

QANTAS AIRWAYS LIMITED
ABN 16 009 661 901

PRELIMINARY* MONTHLY TRAFFIC AND CAPACITY STATISTICS

JULY 2001

Summary of Traffic and Capacity Statistics

Group (comprising international, domestic and regional) passenger numbers for July 2001 increased by 15.9 percent compared to July 2000. Traffic for July, measured in Revenue Passenger Kilometres (RPKs), increased by 13.4 percent, while capacity, measured in Available Seat Kilometres (ASKs), increased by 8.3 percent over the previous year. This resulted in a revenue seat factor of 80.1 percent for the month, 3.6 percentage points higher than the previous year.

International yield excluding exchange for the month of July decreased by 0.3 percent, while international revenue seat factor increased by 5.5 percentage points over the same period. Domestic yield excluding exchange and domestic revenue seat factor for the month of July declined by 16.6 percent and 2.8 percentage points respectively.

Recent Developments

Qantas has added 275 domestic flights and increased the size of aircraft used on a further 110 flights since the suspension of Ansett services on 14 September. Qantas has carried around 45,000 Ansett customers free of charge, and more than 40,000 on the special discount fares introduced to assist Ansett customers.

Qantas has also announced it will move three 747, six 767 and three 737 aircraft from international to domestic operations, commencing from October. These 12 aircraft have a total of more than 2,500 seats and will provide an additional 18,000 seats per day for our domestic operations. Qantas will rearrange its international schedules, with assistance from partner airlines, to facilitate the increase in domestic capacity.

Qantas has increased its domestic freight capacity by up to 70 percent since the suspension of Ansett services, through its partner company Australian Air Express.

With respect to longer term capacity increases, Qantas is in discussions with Boeing and Airbus about the purchase and long term lease of aircraft. A decision on these long term fleet issues will be made after a detailed assessment of international economic conditions and the overall difficulties in the aviation industry.

The Federal Government has agreed to indemnify Qantas, and all Australian airlines, for aviation war risks insurance to the value of US\$5 billion. The Government action followed a decision last week by aviation insurance underwriters to cancel the existing war risks insurance cover (which included acts of terrorism and hijacking) for all airlines from 25 September. New cover would have restricted liability for death or injury to third parties and property damage on the ground to US\$50 million. Similar decisions are being made by Governments elsewhere in the world in relation to individual airlines.

Qantas Executive General Manager Marketing, Denis Adams, has been appointed as the Chief Executive of Australian Airlines. The new international airline is expected to begin operations initially flying into Asia. The airline will also take over some unprofitable routes from which Qantas intends to withdraw over the next six months. Announcements relating to fleet, livery and the headquarters for Australian Airlines will be made in coming months. Adams, together with a small team from Qantas will work with the relevant authorities to obtain approvals for traffic rights and determine the Australian Airlines route structure.

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	Month			Financial Year to Date		
Domestic	2001/02	2000/01	Change	2001/02	2000/01	Change
Passengers carried ('000) **	1,021	904	12.9%	1,021	904	12.9%
Revenue Passenger Kilometres (m)	1,371	1,184	15.8%	1,371	1,184	15.8%
Available Seat Kilometres (m)	1,775	1,480	19.9%	1,775	1,480	19.9%
Revenue Seat Factor (%)	77.2	80.0	(2.8) pts	77.2	80.0	(2.8) pts
International	2001/02	2000/01	Change	2001/02	2000/01	Change
Passengers carried ('000) **	778	641	21.4%	778	641	21.4%
Revenue Passenger Kilometres (m)	5,039	4,449	13.2%	5,039	4,449	13.2%
Available Seat Kilometres (m)	6,193	5,859	5.7%	6,193	5,859	5.7%
Revenue Seat Factor (%)	81.4	75.9	5.5 pts	81.4	75.9	5.5 pts
Core Airline	2001/02	2000/01	Change	2001/02	2000/01	Change
Passengers carried ('000) **	1,799	1,545	16.4%	1,799	1,545	16.4%
Revenue Passenger Kilometres (m)	6,410	5,633	13.8%	6,410	5,633	13.8%
Available Seat Kilometres (m)	7,968	7,339	8.6%	7,968	7,339	8.6%
Revenue Seat Factor (%)	80.4	76.8	3.6 pts	80.4	76.8	3.6 pts
Average Passenger Journey Length	3,563	3,646	(2.3)%	3,563	3,646	(2.3)%
Total Group Operations	2001/02	2000/01	Change	2001/02	2000/01	Change
Passengers carried ('000) **	2,092	1,805	15.9%	2,092	1,805	15.9%
Revenue Passenger Kilometres (m)	6,593	5,811	13.4%	6,593	5,811	13.4%
Available Seat Kilometres (m)	8,230	7,599	8.3%	8,230	7,599	8.3%
Revenue Seat Factor (%)	80.1	76.5	3.6 pts	80.1	76.5	3.6 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 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