

**QANTAS AIRWAYS LIMITED**  
**ABN 16 009 661 901**

**PRELIMINARY MONTHLY TRAFFIC AND CAPACITY STATISTICS**  
**MARCH 2003**

**Summary of Traffic and Capacity Statistics**

**Month of March 2003**

International traffic, measured in Revenue Passenger Kilometres (RPKs) decreased by 10.9 percent in March 2003 while capacity, measured in Available Seat Kilometres (ASKs), rose by 0.3 percent. This resulted in a revenue seat factor of 74.1 percent, 9.3 percentage points lower than for March 2002.

Domestic RPKs decreased by 3.6 percent in March, while ASKs increased by 5.1 percent over the same period. The resulting revenue seat factor of 75.5 percent was 6.9 percentage points lower than the previous year.

March Group (comprising International, Domestic, Australian Airlines and QantasLink) passenger numbers decreased by 3.6 percent over the previous year. RPKs decreased by 5.4 percent, while ASKs were up 6.2 percent, resulting in a revenue seat factor of 73.7 percent, which was 9.0 percentage points lower than the previous year.

**Financial Year to Date March 2003**

International revenue seat factor for year to date March 2003 increased by 2.1 percentage points to 80.2 percent when compared with year to date March 2002, while international yield excluding exchange increased by 3.1 percent over the same period. Domestic yield excluding exchange for the financial year to March decreased by 5.5 percent. Domestic revenue seat factor decreased by 1.1 percentage points to 78.9 percent over the same period.

Group passenger numbers for the year to March increased by 9.8 percent over the previous year. RPKs and ASKs increased by 7.0 percent and 5.9 percent respectively, resulting in a revenue seat factor of 79.1 percent, up 0.8 percentage points from the previous year.

**Recent Developments**

On 7 May 2003, Qantas advised that the continued impact of the SARS virus across all sections of the aviation and tourism industries has required Qantas to further downgrade its profit forecast for the 2002/03 financial year. Qantas advised that its best current estimate was that its 2002/03 profit before tax would be between 20 and 30 percent lower than the figure prevailing in the market prior to 7 May 2003, which was an average of \$707 million.

Qantas intends to maintain the final dividend at 9 cents per share, providing a total dividend for the 2002/03 year of 17 cents per share.

Qantas will widen the range of initiatives it has put in place following the commencement of the war in Iraq and the outbreak of SARS. These initiatives have included:

- the use of accumulated leave to reduce staffing numbers by the equivalent of 2,500 full time equivalent employees by 30 June 2003 and by the equivalent of 1,000 employees between July and September 2003;
- a restructuring program involving 1,000 redundancies, 400 positions eliminated through attrition and 300 permanent positions converted from full time to part time; and
- a freeze on capital and discretionary expenditure

Further initiatives will include:

- increased use of accumulated leave to reduce staffing numbers;
- increased redundancies;
- expansion of the leave without pay program;
- increased use of part time workers;
- significant restructuring of work practices and activities; and
- reduction of capital expenditure, including retirement of some aircraft and deferral of delivery of new aircraft.

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**PRELIMINARY MONTHLY TRAFFIC AND CAPACITY STATISTICS**

**MARCH 2003**

	Month			Financial Year to Date		
	2002/03	2001/02	Change	2002/03	2001/02	Change
<b>Domestic</b>						
Passengers carried ('000)	1,399	1,432	(2.3)%	12,860	11,113	15.7%
Revenue Passenger Kilometres (m)	1,817	1,885	(3.6)%	17,214	14,767	16.6%
Available Seat Kilometres (m)	2,405	2,288	5.1%	21,830	18,470	18.2%
Revenue Seat Factor (%)	75.5	82.4	(6.9) pts	78.9	80.0	(1.1) pts
<b>International</b>						
Passengers carried ('000)	700	768	(8.9)%	6,603	6,543	0.9%
Revenue Passenger Kilometres (m)	4,161	4,672	(10.9)%	40,329	39,916	1.0%
Available Seat Kilometres (m)	5,617	5,602	0.3%	50,303	51,134	(1.6)%
Revenue Seat Factor (%)	74.1	83.4	(9.3) pts	80.2	78.1	2.1 pts
<b>Australian Airlines</b>						
Passengers carried ('000)	39	-	na	195	-	na
Revenue Passenger Kilometres (m)	224	-	na	1,109	-	na
Available Seat Kilometres (m)	382	-	na	1,778	-	na
Revenue Seat Factor (%)	58.7	-	na	62.4	-	na
<b>QantasLink</b>						
Passengers carried ('000)	274	302	(9.3)%	2,727	2,731	(0.1)%
Revenue Passenger Kilometres (m)	182	189	(3.7)%	1,787	1,783	0.2%
Available Seat Kilometres (m)	260	270	(3.7)%	2,471	2,515	(1.7)%
Revenue Seat Factor (%)	70.0	70.0	0.0 pts	72.3	70.9	1.4 pts
<b>Total Group Operations</b>						
Passengers carried ('000)	2,412	2,502	(3.6)%	22,385	20,387	9.8%
Revenue Passenger Kilometres (m)	6,383	6,746	(5.4)%	60,438	56,466	7.0%
Available Seat Kilometres (m)	8,664	8,160	6.2%	76,382	72,119	5.9%
Revenue Seat Factor (%)	73.7	82.7	(9.0) pts	79.1	78.3	0.8 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 (one origin/destination journey represents one passenger regardless of the number of stage lengths undertaken).

Traffic and capacity statistics for Boeing 717 aircraft operating on domestic core airline services are included in domestic.

Australian Airlines commenced operations on 27 October 2002.

**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