



## AIRWAYS CORPORATION OF NEW ZEALAND

### Interim results announcement: 28 February 2021

<i>All amounts are in NZ\$ millions</i>	6 months ended 31 December 2020	6 months ended 31 December 2019	% change
Revenue from operating activities	71.8	128.4	(44%)
Net profit after tax	(\$13.8)	16.2	(185%)
Service improvement (Capital) projects	8.3	22.8	(63%)
Dividend	No dividends are planned		

#### COMMENTS

The impact of the Covid-19 pandemic on New Zealand's aviation industry continued to unfold through the first half of our financial year (1 July 2020 to 31 December 2020). Airways' focus throughout remained on delivering sound operational and safety performance, while progressing initiatives that will be building blocks in our industry's pathway back to growth. We are particularly proud of the success of our international business in signing new deals and achieving significant milestones in global projects during the period.

In the limited travel environment, we enabled 389,134 safe journeys through New Zealand skies. There were no serious operational safety occurrences or serious harm injuries involving our people

The financial performance of the Airways Group reflects the challenging aviation environment. For the six months ending 31 December 2020, the Group reported a loss of \$13.8 million, however, that is \$12.6 million better than the budgeted loss of \$26.4 million.

Domestic air traffic levels improved more quickly than expected during the period. The domestic market reached 80% of pre-pandemic levels by December, with the international market remaining largely inactive due to border restrictions. This equates to approximately 56% of the pre-pandemic revenue for Airways.

Airways International (AIL) continues to perform strongly delivering a Net Profit After Tax of \$2.7 million. While the environment remains challenging, AIL has been successful delivering work remotely whilst borders remain closed.

Capital spending is 40% down on budget which is partly due to timing and only committing to projects that have been identified as priority or are safety critical.

Airways continues to be grateful for the financial support received from the Government and is managing its cashflow within the agreed funding envelope.