FY23 RESULTS PRESENTATION

Qantas Airways Limited
24 August 2023

ASX: QAN
US OTC: QABSY

QANTAS GROUP

Disclaimer

Summary information

This Presentation contains summary information about Qantas and its related bodies corporate (Qantas Group) and their activities as at 24 August 2023, unless otherwise stated. The information in this Presentation does not purport to be complete. It should be read in conjunction with the Qantas Group's Appendix 4E and Preliminary Final Report for the year ended 30 June 2023, along with other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange, which are available at www.asx.com.au.

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All dollar values are in Australian dollars (A$) and financial data is presented within the year ended 30 June 2023 unless otherwise stated.

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Future performance and forward looking statements

Forward looking statements, opinions and estimates provided in this Presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

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FY23 result highlights

$2,465m

FY23 Underlying Profit Before Tax (PBT)

$2.89b

Net Debt as at Jun-23

Up to $500m

On-market share buy-back announced

96c

Statutory EPS

FY23 result driven by strong travel demand and completion of $1b Recovery Plan

- Qantas Domestic and International achieved FY24 EBIT margin targets, with 2H Loyalty and Jetstar Group performance[1] demonstrating pathway to FY24 targets
- FY23 Group capacity at 77% of pre-COVID levels[2], +44ppts higher than FY22
  - Group Domestic 103% and Group International 81% as at Jun-23[2]
- Three-year Recovery Plan complete, delivering $1b permanent cost benefits
- Operating cash flow of $5.1b driven by structural change in earnings and working capital rebuild
- Net Debt at $2.89b, below Net Debt Target Range of $3.7b – $4.6b
  - Net Debt/EBITDA of 0.6x[3]
- Completion of $1b in shareholder distributions during FY23

Continued improvement in operations, investing for our customers and rewarding our people

- Qantas Domestic OTP outperformed main competitor[4] in 11 out of 12 months, Jetstar Domestic OTP and cancellations restored to target levels[5]
- Delivery of 10 next-generation aircraft across Qantas and Jetstar[6]
- Announced commitments to renew Qantas widebody fleet, with deliveries commencing from FY27
- Qantas Domestic NPS returning to pre-COVID levels, with stronger recovery in International NPS in 2H23
- >2m passengers flown below $200 on Qantas Domestic, Jetstar Group sold ~9m fares below $100 and Loyalty offered up to 50% more Classic Flight Rewards seat availability[7]
- $340m[8] of benefits in recovery boost payments and RRP shares across ~21,100 employees plus >$20m in staff travel credits
- Significant enhancement and investment in employee benefits including staff travel and learning and development

1. Segment Underlying EBIT for 2H23. 2. FY23 ASKs compared to FY19 ASKs as a proxy of pre-COVID flying. 3. Net Debt per the Financial Framework divided by EBITDA. 4. Competitor refers to Virgin Australia Domestic for Qantas Domestic. 5. Refer to Jetstar Domestic targets in Investor Day. 6. Includes 8 x A321LRs for Jetstar Australia, 2 x 787-9s for Qantas. 7. Up to 50% more flown Classic redemption segments as a proportion of the total flown segments as Qantas marketed and operated flights versus the equivalent measure over 2019. 8. Benefits based on 30 June 2023 closing share price of $6.20.

FY23 performance demonstrates portfolio strength

Group Domestic

- Dual brands at the core of the Group's domestic position with leadership position across all key travel segments
- Group Domestic Operating Margin of 16%, delivered through cost transformation and network optimisation

Group International (including Freight)

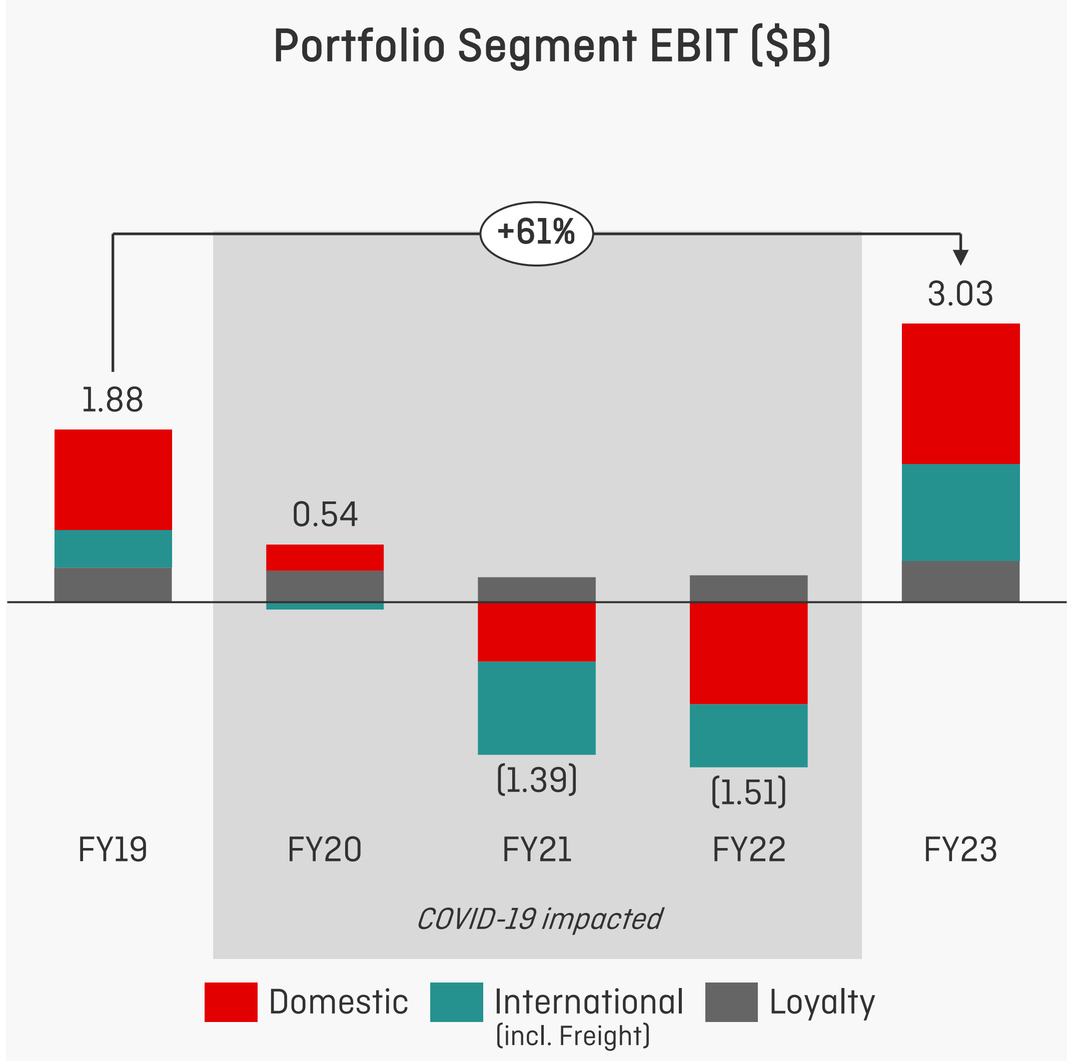
- Transformed business with new fleet technology unlocking unique network opportunities and extending competitive advantage
- Group International FY23 Underlying EBIT of $1.06b driven by cost transformation, step-change in freight earnings and strong travel demand

Loyalty

- World-leading program with strategy to grow earnings through member engagement and an unrivalled coalition of partners[1] (>700)
- $1.0b free cash flow contribution with FY23 result demonstrating growth potential and earnings diversification benefits

Financial & Fleet

- Balance Sheet strength is a competitive advantage with Financial Framework prioritising investment, distributions and supporting ambitious sustainability targets
- Flexible fleet plan with next-generation technology secured to support fleet renewal and growth
- FY23 Net Debt/EBITDA of 0.6x[2], with total sources of liquidity of >$10b[3]



1. Includes Airline, Retail, Financial Services and Health and Wellness partners. 2. Net Debt per the Financial Framework divided by EBITDA. 3. Refer to slide 22 for more information on composition of liquidity sources.

Travel intentions have remained consistently strong

1 Intent to travel remains significantly above pre-COVID levels[1]

- **2x more** plan to fly domestically in the next 12 months
- **+80%** plan to fly internationally in the next 12 months

2 This is demonstrated in the Group's revenue intakes[2] strength

- Group Domestic at 119% of pre-COVID levels (118% in May23[3])
- Group International 124% of pre-COVID levels (123% in May23[3])

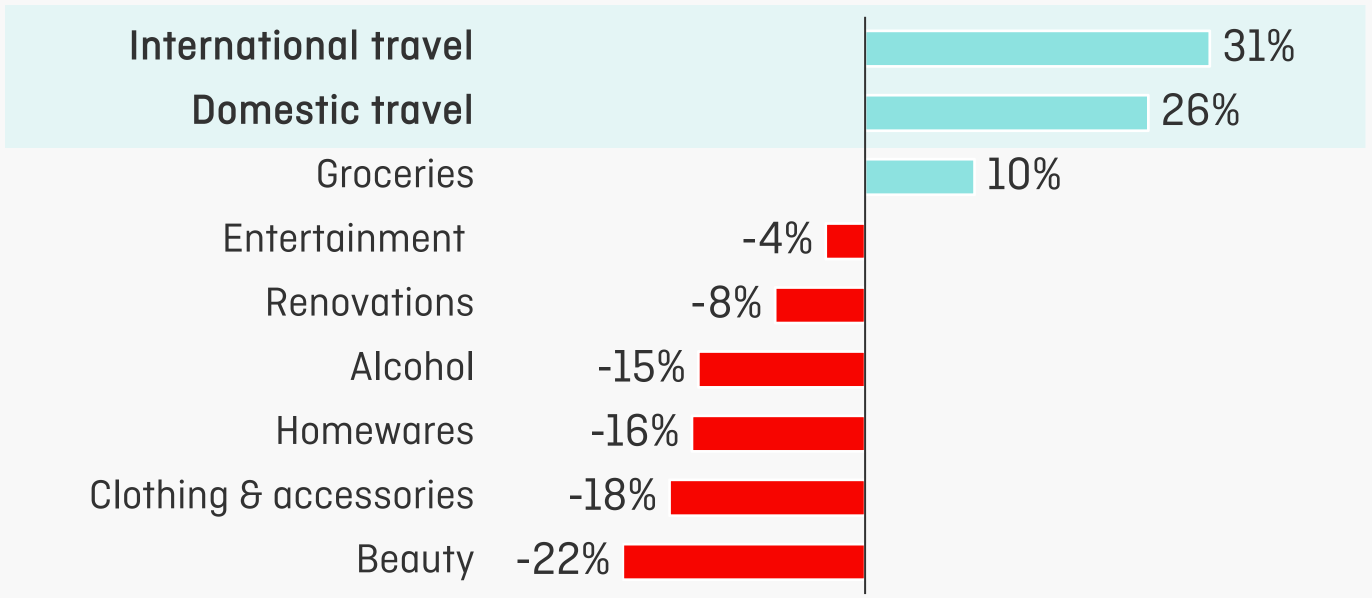
3 QFF members continuing to prioritise spend on travel[4]

- Despite reduced spending intentions across most categories, travel continues to remain a priority

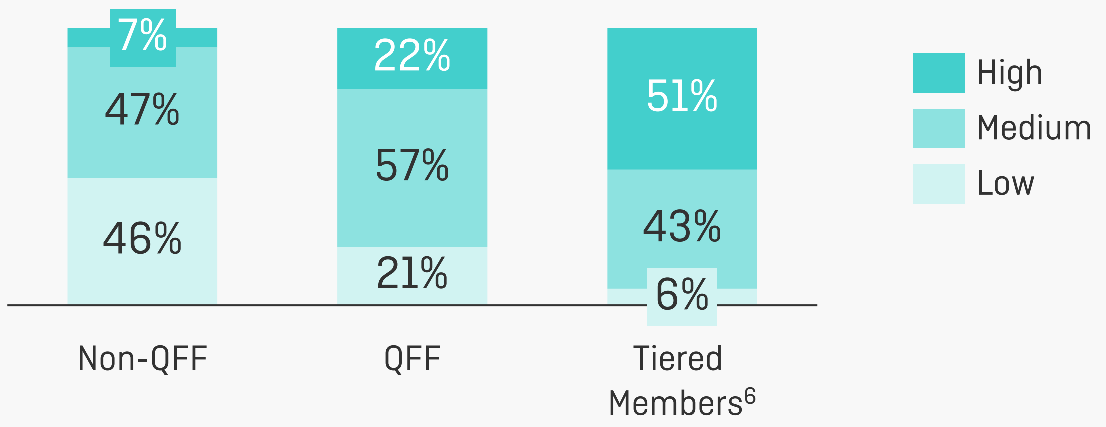
4 A high proportion of QFF are medium and high affluence, particularly tiered members[5]

- Higher affluence consumers continue to spend proportionally more on travel

3 QFF net spend intentions in the next 6 months[4]



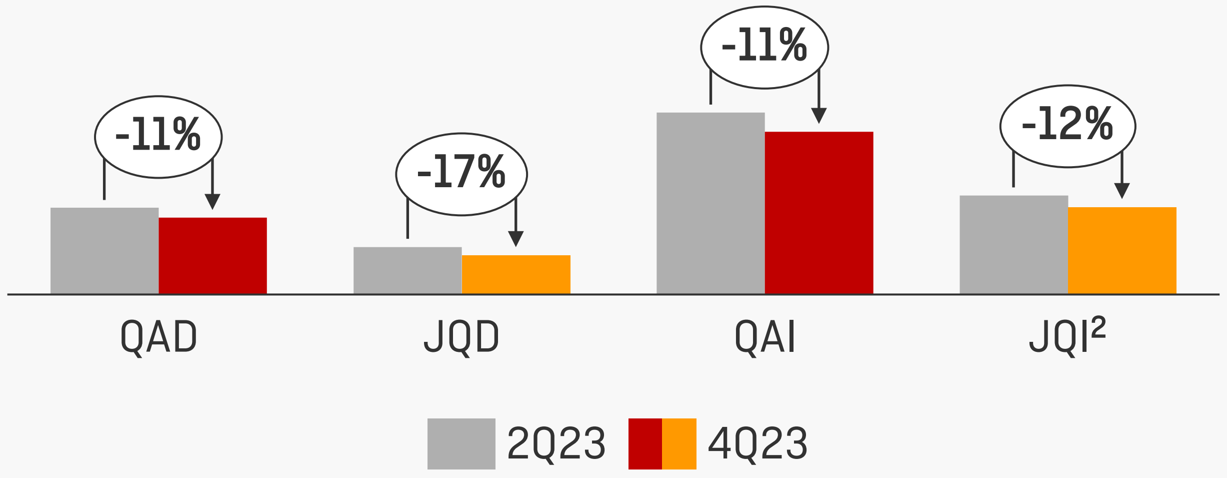
4 Affluence distribution for QFF vs Non-QFF members[5]



1. Travel intentions based on Qantas monthly internal research in July 2023 of travel intentions for next 12 months, n=~1,000. 2. Compared to 2019 as a proxy for pre-COVID. Revenue intakes calculated on rolling 6-week average for the week ending 12 August 2023. 3. As presented on Investor Day 2023 on 30 May 2023. 4. QFF sentiment tracker, n=2,524. Data collected between 1 July 2023 and 31 July 2023. Sample of QFF members from Red Planet panel. Survey question: "How do you intend to change your spending in each of the following areas in the next 6 months". Chart shows net difference of survey results in "% Spend more" vs "% Spend less" for each category. 5. Data from CommBank iQ June 2023. Consumer spend is based on banking transaction data (debit/credit cards, BPAY, direct debit). Affluence is a measure of wealth developed by CommBank iQ based on purchasing preferences. 6. Tiered members defined as Silver and above.

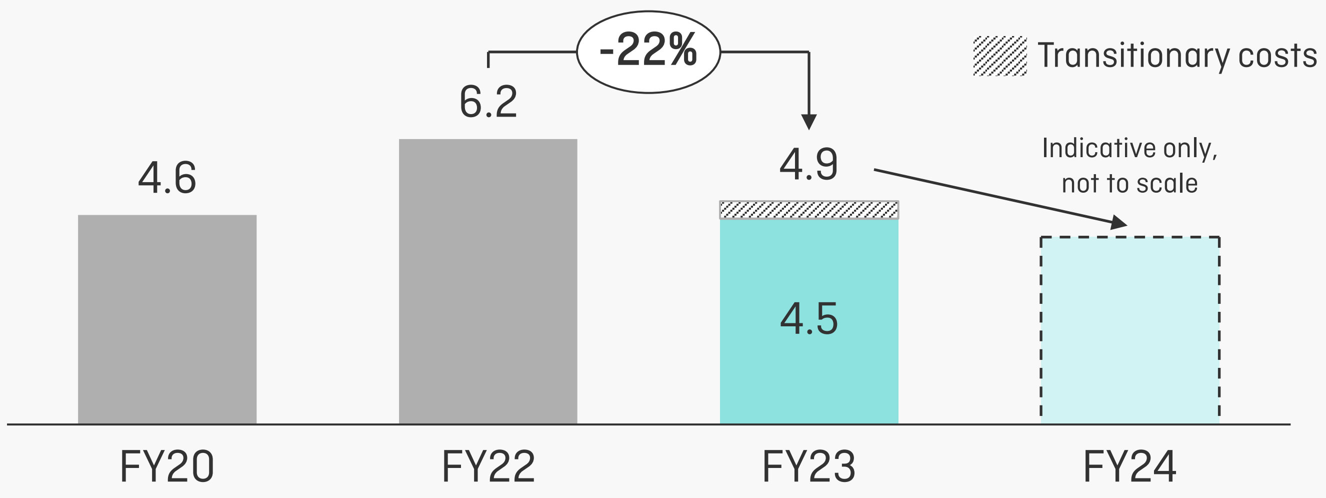
Fares and costs moderating with restoration of capacity

Average Domestic and International fares[1]



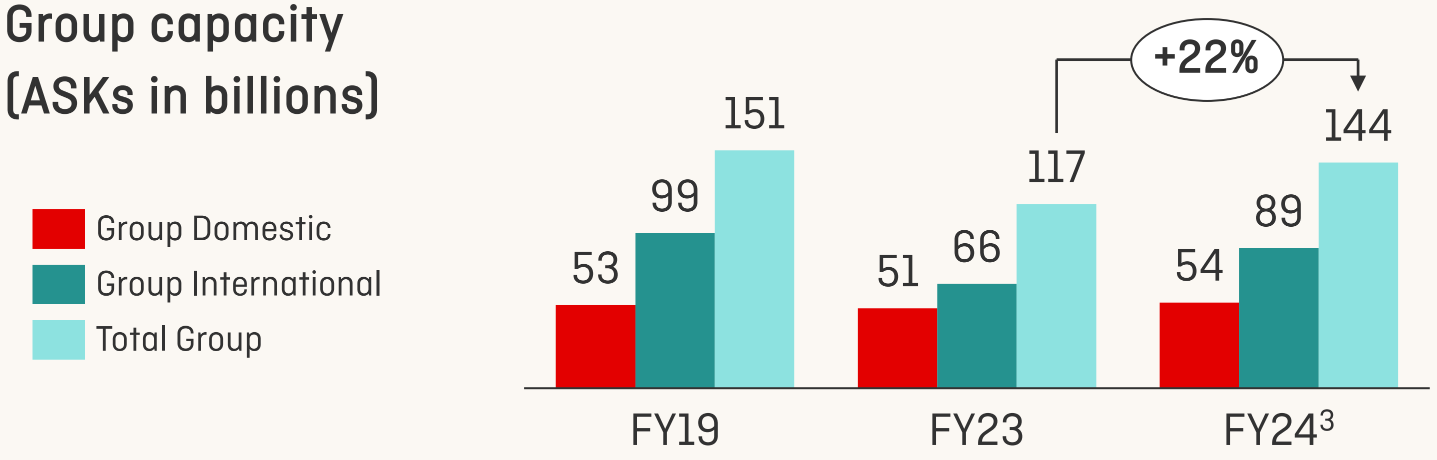
- Passenger fares continue to moderate with restoration of market capacity in line with expectations

Unit Cost (C/ASK) ex. fuel and depreciation



- Unit cost continue to reduce with restoration of capacity, reversal of transitionary costs and full benefit of $1b Recovery Plan

Group capacity (ASKs in billions)



- **Group Domestic:** Australian domestic market capacity largely restored to pre-COVID levels with growth in Jetstar in FY24
- **Group International:** Recovery underpinned by continued recovery in Qantas with 14th 787-9, return of A380s and strong growth in Jetstar with introduction of A321LRs, optimising redeployment of 787-8s

QANTAS GROUP 1. Base fares for economy. 2. Jetstar International includes Jetstar Australia long haul, short haul and Trans-Tasman services. 3. FY24 capacity per guidance table on slide 28.

Leading domestic on-time performance whilst restoring capacity

#1 in FY23

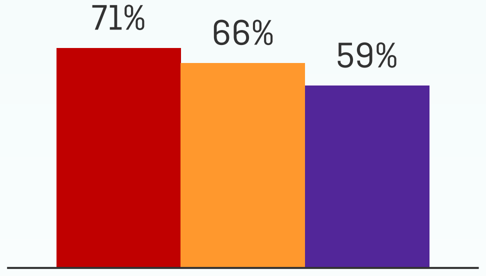
Most reliable major domestic airline[1]

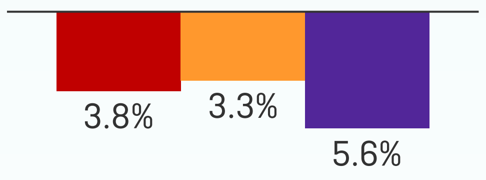
- 11 out of last 12 months with the best OTP
- Lowest cancellation rate in FY23

72% Qantas Domestic on-time performance[2]

3.4% Qantas Domestic cancellation rate[2]

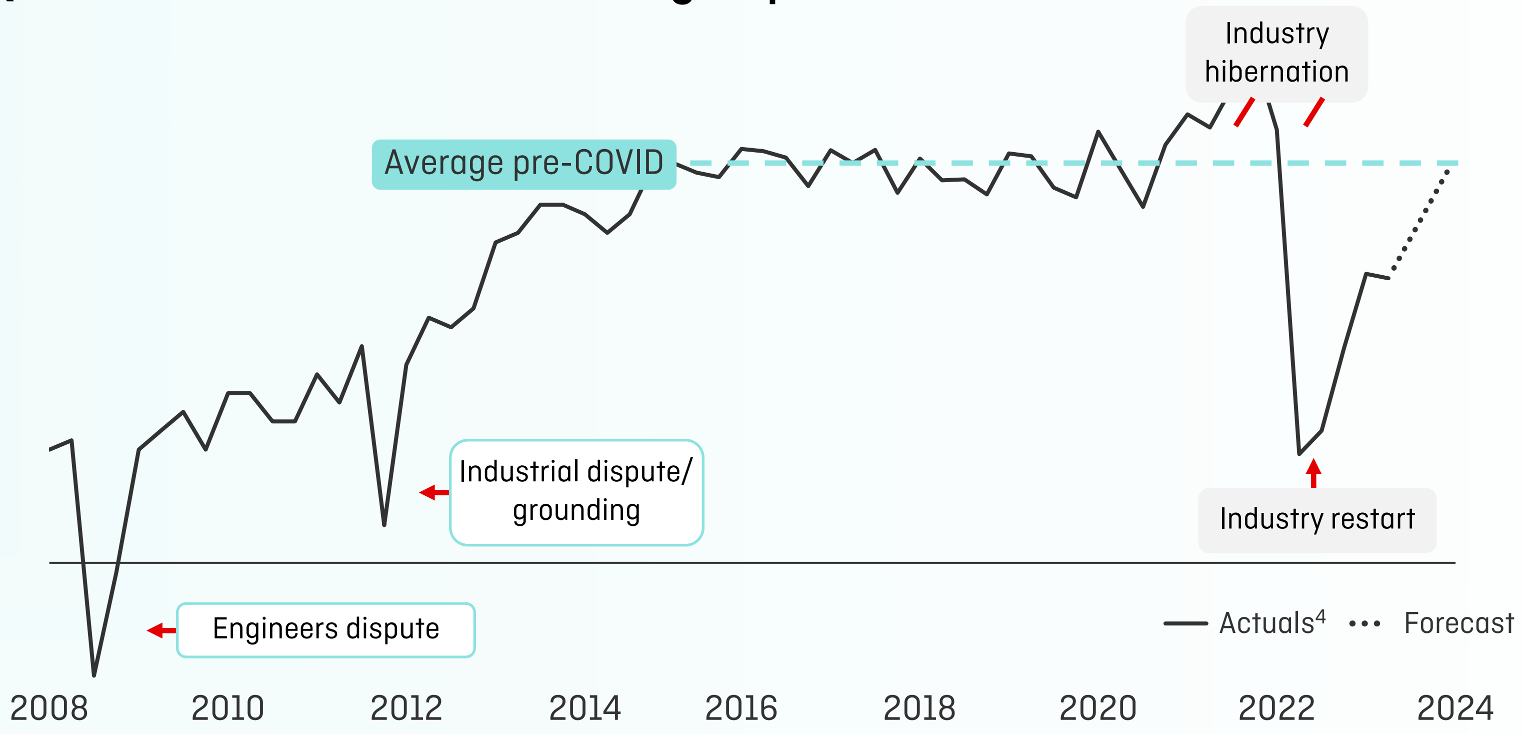
July 2023 performance[3]





Qantas Domestic | Jetstar Domestic | Virgin Australia

Qantas Domestic NPS returning to pre-COVID levels



Delivering improved operational performance will:

- Reduce disruption recovery costs
- Improve customer experience through more seamless travel experiences
- Enable increased aircraft utilisation delivering additional earnings

1. Compared to major domestic competitor airline Virgin Australia. Departures within 15 minutes as per the Australian Government (BITRE) definition. 2. Qantas Domestic performance for FY23. 3. Published BITRE statistics for July 2023. 4. Actuals to July 2023.

Sharing the benefits of recovery with all our stakeholders

Customers

- Multi-year investments for integrated physical and digital customer experience across both Qantas and Jetstar, e.g. Qantas App including baggage tracking by end of calendar year
- Delivery of 10 next-generation aircraft across Qantas and Jetstar[1]
- Enhanced food and beverage offerings network-wide with First Nation and regional Australian producers
- $100m investment on lounges with 10 new or refurbished lounges within 3 years
- Up to 50% more Classic Flight Rewards seat availability on Qantas' international routes[2]

People

- $340m[3] of benefits in recovery boost payments and RRP shares across ~21,100 employees plus >$20m in staff travel credits
- Enhanced staff travel benefits including 'always on' 20% off Qantas Fly and Stay Holiday packages and travel insurance discounts[4]
- Significant fleet and related growth plans provide promotional opportunities for our people
- Investing in training for 7,500 leaders over the next two years and completing ~2m training hours across the group in calendar year 2023

Shareholders and lenders

- Three-year Recovery Plan complete, delivering $1.0b permanent cost benefits
- Balance Sheet strength, Net Debt at $2.89b, materially below Net Det Target Range of $3.7b – $4.6b, Net Debt/EBITDA of 0.6x[5]
- Completed $1.0b in shareholder distributions in FY23, with up to $500m on-market share buy-back announced for 1H24
- Top quartile TSR performance across ASX100 and ranked 1st amongst global listed airline peer group through post-COVID recovery[6]

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1. Includes 8 x A321LRs for Jetstar Australia, 2 x 787-9s for Qantas. 2. Up to 50% more flown Classic redemption segments as a proportion of the total flown segments as Qantas marketed and operated flights versus the equivalent measure over 2019. 3. Benefits based on 30 June 2023 closing share price of $6.20. 4. To launch early calendar year 2024. 5. Net Debt per the Financial Framework divided by EBITDA. 6. Through FY21-FY23.

New fleet technology driving long-term structural advantage and future earnings

Group fleet strategy secured

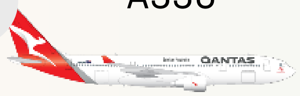
Existing programs
(refer to Investor Day)

- Group narrowbody fleet renewal
- Project Sunrise growth

+

Current fleet

28[1] A330



Retirement starting from FY27

10[1] A380

Retirement starting from FY32

Committed fleet from FY27+

4x 787-9

8x 787-10

12x A350-1000[2]

Total committed aircraft only.
The Group has purchase right options over the next 10 years to support fleet renewal and growth

New widebody commitments (further details in media release)

- Optimal time for widebody fleet renewal
  - A330/A380s retiring at the end of their economic life
  - Strong Balance Sheet and transformed cost base
  - Leveraging pre-COVID purchase agreements to secure advantaged delivery slots and pricing with improved flexibility
- Order book has increased flexibility; now positioned to deliver fleet renewal and growth over the next 10+ years including purchase right options
  - Smooth profiles for pre-delivery payments with both manufacturers
  - Flexibility to shift the order book across aircraft types
  - Will apply the Financial Framework through the cycle to balance investment and shareholder returns
- Widebody fleet renewal provides access to next-generation technology
  - Opening new market opportunities, diversifying network with more routes and increasing fleet resilience and flexibility
  - Supports Qantas International EBIT growth through transformation benefits from new fuel efficient aircraft and growth in key markets and customer segments
- Airbus and Boeing providing priority access to SAF offtakes, significantly de-risking 2030 SAF target (see next slide)

1. Current number of aircraft in fleet as at 30 June 2023. 2. Non-ULR (ultra long-range) configuration.

ESG: The Group's progress on our sustainability priorities

Investor Day takeaways

- Launched $400m Qantas Climate Fund to accelerate progress against targets
  - US$200 million from jointly funded Qantas/Airbus SAF Partnership with remainder from Qantas
  - Providing direct investments in sustainability projects and technologies
- Call for Australian Government to introduce a SAF blending mandate and supportive policy to ensure development of a domestic SAF industry

Further progress

- Significant policy progress with the Australian Government forming Jet Zero Council (including Qantas Group)
- First investments from Qantas Climate Fund; QLD biofuel production facility using sugar cane and WA Wheatbelt Connect (with Inpex and ANZ)
- Embedding new integrity-focused carbon offset framework – new governance initiatives, minimum sourcing standards and principles, due diligence and ongoing portfolio assurance

Today's announcement

- Partnering with Airbus and Boeing to deliver on our 2030 targets
- The agreement has identified a pathway to meet up to 90% of our 2030 SAF target of 10% of the Group's fuel mix, with initial supply to begin in 2028[1]
- Supply will predominantly be in the US, which has a supportive policy environment that enables a more competitive SAF price compared with other parts of the world

Further details of our progress available in our FY23 Sustainability Report – due for release September 2023

1. Based on meeting criteria under Airbus and Boeing deals. For Airbus, this is dependent on 12 firm orders and an investment from Qantas. For Boeing, this is dependent on 12 firm orders and 12 options being exercised by Nov-29. In addition, part of Boeing's commitment is from yet-to-be-identified SAF projects.

FINANCIAL PERFORMANCE

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FY23 Key Group financial metrics

Profit Metrics	Balance Sheet and Cash Flow metrics	Key statistics (vs FY22)
$2,465m Underlying profit before tax	**$5.09b** Operating cash flow	**+132%** ASKs
$1,744m Statutory profit after tax	**$2.67b** Net Capital Expenditure	**+184%** RPKs
96c Statutory EPS	**$2.89b** (target $3.7b - $4.6b) Net Debt	**+30%** Unit Revenue
13.5% Operating Margin	**0.6x**[1] Net Debt / EBITDA	**(23%)** Total Unit Cost
		(22%) Unit Cost (ex-fuel & depreciation)

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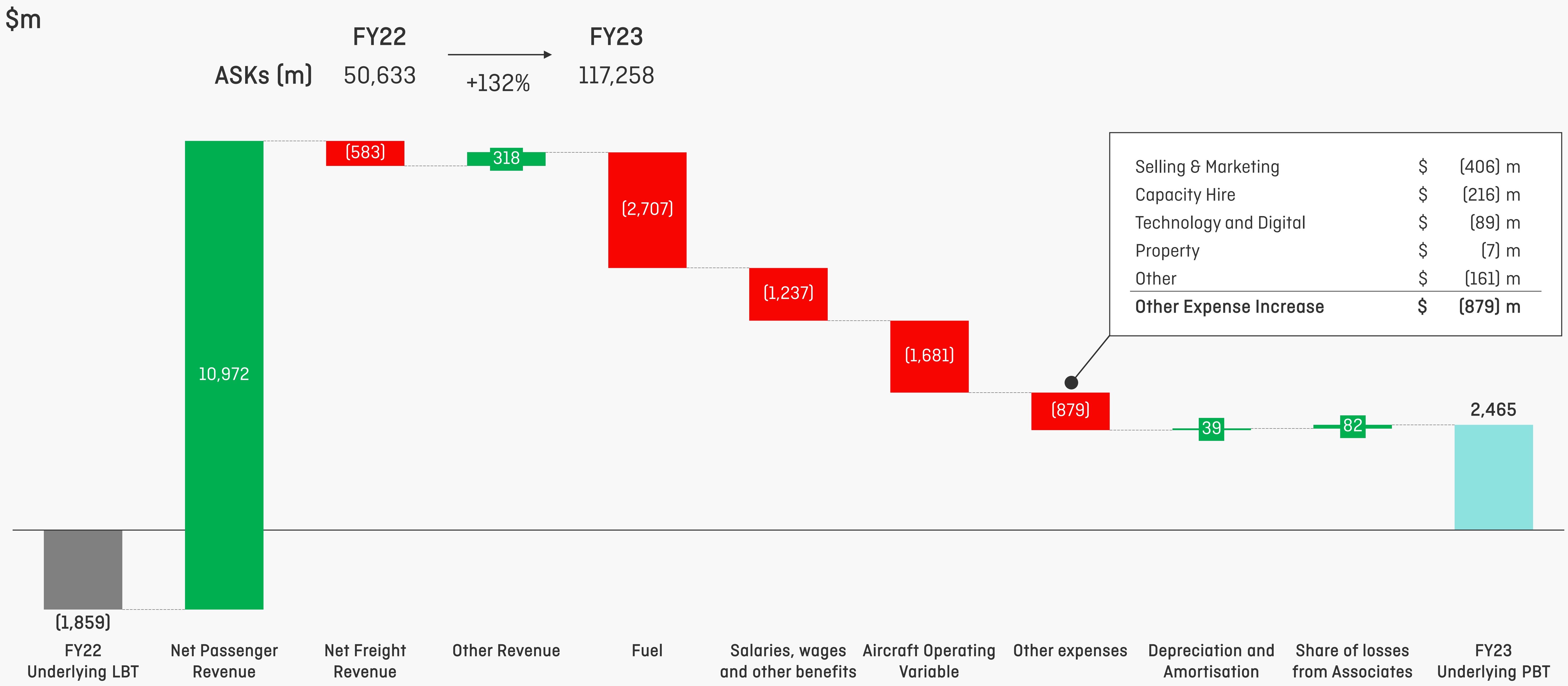
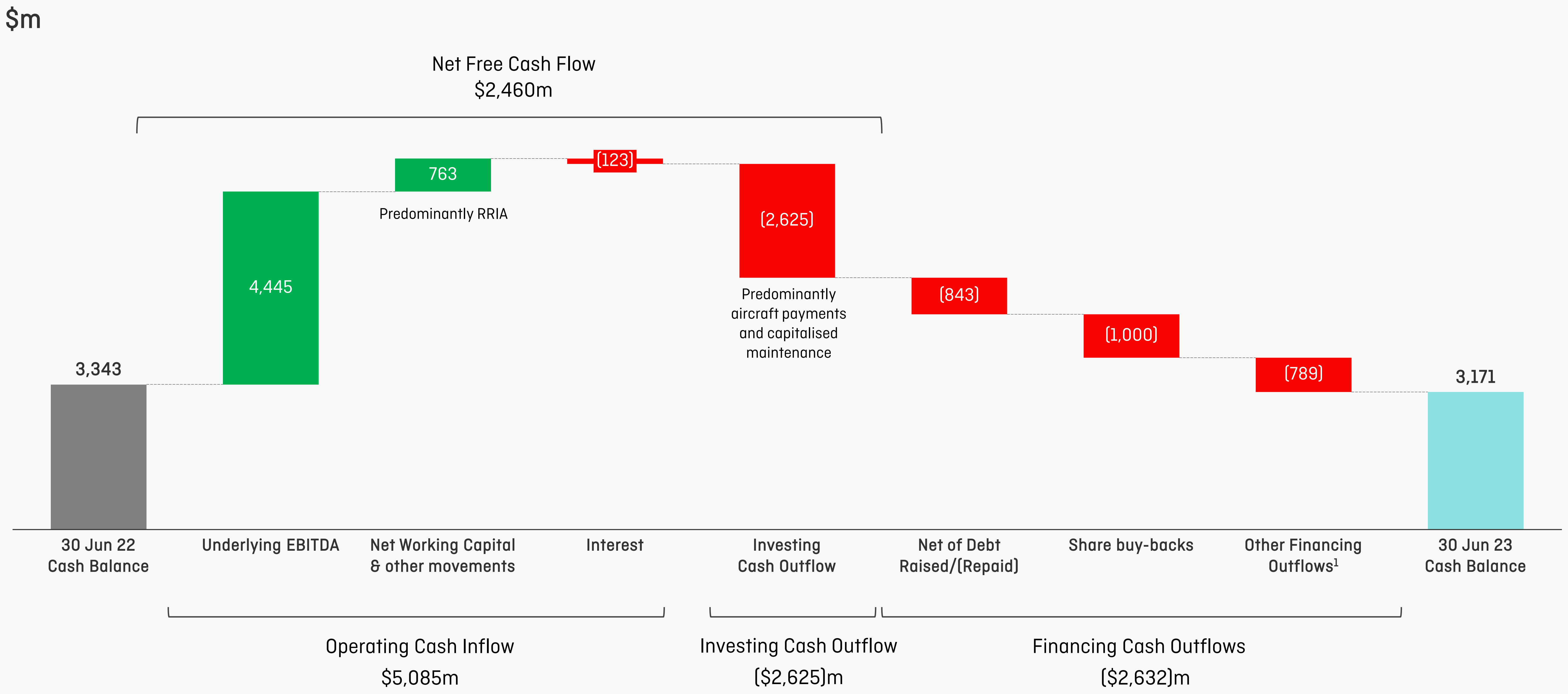
1. Net Debt per the Financial Framework divided by EBITDA.

FY23 Profit bridge compared to FY22



Selling & Marketing	$	(406) m
Capacity Hire	$	(216) m
Technology and Digital	$	(89) m
Property	$	(7) m
Other	$	(161) m
Other Expense Increase	$	(879) m

FY23 movement in cash position



1. Other Financing Outflows includes the impact of FX on cash balance of ($4m) reported in the Cash Flow Statement for FY23.

SEGMENT RESULTS

Qantas Domestic

		FY23	FY22	Change
Revenue	$M	6,980	3,448	>100%
Underlying EBIT	$M	1,270	(765)	>100%
Operating Margin	%	18.2	<0	N/A
ASKs	M	32,513	21,233	+53%
Seat factor	%	76.2	60.9	+15.3ppts

+6 ppts 2H23 capacity vs 1H23 capacity (as % of pre-COVID[1])

18% Operating Margin delivering against segment target

77% 2H23 OTP, outperforming main competitor[2] in 11 out of 12 months

Transformed domestic business delivering step-change in earnings

- Underlying EBIT of $1,270m delivered in FY23, achieving 18% Domestic EBIT margin target
- 2H23 capacity 99% of pre-COVID levels (1H23 93%)
- Recovery Plan transformation completed, unlocking $472m of structural benefits
- Structural network changes delivering permanent RASK benefit in addition to current strong demand environment
  - Maintaining leading market share positions across corporate and SME (80% and 54% respectively)
  - Continued strength of WA resources market resulting in commitment to 5 x A319 aircraft to Network Aviation

Continued improvement in operational performance and customer experience

- Market leading OTP and cancellation rate supporting NPS recovery
- Domestic fleet renewal program commencing with introduction of next generation A220-300 and A321XLR aircraft from FY24
  - QantasLink 717s retirement program commenced May 2023
- More than 2 million passengers flown with fares sold below $200

1. FY23 ASKs compared to FY19 ASKs as a proxy of pre-COVID flying. 2. Competitor refers to Virgin Australia Domestic for Qantas Domestic.

Qantas International (including Freight)

		FY23	FY22	Change
Revenue	$M	7,749	3,706	>100%
Underlying EBIT	$M	906	(238)	>100%
Operating Margin	%	11.7	<0	N/A
ASKs	M	45,187	12,187	>100%
Seat factor	%	85.7	75.4	+10.3ppts

+14 ppts 2H23 capacity vs 1H23 capacity (as % of pre-COVID[1])

>10% Operating Margin, delivering step-change segment in EBIT

92% Premium cabin seat factor (+2ppts vs FY19)

Continued restoration of International capacity driving earnings growth

- 12% Operating Margin, above FY24 target of 8%, given strength of revenue environment
- 2H23 capacity 72% of pre-COVID levels (1H23 58%)
- +10 ppt half on half improvement in International OTP
- Recovery Plan transformation completed, unlocking $484m of structural benefits
- Two new 787-9s and 7th reconfigured A380 entered into service in 4Q23
- Commencement of new routes including Melbourne-Jakarta, Melbourne-Dallas/Fort Worth, Sydney-Seoul, Sydney-Auckland-New York and Sydney-Bengaluru
- Return of services including Sydney/Melbourne/Brisbane-Tokyo, Sydney-Santiago, Sydney-Hong Kong and Sydney-San Francisco
- Commencement of codeshare partnership with Indigo, supporting non-stop Australia-India services
- Final determination from ACCC supporting continued coordination between Qantas and Emirates for a further five years

Resilient Freight performance in line with expected market moderation

- Delivered ~$150m uplift in annual earnings vs pre-COVID period
- 4Q23 freight yields continue to hold +150% vs FY19 average

1. FY23 ASKs compared to FY19 ASKs as a proxy of pre-COVID flying.

Jetstar Group

		FY23	FY22	Change
Revenue[1]	$M	4,235	1,440	>100%
Underlying EBIT	$M	404	(796)	>100%
Operating Margin	%	9.5	<0	N/A
ASKs[1]	M	39,558	17,213	>100%
Seat factor[1]	%	86.4	71.2	+15.2ppts

DOM	INT	
97%	73%[1]	82% FY23 Jetstar Group capacity on pre-COVID levels[3]
11%	11%[2]	FY23 Operating Margin
4m	5m[3]	9m fares[4] below $100 in FY23 on track for 10m fares[4] below $100 in CY23

Jetstar's Australian domestic network delivered $255m Underlying EBIT, 2H23 $125m

- 11% Operating Margin, well positioned to achieve 15% FY24 margin target, given seasonality
- 2H23 capacity 100% of pre-COVID[3] levels (1H23 94%)[3]
- FY23 ancillary revenue[5] growth of +37% vs pre-COVID[3]

Jetstar's international network delivered a $149m Underlying EBIT

- $166m FY23 EBIT profit on Jetstar's Australian international business[2], 11% margin
  - Launched Sydney-Raratonga with A321LR and announced Melbourne-Fiji and Brisbane-Osaka, Tokyo and Seoul through airport partnership and long-term incentive agreement
- Jetstar Asia strong profitability with ROIC greater than WACC. Additional 2 aircraft in 1H24
- NZ Domestic profitable, but concerns about future airport investment plans
- ($54m) share of Jetstar Japan statutory loss, including ($12m) adverse FX impacts[6], with a $30m improvement in underlying result versus FY22. Forecast return to profitability in FY24

Investing in customer experience and operational performance

- Improvements in operational performance in recent months, despite challenges with Air Traffic Control and weather, supporting future reduction in temporary costs
- New Jetstar App launched in June and commenced roll out of local wireless in-flight entertainment
- 9 x A321LR[7] deliveries supporting improved reliability (99.4% dispatch reliability[8]), 20% fuel efficiency gains and enhanced customer experience with 50% noise reduction and other benefits

1. Consolidated entities only: Jetstar Australia and New Zealand and Jetstar Asia. 2. Includes Jetstar Australia International long haul, short haul and Trans-Tasman. 3. FY23/1H23/2H23 compared to FY19/1H19/2H19 as a proxy of pre-COVID flying. 4. Base Fare. International fares are across all carriers in Jetstar Group. 5. Ancillary revenue per passenger including Flight Products, but excluding Charter, Freight and brand extensions revenue. 6. Balance Sheet revaluation of USD lease liabilities. 7. 8 x JQ A321LRs and 1 x JJP A321LRs. 8. Mechanical Dispatch reliability at 15 minutes for 3 months ending April 2023

Qantas Loyalty

		FY23	FY22	Change
Revenue	$M	2,189	1,334	+64%
Underlying EBIT	$M	451	292	+54%
Operating Margin	%	20.6%	21.9%	(1.3)ppts
QFF Members	M	15.2	14.1	+8%
Points Earned	B	175	118	+48%
Points Redeemed[1]	B	155	93	+67%

>1m New QFF members added in the last 12 months

$451m Record Underlying EBIT result

>$2b Group cash contribution of gross receipts[2] in FY23

Extending customer loyalty beyond flying

- >$1.0b new bookings[3] in FY23 across Hotels, Holidays and Tours; up 90% vs FY22 following the expansion of the Qantas Holidays brand and substantially increasing redemption value to members
- Record points earned across Financial Services products; spend on Qantas Points earning credit cards recovered to >110% of pre-COVID levels[4]; ~250k new cards acquired (up 65% vs FY22); maintaining ~35% share of total credit card spend[5]
- Continued year on year growth in Qantas Insurance policies; 41% growth in total Health Insurance customers vs FY22; >60% increase in Travel Insurance policies sold vs FY22
- Operating margin returning to pre-COVID levels as Group capacity recovers – Qantas Loyalty does not generate profit on transactions between itself and Qantas Group airlines[6]

Growing the member base through broader and deeper engagement

- QBR members growing by 19% to ~450k – capturing 1 in 5 Australian SMEs
- +27% growth in members engagement through Qantas Mobile App vs FY22 – ~1.7m members per month during 4Q23
- ~2x increase in airline redemption activity vs FY22; returning to 117% of pre-COVID[4] levels
- Doubling of Classic reward seats redeemed on Qantas during FY23 vs FY22, supported by up to 50% more Classic Flight Rewards seat availability[7] – increasing the total number of flights booked using Qantas Points in FY23 to >6 million

1. Net points redeemed (in prior years gross points redeemed). 2. Sales to all external parties. 3. Total Transaction Value of bookings made using cash and/or Qantas Points includes TripADeal. 4. Compared to corresponding FY19 period as a proxy for Pre-COVID performance. 5. Internal Qantas Loyalty analysis. 6. Commercial fares booked using a mixture of Cash and Points (Points Plus Pay) are transacted between Qantas Loyalty and Group airlines at the value of the commercial fare. 7. Up to 50% more flown Classic redemption segments as a proportion of the total flow segments as Qantas marketed and operated flights vs the equivalent measure over 2019.

FINANCIAL FRAMEWORK

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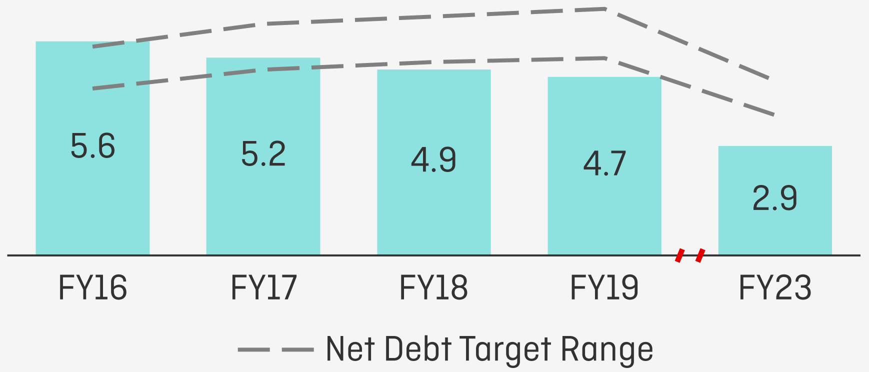
Financial Framework drives ongoing discipline and governance

1 Maintain optimal capital structure

Net Debt $B

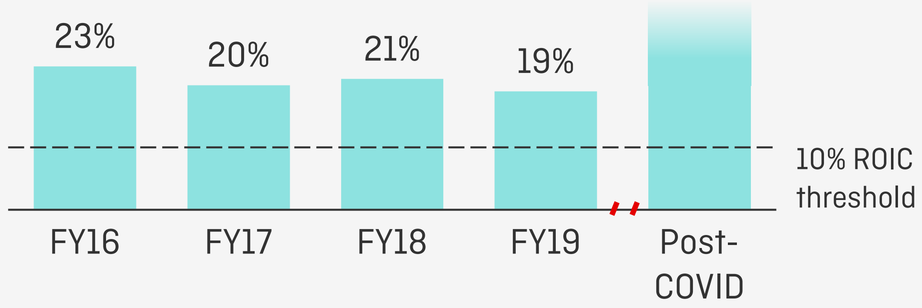


- Strong Balance Sheet settings
- Net Debt at $2.89b versus Net Debt Target Range of $3.7b – $4.6b
- Investment grade credit rating of Baa2 stable (Moody's)

Net Debt will be managed back to optimal levels of 2.0x – 2.5x EBITDA where ROIC is 10%

2 ROIC > WACC through the cycle

Return on Invested Capital %

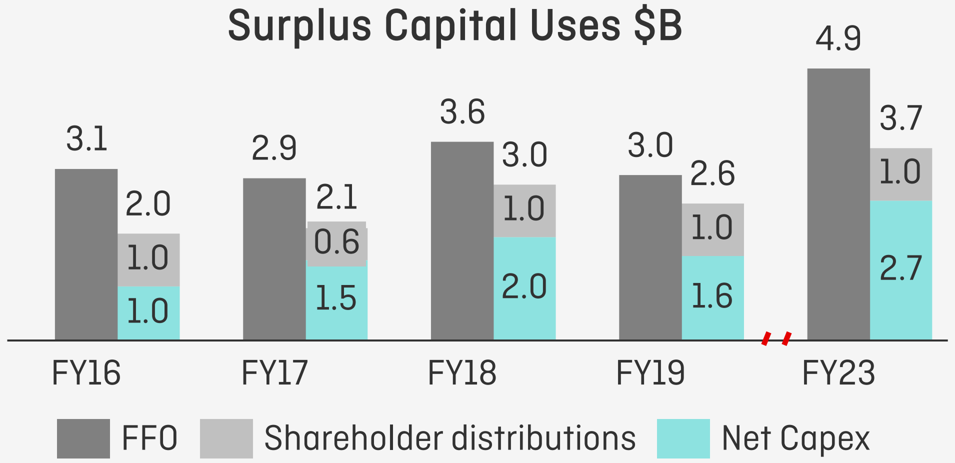


- Pre-COVID strong group portfolio earnings consistently delivered ROIC significantly >10%
- ROIC to moderate as Invested Capital rebuilds, however structural changes in earnings, fleet and working capital expected to deliver ROIC greater than pre-COVID levels

Sustainable ROIC greater than pre-COVID

3 Disciplined allocation of capital

Surplus Capital Uses $B



- FY23 Net Capex of $2.67b
- Completed $1.0b of on-market share buy-backs in FY23

Capital allocation to prioritise fleet investment and shareholder distributions

Maintaining an optimal capital structure

Total liquidity sources >$10B

~$3.2B cash balance

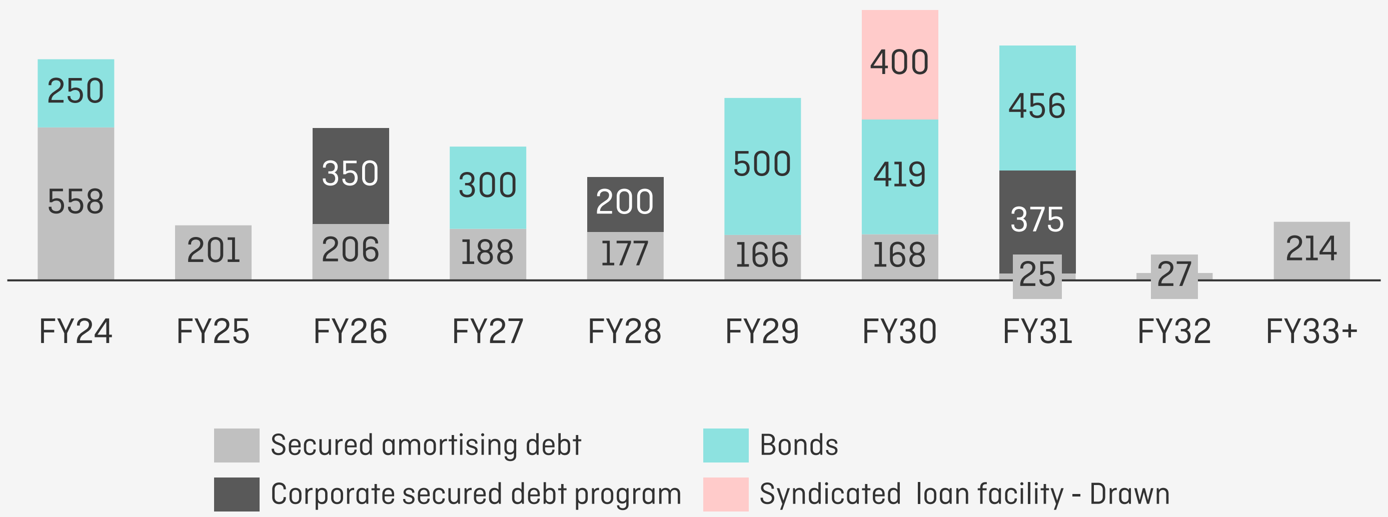
+

~$1.2B committed undrawn facilities

+

>$5.6B unencumbered assets

Debt maturity profile[1] as at 30 June 2023 ($M)



Liquidity

- Total sources of liquidity >$10b comprised of $3.2b cash[2], $1.2b committed undrawn facilities[3] and >$5.6b[4] unencumbered asset base
  - Unencumbered assets include ~$4.1b of unencumbered aircraft (~62% of the Group fleet[5]), spare engines and other assets

Gross Debt Structure

- Transactions in 2H23
  - Extended tenor by refinancing committed unsecured facilities up to 7 years
  - Secured cost effective financing for recent Boeing 787-9 deliveries
  - Reduced exposure to expensive operating leases
- Balance Sheet settings
  - Minimal refinancing risk across maturity profile
  - Flexibility to prepay secured debt and unencumber assets
- No financial covenants
- Moody's (Baa2) "stable" investment grade credit rating

1. Cash debt maturity profile excluding leases. 2. Includes cash and cash equivalents as at 30 June 2023. 3. Includes secured aircraft financing on Boeing 787-9 delivery which was drawn down on 24 July 2023. 4. Includes aircraft valuations based on the Aircraft Value Analysis Company Limited (AVAC) as at 30 June 2023. 5. Based on number of aircraft as at 30 June 2023.

Robust financial risk management

Operational Fuel and FX

- FY23 fuel cost at $4.6b
  - Hedging strategy provided time to implement operational changes for RASK to offset record fuel prices
- FY24 fuel and FX hedging remain consistent with long term approach to risk management
  - Declining wedge hedge profile - greater volume of hedging in short term to mitigate earnings volatility
  - Preference for options in hedging allowing high level of participation to lower fuel prices
  - 1H24 fuel exposure is 75%[1] hedged through a combination of Brent outright options and collars

'000 bbls	FY23	FY22	% Change
Qantas Domestic	7,277	4,718	54%
Qantas International (ex. Freight)	9,775	2,753	255%
Qantas Freight	1,350	2,490	(46)%
Jetstar Group	6,329	2,923	117%
Total fuel consumption	24,731	12,884	92%

Capital Expenditure FX – Hedging of USD Fleet Payments

- Hedging remains consistent with long term approach to risk management
  - Preference for options to allow for high level of participation
- 1H24 is 60%[1] hedged through a combination of outright options and collars

Interest rates

- Minimal economic impact to rising interest rates due to significant cash holdings providing natural offset to floating rate debt in portfolio
- On Balance Sheet fixed debt portfolio average interest rate of 3.95% p.a.

Carbon cost

- Carbon cost is being managed in line with broader financial risk management framework

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1. Hedge position as at 16 August 2023 for remaining 1H24.

Disciplined capital allocation to optimise shareholder value

Structural improvements to earnings will sustain higher levels of fleet investment and ongoing shareholder distributions

FY24

- Allocating $0.3b to fulfil employee retention and reward schemes on track to vest in August 2023
- FY24 Net Capex guidance of $3.0b – $3.2b reflecting
  - Continued investment in fleet renewal (see slide 25)
  - Non-aircraft capex of $0.4b inclusive of Climate Fund and investment in lounges
- Shareholder distribution of up to $0.5b for 1H24 via on-market share buy-back
- Company income tax instalment payments expected to recommence in 2H24

Future capital allocation to prioritise fleet investments and shareholder distributions

FY25+

- Optimisation of balance sheet settings
  - Net Debt Target Range expected to progressively return to pre-COVID levels by FY25 as Invested Capital rebuilds
  - Targeting the bottom of the Net Debt Target Range
- Sustainable ROIC greater than pre-COVID, enabled by structural changes in earnings, fleet and working capital
- Expected to deliver surplus capital for distribution and investment
  - Fleet renewal program and Sunrise growth capex
  - Shareholder distributions delivered via the most optimal channel, with franking credit rebuild expected from FY25

New aircraft deliveries and fleet flexibility

New aircraft deliveries[1]

		FY24	FY25	FY26
Qantas	A350-1000ULR (Project Sunrise)			3
	787-9	1		
	A321neo-XLR		3	9
Qlink[2]	A220-300	3	4	11
Freight[3]	A321F	3	2	3
Jetstar	A321neo-XLR			3
	A321neo-LR	7	7	1
	A320neo[4]		5	
Total committed aircraft		14	21	30
Total pre-delivery and final delivery payments[5]		~US$4.3b over FY24-FY26		

Up to 45[6] retirements across FY24-FY26

As outlined at Investor Day, new fleet technology driving long-term advantage

- New fleet capability unlocks new markets, including expanded point-to-point routes (through redeployment of existing fleet and improved route economics)
- Fleet renewal also delivers substantial transformation benefits and step-change in cost

Fleet and capacity flexibility

- Delivery profile reflects the latest information as a result of supply challenges (including Pratt and Whitney engines)
- Ongoing management of aircraft delivery profile and retirement plans (up to 45[6] aircraft across FY24-FY26) provides flexibility for capacity
- In addition to new aircraft deliveries (refer to table), the Group has flexibility with
  - Up to 30 x E190s[7] and 2 x A330s[8] through wet leases
  - Acquisition of 7 x mid-life A319/A320 aircraft

Financial Framework and fleet order book

- The Financial Framework will continue to guide our capital expenditure
- Fleet order book aligned with Financial Framework and progress towards our sustainability goals - including significant purchase right options from FY27+
- Order book flexibility supports various market demand scenarios

1. Target delivery profile, slots and aircraft subject to confirmation. Excludes existing A330 freighter conversions, wet lease operations and mid-life aircraft acquisitions. 2. Qantaslink. 3. Express Freighters Australia. 4. Part of existing Jetstar order prior to domestic fleet renewal announcement in May 2022. 5. In addition to fleet delivery payments, Group Net Capital Expenditure includes capitalised maintenance, non-aircraft capital expenditure and net lease additions and disposals. 6. Excludes wet lease capacity exits. 7. 18 x E190s currently in operation as at 30 June 2023. 8. To convert to dry lease from late 2025.

OUTLOOK

QANTAS GROUP

Outlook

Portfolio outlook

- The Group is seeing strong trading into 1H24 with the Dual Brand strategy and Loyalty membership base uniquely positioning the Group to navigate macro-economic conditions
  - Travel has remained a priority with intent to travel domestically 2x pre-COVID levels and intent to travel internationally 60-80% above pre-COVID levels during the last 12 months[1]
  - Group Domestic leisure revenue intakes at 132% above pre-COVID levels[2]
  - Group Domestic business-purpose travel continuing to recover with Qantas Domestic revenue intakes at 107% of pre-COVID levels[2], underpinned by resource strength and SME growth
  - Group International continuing to see strength underpinned by leisure, premium cabin demand and some substitution from domestic to international as fares moderate in line with capacity
    - The total international market capacity into Australia expected to restore to pre-COVID levels by 4Q24
- Qantas Loyalty on track to deliver FY24 EBIT target of $500 – 600m, six months earlier than anticipated, Underlying EBIT >$500m expected for calendar year 2023
- Remain committed to delivering FY24 targets (see slide 29)

Group financial outlook

- 1H24 fuel cost expected to be $2.6b[3] at current fuel prices inclusive of hedging
- The Group expects to recover recent increases in $A Jet fuel price and maintains flexibility to adjust capacity settings further
- FY24 Depreciation and amortisation is expected to be $1.8b
- FY24 Net finance costs are expected to be $0.23b
- Approximately $400m in transitionary costs incurred in FY23 to unwind in FY24
- Targeting transformation of >$300m in FY24 to offset CPI
- Net Debt expected to increase in FY24 but remain below the bottom of the Net Debt Target Range
  - The Net Debt Target Range is expected to increase as Invested Capital rebuilds

1. Travel intentions based on Qantas monthly internal research in July 2023 of travel intentions for next 12 months, n=~1,000. 2. Compared to 2019 as a proxy for pre-COVID. Revenue intakes calculated on rolling 6-week average for the week ending 12 August 2023. 3. Fuel cost based on forecast consumption of ~14.8 million barrels (including SAF). Assumes 1H24 underlying into-plane market reference price of approximately A$173 per barrel. Expected fuel cost includes SAF cost, and is net of hedging.

Outlook

Guidance Tables

Capacity Guidance[1] (as a % of pre-COVID)	1Q24	2Q24	3Q24	4Q24	1H24	2H24	FY24
Group Domestic	**104%**	**103%**	**104%**	**102%**	**103%**	**103%**	**103%**
Qantas Domestic	101%	99%	99%	99%	100%	99%	**99%**
Jetstar Domestic	109%	111%	112%	110%	110%	111%	**110%**
Group International (ex. JSA)	**86%**	**92%**	**98%**	**103%**	**89%**	**100%**	**95%**
Qantas International	79%	87%	92%	95%	83%	93%	**88%**
Jetstar International (ex. JSA)[2]	112%	110%	118%	130%	111%	124%	**117%**
Jetstar Asia (JSA)	34%	37%	45%	44%	**35%**	**45%**	**40%**

Qantas Loyalty		Target FY24
Points Earned	B	>180
Points Redeemed[3]	B	>180

Capital Expenditure	FY24
Net Capital Expenditure	$3.0b - $3.2b

Financial Risk Management[4]	1H24
% Fuel hedge (Brent Crude price)	75%
% FX hedge (Capex[5])	60%

The statements in the outlook slides, including those above, are predicated on the Group's current assessment of the profile of key external factors that will impact the Group's financial performance, including economic conditions, supply chain settings and public health posture.

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1. ASKs compared to corresponding period in FY19 as a proxy of pre-COVID flying. 2. Includes Jetstar Australia International long haul, short haul, Trans-Tasman and New Zealand domestic flying. 3. Points Redeemed excludes points refunded on Classic, PPP (Points Plus Pay) and Partner Airline rewards. 4. Hedge position as at 16 August 2023 for remaining 1H24. 5. Hedging of USD aircraft payments (i.e. Capital Expenditure FX).

Qantas Group Investment Case – Investor Day 2023

Strong customer value proposition to deliver against target segments

Qantas and Jetstar fleet renewal unlocks new opportunities and extends competitive advantage

Sunrise to deliver sustained earnings increase

Affordability of fleet supported by step-change in earnings growth and balance sheet strength

Qantas Freight placed to capture incremental growth in Australian eCommerce

Qantas Loyalty positioned to continue growth in earnings through increased engagement and points earned/redeemed

Climate Action Plan and cost mitigations provide path to reach Sustainability targets while supporting financial outcomes

Commitment to employee culture strengthens talent pipeline and employee retention

Qantas Group confident in the ability to invest in the business while rewarding shareholders

KEY BUSINESS TAKEAWAYS

Qantas & Jetstar Domestic
EBIT margin target FY24+

18% | 15%

Qantas International
EBIT margin target in FY24 and future state

8% (FY24) | 10-12% (Future)

Jetstar International
EBIT margin target in FY24+

10-12%

Qantas Loyalty
EBIT target

$500m-$600m (FY24) | $800m-$1B (FY30)

Sustainability
SAF target supported by the Qantas Climate Action Fund

10% SAF by 2030

Glossary

Available Seat Kilometres (ASK) – Total number of seats available for passengers, multiplied by the number of kilometres flown

Cancellation rate – Measured as number of flights cancelled as a percentage of number of flights scheduled (if cancelled or rescheduled less than 7 days prior to scheduled departure time)

Capex – Refer to Net Capital Expenditure (Net Capex)

Capitalised aircraft lease liabilities – Residual value of capitalised aircraft lease liabilities measured at fair value at the lease commencement date and remeasured over lease term on a principal and interest basis. Residual value of capitalised aircraft lease liability denominated in foreign currency is translated at the long-term exchange rate

CASK – Underlying (LBT)/PBT less ticketed passenger revenue divided by ASKs. For a detailed calculation of CASK, please see slide 8 in the Supplementary Presentation

EBIT – Earnings before interest and tax

EBIT margin (Operating Margin)– Underlying EBIT divided by Total Revenue

EBITDA – Earnings before interest, tax, depreciation, amortisation and impairment

ESG – Environmental, Social and Governance

EPS – Refer to Statutory EPS

FFO – Funds From Operations

FX – Foreign exchange

Invested Capital – Net assets (excluding cash, debt, other financial assets and liabilities and tax balances) including capitalised aircraft lease assets (which includes an adjustment to exclude aircraft lease return provisions from Invested Capital)

Net Capital Expenditure (Net Capex) – Net expenditure of investing cash flows included in the Consolidated Cash Flow Statement and the impact to Invested Capital from acquiring or returning leased aircraft. Refer to slide 15 of the Supplementary Presentation for the calculation of Net Capital Expenditure

Net Debt – Under the Group's Financial Framework, includes net on Balance Sheet debt and capitalised aircraft lease liabilities

Net Debt Target Range – For a detailed calculation of the Net Debt Target Range, please see slide 13 in the Supplementary Presentation

Net Free Cash Flow – Cash from operating activities less net cash outflows from investing activities

NPS – Net promoter score. Customer advocacy measure

Operating Margin (EBIT margin) – Underlying EBIT divided by Total Revenue

OTP – On Time Performance (within 15 minutes of departure time)

PBT – Profit Before Tax

PPTS – Percentage Points

QBR – Qantas Business Rewards

QFF – Qantas Frequent Flyer

RASK – Ticketed passenger revenue divided by ASKs. For a detailed calculation of RASK, please see slide 8 in the Supplementary Presentation

Return on Invested Capital (ROIC) – ROIC EBIT for the 12 months ended for the reporting period, divided by the 12 months average Invested Capital. Refer to slide 11 of the Supplementary Presentation for the calculation of ROIC

Revenue Passenger Kilometres (RPK) – Total number of passengers carried, multiplied by the number of kilometres flown

RRIA – Revenue Received in Advance

RRP – Recovery and Retention Plan

SAF – Sustainable Aviation Fuel

Seat Factor (Load factor)– Revenue passenger kilometres divided by ASKs

SME – Small to medium enterprise

Statutory EPS – Statutory Earnings Per Share are calculated as Statutory Profit after Tax divided by the weighted average number of issued shares, excluding unallocated treasury shares. Measured as cents per share

Ticketed passenger revenue – Uplifted passenger revenue included in Net Passenger Revenue

Total Unit Cost – Underlying (LBT)/PBT less ticketed passenger revenue per ASK

TSR – Total Shareholder Returns

Underlying (LBT)/PBT – a non-statutory measure and is the primary reporting measure used by the Chief Operating Decision-Making bodies, being the Chief Executive Officer, Group Management Committee and the Board of Directors, for the purpose of assessing the performance of the Qantas Group. Refer to slide 7 of the Supplementary Presentation for a reconciliation of Underlying PBT to Statutory PBT.

Unit Cost (ex Fuel and Depreciation) – Underlying PBT less ticketed passenger revenue, fuel and share of profit/(loss) of investments accounted for under the equity method and non-cash impact of discount rate changes on provisions, excluding depreciation and impairments per ASK

Unit Revenue – Ticketed passenger revenue per ASK

WACC – Weighted average cost of capital