ASX/Media release

QANTAS GROUP

UPDATE ON NEW JETSTAR JAPAN SHAREHOLDER STRUCTURE - BINDING AGREEMENT SIGNED

Tuesday, 4 August 2026

The Qantas Group and Japan Airlines (JAL) have today announced that they have signed a binding agreement to facilitate the change in Jetstar Japan's (JJP) shareholder structure through a share buyback transaction.

The transaction remains subject to regulatory approvals.

Today's announcement follows the February 2026 announcement that a non-binding Memorandum of Understanding had been entered between the parties. Under the agreed structure, Development Bank of Japan Inc. (DBJ) will acquire an equity interest, entering as a new shareholder, while Tokyo Century Corporation (Tokyo Century) and JAL maintain their existing shareholding position.

The transaction will see the Qantas Group divest its minority (33.32%) shareholding by way of a share buyback by JJP, and the DBJ enter as a new shareholder in JJP, with the transition expected to be complete by June 2027. The transaction will allow the Qantas Group to redirect capital investment towards Qantas and Jetstar's domestic and international operations in Australia.

The agreement will also support JJP's transition to a Japanese capital-led ownership structure.

Following the Qantas Group's divestment, JJP will refresh its brand from "Jetstar" to a new brand, further establishing itself as a leading Japanese LCC under this new brand and identity.

There are no impacts to any Qantas or Jetstar international services between Australia and Japan and no impacts to codeshare arrangements with JAL.

Financials

The share buyback transaction is valued at JPY8.2 billion and is expected to have an estimated gain of approximately A$115[1] million to items outside of underlying for the Qantas Group, predominantly in FY27.

This includes one-off benefits related to non-cash expensing of historical foreign currency translation gains from equity reserves and sale proceeds on completion of the transaction.

The direct pre-tax cash impact includes the sale proceeds and transition costs incurred to enable the exit of the Qantas Group from JJP.

The Qantas Group will continue to recognise its share of profits/losses of Jetstar Japan in U/PBT up until the transaction is completed.

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Authorised for release by the Qantas Group CEO.

[1] Subject to transaction completed by 30 June 2027 and foreign currency movements