Qantas & Emirates: A New Global Aviation Partnership

6 September 2012
Qantas & Emirates
A new global aviation partnership

• 10 year partnership – most significant alliance in Qantas’ history
• Benefits-sharing model, collaboration beyond codesharing
• Vastly expanded shared network – new Dubai hub
• Comprehensive network solution for Europe
• Facilitates network restructure to transform Asian offering
• Unprecedented benefits to Qantas customers
• Integrated frequent flyer proposition

MAJOR STEP IN TRANSFORMING QANTAS INTERNATIONAL

Note: All stated characteristics of the partnership are subject to regulatory approval.
Qantas & Emirates
Benefits-sharing model, collaboration beyond codesharing

MARGIN SHARE: Trunk routes

COMMISSION: Non-trunk routes

QANTAS FREQUENT FLYER (QFF)

• Leading global network – Qantas, Jetstar, Emirates and oneworld services
• Vastly expanded opportunities to earn and redeem points
• Reciprocal tier status benefits
  – Lounge access
  – Priority check-in & boarding
  – Baggage

BENEFITING ALL PARTS OF THE GROUP: QANTAS, JETSTAR AND QFF

Note: Jetstar cooperation yet to be finalised.
Unparalleled Access
Europe, Middle East and North Africa

**TODAY’S ONE-STOP PROPOSITION**
- 45 weekly services to Singapore hub
- 5 one-stop destinations to Europe
  - London (Heathrow) and Frankfurt on Qantas aircraft
- No one-stop service to Middle East or North Africa
- Multiple partners – limited integrated customer proposition

**PROPOSED COMBINED NETWORK**
- ~100 weekly services to Dubai hub
- 33 one-stop destinations to Europe
  - London (Heathrow) on Qantas aircraft
- 31 one-stop services to Middle East or North Africa
- One partner – integrated customer proposition

1. Rome serviced via Hong Kong. 2. Qantas to continue codeshare with Finnair between Singapore and Helsinki
Strengthening Asia

*Flying to, not through Asia*

- Restructure of Qantas Asian network
  - Re-timing flights to SIN and HKG\(^1\) – enabling more ‘same day’ connections
  - ~25% increase in connections from SIN
  - ~40% increase in available seats from Australia to Asia
- Leveraging Qantas existing regional partners and 4 additional Emirates services to Asia – KUL, BKK, SIN\(^2\)
- Increased fleet efficiency – matching right aircraft to routes

BUILDING A HIGHLY COMPETITIVE OFFERING TO, FROM AND WITHIN ASIA

1. Singapore and Hong Kong 2. Kuala Lumpur, Bangkok and Singapore
A World-Class Travel Experience
*Outstanding customer offering*

- Vastly expanded Qantas International network
  - 60+ new one-stop destinations
  - Reduced travel times
- Reinforcing the Qantas offering as ‘best for business’
- World class in-flight product and services
- Exclusive access to Dubai’s new purpose-built A380 terminal
- Reciprocal lounge access across 5 continents
- Core guiding principle of partnership:
  
  “Treat each other’s customers as your own”
A World-Class Travel Experience
Outstanding customer offering
Qantas International Transformation on track
*Emirates partnership aligns with all four pillars*

**A STRONG, VIABLE BUSINESS**
- Enables more efficient capital allocation
- Jointly managed pricing, sales and scheduling
- Coordination of shared support functions, improved passenger processing

**GATEWAYS TO THE WORLD**
- Dubai – gateway to Europe, the Middle East and North Africa
- Complements relationships with American Airlines, LAN, China Eastern and South African Airways, as well as *oneworld* alliance

**BEST FOR GLOBAL TRAVELLERS**
- Poised to deliver the best in networks, frequencies, aircraft, lounges, loyalty programs and customer experiences

**GROWING WITH ASIA**
- Restructure of Qantas Asian network through re-timing flights to Asia – enabling more ‘same day’ connections via codeshare partners
Next Steps

- Application for Anti-Trust Immunity will be submitted to the Australian Competition and Consumer Commission and other regulatory authorities
- Joint Services Agreement (JSA) with British Airways to be discontinued¹
- Cathay Pacific (Rome) and Air France (Paris) codeshares to be discontinued¹
- Subject to regulatory approvals, partnership to commence April 2013

¹. All current services to continue until partnership approval received.
Disclaimer

This Presentation has been prepared by Qantas Airways Limited (ABN 16 009 661 901) (Qantas).

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