

TO	Listed Company Relations NZSX Market	VIA NZ MAP
CC	Company Announcements Office Australian Stock Exchange	VIA ASX ONLINE
FROM	Debra Laurent Corporate Legal Services	DATE 17 June 2014
NUMBER OF PAGES INCLUDING COVER SHEET		One
SUBJECT	AIR NEW ZEALAND AT 25.99% OF VIRGIN AUSTRALIA	

Air New Zealand has increased its shareholding in Virgin Australia Holdings Ltd to 25.99%, the maximum level permitted under the authorisation granted by the Foreign Investment Review Board. A substantial security holder notice recording the increased holding is attached.

Ends.

Form 604

**Corporations Act 2001
Section 671B**

Notice of change of interests of substantial holder

To Company Name/Scheme Virgin Australia Holdings Limited

ACN/ARSN 100 686 226

1. Details of substantial holder(1)

Name Air New Zealand Associated Companies Limited (ANZAC) and its related bodies corporate listed in Annexure A

ACN/ARSN (if applicable) See Annexure A

There was a change in the interests of the substantial holder on See Annexure B

The previous notice was given to the company on 18 / 12 / 13

The previous notice was dated 18 / 12 / 13

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Fully paid ordinary shares	859,716,263	24.46%	913,503,208	25.99%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
See Annexure B	ANZAC	On-market purchases	See Annexure B	53,786,945 ordinary shares	53,786,945
See Annexure B	Air New Zealand Limited	Acquisition of relevant interests under s 608(3) of the Corporations Act as parent of ANZAC	Nil	53,786,945 ordinary shares	53,786,945

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
ANZAC	ANZAC	ANZAC	Relevant interest under s 608(1)(a) of the Corporations Act as holder of shares	913,503,208 fully paid ordinary shares	913,503,208

Air New Zealand Limited	ANZAC	ANZAC	Relevant interest under s 608(3) of the Corporations Act as parent of ANZAC	913,503,208 fully paid ordinary shares	913,503,208
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5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Not applicable	

6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
ANZAC and the parties listed in Annexure A	c/- Air New Zealand Limited Air New Zealand House, 185 Fanshawe Street, Auckland, 1010, New Zealand

Signature

print name

John Blair

capacity

Director

sign here

[Handwritten Signature]

date

17 June 2014

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identify of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

Annexure "A" to Form 604

This is Annexure "A" of 1 page referred to in the Form 604 (Notice of Change of Interests of Substantial Holder), lodged by Air New Zealand Associated Companies Limited in relation to Virgin Australia Holdings Limited ACN 100 686 226, signed by me and dated 17 June 2014.

Signature

Name & Position

Related bodies corporate of Air New Zealand Associated Companies Limited:

New Zealand companies:

ADP (New Zealand) Limited
Air Nelson Limited
Air New Zealand Aircraft Holdings Limited
Air New Zealand Associated Companies (Australia) Limited
Air New Zealand Holidays Limited
Air New Zealand Express Limited
Air New Zealand International Limited
Air New Zealand Limited
Air New Zealand Travel Business Limited
Altitude Aerospace Interiors Limited
ANNZES Engines Christchurch Limited
Ansett Australia & Air New Zealand Engineering Services Limited
C.I. Air Services Limited
Eagle Air Maintenance Limited
Eagle Airways Limited
Freedom Air Limited
Mount Cook Airline Limited
National Airlines Company Limited
New Zealand Tourist Promotion Company Limited
Pacific Leisure Group Limited
Safe Air Limited
Tasman Empire Airways 1965 Limited
Teal Insurance Limited
Tourism New Zealand Limited
Zeal 320 Limited

Australian companies:

Air New Zealand (Australia) Pty Limited ACN 084 974 569
Masling Industries Pty Limited ACN 060 273 305
Safe Air Australia Pty Limited ACN 131 278 889
TAE Aviation Pty Limited ACN 085 860 877
TAE Gas Turbines Pty Ltd ACN 084 974 710
TAE Pty Limited ACN 103 070 015

Other companies:

ANZGT Field Services LLC

Annexure “B” to Form 604

This is Annexure “B” of 1 page referred to in the Form 604 (Notice of Change of Interests of Substantial Holder), lodged by Air New Zealand Associated Companies Limited in relation to Virgin Australia Holdings Limited ACN 100 686 226, signed by me and dated 17 June 2014.

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Signature

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Name & Position

Date of change	Price (\$) (weighted average per ordinary share)	Volume (ordinary shares)
17 February 2014	0.3455	400,000
18 February 2014	0.3439	350,000
19 February 2014	0.3401	967,000
20 February 2014	0.3443	1,140,000
21 February 2014	0.3485	890,000
24 February 2014	0.3477	511,000
25 February 2014	0.3493	925,000
26 February 2014	0.3468	413,000
27 February 2014	0.3489	513,000
28 February 2014	0.3488	2,900,000
3 March 2014	0.3489	250,000
4 March 2014	0.3500	28,000
11 March 2014	0.3500	50,000
12 March 2014	0.3500	285,000
13 March 2014	0.3500	295,000
14 March 2014	0.3498	1,200,000
17 March 2014	0.3493	550,000
18 March 2014	0.3500	475,000
19 March 2014	0.3500	600,000
21 March 2014	0.3486	2,892,000
27 March 2014	0.3500	167,000
6 May 2014	0.3620	525,000
9 May 2014	0.3931	3,900,000
16 May 2014	0.3983	2,278,995
22 May 2014	0.4021	1,332,334
23 May 2014	0.4124	2,325,000
26 May 2014	0.4194	950,000
27 May 2014	0.4155	955,342
28 May 2014	0.4193	1,400,000
29 May 2014	0.4184	1,200,000
30 May 2014	0.4124	4,100,000
13 June 2014	0.4400	19,009,274
16 June 2014	0.4400	10,000