
TO	Listed Company Relations NZSX Market	VIA NZ MAP
CC	Company Announcements Office Australian Stock Exchange	VIA ASX ONLINE
FROM	Leila Peters Head of Investor Relations	DATE 21 March 2016
NUMBER OF PAGES INCLUDING COVER SHEET	One	
SUBJECT	Major Shareholders Provide Loan Facility to Virgin Australia	

Air New Zealand advises that it has agreed to support Virgin Australia Holdings Limited (Virgin Australia or the Company) by providing a new unsecured term loan facility.

Air New Zealand (NZX: AIR), Etihad Airways, Singapore Airlines (SGX: SIA) and Virgin Group¹ will each separately provide funding via of a new loan facility to Virgin Australia. This is an initial step in strengthening Virgin Australia's liquidity while the Company commences a review of its capital structure. The review will include an assessment of the appropriate mix of debt and equity capital and operational initiatives to enhance Virgin Australia's cash flow and profitability.

The facilities are for an aggregate amount of AUD425 million with pro rata participation from each shareholder based on their relevant interest. The facilities are for a term of 12 months and are based on arm's length commercial terms.

Air New Zealand's portion of the loan facility to be funded to Virgin Australia is AUD131.2 million (approximately NZD146.5 million).

¹ Virgin Investments Limited will provide the loan facility. Virgin Group's shareholding in the Virgin Australia Group is held by Corvina Holdings Limited.

Ends

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