

QANTAS AIRWAYS LIMITED
ABN 16 009 661 901

PRELIMINARY MONTHLY TRAFFIC AND CAPACITY STATISTICS

JULY 2012

Summary of Traffic and Capacity Statistics

Month of July 2012

Qantas Group passenger numbers for July 2012 were up 1.4 per cent from the previous year. RPKs decreased by 1.4 per cent and ASKs increased by 1.5 per cent, resulting in a revenue seat factor of 80 per cent, which was 2.3 percentage points lower than the previous year.

Group Domestic yields (comprising Qantas Domestic, QantasLink and Jetstar Domestic) were lower than the prior period due to increased capacity in the domestic market. In addition, both Qantas and Jetstar yields and loads in the prior period were favourably impacted by the grounding of Tiger Airways Australia. Qantas International experienced yield improvement as a result of exiting major loss making routes in 2H FY12, whilst high levels of international capacity growth in Jetstar contributed to yield decline for the month of July.

Going forward, yield commentary in the monthly traffic statistics will be qualitative in line with international and domestic peers.

Recent Developments

On 8 August 2012, Qantas welcomed the decision by Fair Work Australia (FWA) in the arbitration case with the Transport Workers' Union (TWU), in relation to 3,800 baggage handlers, airport ground staff, catering, freight and other transport employees. The decision by FWA prevents the TWU from taking industrial action for at least the next two years. For further information regarding the FWA decision, refer to www.fwa.gov.au/decisionssigned/html/2012fwafb6612.htm.

On 23 August 2012, the Qantas Group announced a restructuring of its Boeing 787-9 order stream. As a result, the Group will receive a cash benefit totaling US\$433 million, with US\$355 million to be received in FY13. This incremental cash benefit and the Group's \$3.4 billion cash balance (as at 30 June 2012) provide substantial surplus liquidity which will be applied to FY13 narrow body aircraft deliveries and repayment of key debt maturities.

This financial year to date, the Qantas Group has funded two additional aircraft with cash (a B738 and an A320). This takes the total pool of new unencumbered aircraft (B738/A320) to 20.

On 23 August 2012, Jetstar Japan announced the establishment of a second base at Kansai International Airport in Osaka, Japan's third largest city, from 28 October 2012. The new base will enable Jetstar Japan to offer customers the opportunity to fly direct to a number of domestic destinations including Sapporo, Narita, Fukuoka and Okinawa.

Update on Foreign Ownership

While not required under ASX Listing Rule 3.19, the Qantas Group confirms that the most recent reconciliation found the level of foreign ownership to be 37 per cent as at 26 July 2012. The Qantas Group remains subject to an aggregate foreign ownership limit of 49 per cent under the Qantas Sale Act.

QANTAS AIRWAYS LIMITED
ABN 16 009 661 901

PRELIMINARY MONTHLY TRAFFIC AND CAPACITY STATISTICS

JULY 2012

	Month			Financial Year to Date		
	2012/13	2011/12	Change	2012/13	2011/12	Change
QANTAS DOMESTIC (INCLUDING QANTAS LINK) - SCHEDULED SERVICES						
Passengers carried	1,923	1,950	(1.4)%	1,923	1,950	(1.4)%
Revenue Passenger Kilometres (RPK)	2,543	2,533	0.4%	2,543	2,533	0.4%
Available Seat Kilometres (ASK)	3,324	3,156	5.3%	3,324	3,156	5.3%
Revenue Seat Factor	76.5	80.3	(3.8) pts	76.5	80.3	(3.8) pts
QANTAS DOMESTIC (EXCLUDING QANTAS LINK) - SCHEDULED SERVICES						
<i>Passengers Carried ('000)</i>	1,481	1,521	(2.6)%	1,481	1,521	(2.6)%
<i>Revenue Passenger Kilometres (m)</i>	2,254	2,248	0.3%	2,254	2,248	0.3%
<i>Available Seat Kilometres (m)</i>	2,899	2,742	5.8%	2,899	2,742	5.8%
<i>Revenue Seat Factor (%)</i>	77.7	82.0	(4.3) pts	77.7	82.0	(4.3) pts
QANTASLINK - SCHEDULED SERVICES						
<i>Passengers Carried ('000)</i>	442	429	2.9%	442	429	2.9%
<i>Revenue Passenger Kilometres (m)</i>	289	285	1.4%	289	285	1.4%
<i>Available Seat Kilometres (m)</i>	425	415	2.5%	425	415	2.5%
<i>Revenue Seat Factor (%)</i>	68.0	68.8	(0.8) pts	68.0	68.8	(0.8) pts
JETSTAR DOMESTIC - SCHEDULED SERVICES						
Passengers Carried ('000)	981	966	1.6%	981	966	1.6%
Revenue Passenger Kilometres (m)	1,223	1,206	1.4%	1,223	1,206	1.4%
Available Seat Kilometres (m)	1,512	1,427	6.0%	1,512	1,427	6.0%
Revenue Seat Factor (%)	80.9	84.5	(3.6) pts	80.9	84.5	(3.6) pts
QANTAS INTERNATIONAL - SCHEDULED SERVICES						
Passengers Carried ('000)	490	536	(8.5)%	490	536	(8.5)%
Revenue Passenger Kilometres (m)	4,161	4,628	(10.1)%	4,161	4,628	(10.1)%
Available Seat Kilometres (m)	5,031	5,454	(7.8)%	5,031	5,454	(7.8)%
Revenue Seat Factor (%)	82.7	84.8	(2.1) pts	82.7	84.8	(2.1) pts
JETSTAR INTERNATIONAL - SCHEDULED SERVICES						
Passengers Carried ('000)	439	374	17.4%	439	374	17.4%
Revenue Passenger Kilometres (m)	1,285	1,018	26.2%	1,285	1,018	26.2%
Available Seat Kilometres (m)	1,658	1,311	26.4%	1,658	1,311	26.4%
Revenue Seat Factor (%)	77.5	77.6	(0.1) pts	77.5	77.6	(0.1) pts
JETSTAR ASIA¹						
Passengers Carried ('000)	294	243	21.2%	294	243	21.2%
Revenue Passenger Kilometres (m)	512	478	7.2%	512	478	7.2%
Available Seat Kilometres (m)	630	629	0.1%	630	629	0.1%
Revenue Seat Factor (%)	81.2	75.9	5.3 pts	81.2	75.9	5.3 pts
QANTAS GROUP OPERATIONS						
Passengers Carried ('000)	4,128	4,069	1.4%	4,128	4,069	1.4%
Revenue Passenger Kilometres (m)	9,724	9,862	(1.4)%	9,724	9,862	(1.4)%
Available Seat Kilometres (m)	12,156	11,978	1.5%	12,156	11,978	1.5%
Revenue Seat Factor (%)	80.0	82.3	(2.3) pts	80.0	82.3	(2.3) pts

1. Jetstar Asia includes Singapore based operations only.

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