

Air New Zealand Limited
Fuel Hedge Position as at 18 November 2011

		Units	FY12 Q1 Jul-Sep	FY12 Q2 Oct-Dec	FY12 Q3 Jan-Mar	FY12 Q4 Apr-Jun	Total FY12 1st Half	Total FY12 2nd Half
WTI Collars	Volume	Barrels	1,755,000	1,537,500	970,000	175,000	3,292,500	1,145,000
	Ceiling Price	USD	98.82	103.15	104.28	104.14	100.84	104.26
	Floor Price	USD	85.40	91.93	94.10	95.36	88.45	94.29
WTI Bought Put	Volume	Barrels	125,000	550,000	75,000		675,000	75,000
	Strike Price	USD	80.00	80.00	80.00		80.00	80.00
Total hedged		Barrels	1,755,000	1,537,500	970,000	175,000	3,292,500	1,145,000
Estimated fuel consumption		Barrels	1,804,907	1,879,173	1,918,218	1,711,114	3,684,081	3,629,332
Hedge ratio			97%	82%	51%	10%	89%	32%
Compensation from fuel hedges (1)		USD	1,496,145	(4,646,227)	(807,705)	(353,605)	(3,150,082)	(1,161,310)
Purchase cost of options		USD	(5,101,625)	(5,743,000)	(2,758,600)	(461,000)	(10,844,625)	(3,219,600)
Net compensation from hedges (2)		USD	(3,605,480)	(10,389,227)	(3,566,305)	(814,605)	(13,994,707)	(4,380,910)

Notes:

WTI spot was US\$97.00. 12 month WTI was US\$96.00. Periods relate to the month of uplift.

Air New Zealand does not use three way call structures or leveraged collar structures.

Purchase cost of options includes premium for WTI bought puts.

(1) Compensation from fuel hedges is the sum of the mark-to-market value of all fuel swaps and options as at 18 November 2011.

(2) Net compensation from fuel hedges represents the unrealised gains and losses on fuel hedges. These gains and losses will be accounted for in line with Air New Zealand Limited's fuel instrument accounting policy:

- The effective portion of changes in the intrinsic value of fuel derivatives is recognised through the cash flow hedge reserve;
- Changes in the time value of fuel derivatives are recognised through earnings; and
- Any accounting ineffectiveness is recognised through earnings.

Key: Volume: Fuel volume is reported in barrels for passenger aircraft (42 US gallons in a barrel)

Price: Price is quoted in USD cost per barrel of West Texas Intermediate (WTI).