QANTAS AIRWAYS LIMITED ABN 16 009 661 901 PRELIMINARY MONTHLY TRAFFIC AND CAPACITY STATISTICS JANUARY 2016

Summary of Traffic and Capacity Statistics

Month of January 2016

Qantas Group capacity (Available Seat Kilometres) increased by 6.4 per cent and Group demand (Revenue Passenger Kilometres) increased by 8.4 per cent in January, resulting in a Group revenue seat factor of 82.0 per cent which was 1.6 percentage points higher than in the prior corresponding period.

Group Domestic (comprising Qantas Domestic and Jetstar Domestic) capacity in the month was 1.0 per cent higher compared to the prior corresponding period, with growth on East Coast and leisure routes and continued right-sizing of capacity in resources markets.

Group Domestic Revenue per Available Seat Kilometre (RASK) was positive compared to the prior corresponding period.

Qantas International capacity rose by 10.3 per cent in one of the peak international travel months of the year, with growth coming from increased utilisation of Group aircraft. Qantas International RASK was higher in January compared to the prior year, with strong inbound demand and steady outbound demand meeting increased capacity on routes including in Asia and the US.

Jetstar International capacity increased by 12.0 per cent in the month with the higher seat count of the B787 Dreamliner aircraft compared to the A330 aircraft they have replaced.

Group International (comprising Qantas International, Jetstar International and Jetstar Asia) RASK in January was higher compared to the prior corresponding period.

Financial Year 2016

Group capacity increased by 4.2 per cent and demand increased by 5.8 per cent, resulting in a Group revenue seat factor of 81.4 per cent which was 1.3 percentage points higher than the previous year.

For the financial year to date, Qantas Group RASK was higher compared to the prior corresponding period. Group Domestic and Group International RASK were higher compared to the prior corresponding period.

Recent Developments

On 25 February 2016, the Australian Competition and Consumer Commission (ACCC) issued a final determination re-authorising Qantas and American Airlines to continue to coordinate their operations on trans-Pacific routes for a further 5 years.

On 23 February 2016, Qantas announced its first half financial year 2016 results, with a record Underlying Profit Before Tax of \$921 million. For more details on the results please visit the <u>Qantas Investor Relations</u> website.

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	Month 2015/16 2014/15 Change			Financial Year to Date 2015/16 2014/15 Change		
	2013/10	2014/15	onange	2013/10	2014/15	onange
QANTAS DOMESTIC* - SCHEDULED SERVICES						
Passengers Carried ('000)	1,696	1,612	5.2%	12.916	12.829	0.7%
Revenue Passenger Kilometres (m)	2,179	2,098	3.9%	16,368	16,367	0.0%
Available Seat Kilometres (m)	2,918	2,882	1.2%	21,455	21,648	(0.9)%
Revenue Seat Factor (%)	74.7	72.8	1.9 pts	76.3	75.6	0.7 pts
JETSTAR DOMESTIC - SCHEDULED SERVICES						
Passengers Carried ('000)	1,274	1,252	1.7%	8,236	7,960	3.5%
Revenue Passenger Kilometres (m)	1,274	1,232	0.9%	9,735	9,337	3.3 <i>%</i> 4.3%
Available Seat Kilometres (m)	1,462	1,440	0.9%	9,735	9,337	4.3% 2.6%
Revenue Seat Factor (%)	82.6	82.4	0.2 pts	84.5	83.1	2.0 % 1.4 pts
Nevenue Seat Factor (70)	02.0	02.4	0.2 pts	04.0	00.1	1.4 pts
QANTAS INTERNATIONAL - SCHEDULED SERVICES						
Passengers Carried ('000)	618	546	13.3%	3,819	3,490	9.4%
Revenue Passenger Kilometres (m)	5,009	4,478	11.8%	31,238	28,847	8.3%
Available Seat Kilometres (m)	5,871	5,321	10.3%	37,363	34,901	7.1%
Revenue Seat Factor (%)	85.3	84.2	1.1 pts	83.6	82.7	1.0 pts
JETSTAR INTERNATIONAL - SCHEDULED SERVICES						
Passengers Carried ('000)	531	452	17.4%	3,250	3.010	8.0%
Revenue Passenger Kilometres (m)	1,669	1,482	12.6%	10,149	9,241	9.8%
Available Seat Kilometres (m)	2,023	1,806	12.0%	12,558	11,720	7.1%
Revenue Seat Factor (%)	82.5	82.1	0.4 pts	80.8	78.8	2.0 pts
JETSTAR ASIA - SCHEDULED SERVICES						
Passengers Carried ('000)	357	323	10.6%	2,465	2,318	6.4%
Revenue Passenger Kilometres (m)	583	545	6.9%	4,063	3,836	0.4 <i>%</i> 5.9%
Available Seat Kilometres (m)	720	737	(2.3)%	4,003 5,057	3,030 4,940	2.4%
Revenue Seat Factor (%)	80.9	74.0	7.0 pts	80.3	77.6	2.4 /0 2.7 pts
	00.5	74.0	7.0 pts	00.0	11.0	2.7 pt3
QANTAS GROUP OPERATIONS						
Passengers Carried ('000)	4,475	4,185	6.9%	30,686	29,606	3.6%
Revenue Passenger Kilometres (m)	10,901	10,051	8.4%	71,553	67,627	5.8%
Available Seat Kilometres (m)	13,301	12,503	6.4%	87,951	84,439	4.2%
Revenue Seat Factor (%)	82.0	80.4	1.6 pts	81.4	80.1	1.3 pts

Notes

Any adjustments to preliminary statistics will be included in the year to date results next month. Where figures have been rounded, discrepancies may occur between the sum of the components of items, the total and percentage changes which are derived from figures prior to rounding. The number of passengers carried is calculated on the basis of origin/destination journey represents one passenger regardless of the number of stage lengths undertaken).

*From January 2015 Qantas Domestic and QantasLink are reported on a combined basis.

Key

(m): RPKs: Millions

The number of paying passengers carried multiplied by the number of kilometres flown

ASKs: The number of seats available for sale multiplied by the number of kilometres flown