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FROM	A Maharaj	DATE 20 May 2004
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SUBJECT	Fares Halved, Passenger Bookings Double, as Air New Zealand's Pacific Express takes off	

Air New Zealand's first Pacific Express flight left Auckland for Fiji this morning, taking with it the first customers to enjoy the benefits of half price travel to the Islands.

Since Air New Zealand announced in March average savings of more than 50% on lead-in airfares from New Zealand to the Cook Islands, Fiji, Samoa and Tonga, bookings for the next 12 months have more than doubled, up 107% on the same period of the previous year.

Air New Zealand's Pacific Express Fares offer low year-round airfares between New Zealand and the Pacific Islands, and also between the Islands and Australia.

Lead-in Pacific Smart Saver fares from Auckland to the Cook Islands are NZ\$289 one way, Fiji NZ\$229 one way, Samoa NZ\$289 one way and Tonga NZ\$199 one way.

Passenger bookings in the first week after the announcement peaked at more than 20,000 in one day, approximately triple that of previous booking levels at the same time the year before.

"The first Pacific Express flight today marks the completion of our short haul Express strategy, and has provided big benefits to customers which are reflected in the very high booking levels," said Air New Zealand Group General Manager Marketing, Network and Sales, Norm Thompson.

"Online bookings are also strong. From a pre-Express base of around 1%, online peaked at more than 23% of all bookings with a current average of 16% which is very pleasing."

Air New Zealand has increased capacity to the Cook Islands during upcoming peak school holiday travel to cope with the increased demand.

July will see two additional Boeing 767 services added that month, as well as the replacement of two Boeing 767 services with larger Boeing 747 aircraft, a total of 1,250 additional seats on the route. In September and October an additional weekly Boeing 767 service will operate, a total of 16 additional flights over the two months.

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Capacity between Auckland and Fiji is also being increased by 9% compared to the previous 12 months.

“The significant growth from New Zealand is complemented by booking growth of 50% from Australia to the Islands, and more than 30% from the Islands to New Zealand.”

On average, 35% of seats available on Pacific Express are in the lowest Pacific Smart Saver category.

Pacific Express Economy Class meals are similar to that served on Tasman Express services and feature a café style menu, complimentary full beverage service and inflight entertainment.

Full Business Class service remains.

Regards

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