

QANTAS AIRWAYS LIMITED
ABN 16 009 661 901

PRELIMINARY MONTHLY TRAFFIC AND CAPACITY STATISTICS
FEBRUARY 2007

Summary of Traffic and Capacity Statistics

Month of February 2007

February Group (comprising Qantas Domestic, QantasLink, Jetstar and Qantas International) passenger numbers increased by 6.8 per cent over the previous year. RPKs increased by 7.4 per cent, while ASKs were up 2.6 per cent, resulting in a revenue seat factor of 79.6 per cent, which was 3.6 percentage points higher than the previous year.

Financial Year to Date February 2007

Total Domestic (Qantas, QantasLink and Jetstar domestic operations) yield excluding exchange for the financial year to February 2007 increased by 4.4 per cent when compared to the same period last year. Total International (Qantas, Australian Airlines and Jetstar international operations) yield excluding exchange increased by 8.7 per cent over the same period.

Group passenger numbers for the financial year to February 2007 increased by 7.2 per cent from the previous year. RPKs increased by 7.3 per cent, while ASKs increased by 3.5 per cent, resulting in a revenue seat factor of 80.6 per cent, 2.9 percentage points higher than the previous year.

These statistics reflect continued robust demand in both domestic and international markets, combined with temporarily stable industry capacity. As advised previously, at the same time the Group faces ongoing cost pressures including higher fuel prices and increased restructuring costs associated with the Sustainable Future Program. The yield improvement was primarily the result of increased fuel surcharges imposed to partially offset higher fuel costs, which are expected to rise by around \$625 million in 2006/07 compared with the prior year, based on current market prices and hedging levels.

Recent Developments

On 13 April 2007, Qantas announced the formation of a new inbound tourism business, Tour East Australia Pty Limited, to be based in Sydney. Tour East Australia – a wholly-owned subsidiary of Qantas Holidays' Singapore-based joint venture company, Holiday Tours and Travel (HTT) – will be open for business on 1 July 2007.

On 29 March 2007, Qantas announced it would acquire nine additional Airbus A320 aircraft for use by Jetstar. The new aircraft will be deployed on domestic and short-haul international routes. The aircraft will be delivered over a 15-month timeframe from late 2007. Qantas will also boost capacity in the Qantas domestic operations, with four Boeing 767-300 aircraft from the international fleet that were due to be sold from mid-2007 being transferred to domestic operations.

On 27 March 2007, Qantas announced that it would increase its New York services from five per week to a daily service from 14 August 2007. The addition of two extra New York services each week, operating from Sydney via Los Angeles, will provide business travellers with more choice and access to markets on the US East Coast.

On 21 March 2007, QantasLink announced that it would expand its Boeing 717-200 fleet from eight to eleven aircraft as part of a renewed operating agreement with National Jet Systems. The move will increase QantasLink's total jet and turboprop fleet to 49 aircraft and allow it to increase frequency and capacity on a number of key regional routes in Western Australia, Northern Territory and north Queensland. The first of the three additional aircraft will commence operation in August 2007 and the other two aircraft will enter service in October 2007.

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FEBRUARY 2007

	Month			Financial Year to Date		
	2006/07	2005/06	Change	2006/07	2005/06	Change
Qantas Domestic						
Passengers carried ('000)	1,201	1,158	3.7%	10,859	10,552	2.9%
Revenue Passenger Kilometres (m)	1,682	1,577	6.6%	15,807	15,095	4.7%
Available Seat Kilometres (m)	2,189	2,120	3.3%	19,746	18,895	4.5%
Revenue Seat Factor (%)	76.8	74.4	2.4 pts	80.1	79.9	0.2 pts
QantasLink						
Passengers carried ('000)	289	247	16.9%	2,526	2,120	19.2%
Revenue Passenger Kilometres (m)	182	153	19.1%	1,654	1,328	24.5%
Available Seat Kilometres (m)	272	235	16.0%	2,318	1,934	19.8%
Revenue Seat Factor (%)	66.8	65.1	1.7 pts	71.3	68.7	2.6 pts
Jetstar*						
Passengers carried ('000)	570	445	27.9%	5,045	3,727	35.3%
Revenue Passenger Kilometres (m)	845	490	72.4%	6,633	4,010	65.4%
Available Seat Kilometres (m)	1,175	686	71.2%	8,519	5,284	61.2%
Revenue Seat Factor (%)	72.0	71.4	0.6 pts	77.9	75.9	2.0 pts
Qantas International **						
Passengers carried ('000)	668	703	(5.0)%	5,897	6,296	(6.3)%
Revenue Passenger Kilometres (m)	4,702	4,680	0.5%	41,184	40,386	2.0%
Available Seat Kilometres (m)	5,676	6,039	(6.0)%	50,374	52,137	(3.4)%
Revenue Seat Factor (%)	82.8	77.5	5.3 pts	81.8	77.5	4.3 pts
Total Group Operations						
Passengers carried ('000)	2,728	2,553	6.8%	24,327	22,695	7.2%
Revenue Passenger Kilometres (m)	7,411	6,900	7.4%	65,278	60,820	7.3%
Available Seat Kilometres (m)	9,313	9,080	2.6%	80,957	78,250	3.5%
Revenue Seat Factor (%)	79.6	76.0	3.6 pts	80.6	77.7	2.9 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).

* Includes Jetstar domestic, trans-Tasman and international operations

** Includes prior year statistics for Australian Airlines which, effective 1 July 2006, provides wet lease services to Qantas mainline.

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