

Stock exchange listings: New Zealand (NZX: AIR) / Australia (ASX: AIZ) / ADR (OTC: ANZLY)

MARKET ANNOUNCEMENT

4 April 2018

Air New Zealand and Virgin Australia to end trans-Tasman alliance

Air New Zealand and Virgin Australia will end their trans-Tasman alliance in October this year following seven years of partnership.

The airlines commenced the strategic alliance at the end of 2010 to cooperate on services between New Zealand and Australia. Current regulatory approval for the alliance expires at the end of October this year and the parties will not apply for renewal.

Air New Zealand Chief Revenue Officer Cam Wallace says market dynamics on the Tasman have changed and the time is now right for each airline to focus on its own objectives.

“Australia is the largest source of inbound visitors to New Zealand and Air New Zealand has built up a significant presence in this market. This move will enable us to deliver a more consistent customer experience by using our own fleet and delivering an improved schedule, which we’ll provide more details about shortly.

“We remain fully committed to our other alliance relationships and our overall global airline alliance strategy as a critical success factor in other markets.”

Current trans-Tasman alliance arrangements will remain in place until 27 October and customers travelling before this date will be unaffected. Customers booked with Air New Zealand to travel on a Virgin Australia service (or vice versa) after 28 October will be contacted by their booking airline.

Ends.