

# QANTAS AIRWAYS LIMITED

ABN 16 009 661 901

## PRELIMINARY MONTHLY TRAFFIC AND CAPACITY STATISTICS

JULY 2008

### Summary of Traffic and Capacity Statistics

#### Month of July 2008

July Group (comprising Qantas Domestic, QantasLink, Jetstar and Qantas International) passenger numbers increased by 0.7 per cent over the previous year. RPKs increased by 0.2 per cent, while ASKs were up 2.1 per cent, resulting in a revenue seat factor of 82.2 per cent, which was 1.6 percentage points lower than the previous year. World Youth Day in July generated traffic growth on the previous year but this gain was offset by operational disruptions associated with industrial action by the Australian Licensed Aircraft Engineers Association (ALAEA).

Total Domestic (Qantas, QantasLink and Jetstar domestic operations) yield excluding exchange for July 2008 was 3 per cent lower when compared to the same period last year. The domestic yield has been negatively affected by high levels of industry capacity growth and discounting in leisure segments. Total International (Qantas and Jetstar international operations) yield excluding exchange increased by 6.3 per cent compared with the same month the prior year.

#### Recent Developments

Qantas has taken a recent opportunity to increase its fuel hedging for 2008/09 to 90 percent of expected West Texas Intermediate crude oil requirements at an average worst case rate inclusive of option premium of approximately \$US112 per barrel. The cover is predominantly in options, allowing participation should fuel prices be lower. The Group has also hedged 84 percent of its projected net US dollar cost base in 2008/09, reducing its exposure to foreign exchange rate movements on operational expenditure.

On 28 July 2008, Qantas Chairman Leigh Clifford, announced that Alan Joyce would become Chief Executive Officer of Qantas upon the retirement of Geoff Dixon in November 2008. Mr Dixon will remain available to Qantas on a consulting basis until 31 March 2009.

On 12 August 2008, Qantas was named the Best Airline Australasia and one of the world's top airlines in the 2008 Skytrax World Airline Awards. Qantas has been listed in the world's top five airlines for six consecutive years in the prestigious survey - one of only two airlines to achieve this. Skytrax was judged by more than 15 million travelers.

On 19 August 2008, Qantas announced that Peter Gregg would step down as Chief Financial Officer (CFO) and as a member of the airline's Board on 30 September 2008. Mr Gregg will be succeeded as CFO of Qantas by Colin Storrie, currently the Deputy CFO. Mr Storrie will assume the CFO role and take a place on the Qantas Board.

On 21 August 2008, Qantas announced a record profit before tax of \$1,408 million for the year ended 30 June 2008, a 46 per cent increase on the prior year result. The net profit after tax of \$970 million was also a record. The Directors declared a fully franked ordinary dividend of 17 cents per share, bringing the full-year dividend to 35 cents per share, representing a payout ratio of approximately 70 per cent.

On 1 September 2008, Qantas said it would work closely with the Civil Aviation Safety Authority (CASA) to implement any recommendations contained in its review of the airline's engineering and maintenance operations. Qantas welcomed the key findings that: there had been no significant change in Qantas' rate of reported incidents over the past two years; and there was no direct link between the recent incidents involving Qantas aircraft and there has been no deterioration in Qantas' safety.

On 19 September 2008, Qantas took delivery of the first of its 20 new Airbus A380 aircraft. The Qantas A380 will undergo a series of training and promotional activities ahead of its first commercial passenger service, operating from Melbourne to Los Angeles on 20 October 2008. The first service from Sydney - also to Los Angeles - will operate on 24 October.

**QANTAS AIRWAYS LIMITED**  
**ABN 16 009 661 901**  
**PRELIMINARY MONTHLY TRAFFIC AND CAPACITY STATISTICS**

	<b>JULY 2008</b>			<b>Financial Year to Date</b>		
	<b>2008/09</b>	<b>Month 2007/08</b>	<b>Change</b>	<b>2008/09</b>	<b>2007/08</b>	<b>Change</b>
<b>Qantas Domestic</b>						
Passengers carried ('000)	1,432	1,514	(5.4)%	1,432	1,514	(5.4)%
Revenue Passenger Kilometres (m)	2,141	2,230	(4.0)%	2,141	2,230	(4.0)%
Available Seat Kilometres (m)	2,608	2,624	(0.6)%	2,608	2,624	(0.6)%
Revenue Seat Factor (%)	82.1	85.0	(2.9) pts	82.1	85.0	(2.9) pts
<b>QantasLink</b>						
Passengers carried ('000)	363	356	1.8%	363	356	1.8%
Revenue Passenger Kilometres (m)	268	237	13.3%	268	237	13.3%
Available Seat Kilometres (m)	368	307	20.0%	368	307	20.0%
Revenue Seat Factor (%)	72.9	77.2	(4.3) pts	72.9	77.2	(4.3) pts
<b>Jetstar Domestic</b>						
Passengers carried ('000)	726	632	14.9%	726	632	14.9%
Revenue Passenger Kilometres (m)	834	732	13.9%	834	732	13.9%
Available Seat Kilometres (m)	1,040	866	20.1%	1,040	866	20.1%
Revenue Seat Factor (%)	80.2	84.6	(4.4) pts	80.2	84.6	(4.4) pts
<b>Qantas International</b>						
Passengers carried ('000)	686	729	(5.9)%	686	729	(5.9)%
Revenue Passenger Kilometres (m)	5,052	5,296	(4.6)%	5,052	5,296	(4.6)%
Available Seat Kilometres (m)	5,992	6,266	(4.4)%	5,992	6,266	(4.4)%
Revenue Seat Factor (%)	84.3	84.5	(0.2) pts	84.3	84.5	(0.2) pts
<b>Jetstar International</b>						
Passengers carried ('000)	154	108	42.7%	154	108	42.7%
Revenue Passenger Kilometres (m)	689	470	46.6%	689	470	46.6%
Available Seat Kilometres (m)	915	635	44.0%	915	635	44.0%
Revenue Seat Factor (%)	75.3	74.0	1.3 pts	75.3	74.0	1.3 pts
<b>Total Group Operations</b>						
Passengers carried ('000)	3,361	3,339	0.7%	3,361	3,339	0.7%
Revenue Passenger Kilometres (m)	8,984	8,965	0.2%	8,984	8,965	0.2%
Available Seat Kilometres (m)	10,923	10,698	2.1%	10,923	10,698	2.1%
Revenue Seat Factor (%)	82.2	83.8	(1.6) pts	82.2	83.8	(1.6) pts

**Notes**

Any adjustments to preliminary statistics will be included in the year to date results next month. Where figures have been rounded, discrepancies may occur between the sum of the components of items and the total and in percentage changes which are derived from figures prior to rounding.

The number of passengers carried is calculated on the basis of origin/destination (ie. one origin/destination journey represents one passenger regardless of the number of stage lengths undertaken).

**Key**

(m): Millions

RPKs: The number of paying passengers carried multiplied by the number of kilometres flown

ASKs: The number of seats available for sale multiplied by the number of kilometres flown