



Media Release

QANTAS BOARD STATEMENT

SYDNEY, 18 May 2007: The Chairman of Qantas, Ms Margaret Jackson, said today she would retire from the Board of Qantas later this year.

Ms Jackson said she had informed her fellow Qantas Board members of her decision at the start of a two-day Qantas Board and Management Strategy session yesterday.

"The meeting discussed Qantas' plans for the next three years following the failure of the takeover bid by Airline Partners Australia.

"It also discussed Board succession planning and management stability," Ms Jackson said.

Ms Jackson said fellow Board member James Packer had also informed the Board yesterday that he would resign from the Board effective from the AGM later this year.

"The Board will spend the next few months considering my succession and a replacement for James, who has served the Board with distinction and diligence," she said.

Ms Jackson said the Board indicated full support for the management and its positive and exciting plans for the future of Qantas.

"In particular the Board endorsed the leadership of Geoff Dixon as Chief Executive Officer and his senior management team."

Ms Jackson said Mr Dixon had committed to stay as Chief Executive Officer until at least July 2009.

"Geoff and I have also spoken to the senior management team who have agreed to continue with Qantas"

Ms Jackson said the past eight months had been particularly testing and coupled with 15 years on the Board and seven years as Chairman, she felt it was a good time to move on and not stand for re-election to the Board.

"I greatly value what Qantas has achieved over the past seven years, culminating in the largest takeover offer for an airline in aviation history.

"I am also confident that the strategies we have put in place will secure a successful future for Qantas.

“These strategies have been endorsed by the market and they formed the basis of the bid by Airline Partners Australia.”

Ms Jackson said the Board over the past two days reinforced its support for a continuation of the company’s strategic direction, including:

- to grow and defend the domestic flying businesses;
- to restructure and redirect the international airline;
- to grow Jetstar;
- to invest in new generation aircraft and product;
- to consider consolidation opportunities;
- to seek portfolio business rationalisation and growth opportunities;
- to restructure the company’s supply businesses; and
- to further pursue cost reduction and efficiencies through the successful Sustainable Future Program.

Ms Jackson said Qantas would also conduct an extensive review of its capital management strategies over the next few months.