

**PRELIMINARY MONTHLY TRAFFIC AND CAPACITY STATISTICS**  
**OCTOBER 2007**

**Summary of Traffic and Capacity Statistics**

**Month of October 2007**

October Group (comprising Qantas Domestic, QantasLink, Jetstar and Qantas International) passenger numbers increased by 7.4 per cent over the previous year. RPKs increased by 7.1 per cent, while ASKs were up 4.4 per cent, resulting in a revenue seat factor of 82.7 per cent, which was 2.0 percentage points higher than the previous year.

**Financial Year to Date October 2007**

Total Domestic (Qantas, QantasLink and Jetstar domestic operations) yield excluding exchange for the financial year to October 2007 increased by 5.0 per cent when compared to the same period last year. Total International (Qantas and Jetstar international operations) yield excluding exchange increased by 6.2 per cent over the same period. The reported yield variances have not been calculated in accordance with the accounting requirements of IFRIC 13 Customer Loyalty Programmes. Qantas is currently in the process of applying this Interpretation and does not expect that the reported yield variances would be materially different if calculated in accordance with IFRIC 13.

Group passenger numbers for the financial year to October 2007 increased by 7.1 per cent from the previous year. RPKs increased by 6.7 per cent, while ASKs increased by 3.6 per cent, resulting in a revenue seat factor of 82.1 per cent, which was 2.4 percentage points higher than the previous year.

**Recent Developments**

On 6 December 2007, Qantas announced it would undertake a \$10 million program of improvements to its domestic terminal at Canberra Airport to commence in February 2008.

On 28 November 2007, Qantas announced it had entered a Plea Agreement with the US Government to settle its liability in the United States resulting from illegal price fixing conduct within its Freight Division. Qantas agreed to pay a fine of US\$61 million. The illegal conduct involved fuel surcharges in the international air cargo market between 2000 and 2006. The Plea Agreement entered into by Qantas settled the criminal liability in the USA for Qantas and all of its employees who had not been specifically excluded from the Plea Agreement. Qantas' 2006/07 financial statements included a US\$40 million provision for the US liability.

On 27 November 2007 Qantas announced it had reached a landmark in-principle agreement for a new five-year EBA with the Flight Attendants Association of Australia (FAAA) International Division that would lead to the creation of more than 2,000 full-time cabin crew jobs in Australia. Qantas has established a new subsidiary, QF Cabin Crew Australia Limited (QCCA), to be a party to the agreement, along with Qantas Airways. All new crew will be hired by QCCA, which will deliver future jobs growth as well as supporting dedicated crewing for Qantas' new A380 fleet.

On 23 November 2007, Qantas announced that it had reached an 'in principle' agreement with the Australian Services Union for a new three-year enterprise agreement covering about one quarter of the airline's Australian employees, which provides for an annual wage increase of three per cent. The new ASU EBA will be voted on by employees and is expected to come into effect before the end of January 2008.

On 14 November 2007, Qantas announced that it would acquire up to 188 narrow body aircraft to support the further growth of its two brands, Qantas and Jetstar, in Australia and Asia. The plan will involve Jetstar opening new regional aviation bases in both Darwin and Perth over the next two years to serve fast growing Asian markets. Qantas said the aircraft would be principally B737-800s, which are Qantas' main narrowbody aircraft, and A320s, which are the core aircraft in Jetstar's short haul fleet. The order also includes larger A321 aircraft, which will have up to 213 seats compared with 177 on an A320 in a Jetstar single-class configuration. The first aircraft to arrive in February next year will be an A321 and Qantas expects to take at least 17 of those aircraft to expand Jetstar's opportunities in its fastest growing markets. The Group will acquire:

- 68 A320/A321 aircraft, plus 40 options and purchase rights; and
- 31 B737-800 aircraft and 49 options and purchase rights.

On 13 November 2007, seats in Qantas' new international Premium Economy cabin went on sale. Seats in the airline's new Premium Economy cabin will be available on select B747-400 services starting from 1 April 2008.

**QANTAS AIRWAYS LIMITED**

ABN 16 009 661 901

**PRELIMINARY MONTHLY TRAFFIC AND CAPACITY STATISTICS**

**OCTOBER 2007**

	Month			Financial Year to Date		
	2007/08	2006/07	Change	2007/08	2006/07	Change
<b>Qantas Domestic</b>						
Passengers carried ('000)	1,570	1,451	8.2%	6,009	5,549	8.3%
Revenue Passenger Kilometres (m)	2,305	2,144	7.5%	8,776	8,102	8.3%
Available Seat Kilometres (m)	2,689	2,624	2.5%	10,533	10,107	4.2%
Revenue Seat Factor (%)	85.7	81.7	4.0 pts	83.3	80.2	3.1 pts
<b>QantasLink</b>						
Passengers carried ('000)	376	340	10.6%	1,442	1,307	10.3%
Revenue Passenger Kilometres (m)	249	223	11.9%	952	870	9.4%
Available Seat Kilometres (m)	325	303	7.4%	1,250	1,178	6.1%
Revenue Seat Factor (%)	76.7	73.6	3.1 pts	76.1	73.9	2.2 pts
<b>Jetstar*</b>						
Passengers carried ('000)	790	657	20.2%	2,992	2,538	17.9%
Revenue Passenger Kilometres (m)	1,371	785	74.7%	5,035	3,121	61.3%
Available Seat Kilometres (m)	1,706	959	77.8%	6,426	3,833	67.6%
Revenue Seat Factor (%)	80.4	81.8	(1.4) pts	78.3	81.4	(3.1) pts
<b>Qantas International</b>						
Passengers carried ('000)	704	754	(6.6)%	2,783	2,960	(6.0)%
Revenue Passenger Kilometres (m)	4,971	5,155	(3.6)%	20,095	20,564	(2.3)%
Available Seat Kilometres (m)	6,032	6,410	(5.9)%	24,274	25,870	(6.2)%
Revenue Seat Factor (%)	82.4	80.4	2.0 pts	82.8	79.5	3.3 pts
<b>Total Group Operations</b>						
Passengers carried ('000)	3,440	3,202	7.4%	13,226	12,354	7.1%
Revenue Passenger Kilometres (m)	8,896	8,307	7.1%	34,858	32,658	6.7%
Available Seat Kilometres (m)	10,752	10,296	4.4%	42,484	40,988	3.6%
Revenue Seat Factor (%)	82.7	80.7	2.0 pts	82.1	79.7	2.4 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).

\* Includes Jetstar domestic, trans-Tasman and international operations

**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