

VIRGIN AUSTRALIA HOLDINGS LIMITED (ASX:VAH)

VIRGIN AUSTRALIA WELCOMES ACCC DRAFT DECISION ON ALLIANCE WITH SINGAPORE AIRLINES

25 August 2016

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

Virgin Australia General Manager Alliances Phil Squires said: "Since the launch of the alliance in 2012, we have worked closely with Singapore Airlines to offer choice and competition for Australians with better connection times, more direct routes and innovative loyalty options.

"Our alliance with Singapore Airlines not only stimulates competition on routes from Australia to Asia and Europe but also promotes competition for Australian passengers generally by providing them with a viable alternative choice of carrier for their combined domestic and international travel.

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

The alliance has delivered significant public benefit for Australian travellers, including:

- **New services**, with the introduction of direct services from Singapore to Cairns, Darwin and, from next month, Canberra;
- **More frequencies and greater capacity on key routes**, with a 30 per cent increase in frequency on key routes between Australia and Singapore since the launch of the alliance, and a 12 per cent increase in capacity, including through the use of A380 aircraft between Sydney and Singapore;
- **More destinations**, with a wide network of 75 international codeshare destinations throughout Asia, Europe and South Africa, connecting onto 49 destinations in Australasia;
- **Improved customer experience** through single check-in and through checked baggage;
- **Improved loyalty program benefits**, including reciprocal earn and burn, status recognition and airport lounge access; and
- **A world-first points conversion initiative** that allows members of Velocity Frequent Flyer and KrisFlyer to convert points between both frequent flyer programs.

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

ENDS

Media Contact:

Lis Davies

elisabeth.davies@virginaustralia.com

0414 780 288

Key Facts

The alliance, which commenced in January 2012, offers travellers 75 Singapore Airlines destinations available on Virgin Australia code, including 61 codeshare destinations beyond Singapore within Asia, 12 codeshare destinations within Europe, and two codeshare destinations in South Africa. Singapore Airlines codeshares to 49 Australian, New Zealand and Pacific Islands destinations operated by Virgin Australia.

24-hour media enquiries: 1800 142 467