

QANTAS AIRWAYS LIMITED
ABN 16 009 661 901

PRELIMINARY MONTHLY TRAFFIC AND CAPACITY STATISTICS
MAY 2005

Summary of Traffic and Capacity Statistics

Month of May 2005

Total Domestic (Qantas, QantasLink and Jetstar) traffic, measured in Revenue Passenger Kilometres (RPKs) increased by 8.0 per cent in May 2005, while capacity, measured in Available Seat Kilometres (ASKs), increased by 7.7 per cent. This resulted in a revenue seat factor of 74.3 per cent, 0.2 percentage points higher than for May 2004.

Total International (Qantas and Australian Airlines) RPKs increased by 1.8 per cent in May 2005, while ASKs decreased by 0.7 per cent over the same period. The resulting revenue seat factor of 69.5 per cent was 1.7 percentage points higher than the previous year.

May Group (comprising Qantas Domestic, QantasLink, Jetstar, Qantas International and Australian Airlines) passenger numbers increased by 5.8 per cent over the previous year. RPKs increased by 3.8 per cent, while ASKs were up 1.9 per cent, resulting in a revenue seat factor of 71.1 per cent, which was 1.3 percentage points higher than the previous year.

Financial Year to Date May 2005

Total Domestic revenue seat factor for the financial year to May 2005 decreased by 0.8 percentage points to 78.7 per cent when compared with year to date May 2004, while total Domestic yield excluding exchange decreased by 2.8 per cent over the same period. Total International yield excluding exchange for the financial year to May increased by 4.4 per cent when compared with the same period last year. Total International revenue seat factor decreased by 2.4 percentage points to 75.4 per cent over the same period.

Group passenger numbers for the year to May 2005 increased by 9.0 per cent from the previous year. RPKs increased by 7.3 per cent, while ASKs increased by 9.9 per cent, resulting in a revenue seat factor of 76.4 per cent, 1.9 percentage points lower than the previous year.

Recent Developments

On 29 June 2005, Qantas announced it would begin flying between Sydney and Beijing from 9 January 2006. Qantas said it would initially operate three weekly services to Beijing and expected to offer daily flights to both Beijing and Shanghai within two years. Beijing will be an important destination for the Qantas network and these three weekly services, coupled with the start of a fourth Sydney-Shanghai service in November, will provide customers with daily non-stop flights to China. Qantas' new two-class Airbus A330-300 aircraft would operate on all flights to China, allowing Business Class customers to experience the award-winning Skybed.

On 24 June 2005, Qantas said it would adopt Australian Equivalents to International Financial Reporting Standards (A-IFRS) from 1 July 2005. The financial report for the half-year to 31 December 2005 will be the airline's first report under the new standards. Comparative financial information will be presented applying A-IFRS for transition adjustments to the opening balance sheet at 1 July 2004 and to restate 2004/05 comparative earnings. This will not include the impact of AASB 139 "Financial Instruments" as this is not required at this stage. Qantas said that A-IFRS would not affect cash flows, credit ratings, dividend policy or the economic management of the airline and that Qantas did not expect any significant impact on future earnings.

On 15 June 2005, Qantas welcomed the announcement by the Federal Government to defer a decision on granting Singapore Airlines access to the trans-Pacific route. Qantas said it was pleasing to see that the Australian Government plans to discuss a wider range of policy issues on an industry basis with Qantas, Virgin Blue and other carriers. Qantas is one of the least protected airlines in the world – it has maintained profitability and had relative success while competing against a multitude of government-owned and subsidised airlines.

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	2004/05	Month 2003/04	Change	Financial Year to Date		
				2004/05	2003/04	Change
Qantas Domestic *						
Passengers carried ('000)	1,281	1,466	(12.6)%	14,904	16,414	(9.2)%
Revenue Passenger Kilometres (m)	1,767	1,941	(9.0)%	20,737	21,929	(5.4)%
Available Seat Kilometres (m)	2,332	2,592	(10.0)%	25,800	27,350	(5.7)%
Revenue Seat Factor (%)	75.8	74.9	0.9 pts	80.4	80.2	0.2 pts
QantasLink						
Passengers carried ('000)	258	241	7.0%	2,803	2,756	1.7%
Revenue Passenger Kilometres (m)	156	148	5.2%	1,725	1,784	(3.3)%
Available Seat Kilometres (m)	220	220	(0.2)%	2,381	2,479	(4.0)%
Revenue Seat Factor (%)	70.9	67.3	3.6 pts	72.5	72.0	0.5 pts
Jetstar * #						
Passengers carried ('000)	380	53	na	4,005	53	na
Revenue Passenger Kilometres (m)	391	45	na	3,949	45	na
Available Seat Kilometres (m)	567	65	na	5,440	65	na
Revenue Seat Factor (%)	68.9	68.6	na	72.6	68.6	na
Total Domestic *						
Passengers carried ('000)	1,905	1,751	8.8%	21,393	19,214	11.3%
Revenue Passenger Kilometres (m)	2,297	2,127	8.0%	26,079	23,750	9.8%
Available Seat Kilometres (m)	3,090	2,870	7.7%	33,134	29,887	10.9%
Revenue Seat Factor (%)	74.3	74.1	0.2 pts	78.7	79.5	(0.8) pts
Qantas International						
Passengers carried ('000)	627	638	(1.7)%	7,925	7,734	2.5%
Revenue Passenger Kilometres (m)	4,131	4,025	2.6%	50,265	47,622	5.5%
Available Seat Kilometres (m)	5,911	5,910	0.0%	66,294	60,603	9.4%
Revenue Seat Factor (%)	69.9	68.1	1.8 pts	75.8	78.6	(2.8) pts
Australian Airlines						
Passengers carried ('000)	61	62	(1.6)%	746	635	17.5%
Revenue Passenger Kilometres (m)	281	310	(9.4)%	3,611	3,155	14.4%
Available Seat Kilometres (m)	435	484	(10.0)%	5,204	4,679	11.2%
Revenue Seat Factor (%)	64.6	64.1	0.5 pts	69.4	67.4	2.0 pts
Total International						
Passengers carried ('000)	688	700	(1.7)%	8,671	8,369	3.6%
Revenue Passenger Kilometres (m)	4,412	4,335	1.8%	53,876	50,778	6.1%
Available Seat Kilometres (m)	6,346	6,393	(0.7)%	71,498	65,282	9.5%
Revenue Seat Factor (%)	69.5	67.8	1.7 pts	75.4	77.8	(2.4) pts
Total Group Operations						
Passengers carried ('000)	2,593	2,451	5.8%	30,064	27,583	9.0%
Revenue Passenger Kilometres (m)	6,709	6,462	3.8%	79,955	74,528	7.3%
Available Seat Kilometres (m)	9,437	9,263	1.9%	104,632	95,169	9.9%
Revenue Seat Factor (%)	71.1	69.8	1.3 pts	76.4	78.3	(1.9) 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).

Prior year figures include Jetstar statistics for the seven day period from 25 May to 31 May 2004 inclusive.

* Qantas Domestic and Jetstar statistics both include the effect of a codeshare between the two airlines. However the effect of this codeshare is only included once in the statistics for the Total Domestic and Total Group Operations.

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