

Media Release

NJS NAMED PREFERRED BIDDER FOR QANTASLINK B717s

SYDNEY, 11 February 2005: Qantas said today that Adelaide-based National Jet Systems had been selected as the preferred bidder to operate and maintain QantasLink's new Boeing 717 regional flying operations.

The Chief Executive Officer of Qantas, Geoff Dixon, said QantasLink announced in October last year that it would progressively replace its fleet of BAe146 aircraft with newer Boeing 717 aircraft from July 2005.

The Boeing 717 aircraft will move from Jetstar to QantasLink as Jetstar continues to grow its fleet of new Airbus A320s.

Mr Dixon said the bidding process had been very competitive, with proposals submitted by National Jet Systems, which currently operates QantasLink's BAe146 fleet, and Jetstar, which currently operates the Boeing 717 fleet.

"In the end the strength of the relationship and the fact that a decision against National Jet Systems could have resulted in significant job losses in several States were the deciding factors," Mr Dixon said.

"National Jet Systems is a highly respected provider of aviation services to Australian corporate and government organisations.

"They have provided aircraft, pilots and cabin crew to the Qantas Group for fourteen years and we look forward to continuing this excellent partnership."

Mr Dixon said confirmation of the selection of National Jet Systems was subject to satisfactory negotiation of the operating agreement.

"The Boeing 717s will allow QantasLink to increase capacity on a range of routes in Western Australia, the Northern Territory and Queensland," Mr Dixon said.

Eight Boeing 717s, operating in a 115 seat configuration with a 32 inch seat pitch, will gradually replace eight 65 to 76 seat BAe146s in the QantasLink fleet over the 12 months beginning July 2005.

QantasLink will continue to fly its remaining two BAe146 aircraft, which are leased until December 2006.

The routes on which the Boeing 717s will operate include:

Perth-Broome Alice Springs-Ayers Rock
Perth-Kalgoorlie Alice Springs-Broome
Perth-Karratha Alice Springs-Cairns
Perth-Paraburdoo Alice Springs-Darwin
Perth-Port Hedland Alice Springs-Perth
Perth-Newman Ayers Rock-Cairns
Paraburdoo-Newman Ayers Rock-Perth

Cairns-Gove-Darwin