

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

**PRELIMINARY MONTHLY TRAFFIC AND CAPACITY STATISTICS**  
**MARCH 2006**

**Summary of Traffic and Capacity Statistics**

**Month of March 2006**

March Group (comprising Qantas Domestic, QantasLink, Jetstar, Qantas International and Australian Airlines) passenger numbers were unchanged when compared to the previous year. RPKs and ASKs for the Group increased by 0.5 per cent and 4.3 per cent respectively, resulting in a revenue seat factor of 75.1 per cent, down 2.8 percentage points when compared with the previous year. The results reflect the impact of Easter, which fell during March in 2005 compared with April this year and some disruption due to Cyclone Larry in Queensland.

**Financial Year to Date March 2006**

Total Domestic (Qantas, QantasLink and Jetstar domestic operations) yield excluding exchange for the financial year to March 2006 increased by 4.8 per cent when compared to the same period last year. Total International (Qantas, Australian Airlines and Jetstar Trans-Tasman operations) yield excluding exchange increased by 7.9 per cent over the same period.

Group passenger numbers for the financial year to March 2006 increased by 3.6 per cent from the previous year. RPKs increased by 3.6 per cent, while ASKs increased by 3.0 per cent, resulting in a revenue seat factor of 77.4 per cent, 0.5 percentage points higher than the previous year.

**Recent Developments**

On 26 April 2006, Qantas announced increases to domestic and international fuel surcharges in response to continuing record crude oil and jet fuel prices. The surcharge for Qantas Australian and New Zealand Domestic travel will increase by \$5, to \$31 per sector. The surcharge for Jetstar Domestic travel will increase by \$5 to \$24 per sector. QantasLink jet services will increase by \$9, to \$31 per sector, while QantasLink turboprop services will increase by \$7 to \$29 per sector. For Qantas trans-Tasman travel the surcharge will increase by \$10 to \$56 per sector, while Jetstar trans-Tasman services will increase by \$10, to \$45 per sector. For other international travel on Qantas and Australian Airlines the surcharge will increase by \$23, to \$98 per sector. The surcharges were effective on tickets issued on or after 5 May 2006.

On 12 April 2006, Qantas announced that it had signed an agreement with Air New Zealand that will see the airlines work together on network, schedule, pricing and marketing initiatives for Tasman operations. Qantas said that the Tasman Networks Agreement (TNA) extended to the airlines' value-based subsidiaries Jetstar and Freedom Air. The TNA, which is subject to regulatory approval in Australia and New Zealand, does not involve any shareholding. Qantas said the commercial agreement will enable it to maintain network presence, while realigning some of the current surplus capacity on the Tasman. The airlines plan to develop a combined schedule that will allow better aircraft utilisation and cost savings. The TNA also allows Qantas and Air New Zealand to codeshare, delivering significant benefits to customers flying between Australian and New Zealand by providing access to both carriers' networks. Qantas said the TNA would be implemented as soon as regulatory approval was received, with the process expected to take around six months.

On 11 April 2006, Qantas announced a major step in its strategy to focus on two strong brands – Qantas and Jetstar. As part of the strategy, the Australian Airlines brand would cease to exist from July 2006. Qantas said Australian Airlines aircraft and crew based in Cairns would continue to operate services under the Qantas brand. Qantas also announced Jetstar's proposed international route network would include six destinations in Asia Pacific from November 2006 – Bangkok, Phuket, Osaka, Ho Chi Minh City, Bali and Honolulu. Jetstar will be grown strongly over the next three years while Qantas' international operations will continue to expand. Qantas said the result would be two separate, competitive brands, with Qantas targeting premium business and leisure passengers and Jetstar concentrating primarily on leisure markets.

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**MARCH 2006**

	Month			Financial Year to Date		
	2005/06	2004/05	Change	2005/06	2004/05	Change
<b>Qantas Domestic *</b>						
Passengers carried ('000)	1,345	1,403	(4.1)%	11,897	12,275	(3.1)%
Revenue Passenger Kilometres (m)	1,852	1,890	(2.0)%	16,947	17,094	(0.9)%
Available Seat Kilometres (m)	2,392	2,313	3.4%	21,287	21,192	0.4%
Revenue Seat Factor (%)	77.4	81.7	(4.3) pts	79.6	80.7	(1.1) pts
<b>QantasLink</b>						
Passengers carried ('000)	298	265	12.4%	2,418	2,285	5.8%
Revenue Passenger Kilometres (m)	185	161	15.0%	1,513	1,410	7.3%
Available Seat Kilometres (m)	278	220	26.2%	2,212	1,948	13.6%
Revenue Seat Factor (%)	66.7	73.2	(6.5) pts	68.4	72.4	(4.0) pts
<b>Jetstar *</b>						
Passengers carried ('000)	490	430	14.2%	4,218	3,207	31.5%
Revenue Passenger Kilometres (m)	549	438	25.4%	4,559	3,125	45.9%
Available Seat Kilometres (m)	796	603	31.8%	6,080	4,288	41.8%
Revenue Seat Factor (%)	69.0	72.5	(3.5) pts	75.0	72.9	2.1 pts
<b>Qantas International</b>						
Passengers carried ('000)	688	734	(6.3)%	6,452	6,589	(2.1)%
Revenue Passenger Kilometres (m)	4,731	4,760	(0.6)%	42,600	41,656	2.3%
Available Seat Kilometres (m)	6,208	6,116	1.5%	54,619	54,507	0.2%
Revenue Seat Factor (%)	76.2	77.8	(1.6) pts	78.0	76.4	1.6 pts
<b>Australian Airlines</b>						
Passengers carried ('000)	58	69	(15.9)%	591	622	(5.0)%
Revenue Passenger Kilometres (m)	292	343	(15.0)%	2,810	3,036	(7.5)%
Available Seat Kilometres (m)	460	498	(7.6)%	4,186	4,298	(2.6)%
Revenue Seat Factor (%)	63.4	68.9	(5.5) pts	67.1	70.6	(3.5) pts
<b>Total Group Operations</b>						
Passengers carried ('000)	2,880	2,880	0.0%	25,576	24,687	3.6%
Revenue Passenger Kilometres (m)	7,609	7,571	0.5%	68,429	66,022	3.6%
Available Seat Kilometres (m)	10,134	9,719	4.3%	88,384	85,800	3.0%
Revenue Seat Factor (%)	75.1	77.9	(2.8) pts	77.4	76.9	0.5 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).

\* Qantas and Jetstar prior year statistics include the effect of a domestic codeshare agreement between the two airlines. However the effect of this codeshare is only included once in the prior year statistics for the Total Group 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