



## ASX and Media Release

### **QANTAS RETURNS TO SAN FRANCISCO AND EXPANDS JOINT BUSINESS WITH AMERICAN AIRLINES**

**Sydney 10 June: 5:15AM 2015:** Qantas and American Airlines today announced a significant expansion of their longstanding relationship, which will see the US carrier fly from Los Angeles to Sydney for the first time and Qantas return to San Francisco.

Subject to approval from regulators, this expansion represents a natural evolution of the existing alliance between Qantas and American, providing the airlines with a platform for further growth, closer commercial ties, and an even more seamless customer experience on routes between North America and Australia/New Zealand.

As part of the changes, the four year old Qantas and American Airlines joint venture will shift to a revenue share agreement.

Qantas will return to the Sydney-San Francisco route – currently the most popular onward destination for corporate customers that it doesn't already serve directly on its network -- from 20 December 2015. Services will initially operate on peak days<sup>^</sup> and ramp up to six per week in January 2016 using its newer Boeing 747-400 aircraft with the same style interiors found on the airline's A380s.

Qantas' flights to San Francisco are made possible by American Airlines starting a direct daily Sydney to Los Angeles service from 19 December 2015. This will replace four Qantas' B747 Sydney to Los Angeles services per week and one Qantas B747 Melbourne to Los Angeles service per week.

American Airlines' Trans-Pacific flights will be operated by its new B777-300ER featuring lie-flat seats in First and Business. Qantas will retain its daily A380 Sydney to Los Angeles and Melbourne to Los Angeles services, as well as its B747 Brisbane-Los Angeles flights, and the airlines will codeshare on each other's services.

The enhanced relationship also provides opportunities for future growth into trans-Pacific markets not currently served by either airline, such as New Zealand.

Qantas Group Chief Executive Officer, Alan Joyce, said the expanded relationship was good news for travelers, the local tourism industry and the corporate market.



"American Airlines is one of our most important alliance partners, and this deal strengthens the long-standing ties between us to provide a platform for future growth across the Pacific. At its heart, this is about delivering an enhanced network and better service for customers of both airlines well into the future," said Mr Joyce.

"Together with American, we can offer direct flights and unrivalled frequencies from Australia to Hawaii, Los Angeles, San Francisco, Dallas Fort Worth, seasonal services to Vancouver and one stop services to JFK via LAX. We also offer coordinated schedules that allow seamless travel within the United States and Australia.

"San Francisco is now the most popular onward destination for Qantas' customers travelling to the U.S. and we're thrilled to be going back. We know there is a strong demand for direct flights, particularly from our corporate clients who will save about four hours each way by not having to connect through LAX.

"We expect to see the strong growth in U.S. visitors coming to Australia continue, because of the strengthening U.S. economy but also because of the investment AA will make in promoting their new route. The world's largest airline will be talking a lot more about Australia in their home market, and that's great news for tourism," added Mr Joyce.

American Airlines chairman and CEO Doug Parker said Qantas has been a fantastic partner through **oneworld** and the joint business relationship.

"Strengthening those ties has provided us with a solid foundation to introduce American-operated flights into the Australian region," said Mr Parker.

"Our customers have asked us to expand to important business markets across the Pacific, and flying our flagship aircraft, the Boeing 777-300ER, to Sydney will provide another world-class travel experience from our key gateway at LAX."

The airlines will shortly apply for regulatory approval for these new arrangements.

*^SYD-SFO services will not operate on 23<sup>rd</sup>, 24<sup>th</sup>, 25<sup>th</sup> and 31<sup>st</sup> December, 2015.*

**Under the expanded Qantas-American Airlines arrangement customers will be able to (subject to regulatory approval):**

- Access 45 services per week (combined) across the Pacific to mainland North America; this includes an increase in services from Sydney to Los Angeles from 14 to 17 per week.
- Access more than 150 destinations throughout North America on American Airline's extensive network from Dallas/Fort Worth, Los Angeles and San Francisco including more than 50 destinations from Los Angeles.
- From Sydney access more than 60 Qantas Group destinations across Australia and New Zealand. The enhanced joint business partnership also provides opportunities for future growth into trans-Pacific markets not currently served by either airline, such as New Zealand.
- Fly American Airlines' new flagship B777-300ER on the Sydney-Los Angeles route; featuring a three-class cabin configuration with fully lie-flat seats in First and Business Class, international Wi-Fi, and more customer and cargo

capacity than any other aircraft currently in American's fleet. Qantas will codeshare on these services.

- Fly Qantas' reconfigured B747-400 six times per week on the Sydney-San Francisco route; featuring the same product found on the airline's A380s, including Marc Newson's fully-flat Skybed in Business, award winning Economy cabin and large -seat-back screens in each cabin with over 1500 [entertainment](#) options. American Airlines will codeshare on these services.
- Benefit from the 9% net increase in capacity on the Australian- mainland US routes and 6% net increase on the Sydney- Los Angeles market.

### **Issued by Qantas Corporate Communication (Q5840)**

#### **Media Enquiries in Australia:**

- Qantas Media: Ingrid Just Senior Manager Corporate Communications +61 477 355 600, [ingrid.just@qantas.com.au](mailto:ingrid.just@qantas.com.au)

#### **Media Enquiries in US:**

- Qantas Media: Andrew McGinnes Executive Manager Corporate Communications +61 403 930 846, [andrewmcginnes@qantas.com.au](mailto:andrewmcginnes@qantas.com.au)