



Media Release

QANTAS STATEMENT

SYDNEY, 18 December 2008: Qantas Airways Limited (Qantas) and British Airways Plc (BA) are announcing that after detailed discussions about a potential merger of the companies, talks have ended.

Despite the potential longer term benefits for Qantas and BA, the airlines have not been able to come to an agreement over the key terms of the merger, at this time.

Qantas and BA will continue to work together on their joint business between Australia and the UK and as part of the **oneworld** alliance.

Note to Editors

Given the cessation of discussions between Qantas and BA, additional disclosure obligations regarding dealings in BA and Qantas shares required by the City Code on Takeovers and Mergers no longer apply.

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Further information and media releases can be found at the Qantas website: qantas.com