



## Qantas Airways Limited 7yr MTN Terms Sheet

<b>Issuer:</b>	Qantas Airways Limited
<b>Program:</b>	A\$1 billion Debt Securities Program
<b>Dealer:</b>	Deutsche Bank AG, Sydney Branch
<b>Issuer rating</b>	Ba1(Neg) by Moody's Investor Services BB+ (Neg) by Standard & Poor's
<b>Issue rating:</b>	Ba2 (Neg) by Moody's Investor Services BB+ by Standard & Poor's
<b>Structure:</b>	Fixed Rate Medium Term Note
<b>Issue Amount</b>	A\$400 000 000
<b>Status of MTNs:</b>	Direct, unconditional, unsubordinated and unsecured
<b>Currency:</b>	AUD
<b>Trade Date:</b>	4 June 2014
<b>Settlement date:</b>	11 June 2014
<b>Maturity date:</b>	11 June 2021
<b>Excluded offer:</b>	Minimum subscription consideration A\$500,000
<b>Denominations:</b>	Minimum A\$500,000 with A\$10,000 increments
<b>Benchmark:</b>	Semi-Quarterly, Coupon Matched, Asset swap
<b>Re-offer Spread to Benchmark</b>	+385bps
<b>Re-offer Yield</b>	7.605%
<b>Re-offer Price</b>	99.438%
<b>Coupon:</b>	7.50% per annum (to be paid semi-annually in arrears)
<b>Coupon payment dates:</b>	11 June, 11 December each year up to and including maturity, commencing 11 December 2014
<b>Business Day convention:</b>	Sydney, Following
<b>Day count basis:</b>	RBA Bond Basis
<b>Termination event:</b>	A change in control termination event will be included as per the Issuer's A\$1.28 billion syndicated loan note facility, adapted for the context of the Program
<b>GST:</b>	For the account of the Issuer
<b>Governing Law:</b>	Laws of the State of New South Wales, Australia
<b>Registrar</b>	Austraclear
<b>Other Terms And Conditions</b>	A step-up in coupon in the event of an issuer downgrade will be provided as detailed below. Please refer to Program documentation for full Terms and Conditions. Program documentation prevails in the event of any inconsistency.
<b>Step-up</b>	The notes will include a step-up in coupon of 25bps per notch down grade of the senior unsecured debt rating of the Issuer by either Moody's or S&P, or 50bps per notch for both. The step-up will be subject to a maximum of 75bps per rating agency and a cumulative cap of 150bps. The relevant step-up will only operate while the relevant ratings downgrade or downgrades subsist.