



Shaping our Future

QANTAS DATA BOOK 2014

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All dollar amounts are in Australian dollars unless otherwise specified. Where figures have been rounded, discrepancies may occur between the sum of the component items and the total, which are derived from figures prior to rounding.

ASIC GUIDANCE

In December 2011 ASIC issued Regulatory Guide 230. To comply with this Guide, Qantas is required to make a clear statement about whether information disclosed in documents other than the financial report has been audited or reviewed in accordance with Australian Auditing Standards.

In line with previous years and in accordance with the Corporations Act, the Qantas Data Book 2014 is unaudited, notwithstanding this Data Book contains disclosures which are extracted or derived from the Annual Report for the year ended 30 June 2014, which has been audited by the Group's Independent Auditor.

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QANTAS GROUP SUMMARY

The Qantas Group's main business is the transportation of passengers using two complementary airline brands, Qantas and Jetstar, operating international, domestic and regional services.

The Group's broader portfolio of businesses and investments, including Qantas Loyalty and Qantas Freight, generate diverse revenue streams and add value for customers and investors.

THE WORLD'S MOST EXPERIENCED AIRLINE

Qantas is the world's second oldest airline. It was founded in the Queensland outback in 1920 and has been in continuous operation since that date, longer than any other airline. The name comes from the initial letters of the words in the original registered title – Queensland and Northern Territory Aerial Services Limited. The Company began its operations with joy rides and air taxi flights. Regular scheduled airmail and passenger services began on 2 November 1922, from Charleville to Cloncurry in rural Queensland. The journey of 923 kilometres took two days with an overnight stop at Longreach. Passenger ticket No. 1 was issued to 84 year old Alexander Kennedy, a pioneer of western Queensland. The first Qantas overseas passenger left Brisbane for Singapore in April 1935.

QANTAS GROUP STRATEGY

The Qantas Group has a clearly defined strategy, with the following guiding strategic pillars:

- Safety is always our first priority
- The first choice for customers in every market we serve
- Maintaining dual-brand strength in domestic market
- Reshaping Qantas International to remain competitive
- Delivering the Jetstar opportunity in Asia
- Broadening Qantas Loyalty for strong, diversified earnings
- Driving efficiency and productivity through Qantas Transformation

Safety remains our first operational priority and we are committed to maintaining our position as the leading Australian domestic carrier and one of the world's premier long-haul airlines through our dual airline brands, Qantas and Jetstar. We aim to maintain customer loyalty by delivering exceptional experiences through these dual brands, in conjunction with Qantas Loyalty. Our operating strategy is complemented by a prudent approach to capital management as we seek to deliver sustainable, long term returns to shareholders.

Trading codes

ISIN code: AU000000QAN2

Reuters: QAN.AX

Bloomberg: QAN AU

QANTAS GROUP IN 5 MINUTES



Qantas Domestic

for the year ended 30 June

Key figures	Unit	2014	2013
Revenue	\$M	5,848	6,218
Underlying EBIT	\$M	30	365
Passengers	M	21.8	22.1
Load Factor	%	73.3	75.9

Qantas Domestic is Australia's largest premium full service airline carrying 22 million passengers in 2013/14 on over 4,600 flights per week in Australia. Qantas Domestic is a single integrated airline providing airline transportation through its brands Qantas, QantasLink and Network Aviation.

Main Markets

Qantas Domestic serves all Australian capital cities, large metropolitan areas as well as many regional hubs throughout Australia, and together with Jetstar Domestic held approximately 63.5% of domestic market capacity share in FY14.

QantasLink and Network Aviation, together service 53 metropolitan and regional regular passenger transport destinations across Australia and Port Moresby in Papua New Guinea, as well as 13 dedicated fly-in-fly-out charter destinations.

2013/14 Main Domestic Markets Available Seat Kilometres (ASKs)

East West	32%
Triangle	26%
Regionals	19%
Other	23%
Total	100%

Customers

Qantas Domestic's goal is to remain the carrier of choice for corporate, business and premium leisure passengers.

Product

Qantas Domestic offers passengers a premium network and service product on its extensive domestic network. Qantas Domestic offers a one or two class product on domestic routes – Business and Economy. Qantas Frequent Flyer members (QFF members) also have the opportunity to earn and redeem frequent flyer points across the domestic network. Passengers have access to 34 Qantas lounges across Australia.

The Group has committed to a reconfiguration of Qantas Domestic's A330-200 fleet that will see 'business suites' with lie flat beds installed and a refreshed economy cabin. The program is set to commence in December 2014.

Qantas International

for the year ended 30 June

Key figures	Unit	2014	2013
Revenue	\$M	5,297	5,496
Underlying EBIT	\$M	(497)	(246)
Passengers	M	5.8	5.8
Load Factor	%	79.6	81.6

Qantas International is a premium full service international airline providing transportation between Australia and New Zealand, Asia, North and South America, Africa, the Middle East and Europe under the Qantas brand. In 2013/14, 6 million passengers were carried on over 550 flights per week.

Qantas International has an extensive network offering through its strong bilateral alliances, its Qantas-Emirates partnership, and its founding membership in the oneworld alliance.

Main Markets

Qantas International's main market is premium international traffic to and from Australia.

2013/14 Main International Markets Available Seat Kilometres (ASKs)

Europe	20%
America	36%
Asia	32%
Other	12%
Total	100%

Customers

Qantas International's goal is to remain the international carrier of choice for premium and leisure customers in and out of Australia.

Product

Qantas International offers passengers a premium network and service product. Through its oneworld membership and the Qantas-Emirates partnership, Qantas International provides access to over 1,200 destinations in more than 150 countries, as well as more than 600 lounges globally. The Qantas Frequent Flyer loyalty program also provides QFF members the opportunity to earn and redeem frequent flyer points across its global network.

Qantas International offers up to four classes on certain international routes – First, Business, Premium Economy and Economy.

The Group has committed to a reconfiguration of Qantas International A330-300 fleet that will see 'business suites' with lie flat beds installed and a refreshed economy cabin. The program is set to commence in December 2014.

Jetstar

for the year ended 30 June

Key figures	Unit	2014	2013
Revenue	\$M	3,222	3,288
Underlying EBIT	\$M	(116)	138
Passengers	M	21.1	20.4
Load Factor	%	77.9	79.1

Jetstar is the Qantas Group's low cost airline brand. It is a value based, low fares network of airlines operating in the leisure and value based markets. Jetstar consists of Jetstar Domestic and Jetstar International (including New Zealand based domestic operations). Jetstar also has holdings in Singapore based Jetstar Asia, Vietnam based Jetstar Pacific, Jetstar Japan and Jetstar Hong Kong. Jetstar Hong Kong, a joint venture between Jetstar, China Eastern Airlines and Shun Tak Holdings, remains subject to regulatory approval.

Main Markets

Jetstar's main markets are domestic and international traffic to and from Australia (both short-haul and long-haul). Jetstar's intra-Asia network has been strengthened through Jetstar Asia, Jetstar Japan and Jetstar Pacific. New Zealand operations encompass both trans-Tasman and domestic New Zealand markets.

2013/14	Passenger Distribution ¹	Passenger Revenue ¹
Australia domestic	58%	52%
International	42%	48%
Total	100%	100%

Customers

Jetstar is focused on providing consistently low fares to predominantly leisure travellers.

Product

Jetstar offers domestic and international passengers a value-based product with the flexibility to select additional options in relation to seating, entertainment, catering, baggage and premium seating on long-haul. Jetstar offers up to two classes on certain International routes – Business and Economy.

¹ Jetstar consolidated entities.

Qantas Loyalty

for the year ended 30 June

Key figures	Unit	2014	2013
Revenue	\$M	1,307	1,205
Underlying EBIT	\$M	286	260
Members	M	10.1	9.4
Awards redeemed	M	6.2	5.6

Qantas Loyalty was established as a separate segment in 2007. Qantas Loyalty's portfolio of brands spans four distinct but interrelated business segments. Coalition loyalty, loyalty services, data and marketing services and adjacent businesses.

The Qantas Frequent Flyer (QFF) Program was founded in 1987 and is Australia's premier coalition loyalty business. The program exceeded 10 million members in 2013/14, offering hundreds of earn partners and thousands of ways to earn points. In 2013/14, over 4.6 million award seats were redeemed on flights, approximately 550,000 awards were redeemed on products and vouchers through the QFF Store, and over 1 million Auto-Rewards were redeemed through Woolworths Everyday Rewards.

Qantas Loyalty is expanding and diversifying by developing new revenue streams in online retail, data analytics and the operation of third party loyalty programs, including employee recognition and reward schemes.

Aquire, Qantas Loyalty's Australian business rewards program, was launched with 17 partners on 31 March 2014. Qantas Cash was launched in August 2013 with over 300,000 activated accounts and \$0.5b loaded in 2013/14.

Main Markets

Qantas Loyalty operates in the international loyalty market with a focus on Australia and New Zealand.

Customers

Qantas Loyalty customers include program partners and QFF members. Partners pay Qantas Loyalty to issue Qantas Points to members when members purchase partner products or services. The partner benefits by attracting and retaining member spend on its products, as well as improving its understanding of member behaviour. Members earn Qantas Points so that they can redeem them for awards through the QFF Program.

Product

Qantas Loyalty enables QFF members to earn Qantas Points from a wide range of coalition partners including Qantas, Jetstar and over 35 other partner airlines (including Emirates) and their affiliates including, credit cards, Woolworths Group companies, hotels and other retailers. QFF members can redeem Qantas Points for Classic Awards (including flights with Qantas, Jetstar, Emirates, other airline partners), Qantas and Jetstar AnySeat Awards, hotel bookings or a range of over 3,000 products and vouchers through the QFF Store.

Qantas Freight

for the year ended 30 June

Key figures	Unit	2014	2013
Revenue	\$M	1,084	1,056
Underlying EBIT ¹	\$M	24	36
Terminal tonnes ²	'000	868	770
AFKT, international	M	3,385	3,701

1. Australian air Express consolidated from 13 November 2012.

2. 2013 includes Australian air Express from 13 November 2012.

Qantas Freight is Australia's leading provider of air freight services. Qantas Freight markets the freight capacity on Qantas and Jetstar passenger aircraft and operates a fleet of eleven dedicated freighters to supplement capacity on key domestic and international routes.

As well as being Australia's leading cargo carrier, Qantas Freight is also Australia's leading airfreight cargo terminal operator. Qantas Freight's network of 22 cargo terminals provides ground handling to the Qantas Group and more than 25 other airlines.

In November 2012, the Qantas Group acquired 100 per cent of Australian air Express (AaE) and sold its 50 per cent stake in Star Track Express to Australia Post. The integration of AaE's operations into Qantas Freight has enabled it to offer an integrated air freight product across domestic and international networks.

Main Markets

Qantas Freight is present in all international markets where the Qantas Group flies and has dedicated freighter aircraft operating between Australia and Asia, New Zealand and the Americas, and Asia and the Americas.

Qantas Freight serves over 80 domestic destinations, utilising Qantas Group aircraft and dedicated freighters.

2013/14 Main International Markets

Revenue Freight Tonnage Kilometres (RFTK)

America	34%
North East Asia	31%
United Kingdom/Europe	13%
South East Asia	15%
Other	7%
Total	100%

Customers

Qantas Freight's main customers are businesses seeking efficient and reliable domestic and international air transport and ground handling services.

Product

Qantas Freight's Q-GO product range offers a comprehensive range of air freight services, including airport air linehaul and ground handling services (including customs clearance), supported by related courier and trucking services.

ACQUISITIONS AND MILESTONES

June 1992	Qantas purchased Australian Airlines (domestic carrier)
March 1993	British Airways purchased 25 per cent of Qantas
June 1995	Public Share Offer launched
July 1995	Privatisation of Qantas complete and shares listed on the Australian Securities Exchange (ASX)
May 1998	Qantas increased its equity in Fiji Airways (formally Air Pacific) to 46 per cent
October 2001	\$450 million share placement
November 2001	Qantas Group acquired Impulse Airlines (domestic carrier)
February 2002	Launch of Snap Fresh (catering facility)
September 2002	\$720 million JUMBO rights issue and share purchase plan
October 2002	Launch of Australian Airlines (international carrier)
December 2003	Star Track Express acquired by a joint venture between Qantas and Australia Post
May 2004	Jetstar commenced operations in Australia
September 2004	British Airways sold its shareholding in Qantas
December 2004	Jetstar Asia, based in Singapore, commenced services
July 2006	Australian Airlines ceased operations (international carrier)
November 2006	Jetstar International commenced operations
September 2007	Qantas Frequent Flyer business segmented from Qantas Group
May 2008	Completed on market buy-back of 91 million shares for \$506 million
July 2008	Qantas Holidays and Jetset Travelworld merged and formed the Jetset Travelworld Group with Qantas Group as a 58 per cent shareholder. The Jetset Travelworld Group is listed on the ASX
February 2009	\$525 million capital raising and share purchase plan
April 2009	New ownership structure for Jetstar Asia and Valair announced
June 2009	Jetstar replaced Qantas' Jetconnect services in the New Zealand Domestic market
September 2010	Jetset Travelworld Group merged with Stella Travel Services. Qantas Group has a 29 per cent shareholding of Jetset Travelworld Limited
October 2010	Qantas Group investments in Australian air Express and Star Track Express transferred to AUX Investments in exchange for a 50 per cent shareholding in AUX Investments
February 2011	Qantas Group acquired 100 per cent of the Network Aviation Group
August 2011	Qantas Group acquired 100 per cent of Wishlist Holdings
April 2012	Qantas operated Australia's first commercial flights powered by sustainable aviation fuel
July 2012	Jetstar Japan commenced operations
November 2012	Qantas Group acquired 100 per cent of Australian air Express and sold its 50 per cent stake in Star Track Express
March 2013	Qantas and Emirates partnership commenced
August 2013	Qantas Group announced the sale of its wholly owned subsidiary Qantas Defence Services to Northrop Grumman Australia
October 2013	Completed on market buy-back of 69 million shares for \$100 million
February 2014	Relinquishment of Brisbane Domestic Terminal for \$112 million announced

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QANTAS MANAGEMENT AND DIRECTORS

QANTAS GROUP MANAGEMENT COMMITTEE



Alan Joyce
Chief Executive Officer

Alan Joyce has been Chief Executive Officer and Managing Director of Qantas since November 2008. This period has seen Qantas and Jetstar continue to lead the Australian domestic market; a new strategic direction for Qantas International, including stronger airline partnerships and an increased focus on Asia; the sustained, profitable growth of the Qantas Loyalty business; and the launch of Qantas' biggest transformation program since privatisation in 1995. Mr Joyce served as founding Chief Executive Officer of Jetstar for five years from October 2003, having previously spent over 15 years in key positions at Qantas, Ansett and Aer Lingus. He was Chairman of the International Air Transport Association between July 2012 and June 2013 and is a Director of the Business Council of Australia, among other roles in business and the community. Mr Joyce holds a Bachelor of Science in Applied Science (Physics and Mathematics) (Honours) and a Master of Science in Management Science.



Gareth Evans
Chief Financial Officer

Mr Evans is currently Chief Financial Officer of the Qantas Group. He has held this position since March 2010. Mr Evans' portfolio includes Finance, Strategy, Treasury, IT, Procurement (including Fleet), Investor Relations, Mergers & Acquisitions and the Group's Business Transformation Program. His previous roles with Qantas covered a number of operational areas including the responsibility for the financial operations of the airline, commercial and business analytics and the implementation of major business change initiatives, scheduling of the international and domestic network, ticket pricing, revenue management and airline operations on the day as well as readiness activities for the arrival of the A380. Prior to joining Qantas Airways in 1999, he held a number of corporate finance roles with Caltex Australia and KPMG in Australia and the UK. Mr Evans is a member of the Institute of Chartered Accountants in England and Wales.



Andrew Finch
General Counsel & Company Secretary

Andrew Finch joined the Qantas Group in 2012. Mr Finch leads a team that is responsible for the management of legal risk and company secretarial matters across the Qantas Group. Mr Finch has more than 22 years legal experience in Australia and overseas, joining the Qantas Group from the leading Australian practice of Allens, where he had been a partner specialising in mergers and acquisitions, equity capital markets and general corporate and governance advice. Mr Finch holds a Bachelor of Commerce, Bachelor of Laws from UNSW, and a Master of Laws with First Class Honours from the University of Sydney. He is a member of the Business Council of Australia's Competition Policy Working Group, the Australian Corporate Lawyers Association (ACLA) and the ACLA Advocacy Network.



Lesley Grant
Chief Executive Officer Qantas Loyalty

Lesley Grant was appointed Chief Executive Officer Qantas Loyalty in July 2012 and has been with Qantas Group since May 2002, previously holding the position of Group Executive Customer and Marketing. Ms Grant has been a non-executive director of UNICEF Australia since May 2006, a Director of the Qantas Foundation since March 2009 and a member of Chief Executive Women. In addition to her current responsibilities, Ms Grant has played an active role within Qantas Group in talent development and inclusion and diversity. Ms Grant has extensive senior executive experience in the airline industry successfully leading several large transformational change programmes in key customer, marketing and operations functions. Prior to joining Qantas Group, Ms Grant held senior executive roles at both Ansett and Air New Zealand.



Simon Hickey
Chief Executive Officer Qantas International & Freight

Simon Hickey was appointed Chief Executive Officer of Qantas International & Freight in June 2012 and is responsible for turning around the financial performance of the International business. Mr Hickey joined Qantas Group in September 2004 as Group General Manager Strategy and Fleet. Between 2007 and 2012, Mr Hickey held the position of Chief Executive Officer Qantas Frequent Flyer and was responsible for establishing the Loyalty business. Between 2001 and 2004, Mr Hickey was Chief Financial Officer for Lend Lease Americas. Prior to this, he held various roles with Lend Lease including Bovis Lend Lease Chief Financial Officer Asia Pacific. Mr Hickey began his career with Arthur Andersen's Business Consulting Group working in Sydney, Melbourne and London and has over 20 years of international finance and corporate strategy experience. Mr Hickey is a Chartered Accountant and holds a Bachelor of Commerce from UNSW and an Executive MBA from the AGSM. Mr Hickey is also a Director of Holiday Tours & Travel Pte Ltd and a Director of the Sydney Children's Hospital Foundation.



Jayne Hrdlicka
Group Chief Executive Officer Jetstar

Jayne Hrdlicka was appointed Jetstar Group Chief Executive Officer in July 2012 and has been with the Qantas Group since August 2010, previously holding the position of Qantas Group Executive Strategy and Technology. In addition to her role at Jetstar, Ms Hrdlicka is also a Non-Executive Director of Woolworths, and a member of Chief Executive Women. Ms Hrdlicka is a seasoned executive with a mix of executive and advisory experience. Prior to joining Qantas Group, Ms Hrdlicka was a senior partner of Bain and Company, a global strategy consulting firm, where she was a global and regional leader in the Customer Strategy Practice. She advised several airline clients around the world in her 15 years at Bain including both Ansett and Qantas Group in Australia. Earlier in her career, Ms Hrdlicka left consulting to spend six years running businesses in industry. She ran two significant transformations as an operations executive and ultimately as a CEO. Ms Hrdlicka holds a Bachelor of Arts (Honours) from the Colorado College, Colorado, USA, and an MBA from Dartmouth College, New Hampshire, USA.



Tino La Spina
Deputy Chief Financial Officer

Tino La Spina is the Deputy Chief Financial officer of the Qantas Group. He has held this position since July 2009. Mr La Spina's portfolio includes, Group Finance, Procurement (including Fleet), Fleet Planning, Taxation and Insurance. Prior to this, Mr La Spina held the position of Chief Financial Officer and Head of Commercial for Qantas Loyalty, and prior to that, General Manager Strategy. Prior to joining Qantas Group in 2006, Mr La Spina held the position of Chief Financial Officer of National Express Group in Australia for six years, and prior to that, various finance and commercial roles with Ansett Australia Limited, including Ansett International and Skywest Airlines. Mr La Spina started his career in 1990 with Ernst & Young. Mr La Spina has a Bachelor of Business from Swinburne University of Technology. He is a member of the Institute of Chartered Accountants, the Australian Institute of Company Directors and the Securities Institute of Australia.



Rob Marcolina
Executive Manager Group Strategy

Rob Marcolina joined Qantas Airways as Executive Manager, Group Strategy October in 2012. Rob's portfolio now includes Group Transformation and Customer Insights. Rob Marcolina was a partner in Bain & Company's Sydney office. He joined Bain in 1999 working in its Los Angeles office and spent the majority of his Bain career based in the United States, before returning home to Australia in 2012. Before joining Bain, Rob worked for Marakon Associates in Australia and the United States and also spent a year working in Eastern Europe. Rob earned his MBA from the Kellogg School of Management at Northwestern University in the United States. He is also a graduate of University of Melbourne where he received a Bachelor of Commerce in Economics.



Andrew Parker
Group Executive Government and International Affairs

Andrew manages the Group's government, political, policy, regulatory and international affairs worldwide. He is a member of the Group Management Committee and reports to the CEO. Andrew is a member of the IATA Industry Affairs Committee and is an Advisory Board Member of the Tourism & Transport Forum. Before Qantas, Andrew was Senior Vice President – Public, International, Environment and Industry Affairs at Emirates, based in Dubai. Over six years he helped grow the airline's network across six continents. He was also a key architect in the Qantas Emirates alliance that launched in 2013. Andrew was previously the founder and Managing Director of a large public affairs firm that was acquired by the Ogilvy Group in 2001. He has also been a press secretary and senior political adviser to various Australian political leaders and Ministers and worked as a journalist in newspapers and television in Australia, the US and UK.



Jon Scriven
Group Executive Human Resources and Office of the CEO

Jon Scriven joined Qantas Group in April 2009 as Group Executive People. In April 2011, Mr Scriven's responsibilities at Qantas were extended to include oversight of the Office of the CEO comprising Safety, Security, Environment, Risk, Legal, Internal Audit and the Company Secretariat while continuing his responsibility for all aspects of Human Resources across the Group. Prior to joining Qantas Group, Mr Scriven was the Group HR Director for Coca-Cola Amatil taking on that role in 2002. Between 1999-2002 Mr Scriven was a Human Capital Services Partner at Andersen. From 1991, Mr Scriven held various roles within Coca-Cola Amatil including Group Remuneration & Benefits Manager and Group Learning & Development Manager. Earlier in his career Mr Scriven held Learning & Development roles at both Westpac and PriceWaterhouse. Mr Scriven studied at Cambridge University and holds a Masters in Mathematics. He is a Fellow of the Institute of Chartered Accountants of Australia and also a Fellow of the Australian Human Resources Institute. Mr Scriven is also a Director of the Australian Human Resources Institute.



Lyell Strambi
Chief Executive Officer Qantas Domestic

Lyell Strambi was appointed Chief Executive Officer of Qantas Domestic in June 2012, encompassing all aspects of the Domestic airline, including Strategy, Finance, Customer and Commercial Relationships, Airline Operations, Regional Airlines and Engineering. Mr Strambi joined the Qantas Group in December 2008 as Group Executive Qantas Airlines Operations, with responsibility for the management and continued transformation of Qantas' Operational divisions including Australian onshore Airports, Catering, Engineering and Flight Operations. Prior to joining the Qantas Group, Mr Strambi was Chief Operating Officer, Virgin Atlantic Airways, with responsibility for Commercial, Product, Global Sales and Marketing, Engineering, Cargo, Flight and Ground Operations and In-flight Services. Mr Strambi began his career in aviation with Ansett Australia Limited and over a 24 year period rose to the position of Executive General Manager Ground Services. Mr Strambi received a Bachelor of Business in Accounting and Finance from Royal Melbourne Institute of Technology. Mr Strambi is on the board of the Royal Flying Doctor Service (South East Section). He is also a fellow of the Australian Institute of Company Directors, a Fellow of the Royal Aeronautical Society and a member of the Australian Institute of Management.



Olivia Wirth
Group Executive Brand, Marketing and Corporate Affairs

Olivia Wirth is the Qantas Group Executive Brand, Marketing & Corporate Affairs responsible for the company's internal and external communication, community relations and sponsorship as well as the brand and marketing for the Qantas Group. Ms Wirth was previously the Group Executive, Government & Corporate Affairs and the Head of Corporate Communication for the Qantas Group, appointed in 2009. Ms Wirth has over 16 years of experience in public affairs, government relations and media relations, most recently as the Executive Director of the industry association and lobby group, the Transport and Tourism Forum (TTF). She has worked in a range of public and corporate affairs roles including the London based Business in the Community (part of the Prince's Trust) and the Australian Tourist Commission (now Tourism Australia). Ms Wirth is a Board member of the Qantas Foundation.

QANTAS BOARD OF DIRECTORS



Leigh Clifford, AO
BEng, MEngSci
Chairman, Independent Non-Executive Director

Leigh Clifford was appointed to the Qantas Board in August 2007 and as Chairman in November 2007. He is Chairman of the Nominations Committee. Mr Clifford is a Director of Bechtel Group Inc. and Chairman of Bechtel Australia Pty Ltd, the Murdoch Childrens Research Institute and the National Gallery of Victoria Foundation. He is a Senior Advisor to Kohlberg Kravis Roberts & Co and a Member of the Council of Trustees of the National Gallery of Victoria. Mr Clifford was previously a Director of Barclays Bank plc. and Freeport-McMoRan Copper & Gold Inc. Mr Clifford was Chief Executive of Rio Tinto from 2000 to 2007. He retired from the Board of Rio Tinto in 2007 after serving as a Director of Rio Tinto plc and Rio Tinto Limited for 13 and 12 years respectively. His executive and board career with Rio Tinto spanned some 37 years, in Australia and overseas.



Alan Joyce
BAppSc(Phy)(Math)(Hons)
MSc(MgtSc), MA, FRAeS, FTSE
Chief Executive Officer

Alan Joyce was appointed Chief Executive Officer and Managing Director of Qantas in November 2008. He is a Member of the Safety, Health, Environment and Security Committee. Mr Joyce is a Director of the Business Council of Australia and a Member of the International Air Transport Association's Board of Governors having served as Chairman from 2012 to 2013. He is also a Director of a number of controlled entities of the Qantas Group. Mr Joyce was the Chief Executive Officer of Jetstar from 2003 to 2008. Before that, he spent over 15 years in leadership positions with Qantas, Ansett and Aer Lingus. At both Qantas and Ansett, he led the network planning, schedules planning and network strategy functions. Prior to that, Mr Joyce spent eight years at Aer Lingus, where he held roles in sales, marketing, IT, network planning, operations research, revenue management and fleet planning.



Maxine Brenner
BA, LLB
Independent Non-Executive Director

Maxine Brenner was appointed to the Qantas Board in August 2013. She is a Member of the Remuneration Committee and the Audit Committee. Ms Brenner is a Director of Origin Energy Limited, Orica Limited and Growthpoint Properties Australia Limited. She is a Trustee of the State Library of NSW and a Member of the Advisory Panel of the Centre for Social Impact at the University of New South Wales. Ms Brenner was formerly a Managing Director of Investment Banking at Investec Bank (Australia) Limited. She has extensive experience in corporate advisory work, particularly in relation to mergers and acquisitions, corporate restructures and general corporate activity. She also practised as a lawyer with Freehill Hollingdale & Page (now Herbert Smith) where she specialised in corporate work, and spent several years as a lecturer in the Faculty of Law at both University of NSW and Sydney University. Ms Brenner was the Deputy Chairman of Federal Airports Corporation and a Director of Neverfail Springwater Limited, Bulmer Australia Limited and Treasury Corporation of NSW. She also served as a Member of the Australian Government's Takeovers Panel.



Richard Goodmanson
BCom, BEc, MBA, MCE
Independent Non-Executive Director

Richard Goodmanson was appointed to the Qantas Board in June 2008. He is Chairman of the Safety, Health, Environment and Security Committee and a Member of the Nominations Committee. Mr Goodmanson is a Director of Rio Tinto plc and Rio Tinto Limited. From 1999 to 2009 he was Executive Vice President and Chief Operating Officer of E.I. du Pont de Nemours and Company. Previous to this role, he was President and Chief Executive Officer of America West Airlines. Mr Goodmanson was also Senior Vice President of Operations for Frito-Lay Inc and a Principal at McKinsey & Company Inc where he cofounded the Transportation Practice. He spent 10 years in heavy civil engineering project management, principally in South East Asia. Mr Goodmanson was born in Australia and is a citizen of both Australia and the United States.



Jacqueline Hey
BCom, Grad Cert (Mgmt), GAICD
Independent Non-Executive Director

Jacqueline Hey was appointed to the Qantas Board in August 2013. She is a Member of the Audit Committee. Ms Hey is a Director of Bendigo and Adelaide Bank Limited and is Chairman of its Change & Technology Committee and a Member of its Audit and Risk Committees. She is also a Director of the Australian Foundation Investment Company Limited, Special Broadcasting Service, Melbourne Business School and Cricket Australia, and a Member of the ASIC Director Advisory Panel. Ms Hey is the Honorary Consul for Sweden in Victoria. Between 2004 and 2010, Ms Hey was Managing Director of various Ericsson entities in Australia and New Zealand, the United Kingdom and Ireland, and the Middle East. Her executive career with Ericsson spanned more than 20 years in which she held finance, marketing, sales and leadership roles.



Garry Hounsell
BBus(Acc), FCA, CPA, FAICD
Independent Non-Executive Director

Garry Hounsell was appointed to the Qantas Board in January 2005. He is Chairman of the Audit Committee and a Member of the Nominations Committee. Mr Hounsell is Chairman of PanAust Limited and Investec Global Aircraft Fund, and is a Director of DuluxGroup Limited, Spotless Group Holdings Limited, Treasury Wine Estates Limited and Ingeus Limited. Mr Hounsell was formerly a Director of Orica Limited and Nufarm Limited and Deputy Chairman of Mitchell Communication Group Limited. He was also a Senior Partner of Ernst & Young, Chief Executive Officer and Country Managing Partner of Arthur Andersen and a Board Member of law firm Herbert Smith Freehills.



William Meaney
BScMEng, MSIA
Independent Non-Executive Director

William Meaney was appointed to the Qantas Board in February 2012. He is a Member of the Safety, Health, Environment and Security Committee and the Remuneration Committee. Mr Meaney is the President and Chief Executive Officer of Iron Mountain Inc. He is a Member of the Asia Business Council and also serves as Trustee of Carnegie Mellon University and Rensselaer Polytechnic Institute. Mr Meaney was formerly the Chief Executive Officer of The Zuellig Group and a Director of moksha8 Pharmaceuticals Inc. He was also the Managing Director and Chief Commercial Officer of Swiss International Airlines and Executive Vice President of South African Airways responsible for sales, alliances and network management. Prior to these roles, Mr Meaney spent 11 years providing strategic advisory services at Genhro Management Consultancy as the Founder and Managing Director, and as a Principal with Strategic Planning Associates. Mr Meaney holds United States, Swiss and Irish citizenships.



Paul Rayner
BEC, MAdmin, FAICD
Independent Non-Executive Director

Paul Rayner was appointed to the Qantas Board in July 2008. He is Chairman of the Remuneration Committee and a Member of the Nominations Committee. Mr Rayner is Chairman of Treasury Wine Estates Limited and a Director of Centrica plc. He is also a Director of Boral Limited and Chairman of its Audit Committee. From 2002 to 2008, Mr Rayner was Finance Director of British American Tobacco plc based in London. Mr Rayner joined Rothmans Holdings Limited in 1991 as its Chief Financial Officer and held other senior executive positions within the Group, including Chief Operating Officer of British American Tobacco Australasia Limited from 1999 to 2001. Previously, Mr Rayner worked for 17 years in various finance and project roles with General Electric, Rank Industries and the Elders IXL Group.



Barbara Ward, AM
BEC, MPoEC
Independent Non-Executive Director

Barbara Ward was appointed to the Qantas Board in June 2008. She is a Member of the Safety, Health, Environment and Security Committee and the Audit Committee. Ms Ward is a Director of a number of Brookfield Multiplex Group companies, and the Sydney Children's Hospital Foundation. She was formerly a Director of the Commonwealth Bank of Australia, Lion Nathan Limited, Brookfield Multiplex Limited, Data Advantage Limited, O'Connell Street Associates Pty Ltd, Allco Finance Group Limited, Rail Infrastructure Corporation, Delta Electricity, Ausgrid, Endeavour Energy and Essential Energy. She was also Chairman of Country Energy and NorthPower and HWW Limited, a Board Member of Allens Arthur Robinson and the Sydney Opera House Trust and on the Advisory Board of LEK Consulting. Ms Ward was Chief Executive Officer of Ansett Worldwide Aviation Services from 1993 to 1998. Before that, Ms Ward held various positions at TNT Limited, including General Manager Finance, and also served as a Senior Ministerial Advisor to The Hon PJ Keating.

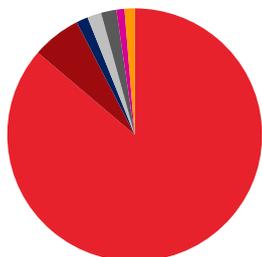
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FINANCIAL DATA

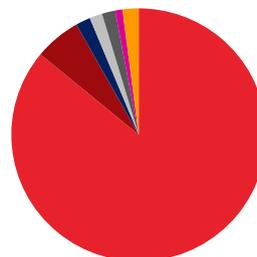
INCOME STATEMENT*

REVENUE AND OTHER INCOME

Revenue Sources



	FY14 \$M	%
Net Passenger Revenue	13,242	86%
Net Freight Revenue	955	6%
Contract Work Revenue	227	1%
Frequent Flyer store and other redemption revenue	275	2%
Frequent Flyer membership fees, marketing revenue and other	300	2%
Retail, advertising and other property revenue	156	1%
Other	197	1%



	FY13 \$M	%
Net Passenger Revenue	13,673	86%
Net Freight Revenue	935	6%
Contract Work Revenue	296	2%
Frequent Flyer store and other redemption revenue	257	2%
Frequent Flyer membership fees, marketing revenue and other	268	2%
Retail, advertising and other property revenue	148	1%
Other	325	2%

The Qantas Group's main business is the transportation of passengers. In 2013/14 passenger revenue contributed \$13.2 billion equating to 86 per cent of the Group's total revenue. The Qantas Group's other key revenue streams are freight, contract work, Loyalty, retail, advertising and other revenue.

NET PASSENGER REVENUE

The Qantas Group's net passenger revenue comes from its two major brands, Qantas and Jetstar. The Qantas Group carried 49 million passengers in 2013/14. Net passenger revenue includes:

- ticketed passenger revenue;
- unavailed passenger revenue;
- fuel surcharge;
- Qantas frequent flyer revenue relating to redemptions on Qantas Group's flights;
- passenger recoveries;
- ancillary passenger revenue;
- passenger service fees;
- lease revenue (codeshare);
- charter revenue; and
- margin share revenue.

Unavailed passenger revenue

Unavailed passenger revenue is revenue recognised on tickets which have passed their ticketed travel date in line with ticket terms and conditions and historic experience.

Passenger recoveries

Passenger recoveries refer to taxes and airport passenger charges that an airline collects on behalf of national or local governments or airports.

Ancillary passenger revenue

Ancillary revenue is revenue from in-flight catering and bar sales, baggage charges, in-flight duty free sales and since May 2011, Jetstar product bundles.

Passenger service fees

Passenger service fees are derived through booking related fees including change and cancellation fees as well as additional leg room.

Lease revenue

Lease revenue is primarily derived from codeshare partners. Qantas Group receives revenue for seats sold to codeshare passengers travelling on Qantas flights. Offsetting this revenue is a fee charged by codeshare partners when Qantas Group passengers travel on codeshare flights. This offset is accounted for under capacity hire expenses.

Charter revenue

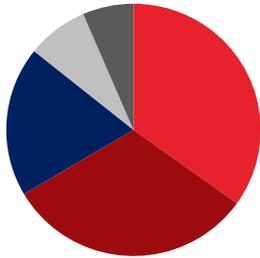
Charter revenue represents unscheduled passenger services, including Network Aviation services.

YIELD

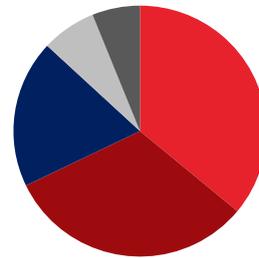
Yield is calculated as ticketed passenger revenue excluding foreign exchange variance divided by revenue passenger kilometres. Other revenue items including unavailed passenger revenue, passenger recoveries, ancillary passenger revenue, passenger service fees, lease and charter revenue are reported as part of net passenger revenue but are not included in the calculation of yield. A five year history of Group yield and other passenger related statistics are on page 31. A ten year history of traffic statistics split by airline can be found on pages 47 and 48.

* All figures are presented on a statutory basis unless indicated otherwise

Segment Revenue (excluding corporate and eliminations)



	FY14 \$M	%
Qantas Domestic	5,848	35%
Qantas International	5,297	32%
Jetstar	3,222	19%
Qantas Loyalty	1,307	8%
Qantas Freight	1,084	6%



	FY13 \$M	%
Qantas Domestic	6,218	36%
Qantas International	5,496	32%
Jetstar	3,288	19%
Qantas Loyalty	1,205	7%
Qantas Freight	1,056	6%

NET FREIGHT REVENUE

The Qantas Group had net freight revenue of \$1 billion in 2013/14.

Net freight revenue is derived from the carriage of freight in Qantas and Jetstar aircraft belly space, as well as on a fleet of freighter aircraft. Lease freight revenue from codeshares is also included in this category.

OTHER KEY REVENUE STREAMS

The Qantas Group had other revenue of \$1.2 billion in 2013/14.

Contract work revenue

Contract work revenue in 2013/14 is largely earned by Qantas Engineering, Qantas Defence Services (QDS), Qantas Catering and Airport businesses. In addition to work performed for Qantas, Qantas Engineering provides engineering and maintenance services to other international airlines. Services include aircraft heavy and line maintenance, engines and component maintenance, aircraft interior upgrades, inventory management and training.

QDS provides aviation maintenance services and support to the Australian Defence Force and international defence organisations. The Qantas Group sold QDS to Northrop Grumman Australia, a subsidiary of Northrop Grumman Corporation, in February 2014.

While most catering work is performed for Qantas, Q Catering and Snap Fresh also cater for airlines outside the Qantas Group as well as providing catering services for rail clients, retail markets, quick service restaurants, defence and healthcare.

Airport services earn contract work revenue by offering airport related services to airlines outside the Qantas Group.

Frequent Flyer membership fees, marketing revenue and other revenue

Frequent Flyer marketing revenue is recognised when the service is performed (typically on issuance of frequent flyer points). Marketing revenue is measured as the difference between the cash received on issuance of a point and the redemption revenue. The Qantas related portion of marketing revenue is eliminated on consolidation. Also included in this category are membership fees and other revenue from related activities including Wishlist and revenue from other third party loyalty programs.

Frequent Flyer store and other redemption revenue

Frequent Flyer store and other redemption revenue represents the remaining revenue from the issuance of Qantas Points which is not recognised until the points are redeemed, excluding redemptions on Qantas Group flights which are reported in net passenger revenue. Redemption revenue is measured based on management's estimates of the fair value of the expected awards for which the Qantas Points will be redeemed.

Retail, advertising and other property revenue

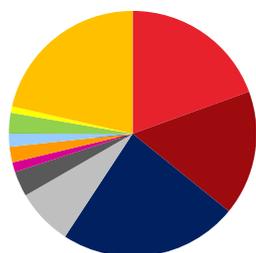
Included in this category is revenue from ongoing long term leases with retail stores at Qantas owned domestic terminals. Qantas generates revenue from utilising digital advertising assets within the terminals through joint revenue share agreements with media agencies. Freight terminal fees are also included in this category.

Other revenue

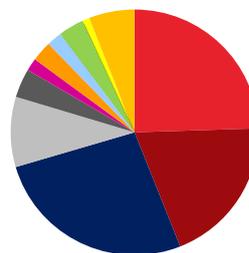
Other revenue is any other revenue not falling into the abovementioned categories including Qantas Club membership, international freight handling fees, Tours and Travel revenue and liquidated damages.

EXPENDITURE

Expenditure Sources



	FY14 \$M	%
Manpower and staff related	3,717	19%
Aircraft operating variable	3,142	16%
Fuel	4,461	23%
Depreciation and amortisation	1,422	7%
Selling and marketing	636	3%
Property	245	1%
Computer and communication	394	2%
Capacity hire	331	2%
Non-cancellable aircraft operating lease rentals	520	3%
Airport security charges	161	1%
Other	4,095	21%



	FY13 \$M	%
Manpower and staff related	3,846	24%
Aircraft operating variable	3,061	19%
Fuel	4,154	26%
Depreciation and amortisation	1,450	9%
Selling and marketing	598	4%
Property	261	2%
Computer and communication	418	3%
Capacity hire	311	2%
Non-cancellable aircraft operating lease rentals	525	3%
Airport security charges	145	1%
Other	935	6%

MANPOWER

The Qantas Group had 30,751 full-time equivalent employees (FTEs) as at 30 June 2014. Approximately 79 per cent of Qantas Group employees are full-time employees and 93 per cent are based in Australia.

Key employee facts

for the year ended 30 June

	Unit	2014	2013
Full-time equivalent (FTE) employees	#	30,751	33,265
Total headcount	#	32,841	35,231
Attrition rate	%	4.6	4.5
Average age	Years	43.2	43.3
% Part time employees	%	16.9	15.5
Union membership	%	60-70	60-70

DEPRECIATION

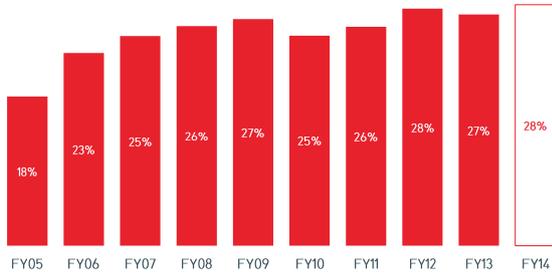
The Qantas Group uses straight-line depreciation rates for all of its property, plant and equipment (excluding freehold land, which is not depreciated) using rates ranging from 2.5 years to 40 years. The asset depreciation periods are:

	Years	Residual Value %
Buildings and leasehold improvements	10 – 40	0 ¹
Plant and equipment	3 – 20	0
Passenger aircraft and engines	2.5 – 20	0 – 10
Freighter aircraft and engines	2.5 – 20	0 – 20
Aircraft spare parts	15 – 20	0 – 20

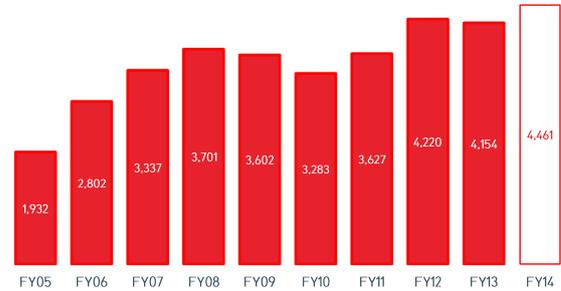
1. Certain leases allow for the sale of leasehold improvements for fair value. In these instances, the expected fair value is used as the estimated residual value

FUEL

Underlying Fuel as a % of Total Underlying Expenditure¹



Total Fuel Spend \$M



1. FY05-FY08 represents statutory results

The Qantas Group has jet fuel supply arrangements with various fuel suppliers in ports to which its aircraft operate. The price the Qantas Group pays for fuel uplifted in each port is determined by reference to a regional fuel benchmark such as Singapore Jet. Jet fuel costs represented 23 per cent of the Qantas Group's total expenditure in 2013/14.

Into-plane margin

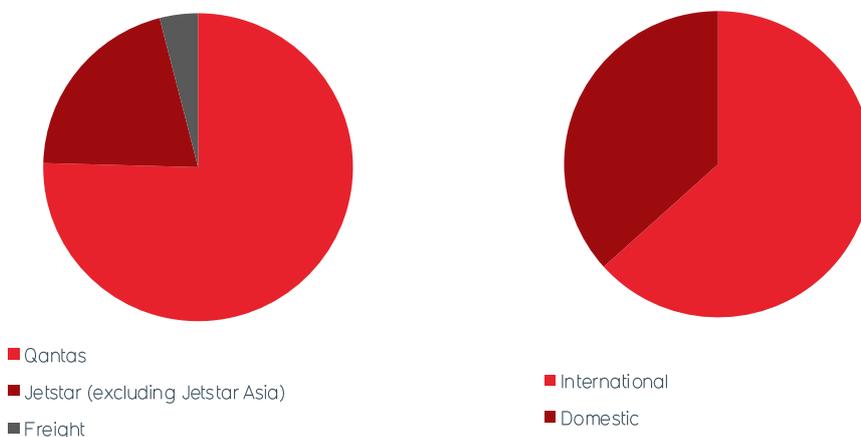
In addition to the regional jet fuel benchmark referenced in supplier arrangements in the relevant port, airlines typically pay an additional into-plane margin. This covers transport, insurance and manpower typically associated with the physical delivery of fuel into the aircraft. The margin varies by location and supplier. The price is negotiated by Qantas Group and its suppliers periodically.

Strategies to offset jet fuel prices

The Qantas Group uses the following strategies to reduce the negative impact from high jet fuel prices:

- hedging to give the organisation time to adapt to new price levels and protect against a sudden spike
- yield and price management including charging fuel surcharges on tickets
- shortening the jet fuel supply chain
- fuel conservation
- investment in new, more fuel efficient aircraft
- improvement in air traffic management
- enhanced technology around flying techniques and navigation approach

FY14 Indicative Fuel Consumption Split



AIRCRAFT OPERATING VARIABLE

The Qantas Group spent \$3 billion on aircraft operating variable (AOV) costs in 2013/14.

Route navigation charges are incurred by accessing Australian and international airspace.

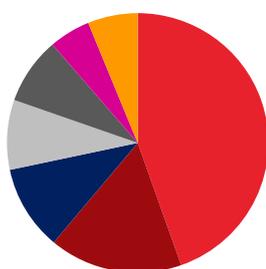
Landing fees are charged for every landing by the relevant airport company or authority. Each location incurs different fees.

Maintenance consists of aircraft maintenance costs including subcontractor fees and materials. The timing of aircraft maintenance checks depends on flying hours and cycles (number of departures) and can also be based on calendar days.

Passenger expenses include in-flight consumables and amenities, in-flight entertainment (IFE), lost baggage, delays, and Qantas Club operational costs.

Crew expenses include accommodation, vehicle hire and allowances.

Aircraft Operating Variable – Indicative Split



	FY14
Route Navigation and Landing fees	45%
Maintenance (including materials and labour)	16%
Passenger Expenses	11%
Airmeals	9%
Ground Handling	8%
Crew Expenses	5%
Other sundry AOV related expenses	6%

OTHER KEY EXPENSES

Non-cancellable operating leases

The Qantas Group has a mixture of leased and owned aircraft across its fleet in order to achieve an optimal funding mix. Leased aircraft currently make up approximately 33 per cent of the fleet.

Selling and marketing

Incentive commissions are paid to agents for ticket sales. IT system fees are charged to Qantas Group for the use of global distribution booking systems. Card charges from major credit card suppliers are expensed under Selling and Marketing. Marketing support consists mainly of advertising and sponsorship.

Property

Building rentals are charged to the Qantas Group for leased properties including office buildings, terminals, catering centres, ground space and car parks. Property outgoings include maintenance and cleaning of facilities, waste removal, utilities (energy and water) and statutory charges.

Computer and communications

Managed service costs are costs for outsourced services including desktop, mainframes, network, communications and application support. Project costs include external vendor costs associated with IT project development.

Capacity hire

Wet-lease is a leasing arrangement where the aircraft, operational crew and maintenance are provided by a third party (lessor). Qantas Group currently has wet-lease arrangements in its QantasLink, Qantas, Jetstar Asia and Qantas Freight operations.

Qantas Group also incurs capacity hire costs when it purchases seats from codeshare partners.

Airport Security Charges

Airports recover the cost of security related services from the Qantas Group through a per-passenger levy which is then passed through to the passenger.

Other

Other expenses include costs that cannot be allocated to other Income Statement categories such as contract work material, printing, stationery, vehicle costs, exchange rate adjustments and consulting costs. Other also includes transformation costs including redundancies and impairment.

UNDERLYING PBT METHODOLOGY

Underlying PBT is, a non-statutory measure and is the primary reporting measure used by the Qantas Group's 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 Group. The primary reporting measure of the Qantas Domestic, Qantas International, Qantas Loyalty, Qantas Freight and Jetstar Group operating segments is Underlying EBIT. The primary reporting measure of the Corporate/Unallocated segment is Underlying PBT as net finance costs are managed centrally and are not allocated to Qantas Domestic, Qantas International, Qantas Loyalty, Qantas Freight and Jetstar Group operating segments.

Underlying PBT is derived by adjusting Statutory (loss)/profit before tax for impacts of AASB 139 Financial Instruments: Recognition and Measurement (AASB 139) which relate to other reporting periods and identifying certain other items which are not included in Underlying PBT. For a reconciliation of Underlying PBT to Statutory PBT refer to page 79 of the Qantas Annual Report 2014.

(i) Adjusting for impacts of AASB 139 which relate to other reporting periods

All derivative transactions undertaken by the Qantas Group represent economic hedges of underlying risk and exposures. The Qantas Group does not enter into speculative derivative transactions. Notwithstanding this, AASB 139 requires certain mark-to-market movements in derivatives which are classified as "ineffective" to be recognised immediately in the Consolidated Income Statement. The recognition of derivative valuation movements in reporting periods which differ from the designated transaction causes volatility in statutory profit that does not reflect the hedging nature of these derivatives.

Underlying PBT reports all hedge derivative gains and losses in the same reporting period as the underlying transaction by adjusting the reporting period's statutory profit for derivative mark-to-market movements that relate to underlying exposures in other reporting periods.

This adjustment is calculated as follows:

- Derivative mark-to-market movements recognised in the current reporting period's statutory profit that are associated with current year exposures remain included in Underlying PBT
- Derivative mark-to-market movements recognised in the current reporting period's statutory profit that are associated with underlying exposures which will occur in future reporting periods are excluded from Underlying PBT
- Derivative mark-to-market movements recognised in the current reporting period's statutory profit that are associated with capital expenditure are excluded from Underlying PBT and subsequently included in Underlying PBT as an implied adjustment to depreciation expense for the related assets commencing when the assets are available for use
- Derivative mark-to-market movements recognised in previous reporting periods' statutory profit that are associated with underlying exposures which occurred in the current year are included in Underlying PBT
- Ineffectiveness and non-designated derivatives relating to other reporting periods affecting net finance costs are excluded from Underlying PBT

All derivative mark-to-market movements which have been excluded from Underlying PBT will be recognised through Underlying PBT in future periods when the underlying transaction occurs.

(ii) Other items not included in Underlying PBT

Items which are identified by Management and reported to the chief operating decision-making bodies as not representing the underlying performance of the business are not included in Underlying PBT. The determination of these items is made after consideration of their nature and materiality and is applied consistently from period to period.

Items not included in Underlying PBT primarily result from revenues or expenses relating to business activities in other reporting periods, major transformational/restructuring initiatives, transactions involving investments and impairments of specific assets or CGUs outside the ordinary course of business.

(iii) Underlying EBIT

Underlying EBIT is calculated using a consistent methodology as outlined above but excluding the impact of statutory net finance costs and ineffective and non-designated derivatives relating to other reporting periods affecting net finance costs.

QANTAS TRANSFORMATION

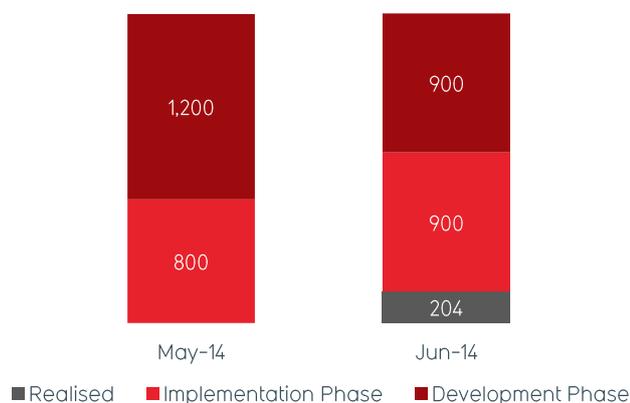
The Qantas Transformation program, announced in December 2013, is the accelerated cost reduction program for The Qantas Group. Qantas Transformation targets the delivery of \$2b in benefits by FY17 and is measured using the following scorecard:

Metric	Timeframe	Progress as at 28 Aug 2014
\$2b gross benefits >10% ex-fuel expenditure reduction ¹	FY17	2H14 realised benefits = \$204m Initiatives in implementation phase = \$900m
5,000 FTE reduction	FY17	2,500 FTEs actioned ²
>\$1b debt reduction	FY15	\$96m reduction in net debt ³ achieved in FY14
Debt / EBITDA ⁴ <4.0x	FY17	Debt / EBITDA ⁴ to peak FY14
Positive free cash flow	FY15 onwards	FY14 free cash flow neutral FY15 & FY16 capex ⁵ reduced by \$1.3b
11 fleet types to 7	FY16	2 x B747 retired since Dec-13 5 x B767 retired since Dec-13 All B734s (3) retired since Dec-13
Customer satisfaction (6 month rolling average):	Ongoing	'Stable' at record levels
Most on-time domestic carrier: Qantas Domestic (mainline)	Ongoing	OTP leader 18 out of 18 months (Jan-13 to Jun-14)

1. Assumes steady FX rates, capacity and sector length. 2. Includes FTEs that have exited or received notice. 3. Net debt includes interest-bearing liabilities, operating lease liabilities and the fair value of hedges related to debt less cash, cash equivalents and aircraft security deposits. Operating lease liability is the present value of minimum lease payments for aircraft operating leases which, in accordance with AASB 117: Leases, is not recognised on balance sheet. This operating lease liability has been calculated in accordance with Standard and Poor's methodology using an assumed interest rate of seven per cent. 4. Metric calculated based on Moody's methodology including cash greater than two billion dollars. 5. Equal to investing cash flows.

In 2013/14, \$440 million in cost reduction was achieved. This comprised \$204 million in 2H14 from accelerated Qantas Transformation initiatives, with the residual amount from ongoing cost management and benefits from previous Transformation initiatives.

\$2b Qantas Transformation Pipeline \$M



Major achievements in FY14 included:

- International network changes and benefits from strengthened alliances
- Fleet simplification progress
- Domestic network optimisation commenced
- Engineering transformation: heavy maintenance consolidation and line maintenance efficiencies
- Rationalisation of catering facilities
- IT improvements
- Head office and management restructure

FUNDING

LIQUIDITY

The Qantas Group maintains a cash balance to cover forecast short term liquidity requirements and other potential cash requirements that may arise in the course of operating an airline. Cash is invested in highly rated short term money market securities and term deposits.

As at 30 June 2014, the Qantas Group had a cash balance of \$3.0 billion. In addition to this is a \$0.6 billion undrawn revolving credit facility. Approximately 35% of the Qantas Group's total passenger fleet is debt-free, with 31 new unencumbered aircraft added to the fleet since FY2010.

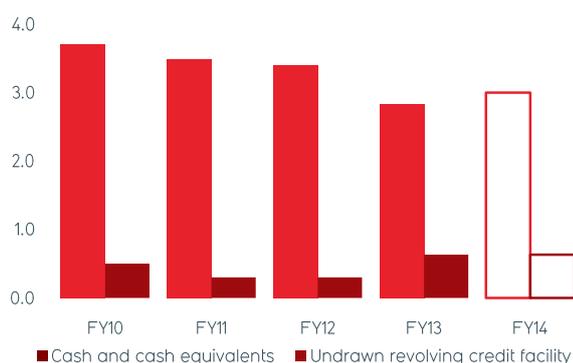
DEBT

The Qantas Group targets a capital structure consistent with an investment grade credit rating while maintaining adequate liquidity and access to a diverse range of funding sources including long-term borrowings under secured aircraft financing facilities, on and off shore debt capital markets and Australian and Asian syndicated bank loan markets.

As at 30 June 2014, the Qantas Group debt portfolio totalled \$6.5 billion, with a weighted average debt maturity of 5 years (as at 31 August 2014). The debt portfolio aims to be competitive in cost, offer repayment flexibility, minimise credit and residual value risks and comprise a balanced maturity profile

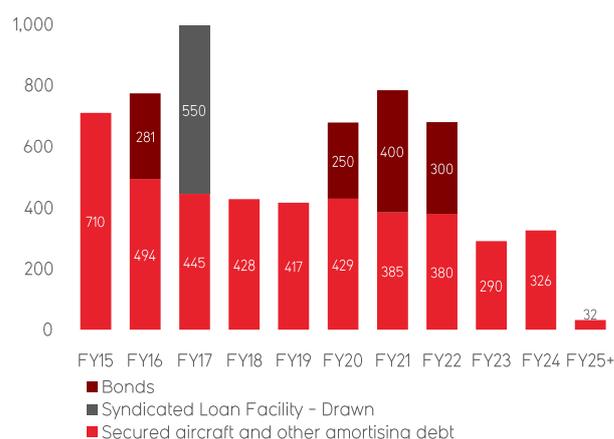
The Qantas Group also has a range of off-balance sheet operating leases. The Qantas Group anticipates being able to fund future capital expenditure from cash reserves, cash flow from operations and debt and operating lease facilities.

Cash and Cash Equivalents \$B



Debt Repayment Profile¹ \$M

(Excluding Operating Leases)



Debt Position and Gearing \$M

for the year ended 30 June

	2014	2013 ⁶
Net on balance sheet debt ²	3,455	3,226
Net debt including operating lease liability ³	4,751	4,847
On balance sheet debt ratio ⁴	54:46	36:64
Gearing Ratio ⁵	62:38	46:54

1. As at 31 August 2014. 2. Net on balance sheet debt is comprised of current and non-current interest-bearing liabilities, net of cash and cash equivalents, aircraft security deposits and includes fair value of hedges relating to debt included in Other Financial assets and liabilities on the consolidated balance sheet in accordance with AASB 139: Financial Instruments: Recognition and Measurement. 3. Net debt including operating lease liabilities includes net on balance sheet debt and off balance sheet aircraft operating lease liabilities. Operating lease liabilities are measured as the present value of minimum lease payments for aircraft operating leases which, in accordance with AASB 117: Leases, is not recognised on balance sheet. This operating lease liability has been calculated in accordance with Standard and Poor's methodology using an assumed interest rate of seven per cent. 4. Net debt on balance sheet to net debt on balance sheet and equity (excluding hedge reserve) 5. Gearing ratio is net debt including operating lease liability to net debt including operating lease liability and adjusted equity (excluding hedge reserve). The gearing ratio is used by Management to represent the Qantas Group's debt obligation including obligations under operating leases. 6. Restatement for the impact of revised AASB 119 relating to defined benefit superannuation plans.

FINANCIAL RISK MANAGEMENT

The Qantas Group is subject to interest rate, credit, liquidity, foreign exchange and fuel price risks. These risks are an inherent part of operating an airline. The Qantas Group has a centralised Treasury function that manages the financial risks in line with Board approved policies. The policies include information such as approved financial instruments, hedging delegation levels, reporting requirements and hedge tenors.

INTEREST RATE MANAGEMENT

The Qantas Group has a portfolio of interest rate sensitive assets and liabilities and is exposed to movements in interest rates. In addition to AUD borrowings, the Qantas Group has borrowings denominated in USD and also in currencies where there are surplus revenue streams such as JPY, GBP and EUR. At 30 June 2014, Net debt including operating lease liability, was \$4,751 million (2013: \$4,847 million).

The Qantas Group manages interest rate risk using a “fixed versus floating” framework. The proportion of “fixed versus floating” net debt is maintained within specified minimum and maximum approved bands as defined in the Board approved Treasury Risk Management Policy. Interest rate swaps, forward rate agreements and options are used to uphold these proportions.

CREDIT RISK MANAGEMENT

Credit risk is the potential loss from a transaction in the event of default by the counterparty during the term of the transaction or on settlement of the transaction. The Qantas Group minimises the concentration of credit risk by undertaking transactions with a range of customers and counterparties in various countries in accordance with Board approved policy. The Qantas Group applies stringent credit policies and accreditation of travel agents through industry programs. Excluding associates and jointly

controlled entities, the Qantas Group’s credit exposure for its cash and equivalents is with counterparties which have a minimum credit rating of A-/A3. Cash is invested in money market instruments of a short term nature typically maturing in less than one year. The investments may be deposits, discount securities or interest bearing securities.

INSURANCE COVER

The Qantas Group aviation insurance program covers all aircraft owned, leased or operated by a Qantas Group company including all aircraft spare parts and other technical equipment. The program also covers liabilities arising out of the Group’s aviation operations. Under the Qantas Constitution, Qantas indemnifies, to the extent permitted by law, each Director and Secretary of Qantas against any liability incurred by that person as an officer of Qantas.

FOREIGN CURRENCY HEDGING

The Qantas Group earns revenue in many currencies and incurs USD costs mainly arising from fuel, maintenance and aircraft leasing. The Qantas Group also has expenditure in many other foreign currencies, however revenues earned in those currencies generally offset these expenditures resulting in a net foreign currency receipt. The Qantas Group also has foreign currency capital expenditure commitments for aircraft and related parts. The Qantas Group foreign exchange risk is managed in three ways:

- foreign currency costs are netted against revenues in the same currency
- the Qantas Group may denominate borrowings in net surplus currencies to provide a natural hedge
- the Qantas Group may hedge portions of the remaining exposure using derivatives

Indicative Foreign Currency Exposure



FOREIGN EXCHANGE HEDGING ON FUTURE CAPITAL EXPENDITURE

The Qantas Group hedges foreign exchange exposure for its capital expenditure costs in accordance with Board approved Treasury Risk Management Policy parameters. The capital expenditure sensitivity will rise or fall depending on the level of capital expenditure commitments the Qantas Group has outstanding at any given time, the level of those commitments that are hedged and the hedging instruments used.

FUEL HEDGING

The Qantas Group uses derivatives such as options and swaps on aviation fuel, gas oil and crude oil to hedge the exposure to movements in the price of aviation fuel. Hedging is conducted in accordance with the Board approved Treasury Risk Management Policy which does not allow speculative trading. Up to 80 per cent of estimated fuel consumption out to 12 months and up to 40 per cent in the subsequent 12 months may be hedged, with any hedging outside these parameters requiring approval by the Board.

Differential between crude oil and jet fuel

The Qantas Group hedging is mainly undertaken in crude oil proxies such as West Texas Intermediate (WTI) and Brent as liquidity tends to be better for longer term transactions. Proxy hedging may be converted to a jet fuel basis as the hedge period nears and liquidity improves.

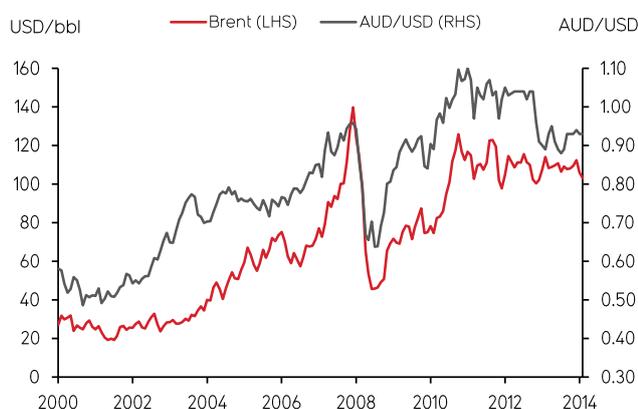
ACCOUNTING EFFECTS FROM HEDGING

Two hedging strategies in particular drive accounting ineffectiveness in the Qantas Group statutory results. Crude oil prices and jet fuel prices do not always result in the effectiveness of the hedge falling within the 80 per cent to 125 per cent range required by AASB 139 Financial Instruments: Recognition and Measurement (AASB 139) and can result in changes in fair value of the derivative being deemed ineffective for accounting purposes from time to time.

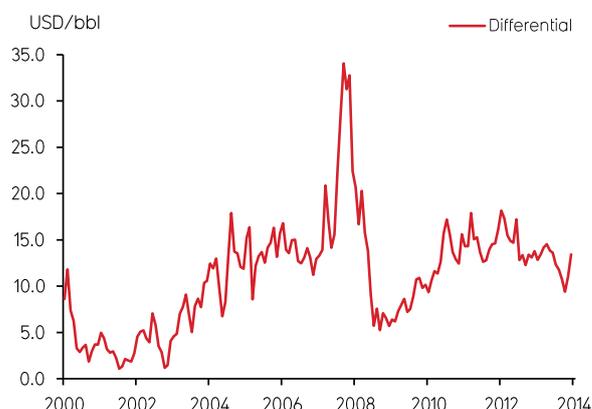
AASB 139 only permits the intrinsic component of an option value to be deemed an effective hedge. As a result all other aspects of the option value must be marked-to-market through the Income Statement as ineffective. Changes in the value of this non-intrinsic component do not necessarily reflect the original premium paid or potential losses until the option reaches maturity.

The Qantas Group is considering the early adoption of AASB 9 which may remove the volatility in the Qantas Group's statutory result caused by these hedging strategies in future reporting periods.

Brent Crude Oil v AUD/USD
FY01 – FY14



Differential between Brent Crude Oil and
Singapore Jet fuel – FY01 – FY14



10 YEAR FINANCIAL OVERVIEW

for the year ended 30 June

QANTAS GROUP

Income Statement \$M	2014	2013	2012	2011	2010	
Net passenger revenue	13,242	13,673	13,625	12,042	10,938	
Net freight revenue	955	935	903	842	821	
Contract work revenue	227	296	380	347	402	
Other	928	998	816	1,663	1,611	
Total Revenue	15,352	15,902	15,724	14,894	13,772	
Manpower and staff related	3,717	3,846	3,774	3,695	3,405	
Aircraft operating variable	3,142	3,061	2,980	2,768	2,675	
Fuel	4,461	4,154	4,220	3,627	3,283	
Selling and marketing	636	598	635	626	572	
Property	245	261	429	398	396	
Computer and communication	394	418	437	409	405	
Capacity hire	331	311	266	258	249	
Ineffective and non-designated derivatives	(8)	76	165	120	173	
Other	1,251	850	1,061	764	633	
Operating expenditure	14,169	13,575	13,967	12,665	11,791	
Non-cancellable aircraft operating lease rentals	520	525	549	566	525	
Depreciation and amortisation	1,422	1,450	1,384	1,249	1,199	
Share of net (profit)/loss of investments accounted for under the equity method	66	39	(3)	(22)	4	
Impairment of specific asset	387	115	-	-	-	
Impairment of cash generating unit	2,560	-	-	-	-	
Statutory profit/(loss) before tax and net finance costs	(3,772)	198	(173)	436	253	
Finance income	82	109	181	192	181	
Finance costs	(286)	(296)	(357)	(305)	(256)	
Net Finance (costs)/income	(204)	(187)	(176)	(113)	(75)	
Statutory profit/(loss) before tax	(3,976)	11	(349)	323	178	
Income tax (expense)/benefit	1,133	(9)	105	(74)	(62)	
Statutory profit/(loss) after tax	(2,843)	2	(244)	249	116	
Underlying profit before tax	(646)	186	95	552	377	
Summarised Balance Sheet \$M						
Current assets excluding cash and cash equivalents	1,931	2,132	2,062	2,145	2,128	
Cash and cash equivalents	3,001	2,829	3,398	3,496	3,704	
Non-current assets	12,386	15,071	15,718	15,217	14,078	
Total assets	17,318	20,032	21,178	20,858	19,910	
Current liabilities	7,525	6,647	7,118	6,235	6,241	
Non-current liabilities	6,927	7,545	8,171	8,472	7,688	
Total equity	2,866	5,840	5,889	6,151	5,981	
Total liabilities and equity	17,318	20,032	21,178	20,858	19,910	
Summarised Cash Flow Statement \$M						
Net cash from operating activities	1,069	1,417	1,810	1,782	1,351	
Net cash from investing activities, excluding capital expenditure	92	202	(153)	(71)	43	
Capital expenditure	(1,161)	(1,247)	(2,129)	(2,407)	(1,688)	
Net cash from/(used in) financing activities	173	(953)	370	508	381	
Net change in cash held (incl FX on cash & cash equivalents)	172	(569)	(98)	(208)	87	
Key ratios						
Earnings per share (Statutory)	cents	(128.5)	0.04	(10.8)	11.0	4.9
Net debt (on balance sheet)	\$M	3,455	3,226	3,507	2,971	2,236
Return on equity	%	(99.2)	0.0	(4.1)	4.0	1.9
Full-time equivalent employees, FTE	#	30,751	33,265	33,584	33,169	32,489

Please refer to notes on page 32.

for the year ended 30 June

QANTAS GROUP

Income Statement \$M	2009	2008	2007	2006	2005	
Net passenger revenue	11,604	12,709	11,912	10,504	9,835	
Net freight revenue	764	959	903	888	760	
Contract work revenue	426	454	434	469	485	
Other	1,758	1,505	1,276	1,195	1,005	
Total Revenue	14,552	15,627	14,525	13,056	12,085	
Manpower and staff related	3,684	3,533	3,335	3,322	3,245	
Aircraft operating variable	2,834	2,608	2,616	2,525	2,436	
Fuel	3,602	3,701	3,337	2,802	1,932	
Selling and marketing	632	755	503	470	444	
Property	402	346	351	320	301	
Computer and communication	406	382	527	488	492	
Capacity hire	274	276	303	370	341	
Ineffective and non-designated derivatives	(105)	55	122	-	-	
Other	765	768	652	467	365	
Operating expenditure	12,494	12,424	11,746	10,764	9,555	
Non-cancellable aircraft operating lease rentals	450	400	415	356	310	
Depreciation and amortisation	1,390	1,469	1,363	1,250	1,100	
Share of net (profit)/loss of investments accounted for under the equity method	15	(28)	(47)	(39)	(2)	
Impairment of specific asset	-	-	-	-	-	
Impairment of cash generating unit	-	-	-	-	-	
Statutory profit/(loss) before tax and net finance costs	203	1,362	1,047	726	1,122	
Finance income	207	285	244	163	117	
Finance costs	(229)	(239)	(259)	(218)	(212)	
Net Finance (costs)/income	(22)	46	(15)	(55)	(95)	
Statutory profit/(loss) before tax	181	1,408	1,032	671	1,027	
Income tax (expense)/benefit	(58)	(438)	(313)	(191)	(263)	
Statutory profit/(loss) after tax	123	970	720	480	764	
Underlying profit before tax	100	NA	NA	NA	NA	
Summarised Balance Sheet \$M						
Current assets excluding cash and cash equivalents	2,349	3,017	2,271	2,150	1,806	
Cash and cash equivalents	3,617	2,599	3,363	2,902	1,904	
Non-current assets	14,083	14,084	13,972	14,131	14,425	
Total assets	20,049	19,700	19,606	19,183	18,134	
Current liabilities	6,714	7,604	6,504	5,430	4,635	
Non-current liabilities	7,570	6,361	6,907	7,672	7,072	
Total equity	5,765	5,735	6,195	6,081	6,427	
Total liabilities and equity	20,049	19,700	19,606	19,183	18,134	
Summarised Cash Flow Statement \$M						
Net cash from operating activities	1,149	2,128	2,353	2,026	1,950	
Net cash from investing activities, excluding capital expenditure	367	102	16	638	287	
Capital expenditure	(1,530)	(1,424)	(1,236)	(1,527)	(1,683)	
Net cash from/(used in) financing activities	1,032	(1,570)	(672)	(138)	(15)	
Net change in cash held (incl FX on cash & cash equivalents)	1,018	(764)	461	998	539	
Key ratios						
Earnings per share (Statutory)	cents	5.6	49.0	36.4	24.9	40.8
Net debt (on balance sheet)	\$M	1,923	1,769	1,392	2,248	2,844
Return on equity	%	2.1	16.9	11.6	7.9	11.9
Full-time equivalent employees, FTE	#	33,966	33,670	34,267	34,832	35,520

Please refer to notes on page 32.

HALF YEAR FINANCIAL OVERVIEW

for the 6 months ended

QANTAS GROUP

Income Statement \$M	30 Jun 2014	31 Dec 2013	30 Jun 2013	31 Dec 2012	30 Jun 2012
Net passenger revenue	6,456	6,786	6,631	7,042	6,042
Net freight revenue	455	500	460	475	377
Contract work revenue	98	129	139	157	188
Other	440	488	430	568	1,069
Total Revenue	7,449	7,903	7,660	8,242	7,676
Manpower and staff related	1,823	1,894	1,916	1,930	1,856
Aircraft operating variable	1,495	1,647	1,445	1,616	1,418
Fuel	2,220	2,241	2,019	2,135	2,103
Selling and marketing	322	314	296	302	299
Property	122	123	136	125	221
Computer and communication	202	192	214	204	239
Capacity hire	158	173	155	156	137
Ineffective and non-designated derivatives	32	(40)	59	17	90
Other	714	537	335	515	634
Operating expenditure	7,088	7,081	6,575	7,000	6,997
Non-cancellable aircraft operating lease rentals	259	261	260	265	272
Depreciation and amortisation	676	746	731	719	705
Share of net (profit)/loss of investments accounted for under the equity method	40	26	23	16	12
Impairment of specific asset	387	-	115	-	-
Impairment of cash generating unit	2,560	-	-	-	-
Statutory (loss)/profit before tax and net finance costs	(3,561)	(211)	(44)	242	(310)
Finance income	40	42	43	66	83
Finance costs	(150)	(136)	(136)	(160)	(180)
Net Finance(costs)/income	(110)	(94)	(93)	(94)	(97)
Statutory (loss)/profit before tax	(3,671)	(305)	(137)	148	(407)
Income tax (expense)/benefit	1,063	70	30	(39)	121
Statutory (loss)/profit after tax	(2,608)	(235)	(107)	109	(286)
Underlying (loss)/profit before tax	(394)	(252)	(34)	220	(107)

Summarised Balance Sheet \$M

Current assets excluding cash and cash equivalents	1,931	2,180	2,132	2,183	2,062
Cash and cash equivalents	3,001	2,395	2,829	3,058	3,398
Non-current assets	12,386	15,406	15,071	15,189	15,718
Total assets	17,318	19,981	20,032	20,430	21,178
Current liabilities	7,525	6,629	6,647	6,575	7,118
Non-current liabilities	6,927	7,689	7,545	7,861	8,171
Total equity	2,866	5,663	5,840	5,994	5,889
Total liabilities and equity	17,318	19,981	20,032	20,430	21,178

Summarised Cash Flow Statement \$M

Net cash from operating activities	488	581	637	780	987
Net cash from investing activities, excluding capital expenditure	198	(106)	(56)	258	(112)
Capital expenditure	(328)	(833)	(414)	(833)	(669)
Net cash from/(used in) financing activities	255	(82)	(406)	(547)	(155)
Net change in cash held (incl FX on cash & cash equivalents)	606	(434)	(229)	(340)	51

Key ratios

	Unit					
Earnings per share (Statutory)	cents	(117.9)	(10.6)	(4.8)	4.8	(12.6)
Net debt (on balance sheet)	\$M	3,455	3,829	3,226	3,363	3,507
Net tangible asset per share	\$	0.72	2.25	2.29	2.37	2.33
Full-time equivalent employees, FTE	#	30,751	33,242	33,265	33,608	33,584

Please refer to notes on page 32.

for the 6 months ended

QANTAS GROUP

Income Statement \$M

	31 Dec 2011	30 Jun 2011	31 Dec 2010	30 Jun 2010	31 Dec 2009
Net passenger revenue	6,452	5,854	6,188	5,362	5,576
Net freight revenue	407	395	447	424	397
Contract work revenue	192	166	181	214	188
Other	997	888	775	863	748
Total Revenue	8,048	7,303	7,591	6,863	6,909
Manpower and staff related	1,918	1,815	1,880	1,675	1,730
Aircraft operating variable	1,562	1,302	1,466	1,304	1,371
Fuel	2,117	1,913	1,714	1,719	1,564
Selling and marketing	336	314	312	295	277
Property	208	199	199	196	200
Computer and communication	198	189	220	193	212
Capacity hire	129	124	134	127	122
Ineffective and non-designated derivatives	75	92	28	78	95
Other	427	362	402	265	368
Operating expenditure	6,970	6,310	6,355	5,852	5,939
Non-cancellable aircraft operating lease rentals	277	283	283	272	253
Depreciation and amortisation	679	643	606	624	575
Share of net (profit)/loss of investments accounted for under the equity method	(15)	(5)	(17)	5	(1)
Impairment of specific asset	-	-	-	-	-
Impairment of cash generating unit	-	-	-	-	-
Statutory (loss)/profit before tax and net finance costs	137	72	364	110	143
Finance income	98	91	101	107	74
Finance costs	(177)	(162)	(143)	(129)	(127)
Net Finance income/(costs)	(79)	(71)	(42)	(22)	(53)
Statutory (loss)/profit before tax	58	1	322	88	90
Income tax (expense)/benefit	(16)	9	(83)	(32)	(30)
Statutory (loss)/profit after tax	42	10	239	56	60
Underlying profit before tax	202	135	417	110	267

Summarised Balance Sheet \$M

Current assets excluding cash and cash equivalents	2,056	2,145	2,285	2,128	2,200
Cash and cash equivalents	3,342	3,496	3,337	3,704	3,498
Non-current assets	15,984	15,217	14,433	14,078	14,143
Total assets	21,382	20,858	20,055	19,910	19,841
Current liabilities	6,135	6,235	6,222	6,241	6,396
Non-current liabilities	9,059	8,472	7,803	7,688	7,690
Total equity	6,188	6,151	6,030	5,981	5,755
Total liabilities and equity	21,382	20,858	20,055	19,910	19,841

Summarised Cash Flow Statement \$M

Net cash from operating activities	823	996	786	824	483
Net cash from investing activities, excluding capital expenditure	(41)	16	(87)	86	1
Capital expenditure	(1,460)	(1,375)	(1,032)	(678)	(1,010)
Net cash from/(used in) financing activities	525	528	(20)	(26)	407
Net change in cash held (incl FX on cash & cash equivalents)	(153)	165	(353)	206	(119)

Key ratios

	Unit					
Earnings per share (Statutory)	cents	1.9	0.4	10.6	2.5	2.6
Net debt (on balance sheet)	\$M	3,753	2,971	2,558	2,236	2,353
Net tangible asset per share	\$	2.46	2.45	2.42	2.35	2.25
Full-time equivalent employees, FTE	#	33,697	33,169	32,896	32,489	32,386

Please refer to notes on page 32.

OPERATING KEY FIGURES

for the year ended 30 June

Qantas Group	Unit	2014	2013	2012	2011	2010
Passenger related key figures						
Number of destinations (including codeshare) ¹	#	260	255	233	201	184
Number of destinations (excluding codeshare) ¹	#	98	112	106	86	85
Countries (excluding codeshare) ¹	#	22	22	22	19	19
Number of passengers	'000	48,776	48,276	46,708	44,456	41,428
Revenue passenger kilometre	M	109,659	110,905	111,692	106,759	100,727
Available seat kilometre	M	141,715	139,909	139,423	133,281	124,717
Passenger load factor	%	77.4	79.3	80.1	80.1	80.8
Net passenger revenue/RPK	cents	12.1	12.3	12.2	11.3	10.9
Yield (excluding foreign exchange)	cents	10.0	10.3	11.0	10.9	10.6
Yield variance to prior year (excluding foreign exchange variances)	%	(2.6)	(2.4)	2.6	5.8	(7.2)
Weight related cargo key figures²						
Available Freight tonne kilometre	M	3,385	3,701	4,137	4,191	3,925
Terminal handling tonnes	M	639	552	538	548	584
Aircraft related						
Number of aircraft (including Network Aviation, Freighters and Jetstar Asia)	#	308	312	308	283	254
Average age of scheduled passenger aircraft ³	Years	7.7	7.9	8.3	8.6	8.6
Fuel and efficiency key figures						
Average WTI crude oil	USD	101	92	95	90	75
Average Brent crude oil	USD	109	109	112	97	75
Average Singapore jet fuel	USD	122	124	126	109	83
Average AUD/USD	cents	0.92	1.03	1.03	0.99	0.88
Consumption of jet fuel ⁴ (in barrels)	'000	31,500	32,005	32,449	31,430	29,761
Qantas Domestic on time domestic departures ⁵	%	87.5	84.7	84.4	83.8	87.7
QantasLink on time domestic departures ⁵	%	82.3	78.7	77.7	78.5	86.8
Jetstar Domestic on time domestic departures ⁵	%	78.8	75.6	76.6	77.1	82.1
Other key figures						
Number of Frequent Flyer members	M	10.1	9.4	8.6	7.9	7.2
Number of meals prepared	M	36	38	37	37	35
Visits at www.qantas.com	M	134	113	116	111	97

1. From 2012 onwards, number of destinations and countries include Jetstar Asia/Valuair.

2. Refers only to international freight.

3. Excludes Freighters and Network Aviation aircraft.

4. Jet fuel consumption includes Jetstar Asia from April 2009 onwards.

5. Source: BITRE

Notes to the financial statements

1. 2014 and 2013 financial results reflect the 2014 Annual Report. 2012, 2011, 2010 and 2009 financial results reflect the restated financial results in the 2013, 2012, 2011 and 2010 Annual Reports respectively. 2005 to 2008 financial results correspond to numbers reported in the respective period's Annual Report unless noted otherwise below.
2. Other expenditure has been adjusted in 2014 to include non-cancellable non-aircraft operating lease rentals previously reported in Property expenditure. 2013 Other expenditure and property expenditure has been restated accordingly. Previous periods have not been restated.
3. As a result of the mandatory application of AASB 119 Employee Benefits (2011), the Group has changed its accounting policy with respect to the basis of accounting for defined benefit superannuation plans. Upon application of the amended AASB 119 (2011), the Group has applied the transition provisions in the Standard requiring retrospective application and as a result the following 2013 results have been restated; Income Statement, Summarised Balance Sheet.
4. Net passenger revenue has been adjusted in 2013 to include associate ancillary passenger revenue, passenger service fees, charter revenue and lease revenue from codeshare previously reported as Other revenue. 2012 net passenger revenue and Other revenue has been restated accordingly. Previous periods have not been restated.
5. Net freight revenue has been adjusted in 2013 to include lease revenue from codeshare previously reported in Other revenue. 2012 net freight revenue and Other revenue has been restated accordingly. Previous periods have not been restated.
6. 2006 to 2014 results were prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board and the Corporations Act 2001. The reported results also comply with International Financial Reporting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board (IASB).
7. 2005 reported results have not been restated for compliance with IFRS and interpretations adopted by the IASB and reflect the AASB in the relevant period.
8. 2007 Ineffective and non-designated derivatives – open positions and Ineffective and non-designated derivatives – closed positions have been merged with Ineffective and non-designated derivatives to provide consistency with accounting changes made in 2009.
9. 2008 revenue and expenses have been adjusted to include the foreign exchange and fuel hedging allocations as per comparatives in the 2009 Annual Report.
10. Earnings per share has not been restated in 2005 to 2007 for the impact of the 2009 equity raising.
11. Full-time equivalent (FTE) employees from 1 July 2010 onwards are as at 30 June/31 December and include Jetstar Asia employees. Prior to this, FTE employees were stated as an average over the period.

SHARE DATA, OWNERSHIP AND DIVIDENDS

Qantas Airways Limited listed on the Australian Securities Exchange (ASX) in July 1995 with a float price of \$1.90 per share.

Key financial equity data

for the year ended 30 June	Unit	2014	2013	2012	2011	2010
Market capitalisation	\$M	2,767	3,027	2,435	4,168	4,983
Number of shares traded	M	3,506	2,674	2,952	3,866	4,104
Weighted average number of ordinary shares	M	2,212	2,249	2,265	2,265	2,265
Number of shares on issue at year end	M	2,196	2,242	2,265	2,265	2,265
Underlying profit before tax per share	cents	(29)	9	4	24	17
Statutory profit before tax per share	cents	(181)	0.8	(15)	14	8
Statutory profit after tax per share	cents	(129)	0.3	(11)	11	5
Net tangible asset per share	\$	0.72	2.34	2.33	2.45	2.35
Net asset per share	\$	1.31	2.60	2.60	2.72	2.64
Share price at 30 June	\$	1.26	1.35	1.08	1.84	2.20
Highest price during the year	\$	1.54	1.90	2.02	2.91	3.02
Lowest price during the year	\$	0.97	0.99	0.97	1.80	1.85
Average price during the year	\$	1.24	1.42	1.57	2.42	2.66

Substantial Shareholders

The following shareholders have notified that they are substantial shareholders of Qantas Airways Limited up to 1 October 2014:

Shareholder	Ordinary shares held	% of issued shares	Notification date
Franklin Resources, Inc	385,586,709	17.56%	19 September 2014
Commonwealth Bank of Australia	186,017,067	8.46%	29 July 2014
UBS AG and its related bodies corporate	157,607,642	7.18%	26 September 2014

Historical number of shares

Date	Event	Number of shares	Total number of shares
February 04	Qantas Long Term Executive Incentive Plan	10,470	1,822,259,643
April 04	Dividend Reinvestment Plan	22,855,397	1,845,115,040
August 04	Qantas Long Term Executive Incentive Plan	388	1,845,115,428
September 04	Dividend Reinvestment Plan	22,675,271	1,867,790,699
February 05	Qantas Long Term Executive Incentive Plan	59,177	1,867,849,876
April 05	Dividend Reinvestment Plan	29,798,872	1,897,648,748
September 05	Dividend Reinvestment Plan	31,024,893	1,928,673,641
February 06	Qantas Long Term Executive Incentive Plan	2,053,015	1,930,726,656
April 06	Dividend Reinvestment Plan	24,308,788	1,955,035,444
October 06	Dividend Reinvestment Plan	28,991,867	1,984,027,311
February 07	Qantas Long Term Executive Incentive Plan	963,037	1,984,990,348
August 07	Qantas Long Term Executive Incentive Plan	516,085	1,985,506,433
October 07 – May 08	On-market Share Buy-back	(91,062,424)	1,894,444,009
October 08	Dividend Reinvestment Plan	55,176,946	1,949,620,955
February 09	Institutional Placement	270,270,271	2,219,891,226
March 09	Share Purchase Plan	17,182,087	2,237,073,313
April 09	Dividend Reinvestment Plan	28,050,307	2,265,123,620
December 12 – October 13	On-market Share Buy-back	(68,793,370)	2,196,330,250

Foreign ownership

Under the Qantas Constitution and the Qantas Sale Act 1992:

- foreign persons are restricted from holding a relevant interest in shares in Qantas Airways Limited which, in aggregate, exceeds 49 per cent of the issued share capital of Qantas Airways Limited

In July 2014, the Australian Government passed changes to the Qantas Sale Act, removing the following limitations:

- any one foreign person is restricted from holding a relevant interest in shares in Qantas Airways Limited which exceeds 25 per cent of the issued share capital of Qantas Airways Limited
- foreign airlines are restricted from holding a relevant interest in shares in Qantas Airways Limited which, in aggregate, exceeds 35 per cent of the issued share capital of Qantas Airways Limited

While only Qantas Airways Limited is subject to the Qantas Sale Act, the 49 per cent foreign ownership limit is also imposed on other Australian-designated international airlines (including Jetstar) by the Air Navigation Act 1920.

The ASX Listing Rules require Qantas to notify the market when the level of foreign ownership is within 5 percentage points of a foreign ownership limit and then for each percentage point change to the disclosed foreign ownership level.

Dividend history (cents per share)

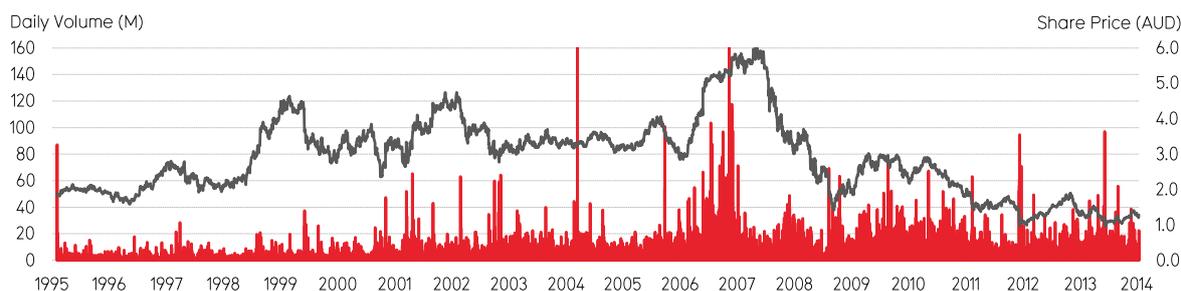
Year	Final	Interim	Special
2013/14	-	-	-
2012/13	-	-	-
2011/12	-	-	-
2010/11	-	-	-
2009/10	-	-	-
2008/09	-	6.0	-
2007/08	17.0	18.0	-
2006/07	15.0	15.0	-
2005/06	11.0	11.0	-
2004/05	10.0	10.0	-
2003/04	9.0	8.0	-
2002/03	9.0	8.0	-
2001/02	9.0	8.0	-
2000/01	9.0	11.0	-
1999/00	11.0	11.0	37.0
1998/99	11.0	8.0	13.5
1997/98	7.0	6.5	-
1996/97	6.5	6.5	-

Analysts covering Qantas*

BoA Merrill Lynch	Matthew Spence
CIMB Securities	Mark Williams
Citi	Anthony Moulder
CLSA	Scott Ryall
Commonwealth Bank	Matthew Crowe
Credit Suisse	Paul Butler
Deutsche Bank	Cameron McDonald
Goldman Sachs JBWere	TBA
JP Morgan	Matthew Ryan
Macquarie	Sam Dobson
Morgan Stanley	Nicholas Markiewicz
UBS	Simon Mitchell

*These analysts follow the Qantas Group and are known to Qantas. Please note this list is provided for informational purposes only and any opinions, estimates, forecasts, predictions, conclusions, recommendations or other statements regarding the Qantas Group performance made by these analysts are theirs alone and do not constitute the opinions, estimates, forecasts, predictions, conclusions, recommendations or other statements of the Qantas Group or its management. The Qantas Group does not by its reference above or distribution imply its endorsement of or concurrence with such information. Analyst reports may contain errors or omissions and the Qantas Group does not provide any assurance that facts stated in any analyst report are correct. The Qantas Group undertakes no duty to update or correct information contained in any analyst report.

Qantas Share Price History

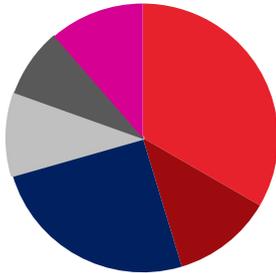


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OPERATIONAL AND COMMERCIAL DATA

PASSENGER AND MARKET SHARE DATA

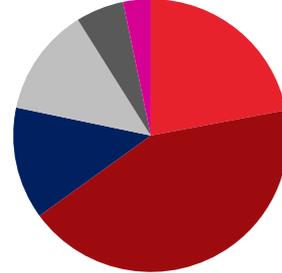
Distribution of Passengers – FY14



■	Qantas Domestic	33%
■	Qantas International	12%
■	Jetstar Domestic	25%
■	Jetstar International	10%
■	Jetstar Asia	8%
■	QantasLink	11%

Source: Qantas Group

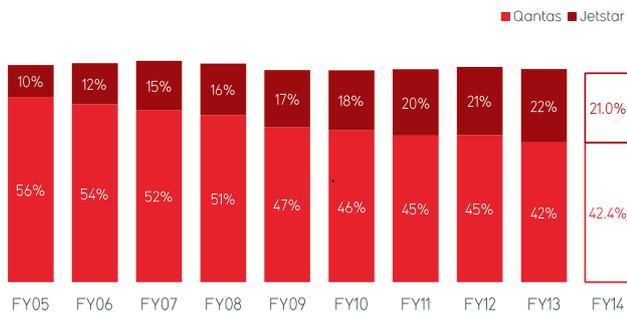
Distribution of Revenue Passenger Kilometres – FY14



■	Qantas Domestic	22%
■	Qantas International	43%
■	Jetstar Domestic	13%
■	Jetstar International	13%
■	Jetstar Asia	6%
■	QantasLink	3%

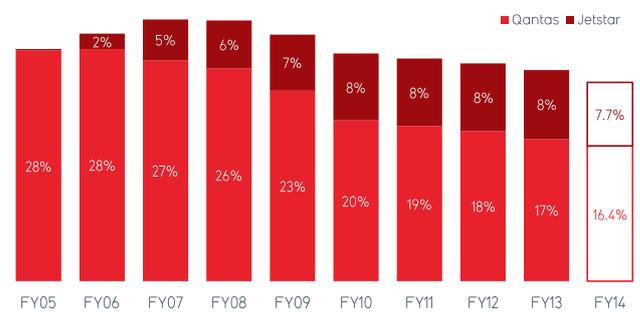
Source: Qantas Group

Market Share – Domestic



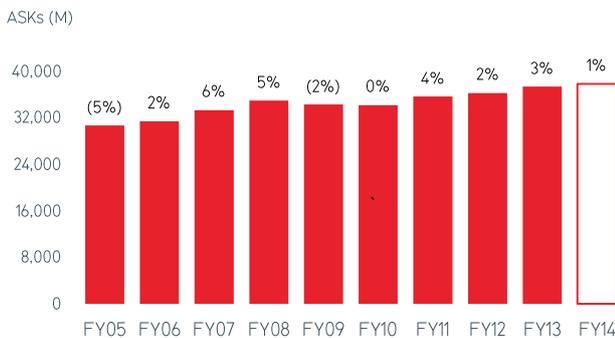
Source: Qantas Group

Market Share – International



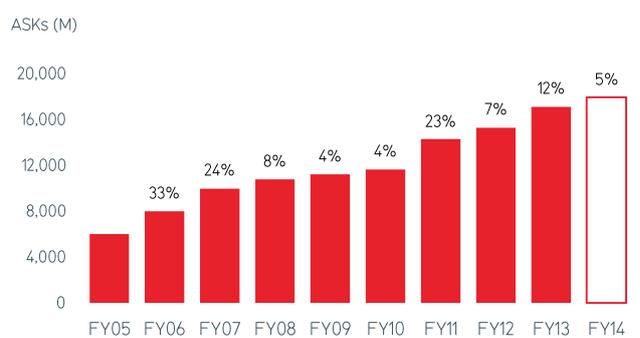
Source: Qantas Group

Growth Rates – Qantas Domestic (including QantasLink)



Source: Qantas Group traffic statistics

Growth Rates – Jetstar Domestic



Source: Qantas Group traffic statistics

FLEET

At 30 June 2014, the Qantas Group operated a total passenger fleet of 303 aircraft. This includes aircraft for Qantas Domestic (including QantasLink and Network Aviation), Qantas International, and Jetstar (including Jetstar Asia but excluding Jetstar Pacific, Jetstar Japan and Jetstar Hong Kong). Qantas Freight operated four dedicated B737-300 freighter aircraft and dry-leased one dedicated B767-300ER freighter aircraft.

Aircraft Orders

FY15 – FY23	Firm Order
Airbus A320-200/A321-200 ¹	99
Airbus A380-800	8
Boeing B787-8/B787-9	10
Boeing B737-800	5
Bombardier Q400	1
Total	123

1. Includes Jetstar Asia, excludes Jetstar Pacific, Jetstar Japan and Jetstar Hong Kong

Aircraft List Prices	USD million (average)
Airbus A380-800	422
Airbus A330-200	222
Airbus A330-300	246
Boeing B787-8	217
Boeing B787-9	256
Airbus A320-200	94
Airbus A320 Neo	103
Boeing B737-800	93
Boeing B717-200*	11
Bombardier Q400	27
Fokker F100*	2

Source: January 2014 list prices where available, otherwise September 2013 list prices escalated by 3.5 per cent

Qantas Group negotiates its own price with both Airbus and Boeing. The agreed price is not disclosed due to commercial confidentiality reasons.

* Aircraft out of production – Current market value quoted

Fleet Retirements for FY14

From July 2013 through to June 2014, three B747-400, seven B767-300, six B737-400, two Q200 and one EMB120 aircraft were retired from the Qantas Fleet. In addition, five A320-200 and three EMB120 aircraft were returned to Lessors. As at 30 June 2014, three B767-300, seven B747-400 and eight B737-400 aircraft were held for sale.

Qantas Group Fleet – FY14

Aircraft Type	Owned ¹	Operating Lease	Total
Qantas			
Airbus A380-800	12	–	12
Boeing B747-400ER	6	–	6
Boeing B747-400	7	–	7
Boeing B767-300ER	13	–	13
Boeing B737-800 ²	57	13	70
Boeing B737-400	–	–	–
Airbus A330-200	1	12	13
Airbus A330-300	10	–	10
	106	25	131
QantasLink			
Boeing B717-200	–	18	18
Bombardier Q200	3	–	3
Bombardier Q300	16	–	16
Bombardier Q400	30	–	30
	49	18	67
Jetstar			
Boeing 787-8	4	–	4
Airbus A330-200	5	2	7
Airbus A320-200 ³	23	50	73
Airbus A321-200	1	5	6
	33	57	90
Network Aviation			
Fokker F100	12	–	12
EMB 120	3	–	3
	15	–	15
Total Passenger Fleet	203	100	303
Qantas Freight			
	4	1	5

1. Includes Hire Purchase and Finance Lease Aircraft.

2. Includes aircraft operated by Jetconnect

3. Includes Jetstar Asia, excludes Jetstar Pacific, Jetstar Japan and Jetstar Hong Kong.

AIRCRAFT AS AT 30 JUNE 2014

Airbus A380-800



	Unit	
Number of aircraft	#	12
Max number of seats	seats	484
Configuration	seats	P 14, J 64, W 35, Y 371
Length	m	72.6
Wingspan	m	79.8
Altitude	m	13,700
Cruising speed	km/h	920
Range (full payload)	km	14,800
Engines	Type	Rolls Royce Trent 900s

Boeing B747-400/400ER



	Unit	
Number of aircraft	#	7/6
Max number of seats	seats	371
Configuration	seats	P 14, J 52, W 32, Y 255 (x2) J 58, W 36, Y 270 (x9) J 56, W 40, Y 275 (x2)
Length	m	70.7
Wingspan	m	64.4
Altitude	m	13,700
Cruising speed	km/h	920
Range (full payload)	km	12,700/12,971
Engines	Type	Rolls Royce RB211-524G-T/ General Electric CF6-80C2B5F

Boeing B787-8



	Unit	
Number of aircraft	#	4
Max number of seats	seats	335
Configuration	seats	J 21, Y 314
Length	m	56.7
Wingspan	m	60.1
Altitude	m	13,100
Cruising speed	km/h	900
Range (full payload)	km	10,186
Engines	Type	General Electric GEnx-1B64

Boeing B767ER



	Unit	
Number of aircraft	#	13
Max number of seats	seats	254
Configuration	seats	J 25-30, Y 204-224
Length	m	54.9
Wingspan	m	60.3
Altitude	m	13,100
Cruising speed	km/h	890
Range (full payload)	km	9,085
Engines	Type	General Electric CF6-80C2-B6

Boeing B737-800



	Unit	
Number of aircraft	#	70
Max number of seats	seats	168
Configuration	seats	J 12, Y 156
Length	m	39.5
Wingspan	m	35.8
Altitude	m	12,500
Cruising speed	km/h	850
Range (full payload)	km	4,800
Engines	Type	CFM56-7B26

Airbus A330-200*/300



	Unit	
Number of aircraft	#	20/10
Max number of seats	seats	310
Configuration	seats	J 36, Y 199 (x4) J 36, Y 265 (x2) J 36, Y 268 (x3) J 30, Y 267 (x10) J 38, Y 265 (x11)
Length	m	58.4/63.7
Wingspan	m	60.3/60.3
Altitude	m	12,500
Cruising speed	km/h	890
Range (full payload)	km	8,500/7,000
Engines	Type	General Electric CF6-80E1A4

*7 operated by Jetstar

Airbus A320/A321*



	Unit	
Number of aircraft	#	73/6
Max number of seats	seats	220
Configuration	seats	Y 180 -220
Length	m	37.7/44.5
Wingspan	m	34.1/34.1
Altitude	m	12,000
Cruising speed	km/h	850/830
Range (full payload)	km	4,800
Engines	Type	International Aero Engines V2500

*operated by Jetstar and Jetstar Asia

Bombardier Dash 8-Q200/Q300/Q400



	Unit	
Number of aircraft	#	3/16/30
Max number of seats	seats	74
Configuration	seats	Y 36 - 74
Length	m	22.3/25.7/32.8
Wingspan	m	25.9/27.4/28.4
Altitude	m	7,600
Cruising speed	km/h	500/670
Range (full payload)	km	1,557/1520/1,668
Engines	Type	Pratt & Whitney PW150A

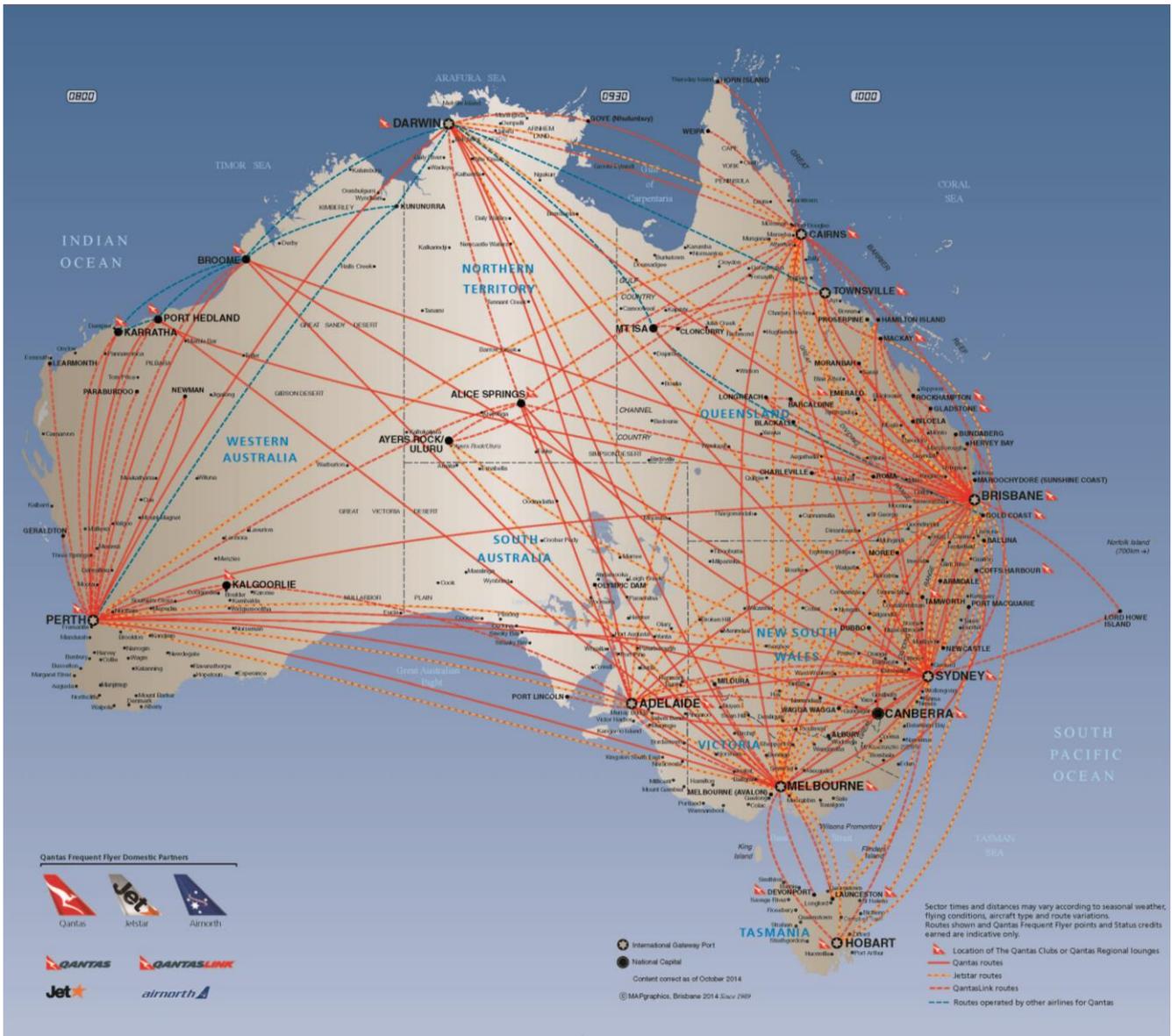
Boeing B717-200

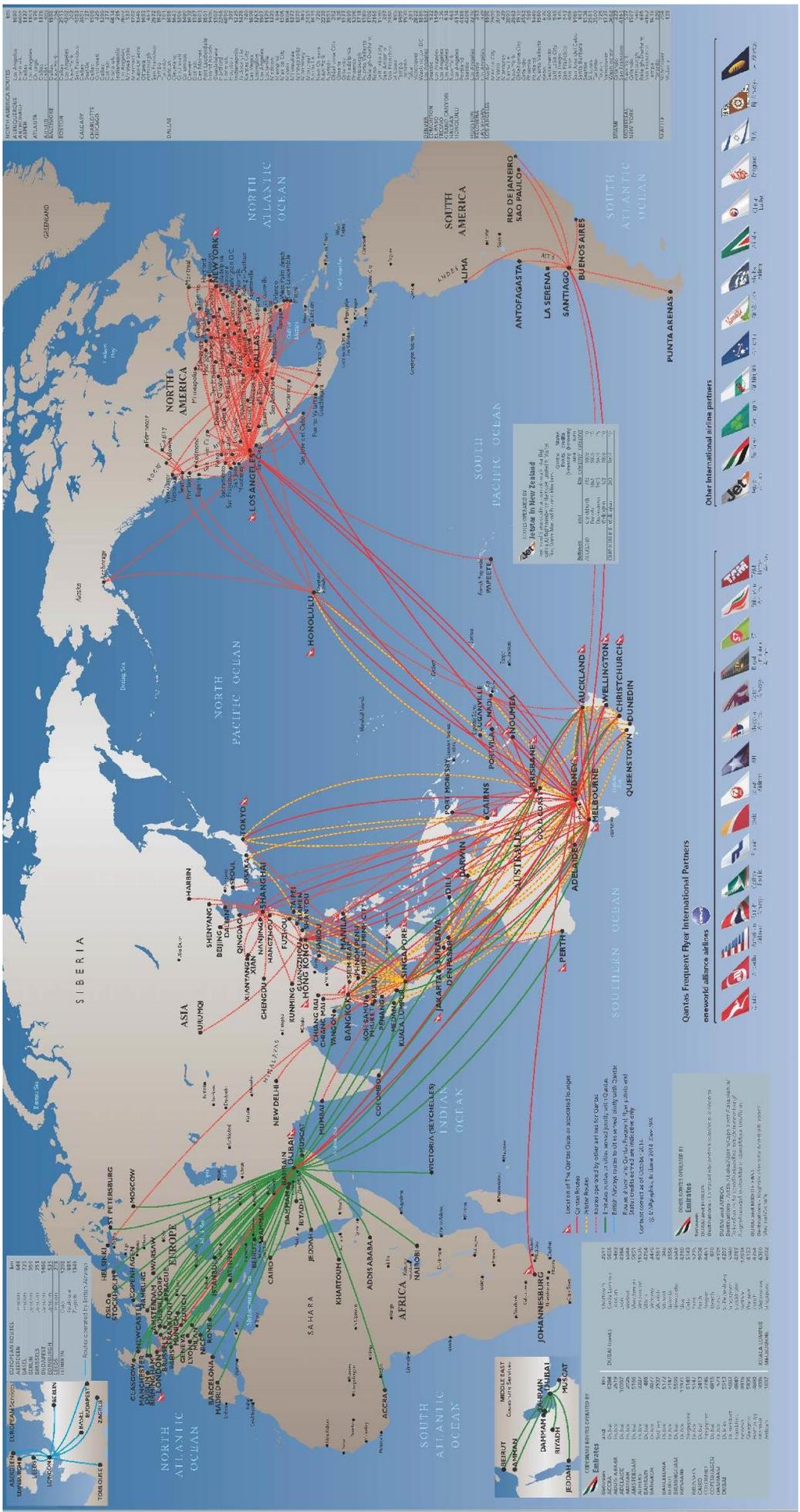


	Unit	
Number of aircraft	#	18
Max number of seats	seats	125
Configuration	seats	J 12, Y 98 - 125
Length	m	37.8
Wingspan	m	28.4
Altitude	m	10,700
Cruising speed	km/h	810
Range (full payload)	km	2,408
Engines	Type	Rolls Royce Deutschland BR-715

QANTAS GROUP ROUTE MAPS

As at October 2014





City	Flight Number
Los Angeles	117
San Francisco	118
San Jose	119
Chicago	120
Atlanta	121
Washington	122
Philadelphia	123
New York	124
Boston	125
Seattle	126
Portland	127
Denver	128
Phoenix	129
Las Vegas	130
San Diego	131
Los Angeles	132
San Francisco	133
San Jose	134
Chicago	135
Atlanta	136
Washington	137
Philadelphia	138
New York	139
Boston	140
Seattle	141
Portland	142
Denver	143
Phoenix	144
Las Vegas	145
San Diego	146
Los Angeles	147
San Francisco	148
San Jose	149
Chicago	150
Atlanta	151
Washington	152
Philadelphia	153
New York	154
Boston	155
Seattle	156
Portland	157
Denver	158
Phoenix	159
Las Vegas	160
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San Jose	164
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Denver	458
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Las Vegas	460
San Diego	461
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San Jose	464
Chicago	465
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Washington	467
Philadelphia	468
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Boston	470
Seattle	471
Portland	472
Denver	473
Phoenix	474
Las Vegas	475
San Diego	476
Los Angeles	477
San Francisco	478
San Jose	479
Chicago	480
Atlanta	481
Washington	482
Philadelphia	483
New York	484
Boston	485
Seattle	486
Portland	487
Denver	488
Phoenix	489
Las Vegas	490
San Diego	491
Los Angeles	492
San Francisco	493
San Jose	494
Chicago	495
Atlanta	496
Washington	497
Philadelphia	498
New York	499
Boston	500

- Other international airline partners
- ANA
 - British Airways
 - Delta
 - Emirates
 - Etihad Airways
 - Jetstar
 - Qatar Airways
 - Singapore Airlines
 - Tiger Airways
 - Virgin Atlantic

- Qantas frequent flyer international partners
- ANA
 - British Airways
 - Delta
 - Emirates
 - Etihad Airways
 - Jetstar
 - Qatar Airways
 - Singapore Airlines
 - Tiger Airways
 - Virgin Atlantic

Legend for flight types and aircraft:

- Red line: Qantas Frequent Flyer International Partners
- Green line: Other international airline partners
- Blue line: Qantas Frequent Flyer International Partners
- Yellow line: Other international airline partners

City	Flight Number
London	11
Paris	12
Amsterdam	13
Frankfurt	14
Munich	15
Zurich	16
Geneva	17
Brussels	18
Madrid	19
Rome	20
Naples	21
Barcelona	22
Valencia	23
Seville	24
Malaga	25
Osaka	26
Beijing	27
Shanghai	28
Guangzhou	29
Chengde	30
Chongqing	31
Wuhan	32
Xi'an	33
Hangzhou	34
Ningbo	35
Shenzhen	36
Guangzhou	37
Chengde	38
Chongqing	39
Wuhan	40
Xi'an	41
Hangzhou	42
Ningbo	43
Shenzhen	44
Guangzhou	45
Chengde	46
Chongqing	47
Wuhan	48
Xi'an	49
Hangzhou	50
Ningbo	51
Shenzhen	52
Guangzhou	53
Chengde	54
Chongqing	55
Wuhan	56
Xi'an	57
Hangzhou	58
Ningbo	59
Shenzhen	60
Guangzhou	61
Chengde	62
Chongqing	63
Wuhan	64
Xi'an	65
Hangzhou	66
Ningbo	67
Shenzhen	68
Guangzhou	69
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Xi'an	81
Hangzhou	82
Ningbo	83
Shenzhen	84
Guangzhou	85
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Chongqing	87
Wuhan	88
Xi'an	89
Hangzhou	90
Ningbo	91
Shenzhen	92
Guangzhou	93
Chengde	94
Chongqing	95
Wuhan	96
Xi'an	97
Hangzhou	98
Ningbo	99
Shenzhen	100

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ALLIANCES AND PARTNERS

Alliances and partnerships are a core pillar of the Qantas Group strategy. The Qantas Group has a diversity of alliance relationships with 25 bilateral codeshare partners, as at 30 September 2013, which strategically extend the Qantas Group network and offer passengers a truly global airline proposition.

oneworld

The Qantas Group is a founding member of **oneworld**. The **oneworld** alliance comprises some of the world's leading airlines. Customers can earn and redeem frequent flyer points and earn status credits with all member airlines on eligible fares across the **oneworld** network and, top tier loyalty members, enjoy their privileges across over 600 lounges worldwide. Alliance members also work together to deliver a seamless travel experience across their combined networks. **oneworld** was the first airline alliance to offer interline e-ticketing across all member carriers, meaning customers can travel with the convenience of a single electronic ticket across the combined **oneworld** network. **oneworld** also offers an unrivalled choice of tickets, including the popular Explorer round-the-world fares, Circle fares and Visit passes for each continent. QantasLink is a **oneworld** affiliate airline. This year saw **oneworld**'s greatest ever expansion with new members Qatar Airways, US Airways, TAM and Sri Lankan Airlines.

EMIRATES PARTNERSHIP

The Qantas/Emirates Partnership was launched on the 31 March 2013. Together, Emirates and Qantas offer 98 weekly services between Australia and Dubai, including Qantas' daily A380 services from both Sydney and Melbourne to London. Qantas customers can now enjoy 'one stop' access to in excess of 65 Emirates destinations across Europe, the Middle East and North Africa. In addition, Emirates customers gain access to Qantas' Australian domestic network. The partnership includes coordination on respective services between Australia and South East Asia and between Australia and New Zealand.

In addition to the exceptional unmatched network offering, Qantas and Emirates customers enjoy reciprocal rights to both carriers' loyalty programs, including opportunities to earn and redeem points on eligible flights and itineraries. Other privileges include lounge access and priority check in and boarding for certain tiered members.

Approved by the Australian Competition and Consumer Commission (ACCC) and other relevant competition authorities for a five year period, the Partnership allows both parties to collaborate on network scheduling, pricing and sales.

AMERICAN AIRLINES - JOINT BUSINESS AGREEMENT

In November 2011, Qantas and American Airlines obtained regulatory approval from the ACCC and other relevant authorities for an expanded commercial relationship in the form of a Joint Business Agreement (JBA). The JBA involves coordination of operations between Australia, New Zealand and the United States, giving Qantas an extensive network footprint across North America providing more choice and convenience for travellers. Under the terms of the JBA, Qantas and American Airlines can carry out joint strategic planning, collaboration on route development, scheduling, sales, revenue management and marketing as well as deeper frequent flyer ties.

Through substantially expanded codeshare access, the JBA allows Qantas customers to travel beyond the gateways of Dallas/Fort Worth (American Airlines' primary hub) and Los Angeles to more than 60 codeshare destinations across the United States, Canada and Mexico.

OTHER CODESHARE PARTNERS

In addition to its bilateral relationships with Emirates and American Airlines, Qantas has codeshare relationships with many other leading airlines, offering customers seamless access to destinations around the world. As at 30 September 2014, Qantas had codeshare arrangements with 25 airline partners and will continue to explore new opportunities.

CODESHARE DETAILS

Partner	Explanation of codeshare and co-operations
Aircalin (SB)	Qantas and Aircalin codeshare on respective services between Sydney and Noumea and between Brisbane and Noumea.
Air Niugini (PX)	Qantas codeshares on all Air Niugini services between Sydney and Port Moresby and between Brisbane and Port Moresby.
Airnorth (TL)	Qantas codeshares on Airnorth services between Kununurra and Perth, Darwin and Broome and also between Darwin and Dili, Mount Isa, Gold Coast, Townsville, Port Hedland and Karratha (via Broome).
Fiji Airways (FJ)	Qantas codeshares on Fiji Airways services between Nadi and Sydney, Melbourne, Brisbane, Honolulu, Los Angeles, Auckland and Christchurch.
Air Tahiti Nui (TN)	Qantas codeshares on all Air Tahiti Nui services between Papeete and Auckland and also selected services between Papeete and Los Angeles. Air Tahiti Nui codeshares on selected Qantas services between Auckland and Sydney, Melbourne and Brisbane.
Air Vanuatu (NF)	Qantas codeshares on all Air Vanuatu services between Port Vila and Sydney, Melbourne and Brisbane and also between Espiritu Santo and Brisbane.
Alaska Airlines (AS)/ Horizon Air	Qantas codeshares on Alaska services from Los Angeles to Seattle, Vancouver, Portland, Anchorage, Mexico City, San Jose, Cabo San Lucas, Puerto Vallarta.
Alliance Airlines (QQ)	Qantas codeshares on Alliance Airlines services between Adelaide and Olympic Dam.
American Airlines (AA)	<ul style="list-style-type: none"> Qantas codeshares on American Airlines services from: Los Angeles to Albuquerque, Aspen, Austin, Boston, Chicago, Columbus, Dallas/Fort Worth, Denver, El Paso, Eugene, Fresno, Houston, Indianapolis, Las Vegas, Miami, Monterey, Nashville, Newark, New York, Oklahoma City, Orlando, Palm Beach, Phoenix, Pittsburgh, Raleigh Durham, Redmond, Reno, Sacramento, Salt Lake City, Santa Barbara, San Diego, San Francisco, San Jose, St Louis, Washington DC, Toronto and Tucson; Dallas/Fort Worth to Atlanta, Aspen, Austin, Hartford, Nashville, Baltimore, Boston, Calgary, Cancun, Charlotte, Chicago, Cincinnati, Cleveland, Columbus, Denver, Des Moines, Detroit, Fort Lauderdale, Guadalajara, Grand Rapids, Houston (Bush and Hobby), Indianapolis, Kansas City, Jacksonville, New York (La Guardia and Kennedy), Las Vegas, Lexington, Louisville, Memphis, Mexico City, Madison, Miami, Milwaukee, Minneapolis, Monterrey, Montreal, Newark, New Orleans, Norfolk, Oklahoma City, Omaha, Orlando, Philadelphia, Phoenix, Pittsburgh, Puerto Vallarta, Raleigh Durham, Reno, San Antonio, Saint Louis, Tampa, Toronto, Tulsa, Vancouver, and Washington DC (Dulles and Reagan); New York (Kennedy) to Baltimore, Boston, Orlando, Pittsburgh, Raleigh Durham, Tampa, Montreal, Halifax, Toronto; Honolulu to Chicago, Dallas, Los Angeles and San Francisco; Chicago to Atlanta, Cincinnati, Detroit, Indianapolis, Minneapolis, Montreal, New Orleans, Ottawa, Pittsburgh, Tampa, and Toronto; and San Francisco to Boston, Chicago, Dallas/Fort Worth, Miami, New York (Kennedy) and St Louis. <p>American Airlines codeshares on Qantas services from:</p> <ul style="list-style-type: none"> Dallas to Sydney/Brisbane; Los Angeles to Brisbane, Melbourne and Sydney; Sydney to New York; and Australian selected domestic routes and Tasman routes.
Asiana Airlines (OZ)	Qantas codeshares on Asiana services between Seoul and Sydney.
Bangkok Airways (PG)	Qantas codeshares on Bangkok Airways services between Bangkok and Ko Samui, Chiang Mai, Phuket, Krabi, Chiang Rai, Phnom Penh and Siem Reap, and between Singapore and Ko Samui. Bangkok Airways codeshares on selected Qantas international services between Bangkok and Sydney, between Singapore and Sydney, Brisbane and Melbourne, as well as on selected Qantas domestic flights between Sydney and Melbourne, Brisbane and Adelaide.
British Airways (BA)	Qantas codeshares on British Airways services beyond London Heathrow to 8 points in UK/Europe; Aberdeen, Basel, Berlin, Budapest, Edinburgh, Leeds-Bradford, Toulouse, and Zagreb. British Airways codeshares on selected Qantas services: <ul style="list-style-type: none"> Domestic Australia: beyond Sydney to 10 destinations; Trans-Tasman: beyond Sydney to Auckland, Christchurch, Queenstown and Wellington; and on selected services between Singapore and Brisbane and Melbourne, and between Hong Kong and Melbourne and Brisbane.
China Airlines (CI)	Qantas codeshares on China Airlines services between Taipei - Sydney and Taipei - Brisbane.

Partner	Explanation of codeshare and co-operations
China Eastern Airlines (MU)	<p>Qantas and China Eastern have a reciprocal block space codeshare on services to and from Australia and China. Qantas codeshares on China Eastern between Melbourne – Shanghai, Singapore – Shanghai, Sydney – Nanjing, and Sydney – Beijing via Nanjing.</p> <p>Qantas also codeshares on China Eastern services to 11 points within China; between Shanghai and Beijing, Chengdu, Dalian, Fuzhou, Guangzhou, Harbin, Kunming, Qingdao, Shenyang, Xian, Nanjing.</p> <p>China Eastern codeshares on selected Qantas services:</p> <ul style="list-style-type: none"> • 13 Australian domestic routes; • Five trans-Tasman routes; and <p>Between Singapore and Sydney, Melbourne and Brisbane.</p>
China Southern Airlines (CZ)	<p>Qantas codeshares on China Southern services between Australia (Sydney, Melbourne, Brisbane and Perth) and Guangzhou, China. Qantas also codeshares on China Southern services to 4 points within China; between Guangzhou and Fuzhou, Kunming, Xiamen and Urumqi.</p> <p>China Southern codeshares on select Qantas operated domestic and trans-Tasman sectors.</p>
Emirates (EK)	<p>Qantas codeshares on Emirates to the following destinations:</p> <ul style="list-style-type: none"> • 31 European destinations: Amsterdam, Athens, Barcelona, Birmingham, Brussels, Paris, Copenhagen, Moscow, Dublin, Dusseldorf, Rome, Frankfurt, Glasgow, Geneva, Hamburg, Istanbul, St Petersburg, London (Heathrow and Gatwick), Lyon, Madrid, Manchester, Munich, Milan, Nice, Newcastle, Oslo, Prague, Stockholm, Warsaw and Zurich; • 7 Middle Eastern destinations: Amman, Bahrain, Beirut, Dammam, Jeddah, Muscat and Riyadh; • 4 Asian destinations: Bangkok, Colombo, Kuala Lumpur and Singapore; • 6 North African destinations: Accra, Addis Ababa, Cairo, Khartoum, Seychelles and Nairobi; • All Emirates’ services between Australia and Dubai (including via Asia and to/from New Zealand). <p>Emirates codeshares on the following Qantas services/destinations:</p> <ul style="list-style-type: none"> • 48 Australian domestic destinations; • All Qantas’ trans-Tasman services; • Qantas’ London services from Sydney and Melbourne via Dubai; and • Qantas’ services between Bangkok – Sydney, Singapore and Sydney, Melbourne and Brisbane.
Finnair (AY)	<p>Qantas codeshares on all Finnair services between Singapore and Helsinki.</p> <p>Finnair codeshares on selected Qantas services between Australia and Singapore, Bangkok and Hong Kong.</p>
Japan Airlines (JL)	<p>Qantas codeshares on Japan Airlines services between Singapore and Tokyo (Narita and Haneda).</p> <p>Japan Airlines codeshares on selected Qantas services between Singapore and Brisbane and Melbourne and between Sydney and Auckland.</p>
Jet Airways (9W)	<p>Qantas codeshares on Jet Airways services between Singapore and New Delhi, Singapore and Mumbai, Hong Kong and Mumbai</p> <p>Jet Airways codeshares on selected Qantas services between Singapore and Sydney, Melbourne and Brisbane, Hong Kong and Sydney.</p>
Jetstar (JQ)	<p>Qantas codeshares on Jetstar services within Domestic Australia, New Zealand and internationally.</p> <p>Jetstar codeshares on selected Qantas domestic services connecting to Jetstar International services.</p>
Jetstar Asia (3K/VF)	<p>Qantas codeshares on selected Jetstar Asia services.</p>
LAN Airlines (LA)	<p>Qantas codeshares on all LAN services between Sydney and Santiago via Auckland, and to six ports beyond Santiago (Sao Paulo, Rio de Janeiro, Lima, La Serena, Punta Arenas, Antofagasta).</p> <p>LAN codeshares on all Qantas services between Sydney and Santiago, and on select Qantas operated domestic and trans-Tasman sectors.</p>
SriLankan Airlines (UL)	<p>Qantas codeshares on SriLankan Airlines services between Singapore and Colombo.</p> <p>SriLankan Airlines codeshares on all Qantas services between Singapore and Sydney, Melbourne and Brisbane.</p>
Vietnam Airlines (VN)	<p>Qantas codeshares on Vietnam Airlines services between Ho Chi Minh City – Sydney, and Ho Chi Minh City – Melbourne.</p>
WestJet (WS)	<p>Qantas codeshares on select WestJet services:</p> <ul style="list-style-type: none"> • Los Angeles to Vancouver, Calgary, Edmonton; • Vancouver to Honolulu, Calgary, Edmonton, Kelowna, Ottawa, Regina, Saskatoon, Toronto and Winnipeg; • Calgary to Halifax, Kelowna, Montreal, Ottawa, Regina, Saskatoon, Toronto, Victoria and Winnipeg; • Toronto to Ottawa and Montreal; and • Edmonton to Winnipeg

QANTAS GROUP TRAFFIC AND CAPACITY STATISTICS

for the year ended 30 June

	Unit	2014	2013	2012	2011	2010
Qantas Group						
Passengers	'000	48,776	48,276	46,708	44,456	41,428
Traffic (RPK)	M	109,659	110,905	111,692	106,759	100,727
Capacity (ASK)	M	141,715	139,909	139,423	133,281	124,717
Load factor	%	77.4	79.3	80.1	80.1	80.8
Qantas Domestic (excluding QantasLink)						
Passengers	'000	16,280	16,813	16,796	17,073	16,640
Traffic (RPK)	M	24,158	24,938	24,770	24,719	24,092
Capacity (ASK)	M	32,097	32,119	31,203	30,928	29,795
Load factor	%	75.3	77.6	79.4	79.9	80.9
QantasLink						
Passengers	'000	5,538	5,303	5,187	4,857	4,323
Traffic (RPK)	M	3,557	3,414	3,404	3,224	2,936
Capacity (ASK)	M	5,727	5,235	5,056	4,714	4,369
Load factor	%	62.1	65.2	67.3	68.4	67.2
Jetstar Domestic						
Passengers	'000	12,296	11,610	10,697	9,753	8,367
Traffic (RPK)	M	14,584	13,958	12,798	11,369	9,456
Capacity (ASK)	M	17,885	17,055	15,242	14,256	11,615
Load factor	%	81.5	81.8	84.0	79.8	81.4
Qantas International¹						
Passengers	'000	5,837	5,765	6,034	5,977	5,900
Traffic (RPK)	M	47,112	47,983	51,165	51,004	49,979
Capacity (ASK)	M	59,173	58,825	62,334	61,881	60,608
Load factor	%	79.6	81.6	82.1	82.4	82.5
Jetstar International²						
Passengers	'000	4,850	5,146	4,677	4,096	3,910
Traffic (RPK)	M	14,060	14,715	13,106	11,935	11,037
Capacity (ASK)	M	18,939	19,207	17,474	15,628	14,316
Load factor	%	74.2	76.6	75.0	76.4	77.1
Jetstar Asia³						
Passengers	'000	3,975	3,639	3,317	2,700	2,288
Traffic (RPK)	M	6,188	5,897	6,449	4,508	3,227
Capacity (ASK)	M	7,894	7,468	8,114	5,874	4,014
Load factor	%	78.4	79.0	79.5	76.7	80.4

1. Includes Australian Airlines in 2004/05.

2. Jetstar International commenced operations in November 2006.

3. In accordance with the Air Navigation Act (Singapore 2009), Newstar Investment Holdings Pte Ltd and its Singapore based airline subsidiaries (Jetstar Asia and Valuair) are substantially owned and effectively controlled by Singapore nationals. Notwithstanding this, the Qantas Group is required to consolidate Newstar Investment Holdings Pte Ltd and its controlled entities in the Qantas Group Financial Statements. Jetstar Asia includes Singapore based operations only. Jetstar Asia statistics for periods prior to 2012/13 include wide-body operations transferred to Jetstar International from 1 July 2012.

for the year ended 30 June

	Unit	2009	2008	2007	2006	2005
Qantas Group						
Passengers	'000	38,438	38,621	36,449	34,075	32,658
Traffic (RPK)	M	99,176	102,466	97,622	90,899	86,986
Capacity (ASK)	M	124,594	127,019	122,119	118,070	114,003
Load factor	%	79.6	80.7	79.9	77.0	76.3
Qantas Domestic (excluding QantasLink)						
Passengers	'000	16,379	17,105	16,350	15,772	16,145
Traffic (RPK)	M	23,781	24,831	23,709	22,449	22,472
Capacity (ASK)	M	30,013	30,901	29,783	28,347	28,078
Load factor	%	79.2	80.4	79.6	79.2	80.0
QantasLink						
Passengers	'000	4,120	4,204	3,858	3,316	3,058
Traffic (RPK)	M	2,918	2,904	2,507	2,092	1,879
Capacity (ASK)	M	4,281	4,071	3,523	3,048	2,596
Load factor	%	68.2	71.3	71.2	68.6	72.4
Jetstar Domestic						
Passengers	'000	8,110	7,596	6,882	5,599	4,384
Traffic (RPK)	M	9,060	8,602	7,752	5,941	4,346
Capacity (ASK)	M	11,197	10,753	9,944	7,990	6,004
Load factor	%	80.9	80.0	78.0	74.4	72.4
Qantas International¹						
Passengers	'000	7,243	8,138	8,600	9,188	9,401
Traffic (RPK)	M	54,337	59,030	60,709	59,948	58,631
Capacity (ASK)	M	66,871	71,563	74,596	78,012	77,834
Load factor	%	81.3	82.5	81.4	76.8	75.3
Jetstar International²						
Passengers	'000	2,123	1,578	759	200	–
Traffic (RPK)	M	8,412	7,099	2,945	469	–
Capacity (ASK)	M	11,355	9,731	4,273	673	–
Load factor	%	74.1	73.0	68.9	69.7	–
Jetstar Asia³						
Passengers	'000	463	–	–	–	–
Traffic (RPK)	M	668	–	–	–	–
Capacity (ASK)	M	878	–	–	–	–
Load factor	%	76.0	–	–	–	–

GLOSSARY

A

AFTK (Available freight tonne kilometres) – Total freight tonnage capacity available, multiplied by the number of kilometres flown.

ASK (Available seat kilometre) – A measure of an airlines' capacity. Total number of seats available for passengers, multiplied by the number of kilometres flown.

Australian domestic on-time arrivals – The percentage of Australian domestic on-time arrivals from 1 July to 30 June. A flight arrival is counted as on time if it arrives at the gate within 15 minutes of the scheduled arrival time for sectors flown. Neither diverted nor cancelled flights count as being on time, as per the definition by BITRE Airline On Time Performance definitions.

Australian domestic on-time departures – The percentage of Australian domestic on-time departures from 1 July to 30 June. A flight departure is counted as on time if it departs from the gate within 15 minutes of the scheduled departure time and subsequently proceeds to take off, for sectors flown. Neither diverted nor cancelled flights count as being on time, as per the BITRE Airline On Time Performance definitions.

Average fleet age – scheduled passenger fleet – The average age of the Qantas Group's scheduled passenger fleet (excluding dedicated freighters and Network Aviation fleet) based on manufacturing dates. Includes Jetstar Asia but excludes Jetstar Pacific, Jetstar Japan and Jetstar Hong Kong.

Average FTE – Average full-time equivalent for the 12 months ending 30 June.

Aviation fuel consumption – The total volume of aviation kerosene consumed by the Qantas Group's flying businesses from 1 July to 30 June.

B

Block hours – The time between the aircraft leaving the departure gate and arriving at the destination gate.

BITRE – Bureau of Infrastructure, Transport and Regional Economics (refer to www.bitre.gov.au).

C

CAPEX (Capital Expenditure) – Payments for capital assets.

E

Earnings per share (EPS) – Profit after tax divided by the weighted average number of issued shares.

EBIT – Earnings before interest and tax.

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

EBITDAR – Earnings before interest, tax, depreciation and amortisation and rentals (leasing costs for aircraft).

M

Market capitalisation – Share price at 30 June multiplied by the number of outstanding shares.

N

Number of full-time equivalent employees – The total number of full-time equivalent (FTE) employees as at 30 June, reported in total for each segment of the Qantas Group in Australia and overseas. This is calculated using standard working hours for full-time and part-time employees and actual hours worked by the casual and temporary workforce.

P

Passenger load/seat factor – Revenue passenger kilometres divided by available seat kilometres expressed as a percentage. Percentage of total passenger capacity actually utilised by paying passengers.

PAT – Profit after tax.

PAX – Passengers.

PBT – Profit before tax.

Percentage of part-time employees – The percentage of part-time positions in the wholly owned entities of the Qantas Group in Australia and overseas as at 30 June. Part-time positions include permanent and temporary part-time positions. Part-time employees is defined as those whose assigned working hours (as per contract) are lower than the position's standard working hours.

R

Return on equity – Profit after tax divided by average shareholders' equity.

RPK (Revenue passenger kilometre) – Number of paying passengers carried, multiplied by the number of kilometres flown.

RFTK (Revenue freight tonne kilometre) – Number of tonnes of paid freight and mail traffic multiplied by the number of kilometres flown.

Y

Yield (excluding FX) – Ticketed passenger revenue, excluding foreign exchange, divided by revenue passenger kilometres.

