



Contents

- April market conditions
- Company news
- Operating statistics table

April market conditions

Air New Zealand carried 1,049,000 passengers during the month of April, 0.3% more than the same period last year. Revenue passenger kilometres (RPKs) increased 3.9% on a capacity (ASKs) increase of 2.7%. Group load factor was 83.1%, up 1.0 percentage point.

The Short Haul network was impacted by the timing of the Easter and ANZAC holiday periods falling on consecutive weeks, with passenger numbers down 0.3% on the same period last year.

Demand (RPKs) decreased in the Domestic market by 1.3%, while capacity increased 5.0%. Domestic load factor was down 5.1 percentage points to 79.9%.

Tasman/Pacific demand (RPKs) increased 4.4% while capacity (ASKs) increased by 3.4%. Load factor on Tasman/Pacific was up 0.8 of a percentage point to 84.1%.

Long Haul passenger numbers increased 5.5% compared to April last year, with demand (RPKs) and capacity (ASKs) up 5.4% and 1.5% respectively. Load factor increased by 3.2 percentage points to 83.5%.

On North America/UK routes, demand (RPKs) increased 4.2% with capacity (ASKs) increasing by 0.8%. Load factor increased 2.7 percentage points to 83.4%.

Demand (RPKs) was up 8.0% on Asia/Japan/UK routes, with capacity (ASKs) increasing by 2.7%. Load factor increased 4.2 percentage points to 83.6%.

Group-wide yields for the financial year to date were up 0.9% on the same period last year. Short Haul yields were up 0.1%, while Long Haul yields were up 0.7%. Removing the impact of foreign exchange, Group-wide yields were up 3.2%.

In April, 80.4% of Air New Zealand's Domestic Jet flights departed within 10 minutes of scheduled departure time.



Company news

[\\$20 million extension to Air New Zealand & Tourism New Zealand partnership](#)

On 20 May 2014 Air New Zealand and Tourism New Zealand announced a \$20 million extension to their marketing partnership. The airline signed a Memorandum of Understanding with Tourism New Zealand last year to undertake joint marketing activity promoting travel to New Zealand in key international markets.

The announcement, which will see the partnership continue through financial year 2015, will extend cooperative marketing activity to include Singapore and South East Asia, in support of Air New Zealand's proposed alliance with Singapore Airlines.

[Christchurch Engine Centre opens new state-of-the-art facility](#)

On 9 May 2014 Pratt & Whitney and Air New Zealand opened new workshops and a logistics centre at the Christchurch Engine Centre to perform V2500 engine maintenance, repair and overhaul work. The Christchurch Engine Centre, based at Christchurch Airport, is a joint venture between Pratt & Whitney and Air New Zealand. Pratt & Whitney is a division of United Technologies Corp. (NYSE:UTX).

The new 13,500-square-metre space replaces three older buildings on separate sites, reducing the facility's footprint and cost base, while increasing efficiencies.

The centre's V2500 engine maintenance shop, established in 2004, employs around 300 staff and overhauls the popular International Aero Engines V2500 engine for Air New Zealand and various other airline customers.

[First regulatory clearance for proposed Singapore Airlines alliance](#)

The Competition Commission of Singapore has given clearance for the proposed alliance between Air New Zealand and Singapore Airlines.

Air New Zealand welcomes the decision which is the first of two regulatory approvals required. The alliance is also subject to the approval of the New Zealand Minister of Transport. The Competition Commission of Singapore has found that any competition concerns associated with the proposed alliance are outweighed by the net economic benefits to Singapore.

Monthly *investor update*



Group	APRIL			FINANCIAL YTD		
	2014	2013	% *	2014	2013	% * +
Passengers carried (000)	1,049	1,046	0.3%	11,487	11,273	2.2%
Revenue Passenger Kilometres(m)	2,077	1,999	3.9%	23,575	23,467	0.8%
Available Seat Kilometres (m)	2,501	2,436	2.7%	27,929	28,003	0.1%
Passenger Load Factor (%)	83.1%	82.1%	1.0 pts	84.4%	83.8%	0.6 pts
Short Haul Total	APRIL			FINANCIAL YTD		
	2014	2013	% *	2014	2013	% * +
Passengers carried (000)	941	944	(0.3%)	10,213	9,971	2.8%
Revenue Passenger Kilometres(m)	1,023	999	2.5%	11,161	10,829	3.4%
Available Seat Kilometres (m)	1,238	1,191	4.0%	13,455	13,010	3.8%
Passenger Load Factor (%)	82.7%	83.9%	(1.2 pts)	83.0%	83.2%	(0.2 pts)
Domestic	APRIL			FINANCIAL YTD		
	2014	2013	% *	2014	2013	% * +
Passengers carried (000)	688	699	(1.6%)	7,433	7,263	2.7%
Revenue Passenger Kilometres(m)	339	344	(1.3%)	3,655	3,532	3.8%
Available Seat Kilometres (m)	425	405	5.0%	4,479	4,287	4.8%
Passenger Load Factor (%)	79.9%	85.0%	(5.1 pts)	81.6%	82.4%	(0.8 pts)
Tasman / Pacific	APRIL			FINANCIAL YTD		
	2014	2013	% *	2014	2013	% * +
Passengers carried (000)	253	245	3.6%	2,780	2,708	3.0%
Revenue Passenger Kilometres(m)	684	655	4.4%	7,507	7,297	3.2%
Available Seat Kilometres (m)	813	786	3.4%	8,976	8,723	3.2%
Passenger Load Factor (%)	84.1%	83.3%	0.8 pts	83.6%	83.7%	(0.1 pts)
Long Haul Total	APRIL			FINANCIAL YTD		
	2014	2013	% *	2014	2013	% * +
Passengers carried (000)	108	102	5.5%	1,273	1,301	(1.8%)
Revenue Passenger Kilometres(m)	1,054	1,000	5.4%	12,414	12,638	(1.5%)
Available Seat Kilometres (m)	1,263	1,245	1.5%	14,474	14,992	(3.1%)
Passenger Load Factor (%)	83.5%	80.3%	3.2 pts	85.8%	84.3%	1.5 pts
Asia / Japan / UK	APRIL			FINANCIAL YTD		
	2014	2013	% *	2014	2013	% * +
Passengers carried (000)	38	35	8.0%	435	524	(16.7%)
Revenue Passenger Kilometres(m)	349	323	8.0%	3,884	4,768	(18.3%)
Available Seat Kilometres (m)	417	406	2.7%	4,690	5,892	(20.1%)
Passenger Load Factor (%)	83.6%	79.4%	4.2 pts	82.8%	80.9%	1.9 pts
North America / UK	APRIL			FINANCIAL YTD		
	2014	2013	% *	2014	2013	% * +
Passengers carried (000)	70	67	4.1%	839	777	8.2%
Revenue Passenger Kilometres(m)	706	677	4.2%	8,529	7,870	8.7%
Available Seat Kilometres (m)	846	839	0.8%	9,784	9,100	7.9%
Passenger Load Factor (%)	83.4%	80.7%	2.7 pts	87.2%	86.5%	0.7 pts

* % change is based on numbers prior to rounding.

+The year to date percentage movements have been adjusted on a daily weighted average basis. The adjustment takes into account the difference in days for the accounting month of July 2013 (28 days) Compared to July 2012 (29 days).

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.