

Tuesday, 27 October 2015

**ANNOUNCEMENT – Warrants over  
QANTAS AIRWAYS LIMITED (ASX Code: “QAN”)  
CAPITAL RETURN & SHARE CONSOLIDATION ANNOUNCEMENT**

RBS Alternative Investments (Australia) Pty Ltd and The Royal Bank of Scotland PLC (“**RBS**”), as issuer over **QANTAS AIRWAYS LIMITED** of the following **Self-Funding Instalments** (ASX Codes “**QANSZB**” and “**QANSRU**”), (collectively, the “**Warrants**”) advises that QAN has announced shareholders approved on 23<sup>rd</sup> October 2015 the resolution for a \$0.23 Capital Return and a 1 for 0.939 consolidation of QAN’s fully paid ordinary shares. The record date for the Capital Return and share Consolidation is the 29<sup>th</sup> October 2015.

For further information on the above, investors are advised to refer to the ASX Company Announcements on [asx.com.au](http://asx.com.au) or [www.qantas.com](http://www.qantas.com)

RBS advises that pursuant to the relevant Terms of Issue (Instalment Warrant - clause 10.1b) and having requested and obtained ASX consent, the Warrants will be adjusted as a consequence of the, capital return and share consolidation outlined above.

**Adjustments to the Self Funding Instalments issued by RBS**

The new values for the Instalment Payment (IP) and Stop Loss Levels will be effective on 28<sup>th</sup> October 2015.

Issuer: RBS Alternative Investments (Australia) Pty Ltd

ASX Code	Current Instalment Payment	Capital Return	Refund of Prepaid Interest	IP Post Capital Return	New IP Post Share Consolidation	New Stop Loss Level
QANSZB	\$2.6553	\$0.23	\$0.0034	\$2.4219	\$2.5792	N/A

Issuer: The Royal Bank of Scotland PLC

ASX Code	Current Instalment Payment	Distribution & Capital Return	IP Post Capital Return	New IP Post Share Consolidation	New Stop Loss Level
QANSRU	\$0.7805	\$0.23	\$0.5505	\$0.5863	\$0.65

**Share Consolidation**

Due to the share consolidation, all Warrant holdings will be reduced in the same proportion as the QAN ordinary shares. This means Warrant holders will have their holdings reduced by 0.939 for each warrant held.

The Warrants are currently suspended and will re-commence trading on 28<sup>th</sup> October 2015 on an adjusted and deferred settlement basis until 6th November 2015. Normal trading will commence from 9<sup>th</sup> November 2015 on all Warrants.

For any other information about Warrants, please contact your Financial Advisor or call RBS Investor Products on 1800 450 005.

For and on behalf of,