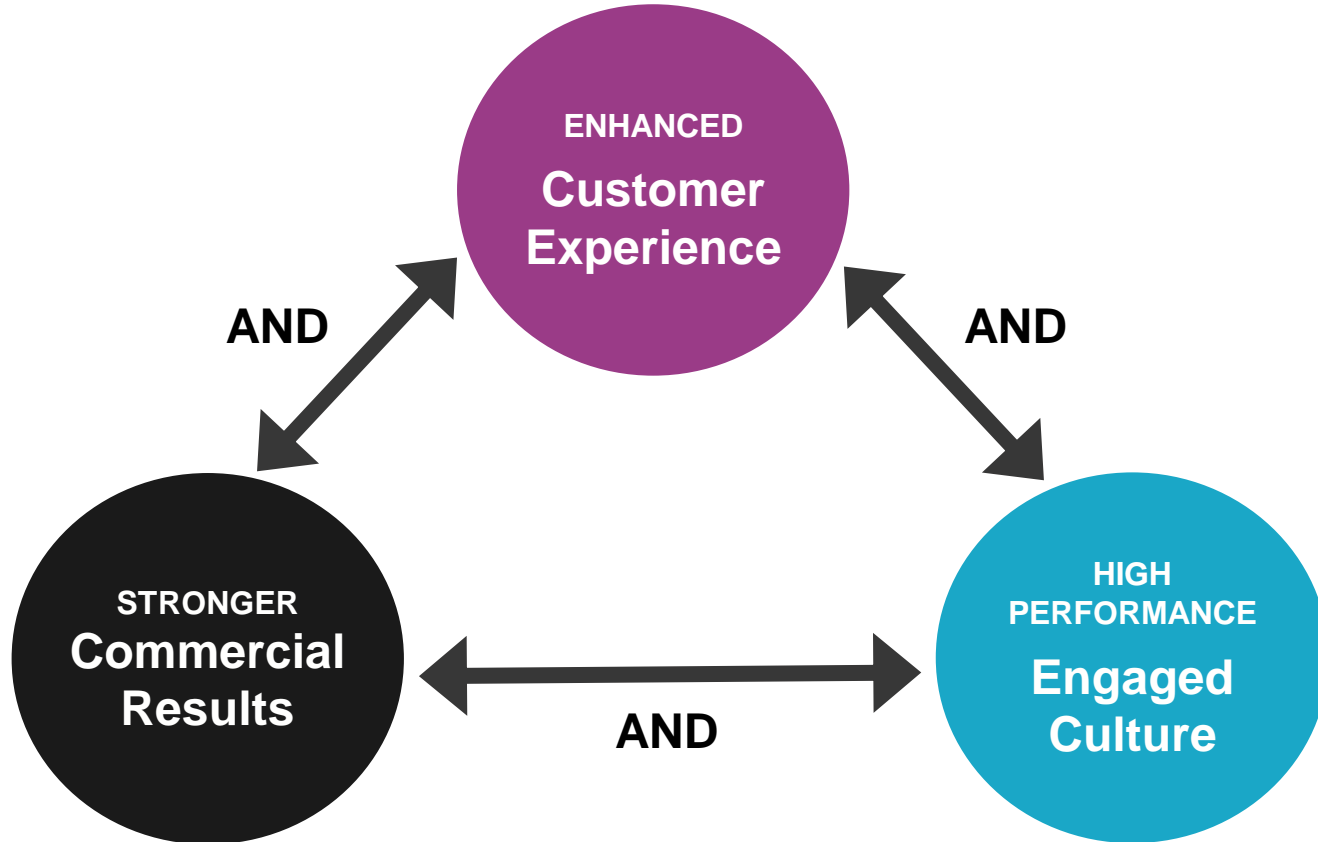
AIR NEW ZEALAND 

Christopher Luxon
Chief Executive Officer

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Our strategic priorities



Value creation through growth



Grow a consistent and personalised customer experience
Unleash digital transformation



Grow and develop markets
Grow contribution from alliance partners

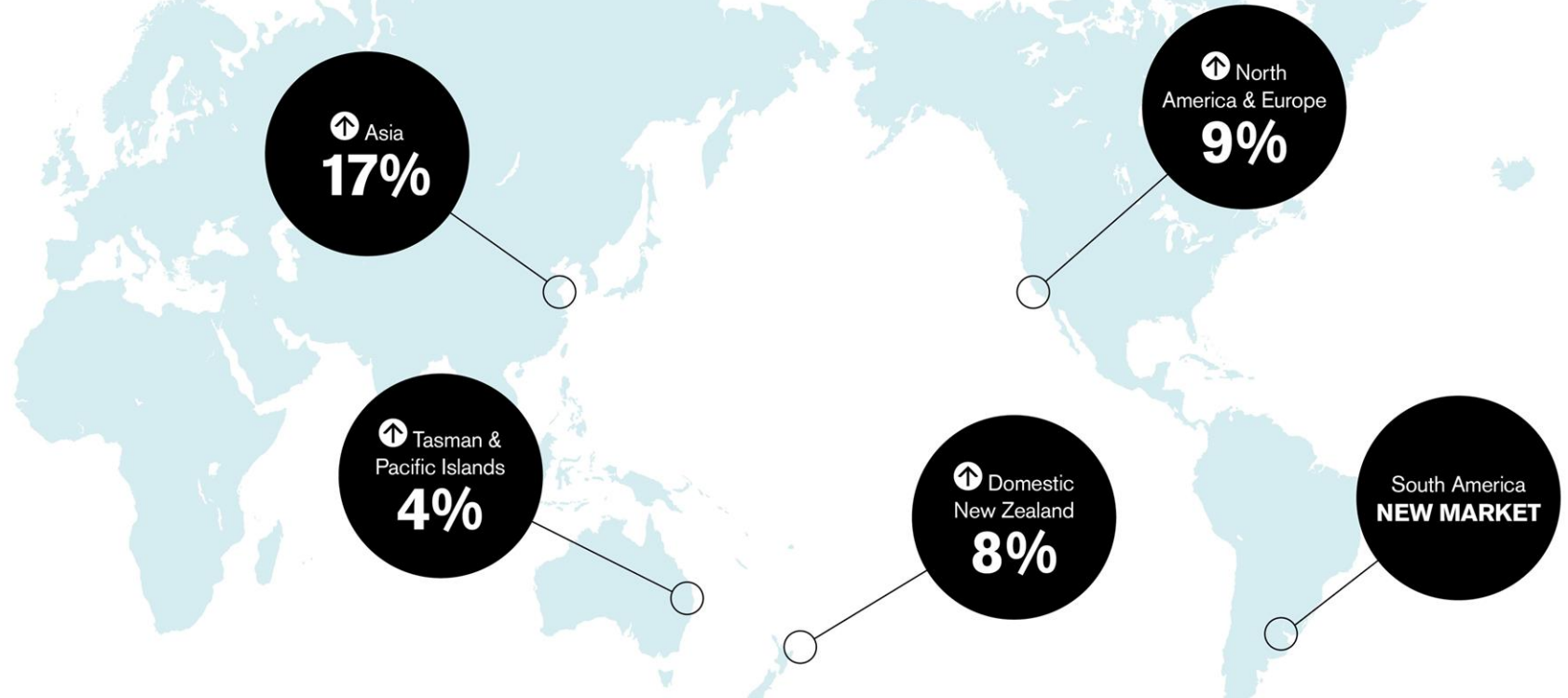


Grow, simplify and **modernize** our fleet
Simplify our business to drive down cost



Grow high performance culture and capability

FY16 capacity increasing 11%



Total international long haul-growth 15%

Domestic



- World class domestic jet and regional turbo prop network
- Frequency, service, reliability, reputation and value
- Simplified fleet for cost and operational efficiencies and increased capacity
- Domestic network capacity growth of 8% in 2016 through fleet realignment and additional services



Tasman and Pacific Islands



- Modest growth in 2016
- Alliance with Virgin Australia going well – providing a combined 51% market share on the Tasman
- Fleet simplification – retirement of 767 with new wide body Boeing 787-9



International



- 15% long haul international growth in 2016
- August year to date Asian capacity up 39% and demand up 42%
- Two new international routes – Houston and Buenos Aires
- New revenue share alliance with Air China





Thank you

Any Questions?

Resolutions

Resolution #1



- Re-election of Tony Carter

Resolution #2



- Re-election of Rob Jager

Resolution #3



- Approval of directors' remuneration

Any Questions?

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