

VIRGIN AUSTRALIA HOLDINGS LIMITED (ASX:VAH)**VIRGIN AUSTRALIA COMPLETES THE ACQUISITION OF SKYWEST**

11 April 2013

Virgin Australia Holdings Limited (Virgin Australia) is pleased to announce today that it has completed the acquisition of 100% of the issued share capital in Skywest Airlines Ltd (Skywest, ASX: SXR, LSE:SKYW), through a scheme of arrangement (the Scheme) governed by the laws of Singapore. Following the filing of the order of the High Court of Singapore sanctioning the Scheme with the Accounting and Corporate Regulatory Authority of Singapore today, the Scheme has today become effective and binding.

Completion of the acquisition announced on 30 October 2012 provides Virgin Australia with the assets and capabilities to fast-track its advancement into the growth fly-in-fly-out and regional markets.

Virgin Australia Chief Executive Officer John Borghetti said: "We are very pleased to have completed the transaction and to now be able to bring the Skywest business into the Virgin Australia Group.

"This acquisition gives Virgin Australia the ability to increase competition in these important market segments, which in turn will benefit jobs and tourism, especially in growing regional markets including Western Australia." Mr Borghetti said.

Virgin Australia highlights the following dates in relation to settlement of the Scheme:

Date of removal of Skywest from the official list of the ASX	:	11 April 2013
Date of cancellation of trading of the admission of Skywest Shares trading on AIM	:	12 April 2013 (7:00am) London time
Commencement of deferred trading of VAH Consideration Shares on ASX	:	12 April 2013
Date for payment of Scheme Cash and Securities Consideration	:	19 April 2013
Despatch Date and last day of deferred trading for VAH Consideration Shares	:	19 April 2013
Date of commencement of trading on ASX of the VAH Consideration Shares on a normal basis	:	22 April 2013

ENDS

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The directors of each of Virgin Australia and VAH Newco No. 2 Pty Ltd (VAH Sub) (including those who may have delegated detailed supervision of this ASX release) have taken all reasonable care to ensure that the facts stated and opinions expressed in this ASX release are fair and accurate and that there are no other material facts not contained in this ASX release, the omission of which would make any statement in this ASX release misleading, and the directors of each of Virgin Australia and VAH Sub jointly and severally accept full responsibility accordingly. Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from Skywest, the sole responsibility of the directors of each of Virgin Australia and VAH Sub has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this ASX release.