QANTAS AIRWAYS LIMITED ABN 16 009 661 901

PRELIMINARY MONTHLY TRAFFIC AND CAPACITY STATISTICS FEBRUARY 2006

Summary of Traffic and Capacity Statistics

Month of February 2006

February Group (comprising Qantas Domestic, QantasLink, Jetstar, Qantas International and Australian Airlines) passenger numbers increased by 1.3 per cent over the previous year. RPKs and ASKs for the group both increased by 2.9 per cent, resulting in a revenue seat factor of 76.0 per cent, unchanged when compared with the previous year.

Financial Year to Date February 2006

Total Domestic (Qantas, QantasLink and Jetstar domestic operations) yield excluding exchange for the financial year to February 2006 increased by 5.0 per cent when compared to the same period last year. Total International (Qantas, Australian Airlines and Jetstar Trans-Tasman operations) yield excluding exchange increased by 7.4 per cent over the same period.

Group passenger numbers for the financial year to February 2006 increased by 4.1 per cent from the previous year. RPKs increased by 4.1 per cent, while ASKs increased by 2.9 per cent, resulting in a revenue seat factor of 77.7 per cent, 0.9 percentage points higher than the previous year.

Recent Developments

On 28 March 2006, Jetstar commenced services between Perth and Melbourne Avalon. Jetstar is operating its fleet of Airbus A320 aircraft on the new daily direct service, with the aircraft featuring 177 wide leather seats and video on demand in-flight entertainment available for hire. Jetstar said it will now look for further opportunities to grow services from an expanded route network into and out of Perth.

On 27 March 2006, Qantas announced it would convert four Boeing 737-300 aircraft to freighters for domestic freight operator Australian air Express. Qantas said this was the first jet freighter conversion work ever to be undertaken in Australia. Qantas also said it will establish a new operation to undertake the work at its facility in Avalon, Victoria, creating 60 jobs. The conversion work will commence in April 2006 and be completed by January 2007 with the aircraft entering service as they are completed from August this year.

On 16 March 2006, Qantas announced it would join other **one**world alliance airlines in co-locating at London Heathrow's Terminal 3 in 2008. Qantas said the move would follow the opening of Heathrow's new Terminal 5 in March 2008. The opening of Terminal 5 will provide Qantas, as well as its **one**world partners with the opportunity to locate their operations in what will be a fully upgraded state-of-the-art Terminal 3. Qantas also said Terminal 3 will provide improved transport links into central London, easier connections to British Airways' regional and European services operating from Terminal 5 and, with all **one**world carriers located in Terminal 3, simpler transfers between Qantas services and those operated by alliance partners.

On 8 March 2006, Jetstar announced it secured approval from its pilot group to amend its existing Enterprise Agreement with their pilots. The strong majority vote in support of amendments to the Jetstar Airways Pilots Agreement 2005 provides both higher pay and the opportunity for some of the carrier's existing pilots to move from narrow body to wide body jet aircraft to undertake long haul international flying. Jetstar said the Enterprise Agreement was accepted by a 73 per cent majority and was voted upon by almost 90 per cent of Jetstar's pilot group. The Agreement was also certified in the Australian Industrial Relations Commission in Sydney.

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FEBRUARY 2006

	2005/06	Month 2004/05	Change	Financial Year to Date 2005/06 2004/05 Change		
Qantas Domestic *	2000/00	200-700	Orlange	2000/00	200-700	Onange
Passengers carried ('000)	1,158	1,210	(4.3)%	10,552	10,871	(2.9)%
Revenue Passenger Kilometres (m)	1,577	1,608	(1.9)%	15,095	15,203	(0.7)%
Available Seat Kilometres (m)	2,120	2,065	2.7%	18,895	18,879	0.1%
Revenue Seat Factor (%)	74.4	77.9	(3.5) pts	79.9	80.5	(0.6) pts
QantasLink						
Passengers carried ('000)	247	234	5.4%	2,120	2,019	5.0%
Revenue Passenger Kilometres (m)	153	142	7.9%	1,328	1,249	6.3%
Available Seat Kilometres (m)	235	200	17.3%	1,934	1,728	11.9%
Revenue Seat Factor (%)	65.1	70.8	(5.7) pts	68.7	72.3	(3.6) pts
Jetstar *						
Passengers carried ('000)	445	363	22.7%	3,727	2,777	34.2%
Revenue Passenger Kilometres (m)	490	361	35.9%	4,010	2,687	49.2%
Available Seat Kilometres (m)	686	515	33.1%	5,284	3,684	43.4%
Revenue Seat Factor (%)	71.4	70.0	1.4 pts	75.9	72.9	3.0 pts
Qantas International						
Passengers carried ('000)	651	676	(3.7)%	5,764	5,855	(1.6)%
Revenue Passenger Kilometres (m)	4,413	4,323	2.1%	37,869	36,896	2.6%
Available Seat Kilometres (m)	5,613	5,625	(0.2)%	48,411	48,391	0.0%
Revenue Seat Factor (%)	78.6	76.9	1.7 pts	78.2	76.2	2.0 pts
Australian Airlines						
Passengers carried ('000)	52	58	(10.3)%	532	553	(3.8)%
Revenue Passenger Kilometres (m)	267	295	(9.7)%	2,518	2,693	(6.5)%
Available Seat Kilometres (m)	426	455	(6.3)%	3,726	3,800	(2.0)%
Revenue Seat Factor (%)	62.5	64.9	(2.4) pts	67.6	70.9	(3.3) pts
Total Group Operations						
Passengers carried ('000)	2,553	2,520	1.3%	22,695	21,806	4.1%
Revenue Passenger Kilometres (m)	6,900	6,708	2.9%	60,820	58,451	4.1%
Available Seat Kilometres (m)	9,080	8,826	2.9%	78,250	76,081	2.9%
Revenue Seat Factor (%)	76.0	76.0	0.0 pts	77.7	76.8	0.9 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 and the total and in percentage changes which are derived from figures prior to rounding. The number of passengers carried is calculated on the basis of origin/destination (ie. one origin/destination journey represents one passenger regardless of the number of stage lengths undertaken).

Key

(m): Millions

RPKs: 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

^{*} Qantas and Jetstar prior year statistics include the effect of a domestic codeshare agreement between the two airlines. However the effect of this codeshare is only included once in the prior year statistics for the Total Group Operations.