

VIRGIN AUSTRALIA HOLDINGS LIMITED (ASX:VAH)**VIRGIN AUSTRALIA RESPONDS TO ACCC DECISION ON AIR NEW ZEALAND ALLIANCE**

10 July 2013

Virgin Australia Holdings Limited (**Virgin Australia**) today welcomed the ACCC's draft determination approving the reauthorisation of its trans-Tasman alliance (**the Alliance**) with Air New Zealand Limited (**Air New Zealand**) for a period of three years, subject to a number of conditions.

Virgin Australia welcomes the ACCC's draft approval of the proposed alliance. It will review the period of the proposed authorisation and the proposed conditions and respond to the ACCC as soon as possible.

The applicants had sought re-authorisation that was unconditional and for a period of five years.

The Alliance has four key components:

- A broad free-sale code share arrangement covering all Tasman sectors and domestic Australian and New Zealand sectors as part of a connecting journey.
- A revenue share agreement.
- Reciprocal loyalty scheme benefits to members of Air New Zealand's Airpoints loyalty programme and Virgin Australia's Velocity Rewards programme.
- Reciprocal lounge access to qualifying guests of either airline.

The ACCC is expected to make its final determination following public comments on its draft determination.

ENDS

Media Contact:

Emma King: +61 421 702 193