



MEDIA RELEASE

VIRGIN BLUE ANNOUNCES MULTI BILLION DOLLAR AIRCRAFT DEAL AND OVER 1100 JOBS FOR NEW INTERNATIONAL AIRLINE

Wednesday 21 March 2007: Virgin Blue Airlines has taken a significant step in its plans to launch Australia's newest international airline with the signing today of a multi billion dollar aircraft order and confirmation that it will create over 1100 new jobs.

Chief Executive, Brett Godfrey was joined by the Deputy Prime Minister and Minister for Transport and Regional Services, Hon Mark Vaile and President of Boeing Australia, Craig Saddler, to sign an AUD \$2.2 billion deal for six Boeing 777-300ER aircraft and options for six additional aircraft from The Boeing Company.

Virgin Blue has also signed an agreement with leading global lessor, International Leasing Finance Company (ILFC) for a seventh 777-300ER, taking the total aircraft commitment price to AUD\$2.6 billion.

The order comes as Virgin Blue accelerates plans for its yet-to-be-named long haul airline operation. While routes are yet to be announced, the new international airline will initially focus on flights between Australia and the West Coast of the USA.

Virgin Blue Chief Executive, Brett Godfrey, said, "This is a significant milestone for Virgin Blue and for Australian aviation."

He continued, "We have demonstrated our contribution in the seven years since launching Virgin Blue in the Australian domestic market through flexible and innovative products for both leisure and business travellers and we look forward to doing it all over again.

"Our decision to make this significant investment is a clear indication that the findings of the Government's Aviation Review last year were the right ones. Based squarely on that Cabinet review and resolution, Virgin Blue took a decision to invest and launch a new international airline for Australia."

"We will launch that airline in 2008. We will create more Australian jobs, bring more tourists and provide choice and vigorous competition on the Trans Pacific route."

President of Boeing Australia, Craig Saddler, said, "Virgin Blue will be the first Australian airline to operate the exceptional 777-300ER aircraft and we look forward to working with Virgin Blue in its quest to open up international air travel to more people."

He continued, "We have stood side by side with Virgin Blue since its launch with our aircraft six and a half years ago and we have enjoyed immensely working with the Virgin Blue team and watching their continued success. We are excited to be on board for this new phase."

A Virgin Blue team is currently in the United States working with US Government representatives regarding the regulatory approval process, which has been underway for some months.

Virgin Blue's long haul project team is currently recruiting other key management team members. Within the first twelve months of its operation, the long haul airline will create 1160 Australian based jobs including cabin crew, pilots and ground crew. Virgin Blue has set up a section on its website for early expressions of interest (www.virginblue.com.au under About Us, then Jobs).

The name of the new airline and updates on the regulatory process will be announced in the next few months.



Multi award winning airline Virgin Blue and International carriers Pacific Blue and Polynesian Blue currently operate a fleet of 53 modern Boeing 737 aircraft flying to 22 Australian and eight international destinations including New Zealand, Fiji, Samoa, Tonga, Vanuatu and the Cook Islands. For Virgin Blue bookings log on to www.virginblue.com.au or call 13 6789. For Pacific Blue bookings log on to www.flypacificblue.com or call 13 1645 from Australia or 0800 670 000 from New Zealand. For dynamic package deals, holiday your way by logging on to www.blueholidays.com.au

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