



# ASX/Media Release

## QANTAS GROUP COMPLETES PROPERTY REVIEW

- Qantas and Jetstar commit to retaining their headquarters in Sydney and Melbourne respectively
- Qantas' heavy maintenance facilities to remain in Brisbane and be enhanced
- States secure additional maintenance, flight simulators, commitments to boost jobs as the industry recovers

**Sydney, 6 May 2021:** The Qantas Group has completed a review of the location of its key facilities across the country, which will see the national carrier continue to have a strong presence in New South Wales, Queensland and Victoria.

The Group commenced the review of its property footprint in September 2020, following a \$2.7 billion statutory loss for FY20 due to international and state travel restrictions. The review forms part of its COVID recovery plan in an effort to cut overheads and involved a competitive process between states.

In February, some initial actions of the review were [announced](#), including relocation of flight simulator training facilities and the consolidation of several rented office spaces. Below is a summary of the property review, which will now be subject to detailed contract negotiations before binding agreements are entered into:

### New South Wales

- Qantas' global headquarters, which employs more than 3500 people, will remain at Mascot in Sydney, along with its existing customer service training facilities.
- Confirmed the construction of a new Flight Training Centre with aircraft simulators to be based in NSW from 2023.
- Plans for expansion of Qantas Loyalty in Mascot.
- Qantas will work with the NSW Government to develop a comprehensive Indigenous and diversity employment program.
- Sydney will be the launch city for the first Project Sunrise flights (non-stop to cities including New York and London) once international travel recovers and this investment goes ahead.

### Queensland

- Qantas' heavy maintenance facilities will remain in Brisbane with investment to enhance facilities.
- Jetstar is relocating some heavy maintenance on its Airbus A320 fleet from Singapore to Brisbane as part of a trial in 2021, with the potential for this to be extended.
- Discussions underway with the QLD Government about conducting additional maintenance on Qantas aircraft in Cairns with existing local supplier.
- As announced, a new Flight Training Centre is being built at Brisbane Airport with the first pilots due to commence training there from November 2021.
- Discussions will now commence with the QLD Government about basing several Embraer E190 jets in Townsville in partnership with Alliance Airlines.

### Victoria

- Jetstar's headquarters, which employs more than 750 people, will remain in Melbourne. As the only low cost carrier in Australia, Jetstar is expecting significant growth in coming years and while its head office will remain in Collingwood for now, it's in discussions with the Victorian Government about where specifically in Melbourne the head office is best based in the longer term, to support that growth.
- Qantas Group will expand its line maintenance engineering and Jetstar will expand its heavy maintenance in Melbourne through a new partnership with Melbourne Airport, the Little Group's



Melbourne Jet Base (MJB) and the Victorian Government. This would create additional direct and indirect jobs as the Group's network grows.

- As announced, existing Flight Training Centre in Melbourne to be expanded with work already well underway.

Discussions also included the potential for accelerating the development of Sustainable Aviation Fuels capacity, which would require investment in a new or existing refinery and available feedstock. Qantas has committed \$50 million over the next decade towards creating this new industry in Australia as part of its broader sustainability strategy and will continue to work with State and Federal Government towards this goal.

Once agreements are finalised, Qantas will receive a range of benefits for these commitments, including payroll tax relief, tourism marketing funding, property rebates, training support and direct incentives – all of which are designed to reflect and help increase future economic activity generated by the Group.

The total value of these incentives will roll out over multiple years and will remain commercial in confidence.

The assessment process included an independent review conducted for Qantas by PwC to validate the offers.

### **COMMENTS FROM QANTAS GROUP CEO, ALAN JOYCE**

“Aviation has probably taken the biggest hit of any industry from the COVID crisis, and Qantas has seen \$11 billion in revenue evaporate because of state and federal travel restrictions. Under those circumstances, we had to look seriously at every part of our business and that's why reviewing our property footprint became part of our recovery program.

“Some of this has been about cost saving by rationalising office space and some is about unlocking the huge amount of future value that the Qantas Group will bring the local economy in the years ahead. We think that value deserves to be recognised.

“Ultimately, our recovery program is about putting us in a position to grow again, which is when the benefits to each state will really flow.

“Each state put a lot of effort into their offers. We thank them sincerely and we look forward to delivering on what we know Qantas and Jetstar are capable of post-COVID.

“Moving one or both of our headquarters was always a live option and there were times in the process where that seemed to be the most likely outcome. Ultimately, once the final offers were assessed on a like-for-like basis, the set of decisions we made was the most beneficial to the Group overall.”

**Media Enquiries: Qantas Media +61 418 210 005 [gantasmedia@qantas.com.au](mailto:gantasmedia@qantas.com.au)**

**Investor Relations Enquiries: +61 419 871 138 [francesvanreyk@qantas.com.au](mailto:francesvanreyk@qantas.com.au)**

**Authorised for release by the Group General Counsel and Company Secretary**

