

17 May 2007

AIRLINE PARTNERS AUSTRALIA ANNOUNCEMENT

On 8 May 2007, Airline Partners Australia Limited (APA) announced that it was exploring a number of alternatives, including the possibility of making a renewed offer for Qantas.

APA has concluded that in the current environment and circumstances a renewed offer on terms acceptable to APA would not be likely to succeed. On that basis APA has decided not to proceed with a renewed offer for Qantas at this time.

APA thanks Qantas' Board, management and employees for their professionalism during the bid process and wishes Qantas every success for the future.

Ends