



Media Release

QANTAS STATEMENT

SYDNEY, 7 May 2007: This morning Qantas was requested to place its shares in a trading halt, because APA had asserted that its takeover offer had not failed at 7pm on Friday 4 May.

The reason for this is that under the terms of the offer, shareholders could only accept for all of their Qantas shareholding. APA asserts that some shareholders did not comply with this term and accepted for part – not all – of their shareholdings.

Until APA advises the market whether or not it had met the 50 per cent minimum acceptance threshold, the Qantas Board does not believe it is appropriate to release Qantas shares from the current trading halt. The Qantas Board expects APA to make an announcement before trading begins tomorrow, Tuesday 8 May.

In the interim, the Chairman, Margaret Jackson, has reiterated that the Qantas Board and management remain focused on the continuing operation of the airline.

“The Qantas Board regrets the current uncertainty, which is not of its making, and is determined to see the issues clarified as soon as possible,” Ms Jackson said.

Issued by Qantas Corporate Communication (Q3577)