Supplementary Slides

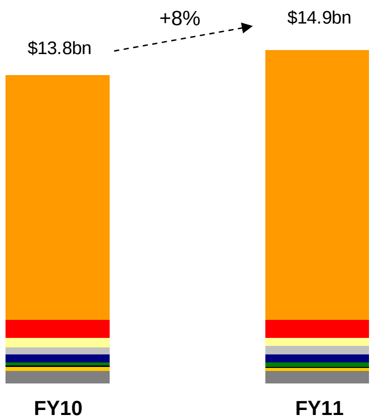
Group Performance

Group Highlights – Income Statement

$m	FY11	FY10	VLY	VLY %
Net passenger revenue	12,042	10,938	1,104	10
Net freight revenue	842	821	21	3
Other	2,010	2,013	(3)	(0)
Revenue	**14,894**	**13,772**	**1,122**	**8**
Operating Expenses	12,435	11,577	858	7
Depreciation and amortisation	1,249	1,200	49	4
Non-cancellable operating lease rentals	566	527	39	7
Expenses	**14,250**	**13,304**	**946**	**7**
Underlying EBIT	644	468	176	38
Net finance costs	(92)	(91)	(1)	1
Underlying PBT[1]	**552**	**377**	**175**	**46**
Non-recurring items	(107)	(59)	(48)	81
Ineffectiveness and non-designated derivatives relating to other reporting periods	(122)	(140)	18	(13)
Statutory PBT	**323**	**178**	**145**	**81**

1. Underlying PBT is the primary reporting measure used by Management and the Board to assess the financial performance of the Group. Refer to supplementary slide 44 for a reconciliation of Underlying PBT to Statutory PBT

Revenue



RPKs (m)	**100,727**	+6%	**106,759**
ASKs (m)	**124,717**	+7%	**133,281**

Net passenger revenue up 10%
- Group yield (excluding FX) improved 6%
- Group RPKs up 6%, Group ASKs up 7%

Net freight revenue up 3%
- Freight yields up 8% (excluding FX)
- Activity up 4%

Contract work revenue down 14%
- Decrease in Multi Role Tanker Transport activity

Passenger service fees revenue up 16%
- Increased credit card and leg room bookings

Frequent Flyer marketing, store and other redemption revenue up 5%
- Increased billings

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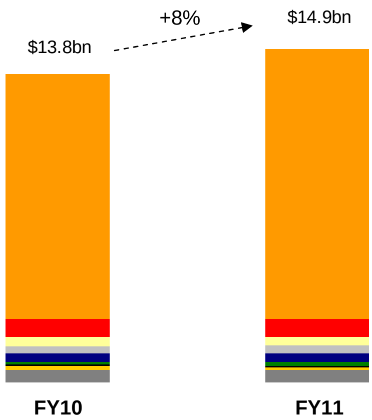
Note: All revenue movements include foreign exchange (FX)

Revenue



		+6%	
RPKs (m)	100,727	→	106,759
		+7%	
ASKs (m)	124,717	→	133,281

Lease revenue up 13%
- Increased codeshare yields and activity

Ancillary passenger revenue up 50%
- Increased in-flight catering
- Introduction of Jetstar fare bundles

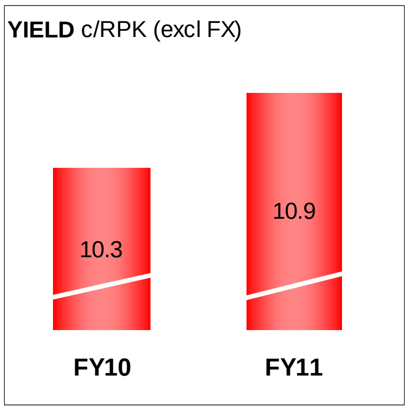
Tours and Travel revenue down 51%
- JTG deconsolidated from 1 October 2010

Revenue from other sources up 4%
- Settlement from Rolls Royce $95m
- Growth in charter revenue following acquisition of Network Aviation business
- Increased freight terminal fee revenue

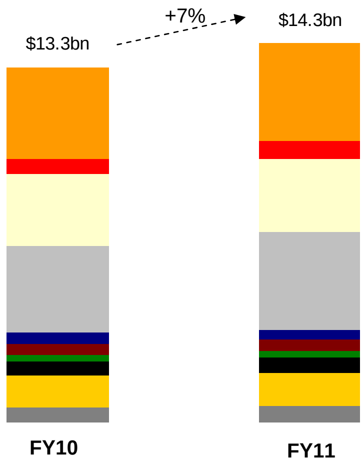
Note: All revenue movements include foreign exchange (FX)

Yield Performance

- International
  - International yield up 8% on FY10
  - Impacted by A380 grounding and natural disasters
  - Qantas – key international routes improving
  - Jetstar – strong performance in Asian regions
- Domestic
  - Domestic yield up 3% on FY10
  - Impacted by natural disasters
  - Business travel fully recovered
  - Substantial capacity growth in leisure market, Jetstar the right vehicle for success



Expenditure



		+6%		
RPKs (m)	100,727	→	106,759	
		+7%		
ASKs (m)	124,717	→	133,281	

Manpower and staff related costs up 9%
- Increased activity
- EBA & CPI increases

Selling and marketing costs up 9%
- Commissions and credit card charges higher due to increased activity

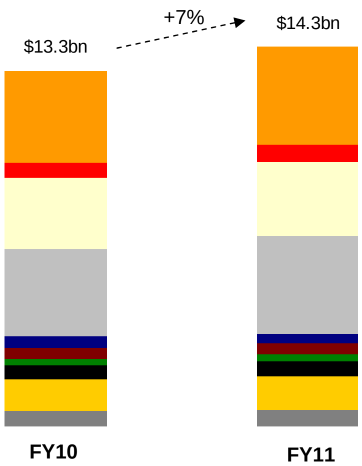
Aircraft operating variable costs up 3%
- CPI increases and increased activity
- QFuture savings

Fuel costs up 12%
- Net hedged AUD fuel price up 7%
- Increased activity
- Fuel conservation initiatives delivered benefits of $34m

(Continued next slide)

Note: All expenditure excludes non-recurring items and the impact of derivatives hedging exposures in future periods. All expenditure movements include FX.

Expenditure



		+6%		
RPKs (m)	100,727	→	106,759	
		+7%		
ASKs (m)	124,717	→	133,281	

Property costs up 1%

Computer and communication costs up 1%

Capacity hire costs up 4%
- Increased activity
- Hire of replacement aircraft to mitigate A380 disruptions

Rentals expense up 7%
- 9 additional new aircraft leases since FY10

Depreciation and amortisation costs up 4%
- 15 additional owned aircraft entered into service in FY11 offset by aircraft no longer depreciated
- Unfavourable impact of change in estimate of passenger aircraft residual value of $43m (FY11 $93m vs FY10 $50m)

Other expenditure up 4%

Note: All expenditure excludes non-recurring items and the impact of derivatives hedging exposures in future periods. All expenditure movements include FX.

Unit Cost

c/ASK	FY11	FY10	VLY %
Unit Cost[1]	**8.24**	**8.07**	**2**
Excluding:			
Fuel[1]	(2.77)	(2.65)	
Impact of Frequent Flyer change in accounting estimate	0.13	0.13	
Net Underlying Unit Cost[1]	**5.60**	**5.55**	**1**
Impact of natural disasters (includes loss of capacity)	(0.07)		
Sector length adjustment	(0.01)		
Comparable Net Underlying Unit Cost (excluding impact of natural disasters and sector length changes)	**5.52**	**5.55**	**(1)**

- Improved unit cost performance when adjusted for impact of natural disasters and reductions in average sector length

1. Based on Underlying PBT

Non-Recurring Items

- FY11 non-recurring items include:
  - $29m loss on disposal and other transaction costs relating to the Jetset Travelworld Group (JTG)/Stella merger
  - $4m profit on sale of Harvey Holidays and $5m profit on sale of DPEX (freight business)
  - $25m of provisions for freight regulatory fines and third party class actions
  - $34m of impairments of retired aircraft
  - $28m restructuring and redundancy provisions
- FY10 non-recurring items include:
  - $48m of aircraft write-downs relating to impairment of grounded aircraft
  - $11m transaction costs relating to the proposed JTG merger and other sundry provisions

$m	FY11	FY10
Non-recurring items:		
- net loss on disposal of investments and related transaction costs	(20)	
- legal provisions	(25)	
- net impairment of property, plant and equipment	(34)	(48)
- redundancies, restructuring and other provisions	(28)	(11)

Balance Sheet Summary

$m	FY11	FY10	Var $m
Net Debt[1]	2,971	2,236	735
Net Debt[1] incl off balance sheet debt[2]	6,970	6,197	773
Equity (excl. hedge reserves)	6,071	5,896	175
Gearing[3]	53:47	51:49	

- Net debt, including off balance sheet debt, increased by 12% to fund FY11 capital expenditure
- Gearing ratio increased 2 percentage points

1. Includes fair value of hedges related to debt and aircraft security deposits
2. Includes non cancellable operating leases
3. Calculated as Net Debt to Net Debt + Equity ratio and includes off balance sheet non-cancellable operating leases excluding hedge reserve

Cash Flow Summary

$m	FY11	FY10	VLY %
Cash at beginning of period	3,704	3,617	
Operating	1,782	1,351	32
Investing	(2,478)	(1,645)	51
Financing	508	381	33
Net decrease in cash held	(188)	87	>(100)
Effects of exchange rate changes on cash	(20)		
Cash at end of period	3,496	3,704	

- Operating cash flows increased 32% on FY10
  - Improved operating result and working capital
  - Offset by tax refunds in FY10
- Investing cash flows of $2.5bn included
  - Purchase of 15 aircraft
  - Progress payments on future deliveries
  - Cash impact of Jetset Travelworld Group deconsolidation $100m
  - Acquisition of Network Aviation

Financial Risk Management

Exposure	% Hedged	Worst case rate[1]	Participation[2]
Fuel costs[3]			
Remainder FY12	54%	USD117 per Barrel	70%
Remainder 1H12	82%	USD118 per Barrel	61%
2H12	35%	USD116 per Barrel	82%
FY13	12%	USD128 per Barrel	100%
Operating foreign exchange[3]			
Remainder FY12	18%	AUD/USD 0.8802	96%
FY13	1%	AUD/USD 0.7492	99%
Aircraft capital expenditure[4]			
Until June 2013	61%	AUD/USD 0.8740	70%

1. Worst case rate refers to the rate that would be achieved given a significant deterioration in current market prices
2. Participation refers to the degree to which Qantas benefits from an improvement in current market prices
3. Including option premium
4. Excluding option premium

Reconciliation to Statutory PBT

$m	FY11				FY10			
	Underlying	Non-recurring items	Ineffectiveness	Statutory	Underlying	Non-recurring items	Ineffectiveness	Statutory
Net passenger revenue	12,042	-	-	12,042	10,938	-	-	10,938
Net freight revenue	842	-	-	842	821	-	-	821
Other	2,010	-	-	2,010	2,013	-	-	2,013
Revenue	**14,894**	**-**	**-**	**14,894**	**13,772**	**-**	**-**	**13,772**
Manpower	3,709	30	-	3,739	3,405	-	-	3,405
Fuel	3,684	-	(57)	3,627	3,299	-	(16)	3,283
Other	5,042	77	158	5,277	4,873	59	175	5,107
Depreciation and amortisation	1,249	-	-	1,249	1,200	-	(1)	1,199
Non – cancellable operating lease rentals	566	-	-	566	527	-	(2)	525
Expenses	**14,250**	**107**	**101**	**14,458**	**13,304**	**59**	**156**	**13,519**
EBIT	**644**	**(107)**	**(101)**	**436**	**468**	**(59)**	**(156)**	**253**
Net finance costs	(92)	-	(21)	(113)	(91)		16	(75)
PBT	**552**	**(107)**	**(122)**	**323**	**377**	**(59)**	**(140)**	**178**

Group Operational Information

Fleet at 30 June 2011

	FY11	FY10	Change
A380-800	10	6	+4
B747-400	20	21	-1
B747-400ER	6	6	-
A330-200	8	7	+1
A330-300	10	10	-
B767-300ER	25	26	-1
B737-400	19	21	-2
B737-800NG	46[2]	41	+5
Total Qantas	144	138	+6
A320-200[3]	56	46	+10
A321-200	6	6	-
A330-200	9	7	+2
Total Jetstar[4]	71	59	+12
B717-200	11	11	-
Q200/Q300	21	21	-
Q400	22	21	+1
Total QantasLink	54	53	+1
EMB120	7	n/a[5]	+7
F100	2	n/a[5]	+2
Total Network Aviation	9	n/a	+9
B737-300SF	4	4	-
B767-300SF	1	-	+1
Total Group[6]	283	254	+29

- 24[1] additional aircraft during FY11
  - 1 x B747-400 returned to lessor
  - 1 x B763 and 2 x B737-400 retired and sold
- Network Aviation acquired in FY11
- 3 x B747-400 and 3 x B767-300 aircraft noted in FY10 as held for sale have been sold

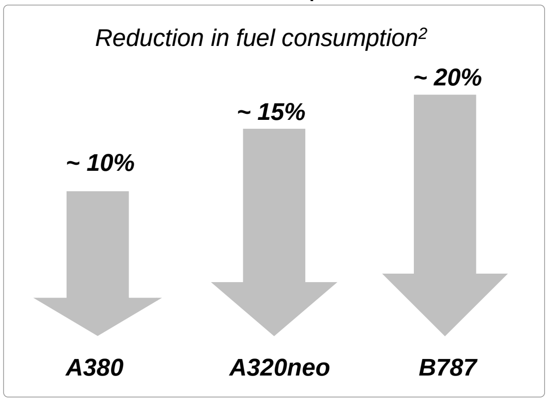
1. Includes 15 purchased and 9 leased aircraft (including 1 dry leased B767-300SF). Does not include Network Aviation.
2. Does not include 1 aircraft delivered in June 2011 with EIS of July 2011
3. Includes Jetstar Asia fleet (12 x A320)
4. Excludes Jetstar Pacific
5. Network Aviation acquired in FY11
6. Qantas Group wet-leases three B747-400 freighter aircraft (not included in the table) B767-200 freighter returned to Lessor in 2H 2011 (not included in the table)

Fleet Deliveries

Aircraft deliveries (indicative timing)

Aircraft Type	FY12	FY13 – FY18	FY19 – FY24
A380-800	2	2	6
A330-200	2	1	-
B787-8	-	15	-
B787-9	-	35	-
A320 Family [1]	9	80	42
B737-800	12	11	-
B717	2	-	-
Q400	3	3	-
F100	5	5	-
Total Deliveries	**35**	**152**	**48**

- 16 aircraft for retirement in FY12
  - 4 x B747-400, 2 x B767-300, 10 x B737-400
- Planned Group capacity growth in 1H12 of 8%
  - International 9%, Domestic 5%
  - Qantas 4%, Jetstar 19%
- Fleet renewal drives superior economics



1. Includes recently announced A320 aircraft order, does not include 24 aircraft for Jetstar Japan and 10 aircraft for Jetstar Pacific
2. A380 compared with B744, A320neo compared to A320 (no sharklets) and B787 compared to B763

On-time Performance

- Domestic
  - Qantas passengers arrived at their destinations on-time more often than passengers from any other domestic airline in FY11
  - Best on time arrivals – FY11
  - Best on time departures – FY11
- International
  - Qantas on-time performance (OTP) was unchanged compared to FY10
    - Impacted by grounding of A380 fleet and significant weather events

On-time arrivals	FY11	Rank
Qantas	83.1%	1st
Virgin	78.7%	2nd
Jetstar	77.3%	3rd
Tiger	65.9%	4th

On-time departures	FY11	Rank
Qantas	83.8%	1st
Virgin	79.9%	2nd
Jetstar	77.1%	3rd
Tiger	65.9%	4th

Lowest Level of Cancellations	FY11	Rank
Jetstar	1.4%	1st
Qantas	1.5%	2nd
Virgin	2.0%	3rd
Tiger	3.0%	4th

Source: BITRE June 2011

Safety, Environment, Social and Governance

Safety, Health & Wellbeing

- Strategic focus on safety as our first priority
  - Continuous improvement of Qantas' world leading integrated management system
  - Proactive approach to targeted risk management through focus on threat exposure and control effectiveness
  - Improved culture and behaviours underpin management system
  - Proactive engagement with regulatory and industry bodies
- Positive injury prevention results
  - Total Recordable Injury Frequency Rate: 35.3 in FY11, 15% improvement on FY10
  - Lost Work Case Frequency Rate: 9.6 in FY11, 3% improvement on FY10

Governance – Business Resilience

- Strategy to ensure continuity of the Qantas Group
  - Dedicated team, Group-wide Business Resilience framework and culture
  - Supports the mitigation of a broad range of events and issues impacting operations
  - Enables the provision of support to affected customers, employees, the community and Government
- Multiple events throughout FY11, including issues that occurred simultaneously
  - QF32 uncontained engine failure and subsequent grounding of the A380 fleet
  - Queensland floods and tropical cyclones Yasi and Carlos
  - Christchurch earthquake
  - Japan earthquake and tsunami
  - Chilean volcanic ash cloud impacting operations across the south of Australia and New Zealand

Governance – Business Resilience

- QF32 – 4 November 2010
  - Rolls Royce uncontained engine failure
  - Qantas A380 services suspended immediately, pending safety investigation
  - Exceptional response by Qantas flight crew and staff
  - Customer care focus maintained
    - Promptly cleared customer backlog
    - Extensive communication effort
    - Limited cancellations by maintaining network and schedule
- Chilean Volcanic Ash Cloud – June and July 2011
  - Disrupted Group operations across the south of Australia and New Zealand
  - Over 2,000 flights cancelled and hundreds of thousands of customers disrupted – resumed flying only once air space confirmed safe
  - Greatest ever disruption to Group – 10 times that caused by the European ash cloud in 2010
  - Provided accommodation, meals, fare change waivers and refunds to affected customers
  - Proactive and constant situation updates, utilising social media
  - Utilised additional flights and larger aircraft (including A380 and B747) to reduce the backlog quickly
- Both events showed commitment to safety, our customer focus and business resilience

Environment

- Sustainable Aviation Fuel (SAF)
  - Collaborations with leading technology companies to advance commercialisation of SAF industry in Australia
  - Certification achieved – Bio-SPK fuel now certified by ASTM International (an international standards organisation)
  - Feasibility work continuing with Solazyme (kerosene derived from algae) and Solena (kerosene derived from municipal waste)
  - Potential to reduce the Group's carbon footprint
  - Leveraging the Group's scale to motivate development of sustainable fuel supply chain
  - Contributed to Industry Road Map report 'Flight Path to Sustainable Aviation' released by CSIRO

Environment

- Carbon readiness plans in place
  - EU Emissions Trading Scheme due to commence on 1 January 2012
  - Proposed introduction of carbon price by the Australian Government from 1 July 2012
- New Zealand Emissions Trading Scheme operating since 2010
- Participation in the Government's Business Roundtable on Climate Change
- Ongoing success of voluntary carbon offset programs – over 1 million tonnes offset to date
- Significant achievement in electricity, water and waste reduction performance – achieving 8%, 19% and 21% reductions respectively, against FY07 baseline

Social

Community and Public Affairs

- Queensland Flood Relief (January 2011) – $1.3m donated
  - $1.0m to the QLD Premier's Relief Fund via Qantas Foundation
  - $0.3m worth of free air and freight services and provision of meals
- Evacuation of Australian citizens from Cairo (February 2011)
  - Two Boeing 747-400 aircraft chartered by the Australian Government – provided on a cost recovery basis
  - Evacuation of Australian citizens from Cairo to Frankfurt; on-carriage of citizens to Australia provided
- Cyclone Yasi Relief (February 2011)
  - 1,500 seats provided to Emergency Management Queensland for flights into Cairns and Townsville
  - Transportation of emergency freight to affected areas
- Victorian Floods (March 2011)
  - $0.5m donated to the Victorian Flood Relief via Qantas Foundation

Social

Community and Public Affairs (continued)

- Qantas Foundation
  - The Qantas Foundation donated over $2m during FY11 to humanitarian, philanthropic, environmental and art initiatives
- Sharing the Spirit – supports several charities and community organisations
  - UNICEF's Change for Good – raised over $1.8m in FY11 and $24m since inception (FY11 marked the 20th anniversary)
- Reconciliation Action Plan (RAP)
  - Achieved the June 2011 milestone[1] to employ 330 Indigenous Australians
  - Continue to work with Reconciliation Australia to strengthen the Group's commitment to delivering on RAP initiatives

People

- Continued focus on employee engagement and talent management
- Continued focus on increasing representation of women in senior roles, with 30% of senior roles occupied by female employees

1. RAP employment target was reset during FY11. The new target, 330 by 30 June 2011 and 450 by 31 December 2013, has been communicated to and accepted by Reconciliation Australia.

Segment: Qantas

Qantas

- Underlying EBIT of $228m, up 240%, despite significant losses in Qantas International
- Substantial operational disruptions from A380 fleet grounding and natural disasters

		FY11	FY10	VLY %
Revenue	$m	11,315	10,609	7
Underlying EBIT	$m	228	67	>100

- Yield improvements in both networks
- Corporate travel revenue and volumes continue to grow
- Capacity increased 3%
- QFuture benefits of $470m achieved, $1bn over last 2 years
- Strengthening alliance partnerships and expanding network – Dallas launch
- Regional network and capacity expansion supporting resource market growth – Network Aviation, Port Moresby
- Continuing to extend best for business credentials

Qantas Domestic

- Highest OTP[1] and fewer cancellations in ten out of twelve months than Virgin Australia
- Market leading check-in technology launched in all major cities – won Airline Strategy Award for innovation in airline technology
- Domestic product relaunch – enhancements to Business Lounges, Qantas Clubs and in-flight offerings

		FY11	FY10	VLY %
ASKs	m	30,928	29,795	3.8
RPKs	m	24,719	24,092	2.6
Passengers	‘000	17,073	16,640	2.6
Seat factor	%	79.9	80.9	(1.0)ppt
OTP[1]	%	83.8	87.7	(3.9)ppt

1. OTP = On-time performance - Source: BITRE

- Continuing to strengthen position as best for business airline
  - Highly differentiated product
  - Leading frequency and capacity
  - Continued penetration of SME market – above market share and capacity share
  - 99.5% corporate accounts renewed

QantasLink

- Largest regional fleet and network with capacity growing at 9.1% CAGR[1]
- Profitable operations underpinned by Q400 expansion
- Supporting resources market growth
  - Commenced international operation from Cairns to Port Moresby – 1 July 2010
  - Investment in charter operations with the acquisition of Network Aviation in WA
  - Planned expansion into WA with the deployment of two Q400 turboprop aircraft
- Regional Qantas Club Lounge expansion
- Faster, smarter check-in rolled out to 16 regional destinations by December 2011

		FY11	FY10	VLY %
ASKs	m	4,714	4,369	7.9
RPKs	m	3,224	2,936	9.8
Passengers	‘000	4,857	4,323	12.4
Seat factor	%	68.4	67.2	1.2ppt
Aircraft[2]	%	63	53	19

1. ASKs over five years to FY11
2. Including Network Aviation

Qantas International

- Passenger revenue[1] up 11%, despite reduced A380 capacity and natural disasters
- Commenced strategic review to address underperformance
- Four new A380s entered into service during FY11 – improved economics and customer experience
- Upgraded aircraft product to B738s on trans-Tasman route

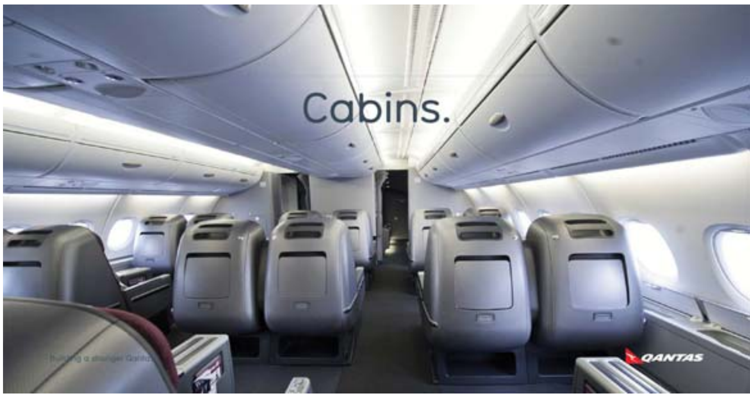
		FY11	FY10	VLY %
ASKs	m	61,881	60,608	2.1
RPKs	m	51,004	49,979	2.1
Passengers	'000	5,977	5,900	1.3
Seat factor	%	82.4	82.5	(0.1)ppt
Market share[2]	%	18.8	19.7	(0.9)ppt
OTP[3]	%	76.9	76.9	-

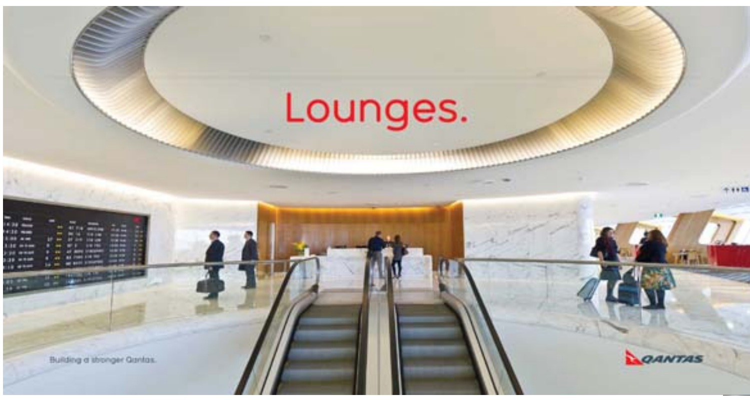
2. As at May 2011 3. OTP = On-time performance - Source: BITRE

- New joint business agreement signed with American Airlines – positive draft determination
- Launch of Sydney to Dallas service in May 2011
- Withdrawal from poor performing routes – San Francisco, Perth-Narita

1. Excluding FX

Customer Excellence





qantas.com

- qantas.com continues to be the largest travel site in Australia[1]
  - A strength unique to Qantas
  - Worldwide flight revenue over $2bn, up 12% on FY10
- An integrated premium travel site with appeal to a global audience
  - Leisure and SME travel booked via qantas.com represents 68% of Qantas Domestic bookings and 33% of Qantas International bookings
  - qantas.com operates in 34 countries and 7 languages
  - Proven market reach with over 9 million visits per month
  - Ancillary airline and travel products income of $28.8m
  - Strong growth in customer servicing and communications
- 8.0 million Frequent Flyers supported by qantas.com
- Over 2.3 million direct red e-mail subscribers

1. Source: Hitwise

QFUTURE

- Background
  - Program launched in July 2009 to position Qantas for profitable growth
  - Focus on transformational change
  - $1.5bn margin improvement targeted over 3 years FY10 to FY12
  - Over 30 major initiatives, plus many smaller projects across the airline
  - $533m of benefits delivered in FY10
  - $470m of benefits delivered in FY11
- Objectives
  - Creating value for our customers
  - Optimising revenue and margins
  - Driving operational efficiency
  - Engaging our workforce

QFUTURE

- $470m benefit achieved in FY11
  - Result impacted by operational focus on managing impact of natural disasters
  - Significant benefits delivered around asset utilisation, fuel optimisation, procurement and other direct costs
  - $66m implementation costs in FY11
- Achieved $1bn in benefits over last two years
- Future targets
  - On target to achieve $1.5bn of benefits by FY12
  - FY12 target $500m

QFuture benefits	FY11 $m	FY10 $m
Commercial	213	151
Engineering	62	101
Fuel	44	41
Customer	42	77
Airports, Catering	34	44
IT	15	60
Other (Flight Operations, Regional, Shared Services, Procurement)	60	59
Total	**470**	**533**

Note: QFuture benefits will be partially offset by the natural inflationary cost increases relating to some non-fuel expenses

QFUTURE

Transformational initiatives underway

Creating value for our customers

- Faster, smarter check-in
- International configuration
- Customer strategy program

Optimising revenue and margins

- Cost of sales
- Alliances
- Revenue management

Driving operational efficiency

- Aircraft utilisation & scheduling
- Fuel optimisation
- Procurement & supply chain

Engaging our workforce

- Workplace transformation

Segment: Jetstar

Jetstar

- Record result
  - Underlying EBIT of $169m, up 29%
  - Unit cost[1] down 2%, 3% adjusted for increased sector length and natural disasters
  - Capacity up 19%

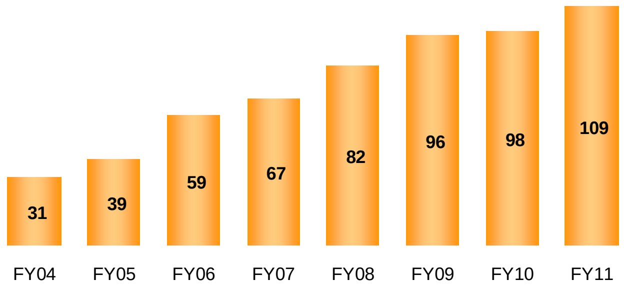
		FY11	FY10	VLY %
Revenue	$m	2,613	2,197	19
Underlying EBIT	$m	169	131	29
Unit cost c/ASK[1]	c	4.82	4.94	(2)

- Natural disasters impacting key markets
  - Total financial impact of $85m
  - Profitable in the second half despite significant operational disruptions
- Largest LCC in Asia Pacific[2] – growing Singapore hub
  - Low cost long-haul carrier – sustainable expansion with brand embedded in Asia
- Continued innovation
  - iPad in-flight entertainment
  - 100% self-service airport model
  - New service models for call centres and mishandled baggage

1. Gross unit cost excluding fuel
2. Based on gross revenues

Jetstar Footprint Growing

Jetstar - Growing Network of Routes



- Jetstar is one of the fastest growing airlines in the Asia Pacific region
  - Operations based across two continents and four countries
  - Servicing 17 countries, 56 destinations
  - Combined operating fleet of 78 aircraft[1]
  - 2,400 flights per week and growing

1. Including Jetstar Pacific aircraft

Jetstar - Domestic

- Domestic operations profitable every year since launch
- Strengthening and refining market position
  - 23% capacity growth in FY11
  - Investment in aircraft to drive sustainable growth
  - Continued progress on unit costs to deliver competitive platform
  - Transforming the airport and in-flight experience
- Continued growth in core Jetstar leisure markets
  - Launch of Gold Coast-Perth and Brisbane-Perth routes in FY11 - partnering with Tourism WA to promote the state

Jetstar Domestic		FY11	FY10	VLY %
ASKs	m	14,256	11,615	22.7
RPKs	m	11,369	9,456	20.2
Passengers	'000	9,753	8,367	16.6
Load	%	79.8	81.4	(1.6)ppt
A320/1 utilisation	hrs	10.4	11.1	(6)
OTP[1]	%	77.1	82.1	(5.0)ppt

1. OTP = On-time performance - Source: BITRE

Jetstar - International

- Australia
  - 4th largest carrier, 8.1% market share[1]
  - 10% ASK growth with strong yield improvement on FY10
  - 9th A330 added in March 2011
  - First B787 due late 2012
- New Zealand Domestic
  - Year-on-year growth even with impact of Christchurch earthquakes and Chilean volcanic ash cloud
  - 8th aircraft added in February 2011
- Japan
  - Earthquake and tsunami impacted 2H loads and yields but full year performance improved over FY10

Jetstar International (excl. Jetstar Asia & NZ Domestic)		FY11	FY10	VLY %
ASKs	m	14,668	13,384	9.6
RPKs	m	11,166	10,301	8.3
Passengers	'000	2,862	2,733	4.7
Load	%	76.1	77.0	(0.9)ppt
A330 utilisation	Hrs	14.2	13.5	5
Market share[1]	%	8.1	8.1	-

New Zealand Domestic		FY11	FY10	VLY %
ASKs	m	960	932	3.0
RPKs	m	769	736	4.5
Passengers	'000	1,234	1,177	4.8
Load	%	80.2	79.0	1.2ppt

1. Source BITRE - Australian based International operations only (excl. Jetstar Asia and NZ Domestic operations). As at May 2011

Jetstar in Asia

- Jetstar Asia rapidly growing and profitable
  - SGD18m Normalised PBT[1] in FY11
  - 46% capacity growth on FY10
  - Singapore base providing strong capability for future growth in Asia
  - Significant growth into China – now serving 9 ports, with 12 by the end of 2011
  - Largest LCC in Asia Pacific[2]– low-cost long haul SIN-MEL & SIN-AKL
- Jetstar Pacific
  - New A320 delivered in November 2010 taking fleet to 7 aircraft
  - Market continues to grow rapidly

Jetstar Asia		FY11	FY10	VLY %
ASKs	m	5,874	4,014	46.3
RPKs	m	4,508	3,227	39.7
Passengers	'000	2,700	2,288	18.0
Load	%	76.7	80.4	(3.7)ppt

1. Adjusted for SGD10m of long-haul start-up costs but including other start-up costs from organic growth of narrow body operations
2. Based on gross revenues

Jetstar Fleet

- A320 deliveries for growth
- Taking A330 fleet to 11 by FY12 to consolidate international growth
- FY11 deliveries
  - 11 x A320[1]
  - 2 x A330
- FY12 deliveries
  - 10 x A320[1]
  - 2 x A330
- B787 deliveries from late 2012, with Jetstar receiving the Group's first 15 B787s to support international growth

	FY11	FY10	VLY
Jetstar Australia, NZ & Singapore based Operations			
A320-200	56	46	+10
A321	6	6	-
A330-200	9	7	+2
Sub Total	**71**	**59**	**+12**
Jetstar Pacific			
A320-200	2	1	+1
B734	5	5	-
Sub Total	**7**	**6**	**+1**
Total Jetstar Group	**78**	**65**	**+13**

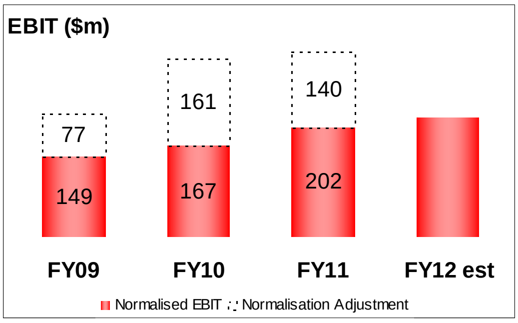
1. Includes Jetstar Pacific

Segment: Qantas Frequent Flyer

FY11 Highlights

- Record financial performance
  - Billings up 9%
  - Normalised EBIT up 21%
- Membership now at 8.0 million, up 11%
- Optus partnership finalised
- Major program enhancements
  - Expansion of points earn on Jetstar flights
  - New tier for our most frequent flyers – “Platinum One”
  - Doubled points bonus in premium cabins
  - Increased Silver and Gold points bonus
- Pursuing growth strategies
  - epiQure launched - QFFs member only online food and wine club
  - Acquisition of Wishlist

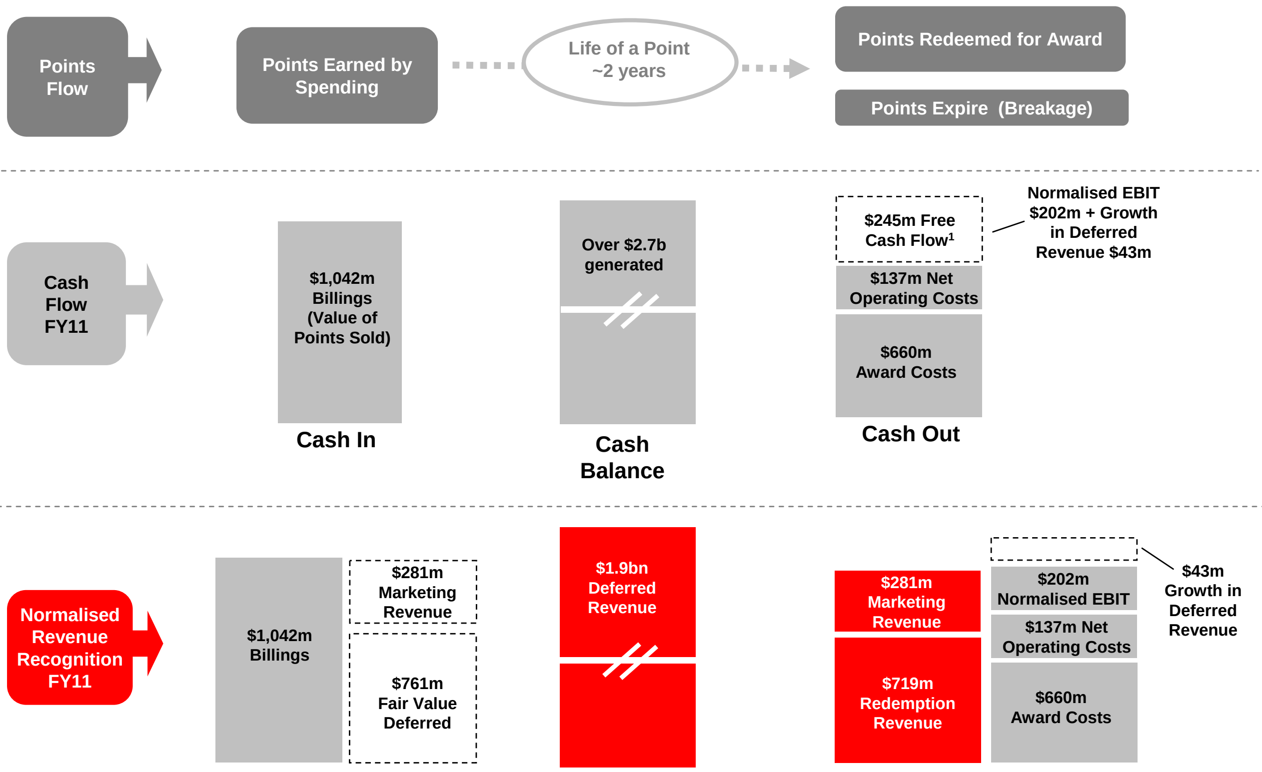
$M	FY11	FY10	VLY%
Underlying EBIT	342	328	4
Normalised EBIT[1]	202	167	21
Billings	1,042	952	9
Members[2] (m)	7.9	7.2	10



NB: The normalisation adjustment period ended in FY11 and will not continue in FY12

1. Normalised EBIT restates redemption revenue to the fair value of awards redeemed and recognises the ‘marketing revenue’ when a point is sold. This creates a comparable basis for the presentation of results.
2. As at 30 June 2011

Business Model Financials



1. Excludes capital expenditure

Financials

- Billings
  - Airline capacity growth
  - Strong credit card billings
  - Further growth in retail billings as programs expand
- Redemption margin remains at 8%
  - Any Seat now over 23% of all redemptions
- No profit is derived from transfer pricing between Qantas Frequent Flyer and Qantas Group airlines

$M	FY11	FY10	VLY%
Billings	**1,042**	**952**	**9**
Marketing Revenue	**281**	**236**	**19**
Redemption Revenue	719	699	3
Redemption Costs	660	642	(3)
Redemption Margin	**59**	**57**	**4**
Other Revenue	**10**	**10**	**-**
Gross Profit	**349**	**303**	**15**
Royalty	63	61	(3)
Operating Costs	84	75	(12)
Total Operating Costs	147	136	(8)
Normalised EBIT[1]	**202**	**167**	**21**
Growth in normalised deferred revenue[2]	**43**	**17**	**153**

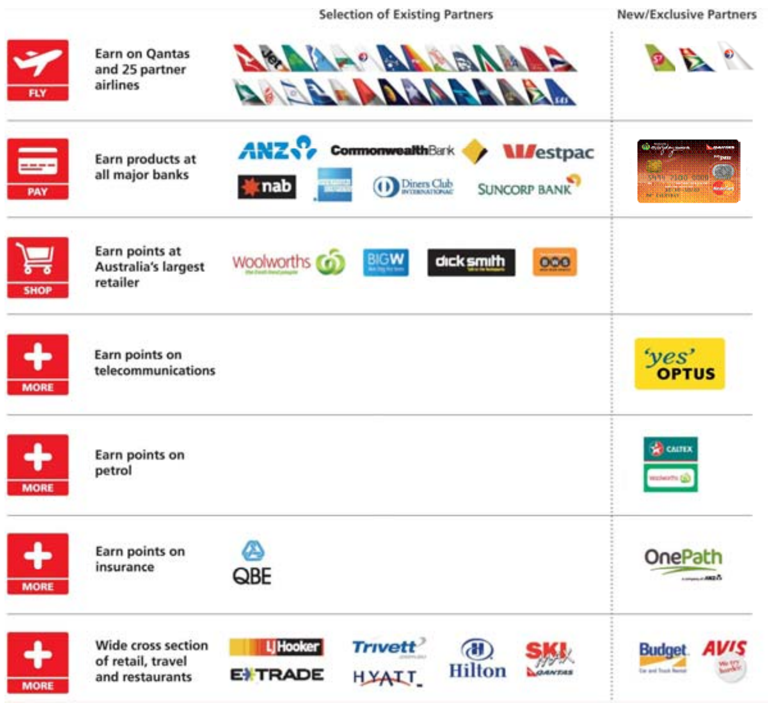
1. Normalised EBIT restates redemption revenue to the fair value of awards redeemed and recognises the marketing revenue when a point is sold. This creates a comparable basis for the presentation of results.
2. Normalised deferred revenue balance has been restated, by removing the impact of the change in accounting estimate of $140 million FY10. The normalised deferred revenue liability balance was $1.9 million at 30 June 2011.

Major Program Enhancements

- Enhanced tier benefits
  - Doubled cabin bonus in Business and First class
  - Increased status bonus for Gold and Silver
  - Introduced points earn for Jetstar bundles
- New tier for our most frequent flyers – “Platinum One“
- Launched epiQure Food and Wine Club
- New channels developed to reach members
  - iGoogle gadget launched
  - iPhone application launched - 140,000+ downloads
  - Faster, smarter check-in launched for tier members
- 3.9 million seats redeemed on flight awards, up 6%
- Over 500,000 products redeemed in QFF Store, up 48%
- Customer satisfaction at record high levels

epiQure by Frequent flyer

Strong Coalition and Growing



FY11 partner and product updates

- Optus
- Caltex Woolworths Fuel Outlets
- OnePath (ANZ life insurance)
- Woolworths Everyday Rewards Qantas credit card
- Avis / Budget exclusivity
- American Express fee free 'Discovery' card
- S7 Airline, South African Airways, China Eastern Airways

Kingfisher Airlines, Malaysia Airlines and airberlin to start flying in **one**world alliance in FY12

Strategy and Growth

Building the World's Best Loyalty Business

Sustainable Growth from Existing Business

Share of Wallet | Member Retention | Member Acquisition | New Partners

People

Innovate and Expand the Loyalty Value Chain

Leverage IP and Member Penetration

Drivers of Growth

Market Growth
- Airline
- Credit Card
- Retail

Membership Growth

Partner Growth

Cross Partner Rate Growth

Online Retail | Data Analytics | Operate Other Loyalty Programs

- epiQure online club launched, more clubs planned
- Wishlist acquisition
- Business Process Outsourcing

Expansion Opportunities

Offshore Loyalty Programs

Joint Ventures with Airlines

Operate other Airlines' Programs

Direct Marketing

Leveraging assets

Data Analytics

Customer Insights and Behaviour

Onshore Loyalty Diversification

epiQure

Wishlist

Segment: Qantas Freight Enterprises

Qantas Freight

- Underlying EBIT of $62m, up 48%
  - Recovery in airfreight since 2H10
  - Strong yield improvement due improved demand
- Total capacity increased 4%
  - Freighter capacity up 5%
    - Additional flying due market recovery
    - New B767 freighter from March 2011
  - Marketing Jetstar Asia freight capacity since January 2011
- Load factor marginally lower than FY10 but RFTK up 2%
- Terminals performing ahead of expectation

		FY11	FY10	VLY %
Revenue	$m	1,054	1,007	5
Underlying EBIT	$m	62	42	48
Profit from associates	$m	18	12	50
Yield (excl FX) VLY	%			8
Load	%	59	60	(1)ppt

Domestic Express Joint Ventures

- Strong recovery in domestic freight market
  - Australian air Express and Star Track Express both achieved revenue improvement of 11%
  - Higher volumes and improved yield
- Joint Venture reconfiguration project announced and commenced May 2011
  - Leverage strengths of two leading express freight brands
    - Consolidation of common functions
    - Creation of new business with distinct capabilities
  - Star Track Express will be retail focused, offering services via road and air
  - AaE will focus on domestic air linehaul and cargo terminal operations
  - Project progressing well