Media Release

22 February 2024

Air New Zealand announces 2024 Interim Results

Key points

- Earnings before taxation of $185 million
- Passenger revenue of $3.1 billion driven by a significant ramp-up in capacity across the international network
- Airline is currently reviewing pricing and capacity to reflect ongoing inflation pressures
- Unimputed ordinary interim dividend of 2.0 cents per share declared
- Significant improvement in onboard experience, reliability and customer response times
- Tougher forward trading environment. Earnings before taxation for the 2024 financial year now expected to be in the range of $200 million to $240 million, including $20 million of currently assumed additional Covid-related credit breakage

Air New Zealand has today announced earnings before taxation of $185 million for the first half of the 2024 financial year. Net profit after taxation was $129 million. This is an expected reduction on the comparable period last year when the airline recorded one of its highest-ever results following the rapid return of air travel as New Zealand's borders reopened.

Based on the airline's balance sheet strength and the result announced today, Air New Zealand shareholders will receive an unimputed interim dividend of 2.0 cents per share. The dividend will be paid on 21 March, to shareholders on record as at 8 March. This equates to a payout ratio of 41 percent.

Passenger revenue of $3.1 billion was up 21 percent, driven by a significant ramp-up in capacity across the international network. Demand was stable in most markets, but signs of softness in domestic corporate and Government demand was experienced from September. Overall capacity was up 29 percent on the comparative six-month period. Operating costs, including fuel, increased 21 percent due to a substantial increase in long-haul flying this year.

Inflationary pressures also continue to be felt. Non-fuel operating costs have increased around 5 percent or $100 million due to price inflation, which is on top of an increase totalling 15 to 20 percent across the last four years. The cumulative effect of these increases is having a significant impact on the cost of providing air services, including on the domestic network, and the airline is currently reviewing fares and capacity to better reflect ongoing cost pressure.

Chair Dame Therese Walsh says the half year result represents the hard mahi of the Air New Zealand whānau, who rallied together in the face of unavoidable challenges.

"We knew this year would be tougher than the last, when pent up levels of demand and industry-wide capacity constraints drove one of the strongest financial results in our history.

"And while we have reported a solid first half result, it is against the backdrop of significant ongoing supply chain issues, particularly the additional Pratt & Whitney engine maintenance requirements on our A321neo fleet, which will see up to five of our newest and most efficient aircraft out of service at any one time across the next 18 months at least.

“On top of these operational challenges, we are now leaning into the reality of a worsening revenue and cost environment, which is expected to have a significant adverse impact on performance in the second half.

“Earlier this week the airline provided a full year profit outlook, noting among other things, a deterioration in the forward bookings profile. Intense international competition features heavily in the current environment, particularly for North America where our US competitors have not yet returned to China at scale, and for now have directed some of that additional capacity to the New Zealand market, putting pressure on yields.

“The business is pulling multiple levers to mitigate the impact of these headwinds, and this is a key focus for the team.

“Despite these short-term challenges, the airline is in a fundamentally strong position. Our balance sheet is robust, and the Board is committed to the airline’s Capital Management Framework as announced last August, including its ordinary dividend policy. Accordingly, the Board was pleased to announce a dividend of 2.0 cents per share for the first half.”

Chief Executive Officer Greg Foran says doing the basics brilliantly without ever compromising on safety has positioned the airline well to compete.

“Our on-time performance and contact centre wait times have improved. Food and beverage offerings have been enhanced. Inflight entertainment options and Wi-Fi have also been improved. An additional 400,000 people have joined our loyalty programme over the past year, lifting membership to 4.4 million. All these things, along with the manaaki shown by staff – taking care further than any other airline – have seen our customer satisfaction score return to pre-pandemic levels.

“The engine maintenance requirements for both Pratt & Whitney and Rolls Royce have seen our aircraft spend more time on the ground. While this is beyond our control, we are managing these issues with changes to our schedule and additional leased aircraft.

“Boeing has now confirmed that the first of the new 787 Dreamliners is unlikely to arrive until at least mid-2025, which will delay delivery of our innovative new Skynest. The interior retrofit of our current 787 fleet remains on track.

“To mitigate these challenges, we introduced a dry lease 777-300ER in November. A second dry lease 777-300ER will enter the fleet mid-year and we are well advanced on negotiations for a third.

“While the global aviation ecosystem remains under immense pressure, Air New Zealand is committed to providing the best experience possible to our loyal customers while we navigate these issues.”

2H 2024 Trading update

As noted in the airline’s market update on 19 February 2024, a number of continuing economic and operational conditions have deteriorated and are now expected to have a significant adverse impact on performance in the second half. These include the impact of additional competition on forward revenue performance, ongoing weakness in domestic corporate and government demand, temporary cost headwinds of $35 million in the second half to alleviate customer impacts and operational pressures, as well as ongoing cost inflation.

Outlook

In light of these conditions, the airline considers that performance for the second half of the 2024 financial year will be markedly lower than the first half.

In this context, and assuming an average jet fuel price of USD$105/bbl for the second half, the airline currently expects earnings before taxation for the 2024 financial year to be in the range of $200 million to $240 million. This range includes $20 million of currently assumed additional Covid-related credit breakage over the second half. Future redemptions of Covid-related credits remain uncertain and subject to further actions.

Supplementary table – Interim 2024 financial highlights

	1H 2024 $M	**1H 2023 $M**	**% Movement**
Operating revenue	3,474	3,078	13%
Earnings before taxation	185	299	(38%)
Net profit after taxation	129	213	(39%)

This announcement is authorised for release on the NZX and ASX by Jennifer Page, General Counsel & Company Secretary.

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Interim Financial Results 2024

AIR NEW ZEALAND

Investor presentation

22 February 2024

A STAR ALLIANCE MEMBER

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Non-GAAP financial information

The following non-GAAP measures are not audited: CASK, Gearing, Net Debt, Gross Debt, EBITDA, and RASK. Amounts used within the calculations are derived from the interim financial statements where possible. The interim financial statements are subject to review by the Group's external auditors. The non-GAAP measures are used by management and the Board of Directors to assess the underlying financial performance of the Group in order to make decisions around the allocation of resources.

Refer to slide 30 for a glossary of the key terms used in this presentation.

BUSINESS UPDATE

GREG FORAN

CHIEF EXECUTIVE OFFICER

1H 2024 OVERVIEW

$185M profit[1]
for 1H 2024
Healthy demand offset by elevated market capacity and operational headwinds

$243M
Cargo revenue
Continues to be elevated above pre-Covid levels

8.4M passengers
Flown across our network
Compared to 8.0M passengers in the first half last year

2 cents per share
Unimputed ordinary dividend
for 1H 2024

29% increase
in capacity (ASKs)[2]
As the international network continued to ramp-up

~11,650 people[3]
Up 14%[2]
Driven by strong demand and increased capacity

4.4M loyalty members
Up 400k[2] on last year, with programme perception levels at an all-time high

World's safest airline for 2024
As named by Airlineratings.com

First next gen aircraft announced
A battery-powered all-electric aircraft, expected to join the fleet in 2026

1 Refers to statutory earnings before taxation.
2 Compared to 1H 2023.
3 Refers to full-time equivalent employees.

CONTINUED FOCUS ON DOING THE BASICS BRILLIANTLY

AGAINST A BACKDROP OF ONGOING INDUSTRY-WIDE CONSTRAINTS

	Customer satisfaction[1]	On-time performance[2]	Contact centre average wait times[1]	Mishandled baggage[1]
1H 2024	84 out of 100	79 percent	5 minutes	3.3 bags per 1000
1H 2023	80 out of 100	74 percent	24 minutes	5.1 bags per 1000

[1] For the month of December.
[2] Average for the six months to 31 December.

WE HAVE ACTED QUICKLY TO PUT MITIGATIONS IN PLACE

BUT 2H 2024 WILL ALSO BE IMPACTED BY THESE CONSTRAINTS

Pratt & Whitney engine additional maintenance requirements	• Entered into two 777-300ER short-term dry leases with intention for a third • Purchase of a spare engine for the NEO fleet • Extension of WAMOS wet lease arrangement • Broad-based schedule adjustments to best utilise aircraft across the network • Increased contact centre support to deal with impacts of schedule adjustments
Aviation supply chain delays and infrastructure pressure	• Short-term leased aircraft and spare engines • Active relationship management with Boeing • Increasing inventory levels of key parts to reduce impact of supply chain delays • Advocating for engineers to be added to the immigration green list
Rising input costs and inflation	• Driving productivity and efficiency initiatives • Reviewing price and capacity settings • Investing in training and digital tooling

Temporary cost headwinds of ~$35 million in 2H to help operational resiliency and customer experience

WE HAVE FACED UNPRECEDENTED COMPETITION ON NORTH AMERICA

CORPORATE AND GOVERNMENT SOFTNESS CONTINUES IN DOMESTIC

International demand outlook

- Significant capacity growth from major US carriers impacting bookings and fares
- Tasman demand remains solid driven by a reduction in market yields
- Pacific Islands demand steady
- Asia performing well, demand out of India a standout
- Increased capacity on China challenged by visa processing delays

Domestic demand outlook

- Government and corporate demand has remained soft, SME segment has been resilient
- Targeted reduction in Domestic capacity in Q4 to better reflect current demand profile and improve operational resilience
- Domestic leisure and international connecting demand holding up, but sensitive to price changes
- Fare review underway to adjust selling yields commensurate with inflationary costs required to operate the Domestic network

FY2024 OUTLOOK

As noted in the airline's market update on 19 February 2024, a number of continuing economic and operational conditions have deteriorated and are now expected to have a significant adverse impact on performance in the second half.

These include the impact of additional competition on forward revenue performance, ongoing weakness in domestic corporate and government demand, temporary cost headwinds of $35 million in the second half to alleviate customer impacts and operational pressures, as well as ongoing cost inflation.

In light of these conditions, the airline considers that performance for the second half of the 2024 financial year will be markedly lower than the first half.

In this context, and assuming an average jet fuel price of USD$105/bbl for the second half, the airline currently expects earnings before taxation for the 2024 financial year to be in the range of $200 million to $240 million.

This range includes $20 million of currently assumed additional Covid-related credit breakage over the second half. Future redemptions of Covid-related credits remain uncertain and subject to further actions.

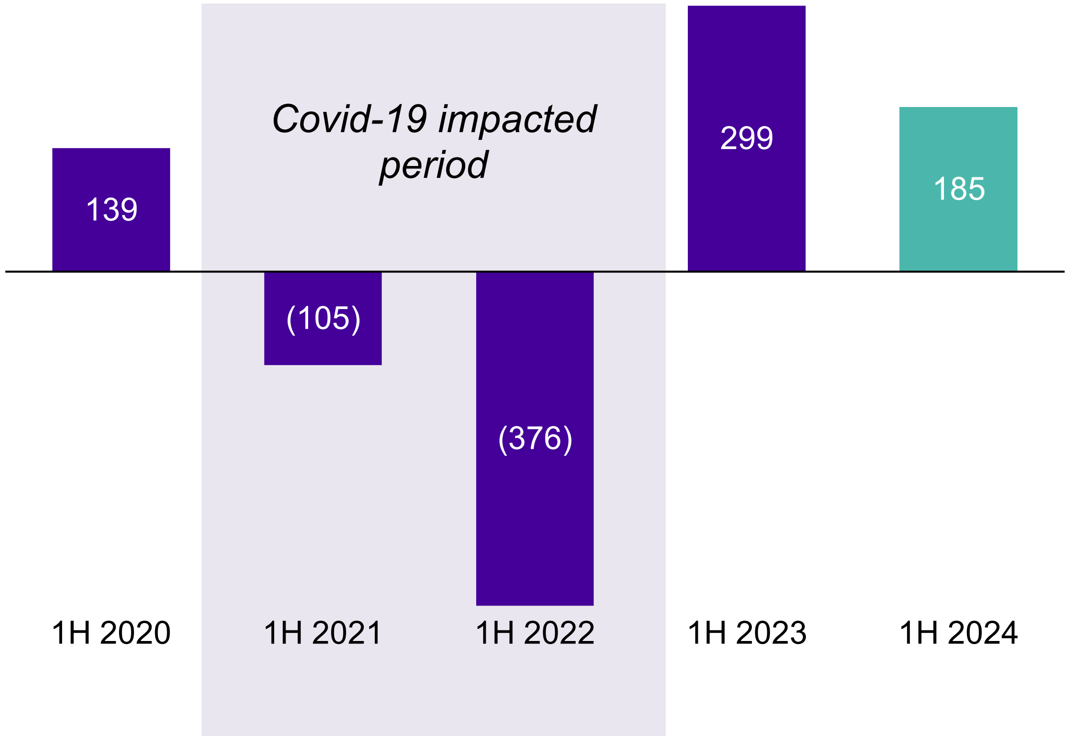
FINANCIAL UPDATE

RICHARD THOMSON
CHIEF FINANCIAL OFFICER

1H 2024 FINANCIAL SUMMARY

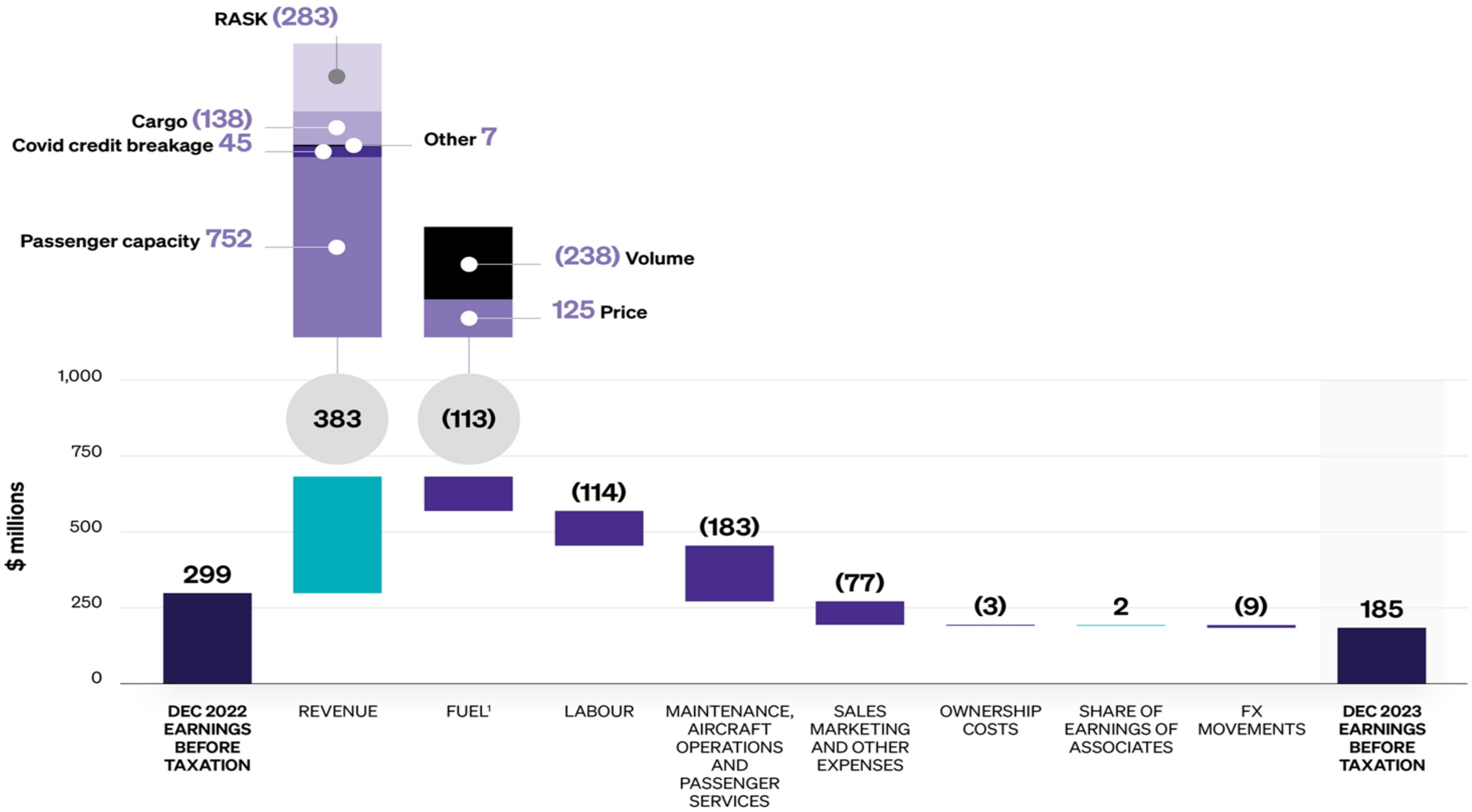
- Operating revenue of **$3.5 billion, up 13%**
- Passenger revenue of **$3.1 billion, up 21%**
- Cargo revenue of **$243 million, down 36%** on last year but **up 25% on pre-Covid**[1]
- Earnings before taxation of **$185 million**
- Net profit after tax of **$129 million, down 39%**
- Liquidity of **$2.1 billion**[2]
- Net debt to EBITDA of **0.6x**
- Unimputed ordinary interim dividend of **2.0 cents per share** equating to a **41% payout ratio**[3]

Earnings/(Loss) before taxation
($ millions)



1 Refers to the six months ended 31 Dec 2019.
2 As at 31 December 2023, includes $1.7 billion cash and $400 million undrawn funds under the Crown Standby Facility.
3 The airline's policy is to pay ordinary dividends equal to between 40% to 70% of underlying net profit after tax (underlying NPAT), subject to the Board's discretion. NPAT is calculated on a rolling twelve-month basis.

PROFITABILITY WATERFALL



[1] For further details on fuel cost movement, refer to slide 22..

Additional commentary

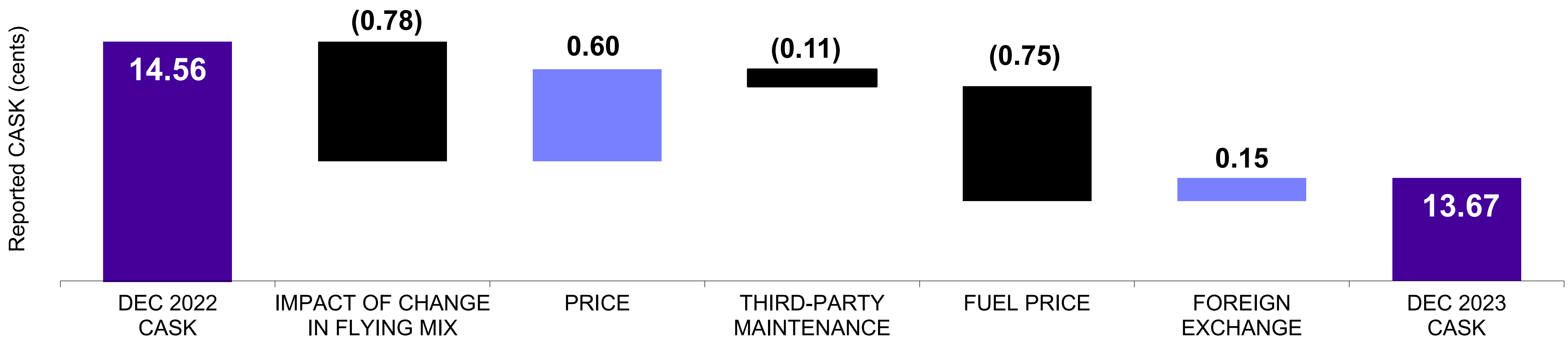
- Significant activity increases when comparing 1H 2024 to 1H 2023 due to 29% growth in capacity this year.
- A summary of aggregate rate increases is provided below for key operational cost areas:

	HY24 price change
Maintenance, aircraft operations and passenger services	~ 8%
Labour	~ 4%
Sales, marketing and other expenses	~ 3%

UNDERLYING CASK IMPROVEMENT

DRIVEN BY THE MIX OF LONGER SECTOR FLYING IN 1H 2024

- **Reported** CASK **improved 6.1%** compared to last year, largely due to fuel price movements and mix of longer sector flying in the period
- Excluding the impact of fuel price movement, foreign exchange, and third-party maintenance, **underlying** CASK **improved 1.2%.** Underlying CASK has improved due to:
  - the change in mix of flying due to a higher proportion of lower CASK long-haul flying in 1H 2024
  - offset by non-fuel operating cost inflation of 5% across the cost base



FUEL HEDGING AND FX UPDATE

Fuel hedging

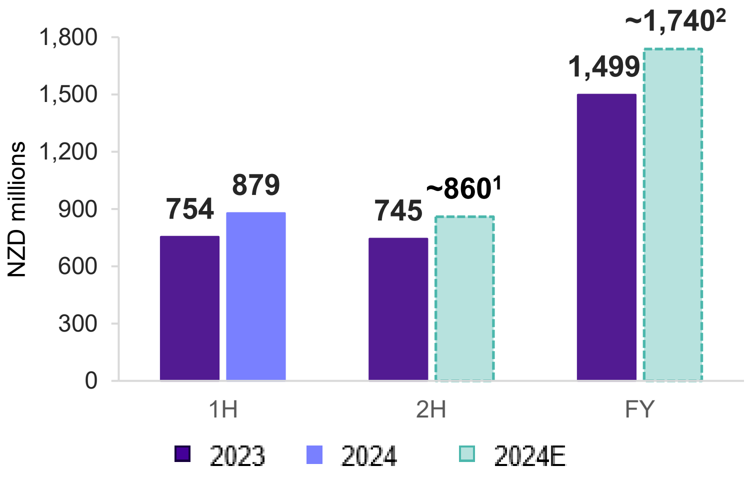
- Hedge portfolio structured to protect against large upside movements and allow participation to downward price movements through use of call options and collars

Fuel hedge position (as at 8 Feb 2024)			
Period	**Hedged volume (in barrels)**	**% hedged**	**Net compensation from hedging (USD)[3]**
2H 2024	3,130,000	75%	(~$4.5 million)
1H 2025	1,670,000	40%	~$1 million

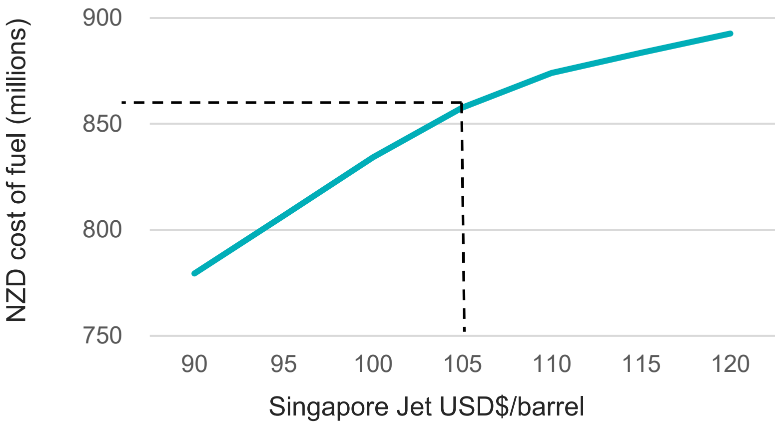
Foreign exchange hedging

- US dollar is ~87% hedged for 2H 2024 at NZD/USD 0.6142

2024 Fuel cost outlook



2H 2024 Fuel cost[1] sensitivity (inclusive of hedging)

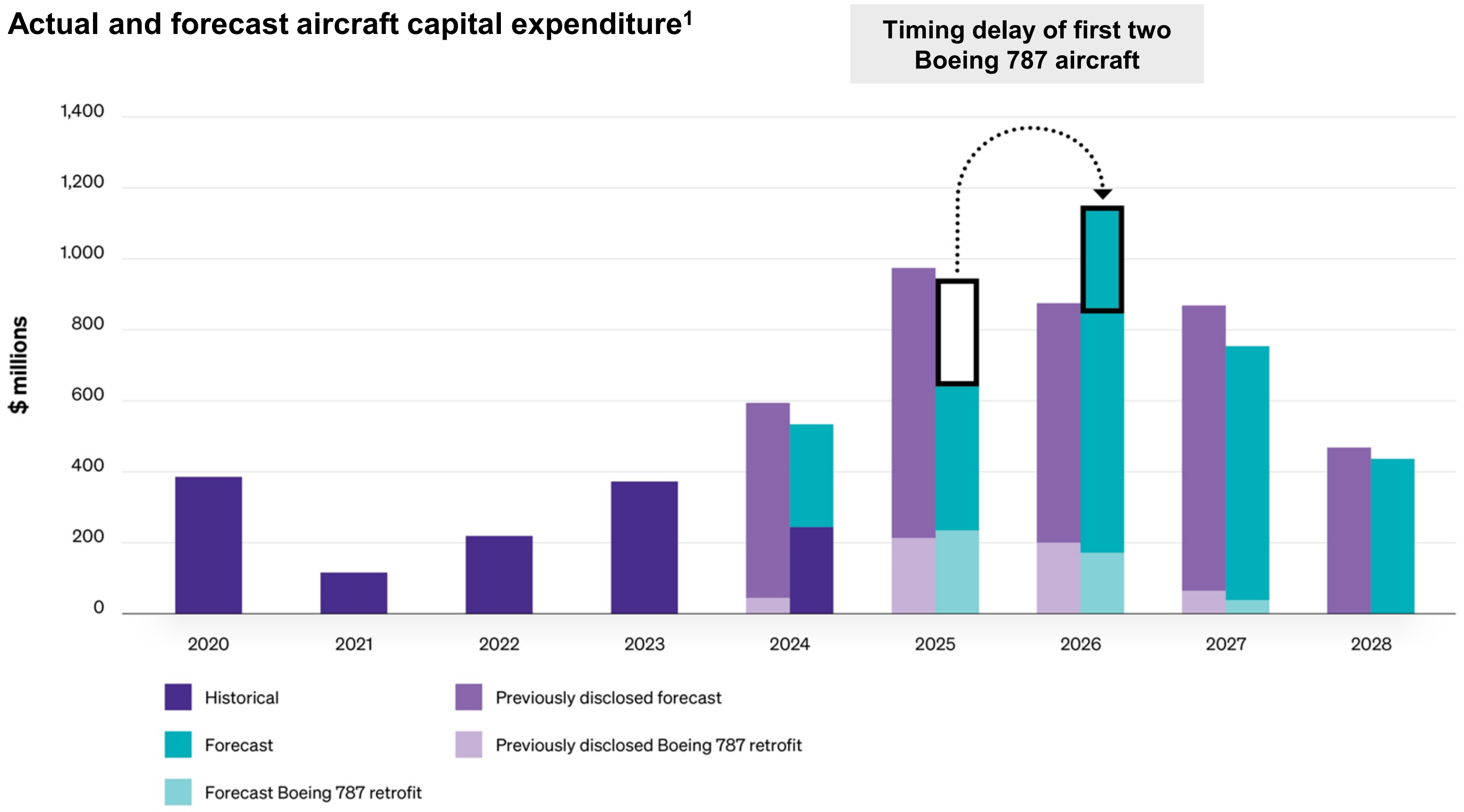


[1] Assumes an average jet fuel price of US$105 per barrel for the 2H 2024 and a NZD/USD rate of 0.6100. Valuation date of 8 February 2024. Further information on fuel movements can be found in the fuel waterfall on slide 22.
[2] Assumes an average jet fuel price of US$107 per barrel for the FY2024 financial year.
[3] Net compensation from fuel hedges represents the unrealised gains/(losses) on fuel hedges, including the cost of the hedges and is in USD.

FLEET INVESTMENT UPDATE

ASSUMES FIRST TWO NEW BOEING 787'S ARE DELAYED FROM FY2025 TO FY2026

Actual and forecast aircraft capital expenditure[1]



- Forecast investment of **$3.3 billion** in aircraft and associated assets through to 2028, including 8 new Boeing 787 aircraft
  - Reflects expected deferral of first two Boeing 787 aircraft from FY2025 to FY2026
  - Final delivery profile currently under discussion with Boeing – potential for further revisions to come
  - Delivery flexibility maintained for remaining portion of the delivery stream beyond the first two aircraft
- No committed aircraft capital expenditure currently beyond 2028

[1] Includes progress payments on aircraft and aircraft improvements (e.g. refurbishment); excludes engine maintenance. Please refer to slide 28 for fleet delivery table.

OUR CAPITAL MANAGEMENT FRAMEWORK DRIVES FINANCIAL RESILIENCE AND SUSTAINABLE SHAREHOLDER VALUE

WE HAVE TAKEN DECISIVE STEPS IN 1H 2024 TO MOVE TOWARDS OUR TARGETS

Maintain financial resilience and flexibility

- Target liquidity range of $1.2 billion to $1.5 billion
- Net Debt to EBITDA ratio of 1.5x to 2.5x

Underpinned by our commitment to maintain investment grade credit rating metrics

✓ Cash purchase of domestic A321neo in Oct 2023, with a further aircraft expected in Apr 2024 which will be purchased with cash

✓ Moody's credit rating upgrade from Baa2 (stable) to Baa1 (stable)

Invest in core operations

- Fleet and infrastructure investments above WACC through the cycle
- Investment to support the airline's decarbonisation ambitions

✓ Spare PW1100 engine purchased

✓ First electric aircraft ordered

Distributions

- Ordinary dividend pay-out ratio of 40% to 70% of underlying net profit after tax (NPAT)
- Return excess capital via special dividends or share buybacks

Growth capex

- Disciplined investment in value accretive capex
- Target ROIC above pre-tax WACC

✓ ~$200 million 2023 special dividend paid

✓ ~$70 million 2024 unimputed ordinary interim dividend declared

✓ 2 additional ATR aircraft ordered to grow domestic network

AIR NEW ZEALAND

Thank you

A STAR ALLIANCE MEMBER

SUPPLEMENTARY INFORMATION

FY2024 CAPACITY OUTLOOK

Sector	2023 ASKs (millions)[1]	1H 2024 Actuals (on 1H 2023)	2H 2024 Estimate (on 2H 2023)	FY24 Estimated Capacity[2]
Domestic	6,685	(1%)	+0% to 2%	~Flat
Tasman and Pacific Islands	10,237	+18%	+10% to 12%	~+15%
International long-haul	19,039	+49%	+10% to 12%	~+30%
Group	**35,961**	**+29%**	**+10% to 12%**	$\boxed{\text{~+20\%}}$

Equates to ~93% of FY2019 capacity

1 Includes cargo-only flights.
2 Compared to FY2023 levels, including cargo-only flights.

KEY CAPITAL MANAGEMENT METRICS

$ millions	31 Dec 2023	30 Jun 2023	Capital management targets (effective from FY2024)[1]
Gross debt	(3,047)	(3,335)	
Cash, restricted deposits and net open derivatives	2,357	2,928	
Net debt	(690)	(407)	
Gross debt/EBITDA	2.5x	2.5x	
Net debt/EBITDA	0.6x	0.3x	Net Debt to EBITDA ratio of 1.5x to 2.5x
Gearing	25.6%	16.4%	
Return on invested capital (ROIC)	Not calculated[2]	22.3%	Target ROIC above pre-tax WACC
Total liquidity	2,070	2,627	Target liquidity range of $1.2 billion to $1.5 billion
Liquidity (% of 2019 revenue)	35.8%	45.4%	
Moody's rating	Baa1 stable (investment grade)	Baa2 stable (investment grade)	Investment grade
Shareholder distributions declared	2.0 cps unimputed interim ordinary dividend	6.0 cps special dividend	Ordinary dividend payout ratio of 40% to 70% of underlying net profit after taxation (NPAT)[3]

1 Please see slide15 for more information on the capital management framework.
2 Return on invested capital not calculated (NC) at the interim results.
3 NPAT is calculated on a rolling twelve-month basis

DEBT STRUCTURE AND MATURITY PROFILE

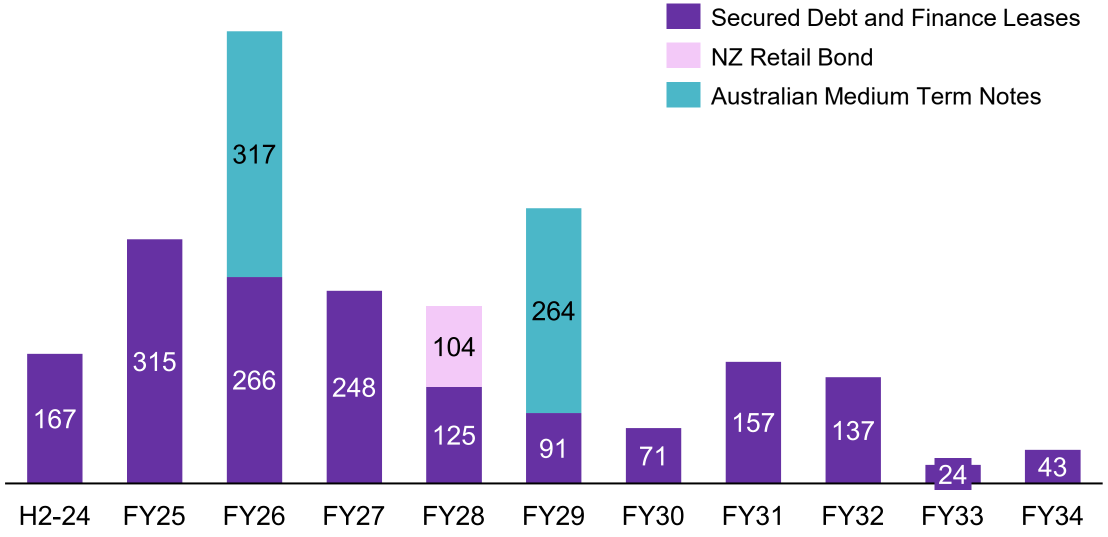
Capital structure as at 31 Dec 2023

- Gross Debt of $3.0 billion comprising:
  - ~$1.6 billion secured aircraft debt and finance leases[1], $718 million operating leases[1], $104 million unsecured NZD bond, $581 million unsecured AUD notes
- Cash of ~$1.7 billion, restricted deposits of $737 million and net open derivatives of ($50) million
- Net Debt of $0.7 billion
- Undrawn Crown Standby Facility of $400 million expiring 30 Jan 2026
- Weighted average debt and finance lease maturity of ~3.5 years[2]

Deliberate strategy to increase unencumbered aircraft portfolio

- 43 unencumbered aircraft as at Dec 2023 including 6 A320/A321neos, which will increase to 7 in 2H 2024
- Market value as at 30 Jun 2023 of ~ $1.15 billion[3]
- In addition, equity of ~$1.45 - 1.65 billion[3] exists in existing aircraft within debt facilities

Debt maturity profile as at 31 Dec 2023
($ millions)



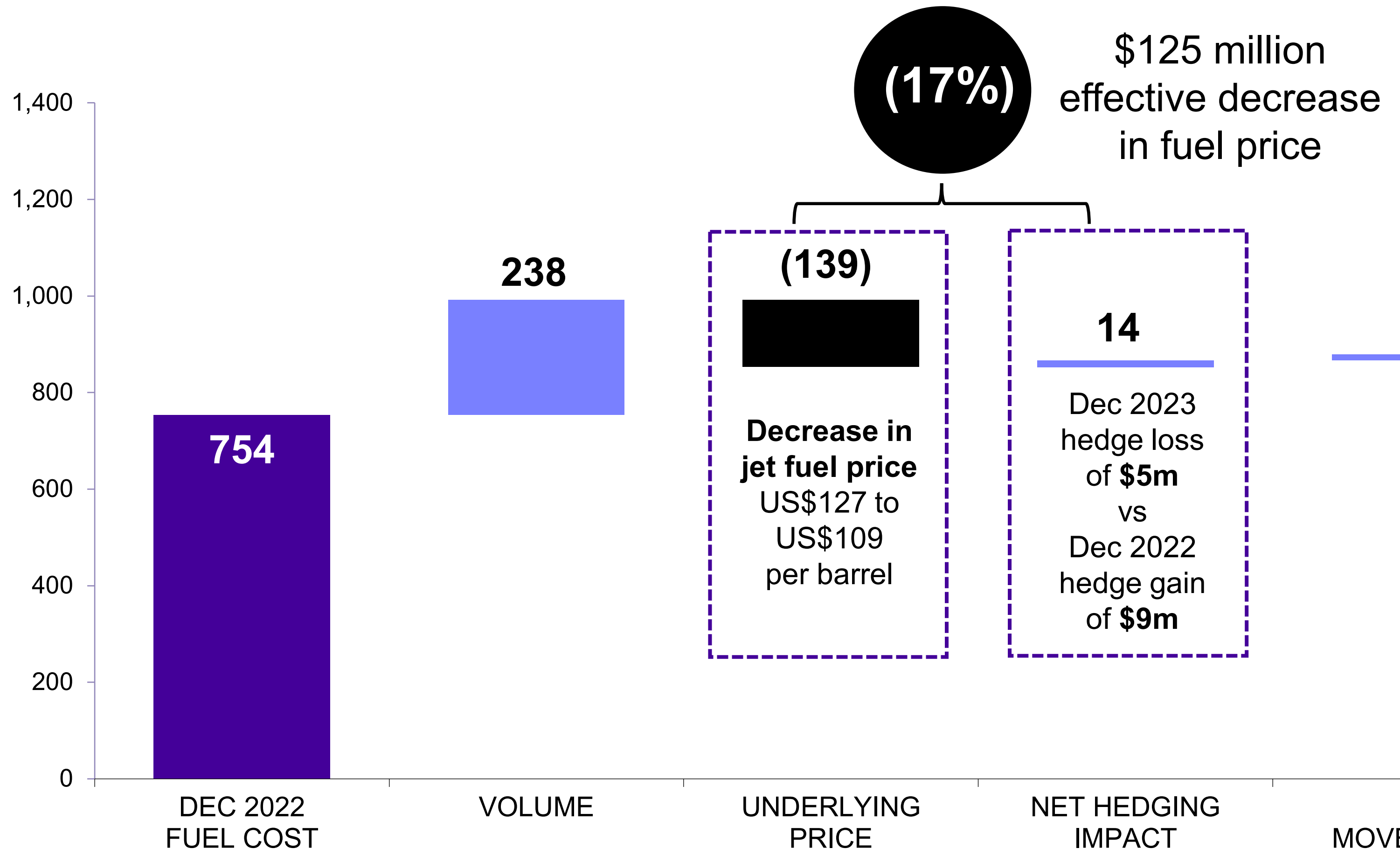
[1] Finance leases are lease liabilities with purchase options. Operating leases are lease liabilities without purchase options.
[2] Weighted average life of secured aircraft debt, finance leases and unsecured debt. Excludes operating leases.
[3] Aircraft and spare engines. Aircraft valuations based on Aircraft Value Analysis Company Limited (AVAC) as at 30 June 2023. Spare engines are included at book value as at 30 Jun 2023. USD values are converted to NZD at FY2023. balance sheet rate of 0.6070. Aircraft valuations are subject to market conditions, aircraft condition, FX rates, technology advancement and other factors.

CARGO PERFORMANCE

- Cargo revenue of **$243 million**, down 36**%** on prior comparative period but **up** 25% on pre-Covid levels
  - No cargo-only flying in 1H 2024
  - Prior year comparative figure includes $83 million in Government supported cargo flights
- Cargo loads were **69%[1]** for **1H 2024** compared to 80%[1] for the prior comparative period, due to a significant increase in capacity, no cargo-only flying, as well as increased international competition

[1] Load factors are based on sellable capacity.

FUEL COST MOVEMENT



Into plane costs

- 1H 2024 $128 US$/barrel
- 1H 2023 $149 US$/barrel

FINANCIAL OVERVIEW

	Dec 2023	Dec 2022	Movement
Operating revenue	3,474	3,078	13%
Earnings before taxation	185	299	(38%)
Net profit after taxation	129	213	(39%)
Operating cash flow	411	972	(58%)
Cash position*	1,670	2,227	(25%)

GROUP PERFORMANCE METRICS

	Dec 2023	Dec 2022	Movement[1]
Passengers carried ('000s)	8,352	7,952	5%
Available seat kilometres (ASKs, millions) – passenger flights	21,405	15,126	42%
Available seat kilometres (ASKs, millions) – passenger and cargo-only flights	21,405	16,576	29%
Revenue passenger kilometres (RPKs, millions)	17,467	13,241	32%
Load factor	81.6%	87.5%	(5.9 pts)
Passenger revenue per ASKs as reported (RASK, cents)	14.3	16.8	(15%)
Passenger revenue per ASKs, excluding FX (RASK, cents)	14.2	16.8	(15%)

[1] Calculation based on numbers before rounding.

DOMESTIC

	Dec 2023	Dec 2022	Movement[1]
Passengers carried (‘000s)	5,460	5,679	(4%)
Available seat kilometres (ASKs, millions) – passenger flights	3,353	3,381	(1%)
Revenue passenger kilometres (RPKs, millions)	2,826	2,952	(4%)
Load factor	84.3%	87.3%	(3.0 pts)
Passenger revenue per ASKs as reported (RASK, cents)	30.1	28.9	4%
Passenger revenue per ASKs, excluding FX (RASK, cents)	30.0	28.9	4%

[1] Calculation based on numbers before rounding.

TASMAN & PACIFIC ISLANDS

	Dec 2023	Dec 2022	Movement[1]
Passengers carried (‘000s)	1,902	1,677	13%
Available seat kilometres (ASKs, millions) – passenger flights	5,898	5,018	18%
Revenue passenger kilometres (RPKs, millions)	4,904	4,374	12%
Load factor	83.2%	87.2%	(4.0 pts)
Passenger revenue per ASKs as reported (RASK, cents)	13.6	15.1	(10%)
Passenger revenue per ASKs, excluding FX (RASK, cents)	13.6	15.1	(10%)

[1] Calculation based on numbers before rounding.

INTERNATIONAL LONG-HAUL

	Dec 2023	Dec 2022	Movement[1]
Passengers carried (‘000s)	990	596	66%
Available seat kilometres (ASKs, millions) – passenger flights	12,154	6,727	81%
Revenue passenger kilometres (RPKs, millions)	9,737	5,915	65%
Load factor	80.1%	87.9%	(7.8 pts)
Passenger revenue per ASKs as reported (RASK, cents)	10.3	11.9	(13%)
Passenger revenue per ASKs, excluding FX (RASK, cents)	10.2	11.9	(14%)

[1] Calculation based on numbers before rounding.

AIRCRAFT DELIVERY SCHEDULE

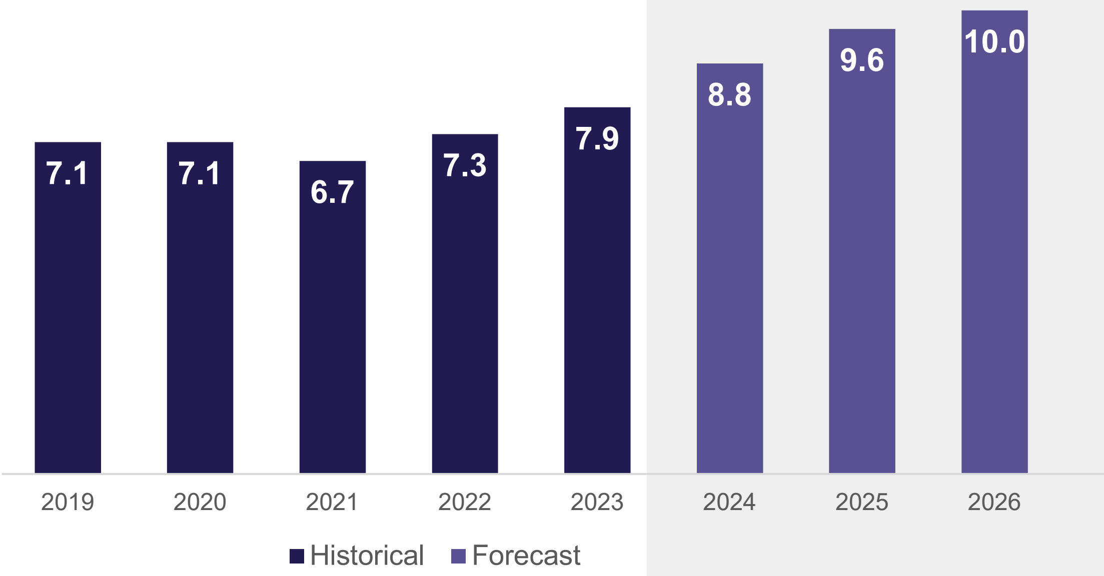
Aircraft delivery schedule (as at 31 Dec 2023)[1]

		Number in existing fleet	Number on order	Expected delivery dates (financial year)				
				2024	2025	2026	2027	2028
Owned Fleet on Order	Boeing 787	12	8	-	-	4	2	2
	Airbus A320neo / A321neo	12	3	1	-	-	2	-
	ATR 72-600	29	2	-	2	-	-	-
Operating Leased Aircraft	Boeing 777-300ER	4	1	1	-	-	-	-
	Airbus A320neo / A321neo	5	2	-	2	-	-	-

[1] Delivery table excludes the BETA ALIA CTOL, our first electric aircraft which will enter the fleet as a cargo-only commercial demonstrator from FY2026. Please refer to slide 29 for the full details of the fleet.

FLEET DELIVERY AND AGE UPDATE

Aircraft fleet age in years
(seat weighted)[1]



	2023	2024	2025	2026
Boeing 777-300ER	7	9	9	7
Boeing 787	14	14	14	18
Airbus A320	17	17	17	17
Airbus A320/A321neo	16	18	20	20
ATR72-600	29	29	31	31
Bombardier Q300	23	23	23	23
Total Fleet	**106**	**110**	**114**	**116**

1 For 2021 and 2022, excludes the Boeing 777-200ER fleet. Does not include the BETA ALIA CTOL, our first electric aircraft which will enter the fleet as a cargo-only commercial demonstrator from FY2026.

GLOSSARY OF KEY TERMS

Available Seat Kilometres (ASKs)	Number of seats operated multiplied by the distance flown (capacity)
Cost/ASK (CASK)	Operating expenses divided by the total ASK for the period
Gearing	Net Debt / (Net Debt + Equity)
Earnings before interest, tax, depreciation and amortisation (EBITDA)	Operating earnings before depreciation and amortisation, finance costs and taxation
Gross Debt	Interest-bearing liabilities and lease liabilities
Net Debt	Interest-bearing liabilities and lease liabilities less bank and short-term deposits, net open derivatives held in relation to interest-bearing liabilities and lease liabilities, and interest-bearing assets
Cash, restricted deposits and net open derivatives	Bank and short-term deposits, interest-bearing assets and net open derivatives held in relation to interest-bearing liabilities and lease liabilities
Liquidity	Cash and cash equivalents (which excludes restricted deposits) plus the outstanding amount of any Crown standby facility available to be drawn
Passenger Load Factor	RPKs as a percentage of ASKs
Passenger Revenue/ASK (RASK)	Passenger revenue for the period divided by the total ASKs on passenger flights for the period
Revenue Passenger Kilometres (RPKs)	Number of revenue passengers carried multiplied by the distance flown (demand)

The following non-GAAP measures are not audited: CASK, Gearing, Net Debt, Gross Debt, EBITDA and RASK. Amounts used within the calculations are derived from the condensed Group interim financial statements where possible. The interim financial statements are subject to review by the Group's external auditors. The non-GAAP measures are used by management and the Board of Directors to assess the underlying financial performance of the Group in order to make decisions around the allocation of resources.

FIND INFORMATION ON AIR NEW ZEALAND

Resources

Investor website: www.airnewzealand.co.nz/investor-centre

Monthly traffic updates: www.airnewzealand.co.nz/monthly-investor-updates

Corporate governance: www.airnewzealand.co.nz/corporate-governance

Sustainability: https://www.airnewzealand.co.nz/sustainability

Contact information

Email: investor@airnz.co.nz

Share registrar: enquiries@linkmarketservices.com

AIR NEW ZEALAND

A STAR ALLIANCE MEMBER™

Interim Financial Report 2024

Where we fly

CONTENTS

LETTER FROM THE CHAIR AND CHIEF EXECUTIVE OFFICER

Kia ora koutou katoa

Dame Therese Walsh
Chair

Greg Foran
Chief Executive Officer

The first half of the 2024 financial year reminds us all how unpredictable the aviation industry can be.

We are immensely proud of the Air New Zealand whānau and the work that has been undertaken, both to respond to near term challenges, but also to keep our eyes firmly on the future as we navigate the path ahead.

And there is a lot we can be proud of – in particular the very real progress that has been made to address customer concerns that arose on the back of the pandemic, to improve our service offering both in the air and on the ground, and to create an even better flying experience.

Our contact centre wait times and refund processing times have improved further in the first half, following additional investment to work through remaining backlogs. And while there is still room for improvement, we were recently recognised by Cirium as having the best on-time performance in Australia and New Zealand, and fifth best overall in Asia Pacific.

We have made a number of improvements to our onboard service, including enhanced food and beverage offerings and improved inflight entertainment options – and our customers have noticed, with customer satisfaction levels recently returning to pre-Covid levels.

On top of this we have made significant investments in digital technology and enhancements that provide our people and our

LETTER FROM THE CHAIR AND CHIEF EXECUTIVE OFFICER (CONTINUED)

customers with greater autonomy and flexibility. These self-service enhancements saw almost 50,000 calls to the contact centre redirected, despite an increase in passenger numbers.

We have a pipeline of customer innovations and initiatives that will enhance the way we deliver a seamless travel experience for our customers, including the upcoming trial of free WiFi on our domestic jets, which will transform the way we travel here in Aotearoa New Zealand.

And in a small but important step, we announced the purchase of our first battery-powered all-electric aircraft, which is expected to join the fleet in 2026. Decarbonising aviation is challenging, and this purchase provides us the opportunity to advance our knowledge and better understand the transformation needed in the aviation system to enable broad sweeping adoption of electric or electric hybrid aircraft technology.

However, with significantly increased levels of international flying, both that of our own and our competitors, it certainly feels very different to this time last year when pent-up demand and industry-wide capacity constraints drove one of the strongest financial results in our history.

And while we knew that 2023 would not be the new normal, and that many parts of the global aviation eco-system would continue to struggle, new challenges have emerged this year.

Facing into challenges such as the Pratt & Whitney additional engine maintenance requirements has been difficult. It means that up to five of our newest and most efficient Airbus A321neo aircraft are out of service at any one time across the next 18 months at least. Likewise, the delay of our new 787 Dreamliners from Boeing, and the additional maintenance required on the existing 787 fleet means ongoing disruption to the network.

But these challenges have also brought out the best in our people, who once again have gone above and beyond to mitigate the impact of these disruptions and keep our customers moving. It has meant however, that productivity gains and efficiencies we anticipated at the beginning of the financial year will take longer to realise, as we carry extra costs to help mitigate unexpected disruptions in the supply chain.

Some of the challenges we face are significant, and many, like the Pratt & Whitney one, will be with us for more than just the current financial year.

We are also leaning into the reality of a worsening revenue and cost environment, which is expected to have a significant adverse impact on performance for the second half of the financial year.

Earlier this week the airline provided a full year profit outlook for 2024, noting among other things, a deterioration in the forward bookings profile and temporary cost headwinds of around $35 million in the second half to alleviate operational pressures and customer impacts driven by the Pratt & Whitney maintenance requirements.

The business is pulling multiple levers to mitigate the impact of these headwinds, and this is a key focus for the team.

Despite these short-term challenges, the airline is in a fundamentally strong position. Our balance sheet is robust, and the Board is committed to the airline's Capital Management Framework as announced last August, including its ordinary dividend policy.

BETA's ALIA CTOL aircraft
which has been selected as our first next generation aircraft

Financial results

Turning to the results, Air New Zealand has delivered a solid profit for the first six months of the financial year, with earnings before taxation of $185 million.

This represents a decline of 38 percent compared to the prior period, which benefited from significant pent-up demand in a capacity constrained environment.

Passenger revenue performed strongly, increasing 21 percent to $3.1 billion. This was largely due to a significant ramp-up of capacity across our international long-haul network. Demand was stable in most markets, but signs of softness in domestic corporate and Government demand was experienced from September.

Also included within passenger revenue this year is $45 million of Covid-related credit breakage for credits that were considered highly unlikely to be redeemed.

Operating costs, including fuel, grew 21 percent driven by increased long-haul flying and broad-based inflation. US dollar fuel prices declined 14 percent, however increased levels of flying and unfavourable foreign exchange movements saw overall fuel costs grow to $879 million for the first six months.

In addition, cost inflation challenged our productivity efforts, with approximately $100 million of additional non-fuel operating costs. This represents an uplift of around 5 percent for the half and is on top of an increase totalling 15 to 20 percent across the past four years.

Despite these cost headwinds, we have seen some benefits from the return to scale in parts of the cost base. Overall productivity remains below the levels achieved pre-Covid and is a key focus for the future.

Capital management and dividend

Our Capital Management Framework will drive financial resilience and flexibility for the airline. While our metrics are currently stronger than required by the target ranges, management continues to take decisive steps to move closer to the Framework targets.

Sarah
Ground Crew

Katie-Rose
Flight Attendant

LETTER FROM THE CHAIR AND CHIEF EXECUTIVE OFFICER (CONTINUED)

As at 31 December 2023, liquidity was $2.1 billion and net debt to EBITDA was 0.6x. In November 2023, Moody's upgraded the airline's investment grade credit rating from Baa2 to Baa1, reflecting the strength of the airline's recovery and reaffirming Air New Zealand's position as one of the highest credit-rated airlines in the world. Maintaining our investment grade rating provides us with continued access to capital at competitive rates and provides flexibility and resiliency.

On the basis of our balance sheet strength and the result announced today, the Board is pleased to declare an unimputed ordinary interim dividend of 2.0 cents per share, which equates to a payout ratio of 41 percent. This aligns with the airline's policy to pay ordinary dividends equal to between 40 percent to 70 percent of underlying net profit after tax subject to the Board's discretion.

2H Trading update and Outlook

2H trading update

As noted in the airline's market update on 19 February 2024, a number of continuing economic and operational conditions have deteriorated and are now expected to have a significant adverse impact on performance in the second half. These include the impact of additional competition on forward revenue performance, ongoing weakness in domestic corporate and Government demand, temporary cost headwinds of $35 million in the second half to alleviate customer impacts and operational pressures, as well as ongoing cost inflation.

Outlook

In light of these conditions, the airline considers that performance for the second half of the 2024 financial year will be markedly lower than the first half.

In this context, and assuming an average jet fuel price of USD$105/bbl for the second half, the airline currently expects earnings before taxation for the 2024 financial year to be in the range of $200 million to $240 million. This range includes $20 million of currently assumed additional Covid-related credit breakage over the second half. Future redemptions of Covid-related credits remain uncertain and subject to further actions.

We would also like to thank our customers and our shareholders for your ongoing support of the airline. While the global aviation ecosystem is under immense pressure, Air New Zealand remains focused and is committed to delivering for our stakeholders.

Dame Therese Walsh
Chair

Greg Foran
Chief Executive Officer
22 February 2024

Jordan
Flight Attendant

FINANCIAL COMMENTARY

Air New Zealand has reported earnings before taxation of $185 million for the first six months of the 2024 financial year. Net profit after taxation was $129 million.

Revenue

Operating revenue for the period increased 13 percent to $3.5 billion due to a significant ramp-up of capacity flown on international long-haul routes compared to the prior comparative period. Total capacity (Available Seat Kilometres, ASK) increased 29 percent[1], reflecting the return of all Boeing 777-300ER aircraft to the network that were previously grounded due to Covid.

Passenger revenue grew to $3.1 billion as a result of the increased international flying. Demand (Revenue Passenger Kilometres, RPK) increased at a slower rate than capacity, resulting in a load factor of 81.6 percent, a decrease of 5.9 percentage points on the same period last year. Revenue per Available Seat Kilometre (RASK) decreased 15 percent excluding FX, as the significant increase in international long-haul capacity impacted load factors and yields.

International long-haul capacity increased substantially during the period driven by the return of previously grounded Boeing 777-300ER aircraft and the phased lifting of border restrictions in the prior comparative period. Demand on these routes grew at a slower rate than capacity, as pent-up demand and the constrained capacity environment experienced in the prior period was alleviated, resulting in a 7.8 percentage point decline in load factors to 80.1 percent. International long-haul RASK decreased by 14.1 percent excluding the impact of foreign exchange. Changes in foreign exchange provided a 0.7 percent improvement in RASK during the period.

International short-haul capacity increased by 17.5 percent, driven by more widebody flying to Australia. This additional capacity, alongside increased competition, meant that market capacity grew at a faster rate than demand. Load factors decreased 4.0 percentage points to 83.2 percent and RASK decreased 10.2 percent excluding the nominal impact of foreign exchange.

Domestic capacity decreased 0.8 percent in the period, as the schedule was impacted by the global Pratt & Whitney additional engine maintenance requirements, which resulted in several jet aircraft coming out of service for additional maintenance. Demand decreased by more than capacity following a marked slowdown in the Government and corporate customer segments around the time of the New Zealand general election. While load factors decreased 3.0 percentage points to 84.3 percent, Domestic RASK was up 4.1 percent due to strong leisure demand.

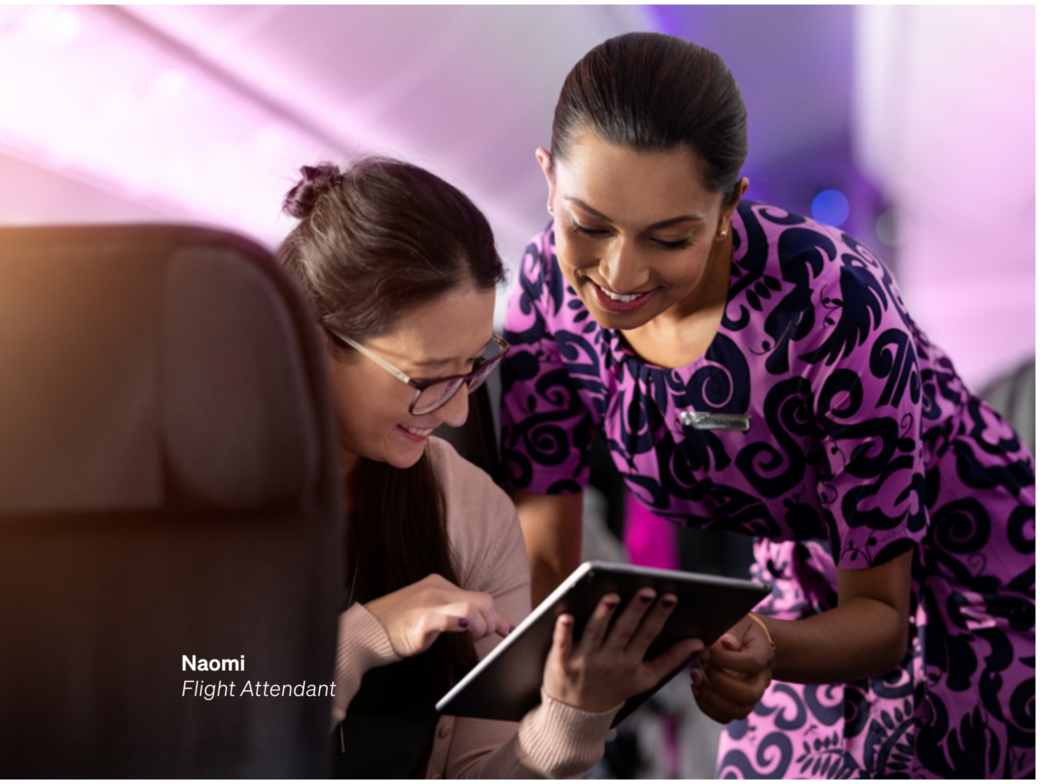
Cargo revenue was $243 million, a decrease of 36 percent. This was driven by the cessation of the New Zealand Government cargo subsidy scheme in March 2023, as well as the increase of capacity into New Zealand as international carriers recommenced flying. Foreign exchange had a nominal impact.

Contract services and other revenue was $174 million, an increase of 5.5 percent, due to increased passenger activity including ancillary and charter services, partially offset by reduced third-party maintenance resulting from the closure of the Gas Turbines business. Foreign exchange had a nominal impact at the end of September.

1. The prior comparative period included both passenger and cargo-only flying. For the six months to 31 December 2023, there was no cargo-only flying.

Neia & Romain
Ground crew

FINANCIAL COMMENTARY (CONTINUED)



Naomi
Flight Attendant

Earnings before taxation of

$185 million

Net profit after taxation of

$129 million

Expenses

Operating expenditure increased to $2.9 billion in the period, reflecting increased flying activity. Costs increased across all areas as the airline further restored its international network. Reported costs per ASK (CASK) improved 6.1 percent however, largely as a result of lower fuel prices compared to the prior comparative period and the change in mix of flying, with a high proportion of lower CASK long-haul flying compared to the prior comparative period. This was partially offset by broad based inflation, which led to a $100 million increase in non-fuel operating costs compared to the prior six month period. Underlying CASK, which excludes the impact of fuel price, foreign exchange and third-party maintenance, improved by 1.2 percent.

Labour costs were $801 million, increasing by 17 percent from the prior period. Full-Time Equivalent labour (FTE) increased 14 percent to approximately 11,650.

The increase in FTE was driven primarily by the need for increased levels of operational staff to support greater international long-haul flying. In addition to this, we have invested in higher levels of resource to manage operational and supply chain disruptions that the Group is currently facing into. Wage inflation of around 4 percent also contributed to higher labour costs in the first half.

Fuel costs were $879 million, increasing 17 percent on the prior comparative period primarily due to a 32 percent or $238 million increase in fuel consumption from greater flying activity. A weaker New Zealand dollar also contributed $12 million to the overall increase. These increases were partially offset by a 14 percent decrease in the underlying US dollar Singapore Jet fuel price, which alongside adverse hedging movements and domestic carbon offsets, contributed to a $125 million reduction in cost relative to the prior period.

Operating revenue of

$3.5 billion

Aircraft operations, passenger services and maintenance costs were up $187 million or 28 percent driven primarily by increased flying on international long-haul routes and inflationary pricing impacts. This was partially offset by reduced third-party maintenance activity following the wind-down and closure of the Gas Turbines operation.

Sales, marketing and other expenses were $387 million, up 25 percent due to additional market development and brand activity, and increased international flying.

Dividend record date	Ex-dividend date	Dividend payment date
8 March 2024	7 March 2024	21 March 2024

Ownership costs were $383 million, comparable to the previous period. Lower net finance costs arose due to higher average cash levels. This was offset in part by higher depreciation costs associated with new aircraft deliveries and capitalised engine maintenance activity.

There was an unfavourable movement in foreign exchange hedging resulting in a net $9 million negative impact on the Group result for the period.

Share of Earnings of Associates

Share of earnings of associates were $20 million, up $2 million due to an increase in earnings from the Christchurch Engine Centre.

Cash and Financial Position

Cash on hand at 31 December 2023 was $1.7 billion, a decrease of $557 million on 30 June 2023. This decrease reflects the payment of a special dividend in September 2023, debt and lease repayments and asset purchases offset by operating cashflows.

Cashflow and Debt

Operating cash flows represented a net inflow of $411 million, reflecting positive cash earnings. Net debt to EBITDA[2] increased to 0.6 times. While this is outside the target range of 1.5 times to 2.5 times, Management and the Board have a number of tools that will be utilised in the coming period to prudently transition the metrics into the target range.

Distributions

On the basis of the airline's balance sheet strength and result for the half, the Board is pleased to declare an unimputed ordinary interim dividend of 2.0 cents per share in-line with the airline's policy to pay ordinary dividends equal to between 40 percent to 70 percent of underlying net profit after tax, subject to the Board's discretion.

Passenger revenue of

$3.1 billion

Liquidity at

$2.1 billion

Unimputed ordinary interim dividend of

2.0 cps

2. EBITDA refers to earnings before interest, taxation, depreciation and amortisation.

CHANGE IN EARNINGS

The key changes in earnings, after isolating the impact of foreign exchange movements, are set out in the table below*:

December 2022 earnings before taxation	$299m	
Passenger capacity	$752m	- Capacity increased by 42 percent (excluding cargo-only flights) due to the ramp-up of the international network and return of all widebody aircraft from storage following the removal of Covid-19 travel restrictions. Including cargo-only flights capacity increased by 29 percent. - Domestic capacity decreased by 1 percent due to the impact of the global Pratt and Whitney engine issue on the A321neo fleet. - International short-haul capacity increased by 18 percent following the restart of routes and greater widebody flying across the Tasman as aircraft were returned from storage. - International long-haul capacity increased 81 percent as isolation requirements were removed and capacity was returned to the network through higher aircraft utilisation and the return of aircraft from storage.
Passenger RASK	-$283m	- Overall Group Revenue per Available Seat Kilometre (RASK) decreased by 15.0 percent excluding FX. Loads decreased by 5.9 percentage points to 81.6 percent. - Domestic RASK increased by 4.1 percent excluding FX with load factor decreasing 3.0 percentage points to 84.3 percent. Strong leisure demand was partially offset by lower Government and corporate travel around the New Zealand Government election. - International short-haul RASK decreased by 10.2 percent excluding FX with load factor decreasing 4.0 percentage points to 83.2 percent. Fares moderated following a period of strong pent-up demand in the prior year along with a return of airline capacity to the market. - International long-haul RASK decreased by 14.1 percent excluding FX with load factors decreasing 7.8 percentage points to 80.1 percent. During the period there was an increase in market capacity.
Passenger Covid Credits	$45m	- A breakage allowance was recognised in the current period for Covid travel credits for which it is considered the likelihood of those credits being utilised is remote.
Cargo revenue	-$138m	- Cargo subsidies provided under the New Zealand Government Maintaining International Air Connectivity (MIAC) scheme reduced by $83 million as borders reopened and passenger demand recovered. Yield declined due to an increase in market capacity which was partially offset by the airline increasing capacity as there were a greater number of flights following a recovery in passenger demand.
Contract services and other revenue	$7m	- Recovery of ancillary revenue following an increase in customer activity and higher charter revenue. This was partially offset by the closure of the Gas Turbines operation.
Labour	-$114m	- Higher labour costs due to an increase in operating activity as demand returned after Covid restrictions were lifted and wage inflation.
Fuel	-$113m	- The average fuel price net of hedging decreased compared to the comparative period resulting in a reduction in costs of $125 million. MOPS price decreased by 14 percent. Consumption increased by 32 percent ($238 million) compared to an increase in capacity of 29 percent.
Aircraft operations, passenger services and maintenance costs	-$183m	- Higher costs related to an increase in flying activity and cost inflation offset by reduced customer maintenance activity following the wind down and closure of the Gas Turbines operation.
Sales and marketing and other expenses	-$77m	- Higher sales and marketing costs associated with market development and brand spend, as well as increases associated with higher customer activity.
Ownership costs	-$3m	- Higher depreciation due to aircraft purchases and capitalised engine maintenance activity offset by a decrease in net finance costs on higher average cash holdings.
Net impact of foreign exchange movements	-$9m	- Reduction in hedging gains due to market movements.
Share of earnings of associates	$2m	- Increase in earnings from the Christchurch Engine Centre.
December 2023 earnings before taxation	$185m	

* The numbers referred to in the Financial Commentary on the previous page have not isolated the impact of foreign exchange.

STATEMENT OF FINANCIAL PERFORMANCE (UNAUDITED)

For the six months to 31 December 2023

	NOTES	6 MONTHS TO 31 DEC 2023 $M	6 MONTHS TO 31 DEC 2022 $M
Operating Revenue			
Passenger revenue	1	**3,057**	2,535
Cargo	2(b)	**243**	378
Contract services		**58**	65
Other revenue		**116**	100
	3	**3,474**	3,078
Operating Expenditure			
Labour		**(801)**	(687)
Fuel		**(879)**	(754)
Maintenance		**(255)**	(187)
Aircraft operations		**(403)**	(340)
Passenger services		**(206)**	(150)
Sales and marketing		**(160)**	(133)
Foreign exchange gains		**5**	14
Other expenses		**(227)**	(177)
		(2,926)	(2,414)
Operating Earnings (excluding items below)		**548**	664
Depreciation and amortisation		**(369)**	(355)
Earnings Before Net Finance Costs, Associates and Taxation		**179**	309
Finance income		**83**	46
Finance costs		**(97)**	(74)
Share of earnings of associates (net of taxation)	2(a)	**20**	18
Earnings Before Taxation		**185**	299
Taxation expense		**(56)**	(86)
Net Profit Attributable to Shareholders of Parent Company		**129**	213
Per Share Information:			
Basic and diluted earnings per share (cents)		**3.8**	6.3
Interim dividend declared per share (cents)		**2.0**	-

These condensed financial statements have not been audited. They have been the subject of review by the auditor pursuant to NZ SRE 2410 (Revised) Review of Financial Statements Performed by the Independent Auditor of the Entity, issued by the External Reporting Board. The accompanying notes form part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the six months to 31 December 2023

	6 MONTHS TO 31 DEC 2023 $M	6 MONTHS TO 31 DEC 2022 $M
Net Profit for the Period	**129**	213
Other Comprehensive Income/(Loss):		
Items that will not be reclassified to profit or loss:		
Actuarial (losses)/gains on defined benefit plans	**(2)**	3
Taxation on above reserve movements	**-**	(1)
Total items that will not be reclassified to profit or loss	**(2)**	2
Items that may be reclassified subsequently to profit or loss:		
Changes in fair value of cash flow hedges	**28**	(13)
Transfers to net profit from cash flow hedge reserve	**(20)**	(20)
Net translation loss on investment in foreign operations	**(1)**	-
Changes in cost of hedging reserve	**3**	(14)
Taxation on above reserve movements	**(4)**	12
Total items that may be reclassified subsequently to profit or loss	**6**	(35)
Total Other Comprehensive Income/(Loss) for the Period, Net of Taxation	**4**	(33)
Total Comprehensive Income for the Period, Attributable to Shareholders of the Parent Company	**133**	180

These condensed financial statements have not been audited. They have been the subject of review by the auditor pursuant to NZ SRE 2410 (Revised), issued by the External Reporting Board. The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the six months to 31 December 2023

	NOTES	SHARE CAPITAL $M	HEDGE RESERVES $M	FOREIGN CURRENCY TRANSLATION RESERVE $M	GENERAL RESERVES $M	TOTAL EQUITY $M
Balance as at 1 July 2023		**3,377**	**(59)**	**(9)**	**(1,230)**	**2,079**
Net profit for the period		**-**	**-**	**-**	**129**	**129**
Other comprehensive income for the period		**-**	**8**	**(2)**	**(2)**	**4**
Total Comprehensive Income for the Period		**-**	**8**	**(2)**	**127**	**133**
Transactions with Owners:						
Equity-settled share-based payments (net of taxation)		**4**	**-**	**-**	**-**	**4**
Equity settlements of staff share award obligations	2(g)	**(5)**	**-**	**-**	**-**	**(5)**
Dividends on Ordinary Shares	6	**-**	**-**	**-**	**(202)**	**(202)**
Total Transactions with Owners		**(1)**	**-**	**-**	**(202)**	**(203)**
Balance as at 31 December 2023	2(h)	**3,376**	**(51)**	**(11)**	**(1,305)**	**2,009**

	NOTES	SHARE CAPITAL $M	HEDGE RESERVES $M	FOREIGN CURRENCY TRANSLATION RESERVE $M	GENERAL RESERVES $M	TOTAL EQUITY $M
Balance as at 1 July 2022		3,373	(42)	(10)	(1,644)	1,677
Net profit for the period		-	-	-	213	213
Other comprehensive loss for the period		-	(34)	(1)	2	(33)
Total Comprehensive Income for the Period		-	(34)	(1)	215	180
Transactions with Owners:						
Equity-settled share-based payments (net of taxation)		3	-	-	-	3
Equity settlements of staff share award obligations	2(g)	(2)	-	-	-	(2)
Total Transactions with Owners		1	-	-	-	1
Balance as at 31 December 2022		3,374	(76)	(11)	(1,429)	1,858

These condensed financial statements have not been audited. They have been the subject of review by the auditor pursuant to NZ SRE 2410 (Revised), issued by the External Reporting Board. The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 31 December 2023

	NOTES	31 DEC 2023 $M	30 JUN 2023 $M
Current Assets			
Bank and short term deposits		**1,670**	2,227
Trade and other receivables		**473**	496
Inventories		**123**	119
Derivative financial assets		**51**	90
Intangible assets		**38**	35
Income taxation		**2**	2
Other assets	2(c)	**295**	300
Total Current Assets		**2,652**	3,269
Non-Current Assets			
Trade and other receivables		**24**	23
Property, plant and equipment		**3,523**	3,261
Right of use assets		**1,604**	1,687
Intangible assets		**188**	172
Investments in other entities	2(a)	**186**	190
Derivative financial assets		**107**	122
Deferred taxation	2(d)	**-**	8
Other assets	2(c)	**469**	463
Total Non-Current Assets		**6,101**	5,926
Total Assets		**8,753**	9,195
Current Liabilities			
Trade and other payables		**881**	780
Revenue in advance		**1,755**	2,050
Interest-bearing liabilities	2(e)	**179**	193
Lease liabilities		**346**	352
Derivative financial liabilities		**124**	76
Provisions		**30**	65
Income taxation		**7**	7
Other liabilities		**261**	313
Total Current Liabilities		**3,583**	3,836
Non-Current Liabilities			
Revenue in advance	1	**280**	185
Interest-bearing liabilities	2(e)	**1,372**	1,485
Lease liabilities		**1,150**	1,305
Derivative financial liabilities		**120**	137
Provisions		**159**	133
Other liabilities		**35**	35
Deferred taxation		**45**	-
Total Non-Current Liabilities		**3,161**	3,280
Total Liabilities		**6,744**	7,116
Net Assets		**2,009**	2,079
Equity			
Share capital		**3,376**	3,377
Reserves	2(h)	**(1,367)**	(1,298)
Total Equity		**2,009**	2,079

Dame Therese Walsh
CHAIR

Alison Gerry
DIRECTOR

For and on behalf of the Board, 22 February 2024

These condensed financial statements have not been audited. They have been the subject of review by the auditor pursuant to NZ SRE 2410 (Revised), issued by the External Reporting Board. The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS (UNAUDITED)

For the six months to 31 December 2023

	NOTES	6 MONTHS TO 31 DEC 2023 $M	6 MONTHS TO 31 DEC 2022 $M
Cash Flows from Operating Activities			
Receipts from customers		**3,295**	3,235
Payments to suppliers and employees		**(2,876)**	(2,228)
Interest paid		**(93)**	(66)
Interest received		**85**	31
Net Cash Flow from Operating Activities		**411**	972
Cash Flows used in Investing Activities			
Disposal of property, plant and equipment, intangibles and assets held for resale		**2**	21
Distribution from associates		**12**	16
Acquisition of property, plant and equipment, right of use assets and intangibles		**(458)**	(287)
Interest-bearing asset receipts		**(6)**	(67)
Net Cash Flow used in Investing Activities		**(450)**	(317)
Cash Flows used in Financing Activities			
Interest-bearing liabilities drawdowns	2(e)	**-**	100
Lease liabilities drawdowns		**-**	95
Equity settlements of staff share awards	2(g)	**(5)**	(2)
Interest-bearing liabilities payments		**(102)**	(149)
Lease liabilities payments		**(202)**	(157)
Redemption of redeemable shares	2(f)	**-**	(200)
Rollover of foreign exchange contracts*		**-**	25
Dividends on Ordinary Shares	6	**(209)**	-
Net Cash Flow used in Financing Activities		**(518)**	(288)
(Decrease)/Increase in Cash and Cash Equivalents		**(557)**	367
Cash and cash equivalents at the beginning of the period		**2,227**	1,793
Cash and Cash Equivalents at the End of the Period		**1,670**	2,160
Reconciliation of Net Profit Attributable to Shareholders to Net Cash Flows from Operating Activities:			
Net profit attributable to shareholders		**129**	213
Plus/(less) non-cash items:			
Depreciation and amortisation		**369**	355
Loss on disposal of property, plant and equipment, right of use assets and assets held for sale		**4**	4
Impairment reversal on property, plant and equipment and assets held for sale		**-**	(13)
Impairment expense on investments in other entities		**4**	-
Foreign exchange losses on uncovered interest-bearing liabilities and lease liabilities		**-**	12
Share of earnings of associates	2(a)	**(20)**	(18)
Movements on fuel derivatives		**6**	(17)
Foreign exchange losses		**20**	32
Other non-cash items		**4**	5
		516	573
Net working capital movements:			
Assets		**11**	(75)
Revenue in advance		**(200)**	206
Liabilities		**84**	268
		(105)	399
Net Cash Flow from Operating Activities		**411**	972

*Relates to gains/losses on rollover of foreign exchange contracts that hedge exposures in other financial periods.

These condensed financial statements have not been audited. They have been the subject of review by the auditor pursuant to NZ SRE 2410 (Revised), issued by the External Reporting Board. The accompanying notes form part of these financial statements.

CONDENSED NOTES TO THE INTERIM FINANCIAL STATEMENTS (UNAUDITED)

As at and for the six months to 31 December 2023

1. FINANCIAL STATEMENTS

The condensed consolidated interim financial statements ("financial statements") presented are for the parent company Air New Zealand Limited ("Air New Zealand' or 'the Company") and its subsidiaries (together referred to as "the Group"), and the Group's interest in joint ventures and associates.

Air New Zealand is a profit-oriented entity that is domiciled in New Zealand. The Company is registered under the Companies Act 1993 and listed on the New Zealand Stock Exchange (NZX) and Australian Securities Exchange (ASX) and has bonds listed on the NZX debt market. The Company is an FMC Reporting Entity under the Financial Markets Conduct Act 2013.

Air New Zealand's primary business is the transportation of passengers and cargo on scheduled airline services.

Basis of Preparation

Air New Zealand prepares its financial statements in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP") as it applies to the interim period. NZ GAAP consists of New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS") and other applicable financial reporting standards as appropriate to profit-oriented entities.

These financial statements have not been audited. The financial statements comply with NZ IAS 34: Interim Financial Reporting and IAS 34: Interim Financial Reporting and have been the subject of review by the auditor, pursuant to NZ SRE 2410 (Revised) Review of Financial Statements Performed by the Independent Auditor of the Entity, issued by the External Reporting Board.

The financial statements should be read in conjunction with the Annual Report for the year ended 30 June 2023.

Material accounting policy information

The accounting policies and computation methods used in the preparation of the financial statements are consistent with those used as at 30 June 2023 and 31 December 2022 except as outlined below.

On 1 July 2023, the Group adopted amendments to NZ IAS 1 that requires disclosure of 'material accounting policy information' instead of 'significant accounting policies'. The Group's significant accounting policies were disclosed within the Group's annual financial statements for the year ended 30 June 2023. The adoption of the amendments did not have any impact on the Group's interim financial statements. The Group's annual financial statements for the year ended 30 June 2024 will present only those policies which the Group considers material.

The External Reporting Board ("XRB") of New Zealand issued three Climate Standards that set requirements for: Climate-related Disclosures (Aotearoa New Zealand Climate Standard 1 (NZ CS 1)); First-time adoption of Aotearoa New Zealand Climate Standards (NZ CS 2); and General Requirements for climate-related Disclosures (NZ CS 3). The Climate Standards are effective from 1 January 2023, with mandatory assurance required on the Greenhouse Gas emissions included in the Climate Statements for the 2025 Group Annual Report. The Group will adopt the Climate Standards for the year ended 30 June 2024 and may apply adoption provisions permitted under the standards. For the 2023 financial year voluntary Climate-related Disclosures were prepared that followed the principles outlined in the international Task Force on Climate-related Financial Disclosures ("TCFD"). The Group is building upon the TCFD disclosures to ensure compliance with the new Climate Standards in the 2024 financial year.

Use of accounting estimates and judgements

The Group applied a critical accounting estimate to the following area within the interim financial statements:

Revenue in advance

Due to flight cancellations, travel disruptions and domestic flexibility policies arising during the Covid-19 pandemic, the Group issued travel credits which can be used to book future customer travel. As at 30 June 2023 the Group did not recognise any breakage within revenue as it was considered there was insufficient certainty as to the future customer redemption profile. Since this time additional information has been gathered and redemption levels across several customer segments have normalised which has enabled the Group to identify a portion of credits for which the likelihood of those credits being utilised is considered remote. These credits have an expiry date of 31 January 2026. A breakage allowance of $45 million was recognised in the Statement of Financial Performance within "Passenger revenue" for the six months ended 31 December 2023.

2. GENERAL DISCLOSURES

Group composition

(a) The Group has a 49% interest in the Christchurch Engine Centre ("CEC") and a 21% interest in Drylandcarbon One Partnership LLC which are recognised as investments in associates. The Group's share of equity accounted earnings from the CEC was $20 million (31 December 2022: $18 million).

Government grants

(b) The Group was awarded grants to supply international airfreight services by the New Zealand Government through the Ministry of Transport as part of its efforts to ensure the supply of critical imports and maintain economic benefits of high value New Zealand exports during the Covid-19 pandemic. The arrangements were for a period from 30 April 2020 through to 31 March 2023. The awards were negotiated on an arm's length basis using standard commercial terms. The amount recognised within "Cargo revenue" in the Statement of Financial Performance for the six months ended 31 December 2022 was $83 million. No amounts were recognised during the six months ended 31 December 2023. All conditions attached to the grants were satisfied at the date of recognition.

CONDENSED NOTES TO THE INTERIM FINANCIAL STATEMENTS (UNAUDITED)

As at and for the six months to 31 December 2023

2. GENERAL DISCLOSURES (CONTINUED)

Interest-bearing assets

(c) "Other assets" include interest-bearing assets of $737 million (30 June 2023: $732 million). Interest-bearing assets are measured at amortised cost, using the effective interest method, less any impairment. The fair value of interest-bearing assets as at 31 December 2023 was $745 million (30 June 2023: $729 million). Interest-bearing assets are subject to fixed and floating interest rates. Fixed interest rates in the six months to 31 December 2023 ranged from 3.1% per annum to 6.3% per annum (six months to 31 December 2022: 0.6% per annum to 4.6% per annum).

Deferred taxation

(d) The Group recognised a deferred tax asset of $8 million as at 30 June 2023. Cash flow projections used to model the Group's anticipated recovery timeframe were used to inform judgement around the recognition and recoverability of the net deferred tax asset relating to income tax losses.

Interest-bearing liabilities

(e) Interest-bearing liabilities of $1,551 million (30 June 2023: $1,678 million) are recognised initially at fair value and subsequently measured at amortised cost, with the changes in market interest rates on certain interest-bearing liabilities measured at fair value. The fair value at 31 December 2023 was $1,603 million (30 June 2023: $1,721 million).

Interest-bearing liabilities include unsecured bonds of $104 million (30 June 2023: $102 million), secured borrowings of $866 million which are secured over aircraft assets (30 June 2023: $998 million) and unsecured Australian Medium Term Notes of $581 million (30 June 2023: $578 million). Secured borrowings are subject to both fixed and floating interest rates. Fixed interest rates on secured borrowings were 1.0% per annum in the six months to 31 December 2023 (six months to 31 December 2022: 1.0% per annum). Australian Medium Term Notes have a fixed coupon between 5.7% and 6.5% per annum payable semi-annually.

On 27 October 2022, the Group issued $100 million of unsecured, unsubordinated fixed rate bonds with a maturity date of 27 April 2028 and an interest rate of 6.61% per annum payable semi-annually. The Group repaid $50 million of five year unsecured unsubordinated fixed rate bonds at the maturity date of 28 October 2022. The bonds had a fixed interest rate of 4.25% per annum which was payable semi-annually.

On 30 March 2022 an unsecured committed revolving standby loan facility (CSF2 Loan Facility) was entered into with the New Zealand Government for up to $400 million for a period through to 30 January 2026 for the purpose of providing additional liquidity, if required, as the airline recovered from the effects of the pandemic. No amounts have been drawn under the facility.

Redeemable shares

(f) On 28 November 2022 the Group redeemed $200 million of redeemable shares issued to the New Zealand Government. No amounts remain on issue and no further issues can be made under the subscription agreement.

Share capital

(g) During the six months ended 31 December 2023 the Group funded the on-market purchase of 6,831,839 shares for $5 million (31 December 2022: 2,016,383 shares for $2 million). The shares were used to settle obligations under staff share award and long-term incentive schemes. The total cost of the purchase including transaction costs has been deducted from "Share capital".

Hedge reserves

(h) As at 31 December 2023, $40 million of losses (30 June 2023: $46 million of losses) were held in the cash flow hedge reserve and $11 million of losses (30 June 2023: $13 million of losses) in the costs of hedging reserve. These reserves are combined within the Statement of Changes in Equity as "Hedge reserves".

3. SEGMENTAL INFORMATION

Air New Zealand operates predominantly 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. Resource allocation decisions across the network are made to optimise the consolidated Group's financial result.

Geographical

An analysis of revenue by geographical region of original sale is provided below.

	6 MONTHS TO 31 DEC 2023 $M	6 MONTHS TO 31 DEC 2022 $M
Analysis of revenue by geographical region of original sale		
New Zealand	**2,165**	2,019
Australia and Pacific Islands	**396**	412
Asia, United Kingdom and Europe	**454**	288
Americas	**459**	359
Total Operating Revenue	**3,474**	3,078

The principal non-current asset of the Group is the aircraft fleet, which is registered in New Zealand and employed across the worldwide network. Accordingly, there is no reasonable basis for allocating the assets to geographical segments.

CONDENSED NOTES TO THE INTERIM FINANCIAL STATEMENTS (UNAUDITED)

As at 31 December 2023

4. COMMITMENTS

Capital commitments

	31 DEC 2023 $M	30 JUN 2023 $M
Aircraft and engines	**2,539**	2,855
Other assets	**135**	147
	2,674	3,002

Capital commitments include eight Boeing 787 aircraft (contractual delivery from 2025 to 2028 financial years), three Airbus A321neo aircraft (delivery from the 2024 to 2027 financial years) and two ATR aircraft (delivery in the 2025 financial year).

Lease commitments

	31 DEC 2023 $M	30 JUN 2023 $M
Aircraft	**211**	181
	211	181

Lease commitments include one Boeing 773 aircraft (delivery in second half of the 2024 financial year) and two Airbus A321neos (delivery in the 2025 financial year). The agreement to lease the Boeing 773 aircraft was signed on 15 February 2024 and is reflected in the above table.

5. CONTINGENT LIABILITIES

All significant legal disputes involving probable loss that can be reliably estimated have been provided for in the financial statements.

No other significant contingent liability claims are outstanding at balance date.

Outstanding letters of credit and financial guarantees total $29 million (30 June 2023: $20 million).

The Group has a partnership agreement with Pratt and Whitney in which it holds a 49% interest in the CEC. By the nature of the agreement, joint and several liability exists between the two parties. Total liabilities of the CEC as at 31 December 2023 were $106 million (30 June 2023: $215 million).

6. DIVIDENDS

On 22 February 2024, the Board of Directors declared an interim dividend of 2.0 cents per Ordinary Share payable on 21 March 2024 to registered shareholders at 8 March 2024. The total dividend payable will be $67 million. No imputation credits will be attached and supplementary dividends will not be paid to non-resident shareholders. The dividend has not been recognised in the December 2023 financial statements.

A special dividend in respect of the 2023 financial year of 6.0 cents per Ordinary Share was paid on 21 September 2023. Imputation credits were attached and supplementary dividends paid to non-resident shareholders.

The dividend reinvestment plan is currently suspended.

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE SHAREHOLDERS OF AIR NEW ZEALAND LIMITED

For the six months ended 31 December 2023

Deloitte.

The Auditor-General is the auditor of Air New Zealand Limited ('the Company') and its subsidiaries ('the Group'). The Auditor-General has appointed me, Melissa Collier, using the staff and resources of Deloitte Limited, to carry out the review of the condensed consolidated interim financial statements ('interim financial statements') of the Group on his behalf.

CONCLUSION

We have reviewed the interim financial statements of the Group on pages 13 to 20, which comprise the Statement of Financial Position as at 31 December 2023, and the Statement of Financial Performance, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the six months ended on that date, and condensed notes to the interim financial statements, including material accounting policy information.

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements of the Group do not present fairly, in all material respects, the financial position of the Group as at 31 December 2023, and its financial performance and cash flows for the six months ended on that date, in accordance with NZ IAS 34 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting*.

BASIS FOR CONCLUSION

We conducted our review in accordance with NZ SRE 2410 (Revised) *Review of Financial Statements Performed by the Independent Auditor of the Entity* ('NZ SRE 2410 (Revised)'). Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Interim Financial Statements section of our report.

We are independent of the Group in accordance with the Auditor-General's ethical requirements relating to the audit of the annual financial statements, which incorporate the independence requirements issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

In addition to this review and the audit of the Group's annual financial statements, we have carried out assurance services relating to greenhouse gas emissions inventory, passenger facility charges and compliance with student fee protection rules. In addition we provide non-assurance services to the Corporate Taxpayers Group of which Air New Zealand is a member, along with a number of other organisations. Principals and employees of our firm deal with the Group on normal terms within the ordinary course of trading activities of the Group. These engagements and trading activities have not impaired our independence as auditor of the Group.

Other than these engagements and trading activities, we have no relationship with, or interests in, the Group.

DIRECTORS' RESPONSIBILITIES FOR THE INTERIM FINANCIAL STATEMENTS

The directors are responsible, on behalf of the Group, for the preparation and fair presentation of these interim financial statements in accordance with NZ IAS 34 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting* and for such internal control as the Board of Directors determine is necessary to enable the preparation and fair presentation of the interim financial statements that are free from material misstatement, whether due to fraud or error.

The directors are also responsible for the publication of the interim financial statements, whether in printed or electronic form.

AUDITOR'S RESPONSIBILITIES FOR THE REVIEW OF THE INTERIM FINANCIAL STATEMENTS

Our responsibility is to express a conclusion on the interim financial statements based on our review. NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements, taken as a whole, are not prepared, in all material respects, in accordance with NZ IAS 34 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting*.

A review of the interim financial statements in accordance with NZ SRE 2410 (Revised) is a limited assurance engagement. We perform procedures, primarily consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these interim financial statements.

M Collier

Melissa Collier
Partner

for Deloitte Limited
On behalf of the Auditor-General

22 February 2024
Auckland, New Zealand

SHAREHOLDER ENQUIRIES

Shareholder Communication

Air New Zealand's investor website **airnzinvestor.co.nz** provides shareholders with information on monthly operating statistics, financial results, stock exchange releases, corporate governance, annual meetings, investor presentations, important dates and contact details. Shareholders can also view webcasts of key events from this site.

Shareholders who would like to receive electronic news updates can register online at: **airnzinvestor.co.nz** or email Investor Relations directly on: **investor@airnz.co.nz**

Share Registrar

Link Market Services Limited
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PO Box 91976, Auckland 1142, New Zealand

Phone: (64 9) 375 5998 (New Zealand)
(61) 1300 554 474 (Australia)

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Website: www.airnzinvestor.com

Sarah
Ground Crew

AIR NEW ZEALAND

A STAR ALLIANCE MEMBER

Results announcement

(for Equity Security issuer/Equity and Debt Security issuer)

Results for announcement to the market		
Name of issuer	Air New Zealand	
Reporting Period	6 months to 31 December 2023	
Previous Reporting Period	6 months to 31 December 2022	
Currency	New Zealand Dollars	
	Amount (000s)	**Percentage change**
Revenue from continuing operations	3,474,000	12.9%
Total Revenue	3,474,000	12.9%
Net profit from continuing operations	129,000	39.4%
Total net profit	129,000	39.4%
Interim Dividend (NZ$)		
Amount per Quoted Equity Security	0.02000000	
Imputed amount per sec Quoted Equity Security	0.00000000	
Record Date	8-Mar-2024	
Dividend Payment Date	21-Mar-2024	
NZ$ Amount	**Reporting Period**	**Prior Comparative Period**
Net tangible assets per Quoted Equity Security	0.54	0.46
A brief explanation of any of the figures above necessary to enable the figures to be understood	Refer to media release. The interim dividend was declared on 22 February 2024.	
Authority for this announcement		
Name of person authorised to make this announcement	Jennifer Page, General Counsel and Company Secretary	
Contact person for this announcement	Leila Peters, General Manager Corporate Finance	
Contact phone number	+64 9 336 2607	
Contact email address	investor@airnz.co.nz	
Date of release through MAP	22 February 2024	

Unaudited interim financial statements accompany this announcement.

PRELIMINARY HALF YEAR REPORT ANNOUNCEMENT
AIR NEW ZEALAND LIMITED
Half Year Ended 31 December 2023 (referred to in this report as the "current half year")

1 Information prescribed by NZX

Refer to Results for announcement to the market.

2 The following information, which may be presented in whatever way the Issuer considers is the most clear and helpful to users, e.g., combined with the body of the announcement, combined with notes to the financial statements, or set out separately.

(a) A Statement of Financial Performance
Refer to the Interim Financial Statements.

(b) A Statement of Financial Position
Refer to the Interim Financial Statements.

(c) A Statement of Cash Flows
Refer to the Interim Financial Statements.

(d) Details of individual and total dividends or distributions and dividend or distribution payments, which:
(i) have been declared, and
(ii) relate to the period (in the case of ordinary dividends or ordinary dividends and special dividends declared at the same time) or were declared within the period (in the case of special dividends).

On 22 February 2024, the Board of Directors declared an interim dividend of 2.0 cents per Ordinary Share payable on 21 March 2024 to registered shareholders at 8 March 2024. The total dividend payable will be $67 million. No imputation credits will be attached and supplementary dividends will not be paid to non-resident shareholders. The dividend has not been recognised in the December 2023 financial statements.

A special dividend in respect of the 2023 financial year of 6.0 cents per Ordinary Share was paid on 21 September 2023. Imputation credits were attached and supplementary dividends paid to non-resident shareholders.

	$NZ'm*	NZ Cents Per Share
Distributions recognised		
Special dividend for 2023 financial year on Ordinary Shares	202	6.0
Distributions paid		
Special dividend for 2023 financial year on Ordinary Shares	209	6.0

* The difference between distributions recognised and paid relates to supplementary dividends.

(e) A Statement of Movements in Equity
Refer to the Interim Financial Statements.

(f) Net tangible assets per security with the comparative figure for the previous corresponding period

(NZ Cents Per Share)	Current period	Prior comparable period
Ordinary Shares	54	46

(g) Commentary on the results

		Measurement	Current period	Prior comparable period
(i)	Basic and diluted earnings per share	NZ cents per share	3.8	6.3
(ii)	Returns to shareholders (see also section (d) above)			
	Special dividend on Ordinary Shares*	$NZ'm	202	-

* Reflects the special dividend for the 2023 financial year. Details on the special dividend for the 2023 financial year is provided in the second paragraph of section 2(d).

(iii) Significant features of operating performance:
Refer to the media release.

(iv) Discussion of trends in performance:
Refer to the media release.

(v) The Issuer's dividend policy

Refer to Air New Zealand website - https://www.airnewzealand.co.nz/dividend-history

(vi) Any other factors which have or are likely to affect the results, including those where the effect could not be quantified:

Refer to the media release.

(h) Audit of financial statements

The annoucement is based on unaudited interim financial statements. The interim financial statements have been the subject of review by the external auditor, pursuant to NZ SRE 2410 (Revised) Review of Financial Statements Performed by the Independent Auditor of the Entity, issued by the External Reporting Board.

Basis of preparation

This report is compiled in accordance with New Zealand Generally Accepted Accounting Practice (“NZ GAAP”). NZ GAAP consists of New Zealand equivalents to International Financial Reporting Standards (“NZ IFRS”) and other applicable financial reporting standards as appropriate to profit-oriented entities.

Accounting policies

Refer to Note 1 of the Interim Financial Statements.

Changes in accounting policies

Refer to Note 1 of the Interim Financial Statements.

Audit Review Report

A copy of the review report is attached at the back of the Interim Financial Statements.

Additional information

Not applicable.

This half year report was approved by the Board of Directors on 22 February 2024.

TMWalsh

Dame Therese Walsh

Chair

NZX
NEW ZEALAND'S EXCHANGE
TE PAEHOKO O AOTEAROA

Distribution Notice

Section 1: Issuer information				
Name of issuer	Air New Zealand Limited			
Financial product name/description	Ordinary Shares			
NZX ticker code	AIR.NZ			
ISIN (If unknown, check on NZX website)	NZAIRE0001S2			
Type of distribution (Please mark with an X in the relevant box/es)	Full Year		Quarterly	
	Half Year	X	Special	
	DRP applies			
Record date	08/03/2024			
Ex-Date (one business day before the Record Date)	07/03/2024			
Payment date (and allotment date for DRP)	21/03/2024			
Total monies associated with the distribution	$67,369,285			
Source of distribution (for example, retained earnings)	Operating Free Cash Flow			
Currency	New Zealand			
Section 2: Distribution amounts per financial product				
Gross distribution	$0.02000000			
Gross taxable amount	$0.02000000			
Total cash distribution	$0.02000000			
Excluded amount (applicable to listed PIEs)	N/A			
Supplementary distribution amount	$0.00000000			
Section 3: Imputation credits and Resident Withholding Tax				
Is the distribution imputed	~~Fully imputed~~			
	~~Partial imputation~~			
	No imputation			
If fully or partially imputed, please state imputation rate as % applied	N/A			
Imputation tax credits per financial product	$0.00000000			
Resident Withholding Tax per financial product	$0.00660000			

Section 4: Distribution re-investment plan (if applicable)		
DRP % discount (if any)	N/A	
Start date and end date for determining market price for DRP	N/A	N/A
Date strike price to be announced (if not available at this time)	N/A	
Specify source of financial products to be issued under DRP programme (new issue or to be bought on market)	N/A	
DRP strike price per financial product	N/A	
Last date to submit a participation notice for this distribution in accordance with DRP participation terms	N/A	
Section 5: Authority for this announcement		
Name of person authorised to make this announcement	Jennifer Page, General Counsel and Company Secretary	
Contact person for this announcement	Jennifer Page	
Contact phone number	+64 279090691	
Contact email address	Jennifer.Page@airnz.co.nz	
Date of release through MAP	22/02/2024	