

QANTAS AIRWAYS LIMITED
ABN 16 009 661 901

PRELIMINARY MONTHLY TRAFFIC AND CAPACITY STATISTICS
JANUARY 2007

Summary of Traffic and Capacity Statistics

Month of January 2007

January Group (comprising Qantas Domestic, QantasLink, Jetstar and Qantas International) passenger numbers increased by 6.2 per cent over the previous year. RPKs increased by 7.2 per cent, while ASKs were up 3.0 per cent, resulting in a revenue seat factor of 83.7 per cent, which was 3.3 percentage points higher than the previous year.

Financial Year to Date January 2007

Total Domestic (Qantas, QantasLink and Jetstar domestic operations) yield excluding exchange for the financial year to January 2007 increased by 4.0 per cent when compared to the same period last year. Total International (Qantas, Australian Airlines and Jetstar international operations) yield excluding exchange increased by 8.5 per cent over the same period.

Group passenger numbers for the financial year to January 2007 increased by 7.2 per cent from the previous year. RPKs increased by 7.3 per cent, while ASKs increased by 3.6 per cent, resulting in a revenue seat factor of 80.8 per cent, 2.8 percentage points higher than the previous year.

Recent Developments

Qantas has increased fuel hedging for financial year 2007/08. Fifty percent of anticipated crude oil requirements are hedged at a worst case rate of \$US69.64 a barrel for West Texas Intermediate crude (WTI), inclusive of option premium. The Group has fully hedged the remainder of financial year 2006/07 crude oil needs at a worst case rate of \$US65.16 a barrel for WTI, inclusive of option premium.

On 27 February 2007, Qantas announced that it had selected the General Electric GEnx engine to power its Boeing 787 fleet of up to 115 aircraft. The initial order for 45 aircraft ship sets is for a value of \$2 billion in capital and maintenance costs over the life of the engines.

On 22 February 2007, Qantas Defence Services signed a contract with the Defence Material Organisation to provide support services for the Royal Australian Air Force's (RAAF) fleet of five A330 Multi Role Tanker Transport aircraft. The contract provided for the provision of technical, spares, training and maintenance support to the tanker fleet for the entire period the aircraft remained in service with the RAAF.

On 14 February 2007, Qantas announced the formal termination of its Strategic Alliance Agreement and Tasman Networks Agreement with Air New Zealand. This followed the negative draft determination of the Tasman Networks Agreement by the Australian Competition and Consumer Commission in November 2006. In connection with the termination of the Agreements, all of the Convertible Notes issued by Air New Zealand to Qantas in 2002 were converted into 44,152,695 new ordinary shares in the airline, on 14 February 2007. This is equivalent to approximately 4.2 per cent of Air New Zealand's ordinary shares on issue.

On 12 February 2007, Qantas served its Target's Statement on Airline Partners Australia (APA) and lodged with the Australian Securities and Investment Commission and the Australian Securities Exchange. The Target's Statement includes the Qantas Independent Directors' recommendation regarding APA's takeover offer and the independent expert's report.

On 8 February 2007, Qantas announced a profit before tax (PBT) of \$523 million for the half-year ended 31 December 2006, an 8.3 per cent increase on the prior comparative half-year to 31 December 2005. Net profit after tax increased 1.7 per cent to \$359 million as a result of a favourable tax charge in the prior corresponding half. A fully franked Special Dividend of 15 cents per share was declared, and the Dividend Reinvestment Plan (DRP) was suspended.

QANTAS AIRWAYS LIMITED
ABN 16 009 661 901
PRELIMINARY MONTHLY TRAFFIC AND CAPACITY STATISTICS
JANUARY 2007

	Month			Financial Year to Date		
	2006/07	2005/06	Change	2006/07	2005/06	Change
Qantas Domestic						
Passengers carried ('000)	1,314	1,261	4.2%	9,658	9,394	2.8%
Revenue Passenger Kilometres (m)	1,983	1,854	6.9%	14,125	13,518	4.5%
Available Seat Kilometres (m)	2,456	2,301	6.7%	17,556	16,775	4.7%
Revenue Seat Factor (%)	80.7	80.6	0.1 pts	80.5	80.6	(0.1) pts
QantasLink						
Passengers carried ('000)	287	243	18.2%	2,236	1,873	19.4%
Revenue Passenger Kilometres (m)	191	159	19.9%	1,472	1,175	25.2%
Available Seat Kilometres (m)	285	242	17.7%	2,046	1,700	20.4%
Revenue Seat Factor (%)	67.0	65.8	1.2 pts	71.9	69.1	2.8 pts
Jetstar*						
Passengers carried ('000)	692	560	23.5%	4,475	3,282	36.3%
Revenue Passenger Kilometres (m)	1,046	625	67.5%	5,787	3,520	64.4%
Available Seat Kilometres (m)	1,321	774	70.6%	7,344	4,598	59.7%
Revenue Seat Factor (%)	79.2	80.6	(1.4) pts	78.8	76.6	2.2 pts
Qantas International **						
Passengers carried ('000)	766	817	(6.2)%	5,229	5,593	(6.5)%
Revenue Passenger Kilometres (m)	5,487	5,487	0.0%	36,482	35,707	2.2%
Available Seat Kilometres (m)	6,337	6,783	(6.6)%	44,698	46,098	(3.0)%
Revenue Seat Factor (%)	86.6	80.9	5.7 pts	81.6	77.5	4.1 pts
Total Group Operations						
Passengers carried ('000)	3,059	2,881	6.2%	21,598	20,142	7.2%
Revenue Passenger Kilometres (m)	8,706	8,125	7.2%	57,867	53,920	7.3%
Available Seat Kilometres (m)	10,399	10,100	3.0%	71,644	69,170	3.6%
Revenue Seat Factor (%)	83.7	80.4	3.3 pts	80.8	78.0	2.8 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