Qantas Group presentation
March 2009

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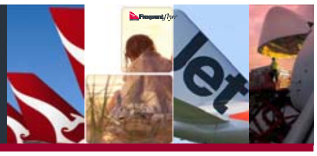
Brands with Spirit

Overview



- Profit before tax at A$288 million in HY09
- Market leading position
- Diversification
  - Domestic vs International operations
  - Two Brands
  - Portfolio Businesses
- Prudent capital management

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Two Brand Strategy – overview

- Qantas premium full service
- Jetstar – Low fare airline
- Provides flexibility in varying market conditions
- Jetstar deployed on selected international & domestic leisure routes
- Domestic group market share at 65%

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Two Brand Strategy - Qantas

- PBT of A$199 million in HY09
  - Underpinned by domestic business
- Operational improvement
  - Domestic punctuality above 85%
- Successful introduction of A380
- Enhanced customer service focus

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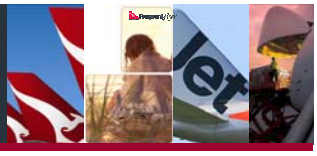
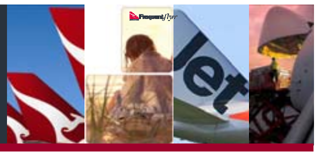
Two Brand Strategy - Jetstar



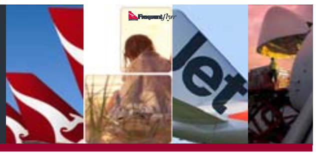
- PBT of A$72 million in HY09
- Cost leadership
- Low fares leadership
- International leisure market growth
- Pan Asian brand

Loyalty



- PBT of A$119 million in HY09
  - Adjusted EBITDA up 36% to $99 million (ex relaunch costs, up 48%)
- Successful launch
  - AnySeat and Frequent Flyers Store
  - Direct earn strategy
  - 23% increase in redemptions
- Credit card billings up 19%
- Woolworths launch in mid 2009

Qantas’ response to current environment – short term



- Decisive reductions in capacity to mitigate traffic decline
  - Capacity in 2H09 to be 4% lower than pcp
  - Qantas international 9-10% lower than pcp
  - Jetstar international 20% higher than pcp
  - Total domestic businesses 1% lower than pcp
- Focussed on removing capacity related costs
- Market stimulation
- Fuel hedging has allowed participation in lower prices
- Operational FX highly hedged at worst case rate of AUD 85c
- Capex FX hedged until June 2011 at worst case rate of AUD 78c

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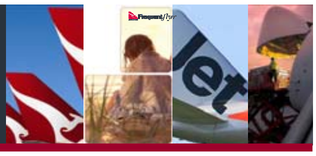
Qantas’ response to current environment – mid/long term



- Two brand flexibility
- Customer focus
  - Investing in product
  - Centre of Service Excellence
- Investment in new aircraft
  - Manage fleet age
  - Reduce operating cost
- Lower cost structure

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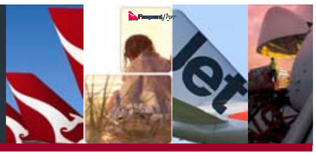
Funding and liquidity



- Maintained investment grade credit rating
  - Preferential access to funding markets – better terms
  - No collateral requirements for hedging
- Over $2.8 billion of cash
  - Strong focus on cash preservation
- $500 million undrawn standby facility
- Reducing non-essential non aircraft capital expenditure

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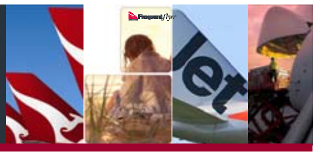
Strong Cost Focus



- ‘Sustainable Future Program’ cost saving target of A$1.1 billion to June 2010
  - From growth to steady or shrinking capacity
  - Short term savings, including capacity reductions
  - Improving cost variability
- FY09 Target of A$550 million
  - Capacity reductions
  - Manpower
  - Fuel Conservation
  - Supplier spend / Discretionary spend / IT
  - Ancillary Revenues

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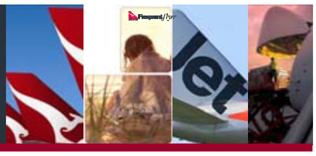
Outlook



- Challenging environment
- Strong focus on cash and capital
- Qantas strategically positioned well
- Diversification
  - Can respond swiftly to challenging market conditions

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