

Financial Performance¹

Qantas reported an Underlying Profit Before Tax of \$1,401 million in 2016/17 — the second highest performance in our 97-year history.

This result shows the Qantas Group's margin advantage over local and global competitors, which has been underpinned by completion of its three year Transformation Program.

In the domestic market, Qantas and Jetstar combined reached a record \$865 million Underlying EBIT, making them again the two most profitable Australian airlines.

Qantas International, which has faced high levels of capacity growth in the broader market, saw an improvement of conditions in the second half; it posted an Underlying EBIT of \$327 million.

Continued strength in its core markets helped the Jetstar Group

deliver the second highest profit in its 13 years of operation at \$417 million of Underlying EBIT.

Qantas Loyalty booked a record \$369 million Underlying EBIT on a 4 per cent increase in revenue as it continued to diversify its earnings.

A drop in the Group's Statutory Profit Before Tax of \$243 million reflects that our 2015/16 result included the gain on sale from the Sydney Domestic Terminal.

In total, this performance means Qantas is able to reward shareholders, recognise the hard work of its people and invest for customers.

FINANCIAL HIGHLIGHTS

Underlying Profit Before Tax: \$1,401 million
(second highest in Qantas' history)

Statutory Profit Before Tax: \$1,181 million

Statutory Earnings Per Share: 46c

Return On Invested Capital: 20.1%

Net free cash flow: \$1,309 million

Up to \$500 million shareholder return:
announced 7 cents per share ordinary unfranked dividend,
plus an on-market buy-back of up to \$373 million

Qantas
Domestic

\$645m

Underlying EBIT.
Up 12%

Qantas
International

\$327m

Underlying EBIT.
Down 36%

Jetstar
Group

\$417m

Underlying EBIT.
Down 8%

Qantas
Freight

\$47m

Underlying EBIT.
Down 27%

Qantas
Loyalty

\$369m

Underlying EBIT.
Up 7%

¹ Refer to the Review of Operations section in the Qantas Annual Report 2017 for definitions and explanations of non-statutory measures. Unless otherwise stated, amounts are reported on an underlying basis.