

QANTAS AIRWAYS LIMITED

ABN 16 009 661 901

PRELIMINARY MONTHLY TRAFFIC AND CAPACITY STATISTICS

FEBRUARY 2014

Summary of Traffic and Capacity Statistics

Month of February 2014

Qantas Group passenger numbers for February 2014 increased by 1.4 per cent from the previous year. Group capacity (Available Seat Kilometres) increased by 0.3 per cent and demand (Revenue Passenger Kilometres) decreased by 2.6 per cent, resulting in a revenue seat factor of 76.2 per cent which was 2.2 percentage points lower than the previous year.

Financial Year 2014

Qantas Group passenger numbers for the financial year to date (February 2014) increased by 1.8 per cent from the previous year. Group capacity increased by 0.9 per cent and demand decreased by 1.2 per cent, resulting in a revenue seat factor of 78.5 per cent which was 1.6 percentage points lower than the previous year. QantasLink capacity increases reflect the continued roll out of B717 services on domestic routes and cabin reconfigurations.

For the financial year to date, Qantas Group yields were lower than the prior corresponding period, reflecting challenging market conditions on domestic and international routes. Total Domestic (comprising Qantas Domestic, QantasLink and Jetstar Domestic) yields were lower than the prior corresponding period as a result of continued market capacity growth and weak demand. Total International yields were lower than the prior corresponding period due to persistently high levels of competitor capacity growth.

Recent Developments

On 27 March 2014, Qantas announced changes to its Qantas Frequent Flyer program. The changes are designed to align the number of points and status credits members earn more closely with the fare they pay, where they fly, and the carrier they choose rather than on the miles flown. The program changes will result in members earning more Qantas Points on flexible fares, whilst on some of the lower fares earn rates will be reduced to better reflect the fare a customer has paid.

On 24 March 2014, Qantas announced the best monthly result for domestic on-time flight arrivals and departures for any major airline in more than a decade. For February 2014 Qantas had a record 92.5 per cent on-time departures and 91.7 per cent on-time arrivals.

On 20 March 2014, Jetstar announced that it will suspend its Singapore-Auckland route from 21 July 2014. The route has underperformed against expectations, and the capacity will be redeployed on other Jetstar routes.

On 17 March 2014, the Qantas Group announced the launch partners for the new small/medium enterprise (SME) loyalty program, Aquire. The program will allow businesses to earn Aquire Points (that can be converted to Qantas Frequent Flyer Points) via their everyday business transactions, including travel. Westpac, GIO Business Insurance and Deloitte Private have been welcomed on board as part of an extensive group of launch partners.

On 12 March 2014, Qantas announced a new codeshare agreement with Bangkok Airways which will significantly improve travel options for Qantas customers travelling across South East Asia commencing 20 March 2014. Qantas and Bangkok Airways are working towards a reciprocal agreement which will enable Bangkok Airways customers to book on Qantas international services from Bangkok and Singapore to Australia, and on a number of routes on Qantas' domestic network.

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	Month			Financial Year to Date		
	2013/14	2012/13	Change	2013/14	2012/13	Change
QANTAS DOMESTIC (INCLUDING QANTASLINK) - SCHEDULED SERVICES						
Passengers Carried ('000)	1,657	1,664	(0.5)%	14,636	14,770	(0.9)%
Revenue Passenger Kilometres (m)	2,043	2,061	(0.9)%	18,684	19,061	(2.0)%
Available Seat Kilometres (m)	2,894	2,805	3.2%	25,235	24,951	1.1%
Revenue Seat Factor (%)	70.6	73.5	(2.9) pts	74.0	76.4	(2.4) pts
QANTAS DOMESTIC (EXCLUDING QANTASLINK) - SCHEDULED SERVICES						
Passengers Carried ('000)	1,241	1,269	(2.2)%	11,061	11,250	(1.7)%
Revenue Passenger Kilometres (m)	1,780	1,813	(1.8)%	16,370	16,796	(2.5)%
Available Seat Kilometres (m)	2,449	2,409	1.7%	21,514	21,527	(0.1)%
Revenue Seat Factor (%)	72.7	75.3	(2.6) pts	76.1	78.0	(1.9) pts
QANTASLINK - SCHEDULED SERVICES						
Passengers Carried ('000)	416	395	5.2%	3,576	3,520	1.6%
Revenue Passenger Kilometres (m)	263	249	6.0%	2,314	2,265	2.2%
Available Seat Kilometres (m)	445	396	12.3%	3,721	3,424	8.7%
Revenue Seat Factor (%)	59.2	62.7	(3.5) pts	62.2	66.1	(4.0) pts
JETSTAR DOMESTIC - SCHEDULED SERVICES						
Passengers Carried ('000)	870	800	8.8%	8,364	7,894	6.0%
Revenue Passenger Kilometres (m)	981	923	6.3%	9,967	9,510	4.8%
Available Seat Kilometres (m)	1,166	1,114	4.7%	12,024	11,583	3.8%
Revenue Seat Factor (%)	84.1	82.9	1.2 pts	82.9	82.1	0.8 pts
QANTAS INTERNATIONAL - SCHEDULED SERVICES						
Passengers Carried ('000)	448	449	(0.4)%	4,014	3,913	2.6%
Revenue Passenger Kilometres (m)	3,517	3,701	(5.0)%	32,049	32,700	(2.0)%
Available Seat Kilometres (m)	4,543	4,587	(1.0)%	39,643	39,402	0.6%
Revenue Seat Factor (%)	77.4	80.7	(3.3) pts	80.8	83.0	(2.2) pts
JETSTAR INTERNATIONAL - SCHEDULED SERVICES						
Passengers Carried ('000)	376	391	(3.8)%	3,343	3,500	(4.5)%
Revenue Passenger Kilometres (m)	1,087	1,135	(4.3)%	9,678	10,187	(5.0)%
Available Seat Kilometres (m)	1,410	1,476	(4.5)%	12,759	13,153	(3.0)%
Revenue Seat Factor (%)	77.1	76.9	0.2 pts	75.9	77.4	(1.5) pts
JETSTAR ASIA - SCHEDULED SERVICES						
Passengers Carried ('000)	304	301	1.1%	2,663	2,375	12.1%
Revenue Passenger Kilometres (m)	457	479	(4.5)%	4,096	3,923	4.4%
Available Seat Kilometres (m)	598	602	(0.6)%	5,268	5,032	4.7%
Revenue Seat Factor (%)	76.5	79.6	(3.1) pts	77.7	77.9	(0.2) pts
QANTAS GROUP OPERATIONS						
Passengers Carried ('000)	3,655	3,606	1.4%	33,020	32,452	1.8%
Revenue Passenger Kilometres (m)	8,085	8,299	(2.6)%	74,473	75,380	(1.2)%
Available Seat Kilometres (m)	10,611	10,583	0.3%	94,929	94,121	0.9%
Revenue Seat Factor (%)	76.2	78.4	(2.2) pts	78.5	80.1	(1.6) 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 (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