



NEWS RELEASE

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ACCC RE-AUTHORISES VIRGIN-ETIHAD ALLIANCE

The Australian Competition and Consumer Commission has re-authorised Virgin Australia (ASX: VAH) and Etihad Airways to continue their existing air transport services international alliance, which operates between Australia and the Middle East, for a further five years.

Under the Alliance, the airlines cooperate on joint pricing and scheduling of services across their networks. Virgin and Etihad will not share revenue under the Alliance.

"The ACCC considers that this Alliance would be likely to continue to deliver public benefits by promoting competition and enhancing the products and services offered to customers travelling between Australia and the Middle East and onward to destinations throughout Europe," ACCC Chairman Rod Sims said.

Virgin introduced Sydney-Abu Dhabi services as part of the implementation of the Alliance.

"The ACCC accepts that Virgin would not operate services to Abu Dhabi if this partnership with Etihad did not exist. Virgin could not offer a viable service on the route without offering the connections available on Etihad's network within the Alliance," Mr Sims said.

The ACCC previously granted authorisation to Virgin and Etihad in February 2011.

Authorisation provides immunity from court action for conduct that might otherwise raise concerns under the competition provisions of the *Competition and Consumer Act (2010)*. Broadly, the ACCC may grant an authorisation when it is satisfied that the public benefit from the conduct outweighs any public detriment.

Further information will be available on the public register.

Media inquiries

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