

VIRGIN AUSTRALIA HOLDINGS LIMITED (ASX:VAH)

VIRGIN AUSTRALIA WELCOMES ACCC DECISION ON ALLIANCE WITH ETIHAD AIRWAYS

30 October 2015

Virgin Australia Holdings Limited (**Virgin Australia**) today welcomed the ACCC's draft determination approving the reauthorisation of its alliance with Etihad Airways (**Etihad**) for five years.

Virgin Australia CEO John Borghetti said: "With the launch of the Alliance in October 2010, Virgin Australia and Etihad Airways introduced unprecedented choice and competition for Australians travelling between Australia, the Middle East and beyond to Europe.

"Over the past five years, we have worked closely with Etihad Airways to ensure the alliance continues to generate benefits for consumers. We have introduced more codeshare destinations, delivered further enhancements to the customer experience and more than doubled seat capacity between Australia and Abu Dhabi, through the launch of new routes, more flight frequencies and larger aircraft.

"We welcome the ACCC's assessment of the public benefit the alliance brings to travellers", Mr Borghetti said.

The Alliance has delivered significant public benefit for Australian travellers including:

- More frequencies, greater capacity and new services including a 30 per cent increase in seats between Sydney and Abu Dhabi through use of larger aircraft on the route such as the Airbus A380, the introduction of a second daily Melbourne-Abu Dhabi service, the launch of a daily non-stop service between Brisbane and Abu Dhabi using Boeing 787-9 aircraft and the launch of a daily non-stop service between Perth and Abu Dhabi using Airbus A330 aircraft.
- More destinations across the Middle East, Africa, Europe and Australasia through a codeshare network of 89 destinations, including 39 international destinations in Europe, the Middle East, Africa and Pakistan and 50 destinations in Australia
- Greater loyalty program benefits through reciprocal earn and burn, status recognition and international and domestic airport lounge access.

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

ENDS

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Key Facts

The alliance, which was formed in 2010, offers six flights per day between Australia and Abu Dhabi (2x Sydney, 1x Brisbane, 2xMelbourne and 1xPerth) using Boeing 787-9, Boeing 777-300ER, Airbus A380-800 and Airbus A330-200 aircraft.

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