QANTAS AIRWAYS LIMITED ABN 16 009 661 901

PRELIMINARY* MONTHLY TRAFFIC AND CAPACITY STATISTICS JULY 2002

Summary of Traffic and Capacity Statistics

Month of July 2002

International traffic, measured in Revenue Passenger Kilometres (RPKs) decreased by 5.4 percent in July 2002 while capacity, measured in Available Seat Kilometres (ASKs), fell by 6.4 percent. The resulting revenue seat factor of 82.3 percent was 0.9 percentage points higher than July 2001. International yield excluding exchange for July increased by 4.5 percent when compared with the previous year.

Domestic RPKs increased by 48.4 percent in July, while ASKs increased by 41.0 percent over the same period. Domestic revenue seat factor increased by 4.0 percentage points to 81.2 percent when compared with the previous year, while domestic yield excluding exchange increased by 4.2 percent when compared with the previous year.

July Group (comprising international, domestic and regional) passenger numbers increased by 21.9 percent over the previous year. RPKs increased by 6.4 percent, while ASKs were up 4.4 percent, resulting in a revenue seat factor of 81.7 percent, which was 1.6 percentage points higher than the previous year.

Recent Developments

The 2002 Annual General Meeting of Qantas Airways Limited will be held at 2.00pm on Thursday 17 October 2002 in the Grand Ballroom of the Burswood Convention Centre, Perth.

Qantas announced that it had raised approximately \$720 million of ordinary equity through its underwritten entitlement offer. The Institutional Offer raised approximately \$600 million and the Retail Entitlement Offer raised approximately \$120 million. The funds raised will be used to support the airline's capital expenditure program and help fund other potential investment opportunities that may arise.

Effective 2 September 2002, Qantas appointed Paul Anderson as a non-executive Director of the Qantas Board. Mr Anderson, who will fill a casual vacancy on the Qantas Board, has outstanding management and operational skills with an extraordinary record as a senior executive in the international mining and energy industries. Mr Anderson's experience will complement the diverse range of corporate skills of the other 10 Board members.

Qantas commenced QantasLink operations from Sydney Airport's Terminal 2, the former Ansett Domestic Terminal, on 24 September 2002. Qantas will utilise gates in Pier B of Terminal 2 for QantasLink regional and leisure flights, with the exception of Gold Coast and Canberra services, which will continue to operate from Terminal 3, the Qantas Domestic Terminal. The expansion into Terminal 2 will provide a dedicated regional and leisure terminal and will ease congestion across the airline's Sydney operations.

Qantas announced that the airline's City**flyer** service will start operating to and from Adelaide, commencing 18 November 2002. The Adelaide City**flyer** schedule will offer 15 return services each week day between Adelaide and Sydney and 11 return services each week day between Adelaide and Melbourne. City**flyer** was launched on the Sydney-Melbourne route in July 2001 and was extended to the Sydney-Brisbane and Melbourne-Brisbane routes in February 2002.

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PRELIMINARY* MONTHLY TRAFFIC AND CAPACITY STATISTICS

JULY 2002

| | Month | | | Financial Year to Date | | | |
|----------------------------------|---------|---------|---------|------------------------|---------|---------|--|
| Domestic | 2002/03 | 2001/02 | Change | 2002/03 | 2001/02 | Change | |
| Passengers carried ('000) ** | 1,485 | 1,021 | 45.4% | 1,485 | 1,021 | 45.4% | |
| Revenue Passenger Kilometres (m) | 2,034 | 1,371 | 48.4% | 2,034 | 1,371 | 48.4% | |
| Available Seat Kilometres (m) | 2,503 | 1,775 | 41.0% | 2,503 | 1,775 | 41.0% | |
| Revenue Seat Factor (%) | 81.2 | 77.2 | 4.0 pts | 81.2 | 77.2 | 4.0 pts | |
| International | 2002/03 | 2001/02 | Change | 2002/03 | 2001/02 | Change | |
| Passengers carried ('000) ** | 774 | 778 | (0.5)% | 774 | 778 | (0.5)% | |
| Revenue Passenger Kilometres (m) | 4,768 | 5,039 | (5.4)% | 4,768 | 5,039 | (5.4)% | |
| Available Seat Kilometres (m) | 5,794 | 6,193 | (6.4)% | 5,794 | 6,193 | (6.4)% | |
| Revenue Seat Factor (%) | 82.3 | 81.4 | 0.9 pts | 82.3 | 81.4 | 0.9 pts | |
| Core Airline | 2002/03 | 2001/02 | Change | 2002/03 | 2001/02 | Change | |
| Passengers carried ('000) ** | 2,259 | 1,799 | 25.6% | 2,259 | 1,799 | 25.6% | |
| Revenue Passenger Kilometres (m) | 6,802 | 6,410 | 6.1% | 6,802 | 6,410 | 6.1% | |
| Available Seat Kilometres (m) | 8,297 | 7,968 | 4.1% | 8,297 | 7,968 | 4.1% | |
| Revenue Seat Factor (%) | 82.0 | 80.4 | 1.5 pts | 82.0 | 80.4 | 1.5 pts | |
| Average Passenger Journey Length | 3,011 | 3,563 | (15.5)% | 3,011 | 3,563 | (15.5)% | |
| Total Group Operations | 2002/03 | 2001/02 | Change | 2002/03 | 2001/02 | Change | |
| Passengers carried ('000) ** | 2,576 | 2,092 | 23.1% | 2,576 | 2,092 | 23.1% | |
| Revenue Passenger Kilometres (m) | 7,018 | 6,593 | 6.4% | 7,018 | 6,593 | 6.4% | |
| Available Seat Kilometres (m) | 8,589 | 8,230 | 4.4% | 8,589 | 8,230 | 4.4% | |
| Revenue Seat Factor (%) | 81.7 | 80.1 | 1.6 pts | 81.7 | 80.1 | 1.6 pts | |
| | | | | | | | |

Key

(m) 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

^{*} 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).