

VIRGIN AUSTRALIA AND AIR NEW ZEALAND TO END THEIR STRATEGIC ALLIANCE

4 April 2018

Virgin Australia Holdings Limited (ASX:VAH) (**Virgin Australia Group** or the **Group**) today confirmed that it has received notice that Air New Zealand intends to end the strategic alliance between Virgin Australia and Air New Zealand.

The current ACCC authorisation for the alliance expires in October 2018.

Virgin Australia Group Chief Executive Officer and Managing Director John Borghetti said: "This provides opportunities for the Virgin Australia Group on the Tasman, including operating both the Virgin Australia and Tigerair Australia brands in the market.

"The Virgin Australia Group has had a strong presence in the market since 2004 and we will continue to enhance our offering to suit both the business and leisure markets. Virgin Australia will continue its strong focus on providing competition and outstanding service on the Tasman, which remains an important part of our network and strategy as an airline group."

There are no immediate changes to Virgin Australia travel bookings between Australia and New Zealand. Virgin Australia and Air New Zealand will work through arrangements regarding codeshare, scheduling, inflight offering, lounge access and frequent flyer program reciprocity to ensure minimal disruption to customers.

Customers will be notified of any changes as soon as possible.

ENDS

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