

PRELIMINARY MONTHLY TRAFFIC AND CAPACITY STATISTICS
MAY 2007

Summary of Traffic and Capacity Statistics

Month of May 2007

May Group (comprising Qantas Domestic, QantasLink, Jetstar and Qantas International) passenger numbers increased by 7.7 per cent over the previous year. RPKs increased by 7.5 per cent, while ASKs were up 4.6 per cent, resulting in a revenue seat factor of 74.0 per cent, which was 2.1 percentage points higher than the previous year.

Financial Year to Date May 2007

Total Domestic (Qantas, QantasLink and Jetstar domestic operations) yield excluding exchange for the financial year to May 2007 increased by 4.3 per cent when compared to the same period last year. Total International (Qantas and Jetstar international operations) yield excluding exchange increased by 8.4 per cent over the same period.

Group passenger numbers for the financial year to May 2007 increased by 7.1 per cent from the previous year. RPKs increased by 7.5 per cent, while ASKs increased by 3.4 per cent, resulting in a revenue seat factor of 80.0 per cent, 3.0 percentage points higher than the previous year.

Recent Developments

On 27 June 2007, Qantas confirmed that it had agreed to sell its 4.2 per cent stake in Air New Zealand. The transaction was conducted via an overnight book build and resulted in a sale price of NZ\$2.70 per share. Qantas said that following the sale of the shares, it remained comfortable with its previous guidance that its 2006/07 profit before tax was in line with the average of market expectations.

On 27 June 2007, Qantas announced that it would establish a new, stand-alone flight training business by the end of 2007, with the aim of training 3,000 new pilots for the Qantas Group over the next 10 years. It is expected the new business would also train a significant number of pilots for other airlines.

In June 2007, Qantas made a number of executive changes to enhance segmentation and re-emphasise its focus on growth:

- Executive General Manager (EGM) Qantas Airlines, John Borghetti, will assume leadership for Qantas Holidays in addition to his existing responsibilities for Qantas Pilots and Flight Attendants. Mr Borghetti remains responsible for Qantas' Domestic, International and Regional operations;
- Alan Joyce, Chief Executive Officer Jetstar, will assume a significant leadership role in Jetstar Asia and other Asia-based low cost ventures including Pacific Airlines. Mr Joyce will also continue to lead Jetstar in its aggressive growth plans both domestically and internationally;
- Grant Fenn will lead Qantas' freight expansion plans as EGM Freight Enterprises. Grant will be responsible for Qantas Freight, Australian Air Express, and StarTrack Express, and continue to shape the evolution of Qantas' interests in the freight industry in Australia and Asia;
- Curtis Davies has taken on the new role of EGM Services, and will lead the continued transformation of Qantas' Airports and Catering business with a focus on competitive costs, margin improvement, and outstanding service to Qantas and third parties; and
- Simon Hickey is appointed to the new position of EGM Loyalty. His focus will be to develop the next generation of loyalty programs across the Group, and maximise the value of one of the most outstanding frequent flyer programs in the world.

The remainder of the Executive Team will continue with their existing responsibilities:

- Peter Gregg – Chief Financial Officer and EGM Strategy;
- Colin Storrie – Deputy CFO;
- Kevin Brown – EGM People;
- David Cox – EGM Engineering;
- Rob Kella – Chief Risk Officer;
- Brett Johnson – General Counsel; and
- David Hawes – Group General Manager Government and International Relations.

QANTAS AIRWAYS LIMITED

ABN 16 009 661 901

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	Month			Financial Year to Date		
	2006/07	2005/06	Change	2006/07	2005/06	Change
Qantas Domestic						
Passengers carried ('000)	1,362	1,291	5.5%	15,020	14,512	3.5%
Revenue Passenger Kilometres (m)	1,943	1,811	7.3%	21,796	20,674	5.4%
Available Seat Kilometres (m)	2,551	2,375	7.4%	27,282	26,016	4.9%
Revenue Seat Factor (%)	76.2	76.3	(0.1) pts	79.9	79.5	0.4 pts
QantasLink						
Passengers carried ('000)	344	303	13.4%	3,527	3,019	16.8%
Revenue Passenger Kilometres (m)	220	193	14.2%	2,292	1,899	20.7%
Available Seat Kilometres (m)	312	287	8.7%	3,226	2,770	16.5%
Revenue Seat Factor (%)	70.6	67.2	3.4 pts	71.1	68.6	2.5 pts
Jetstar*						
Passengers carried ('000)	635	486	30.7%	6,996	5,260	33.0%
Revenue Passenger Kilometres (m)	986	571	72.6%	9,630	5,754	67.4%
Available Seat Kilometres (m)	1,457	862	69.1%	12,766	7,761	64.5%
Revenue Seat Factor (%)	67.7	66.3	1.4 pts	75.4	74.1	1.3 pts
Qantas International **						
Passengers carried ('000)	623	671	(7.2)%	7,938	8,470	(6.3)%
Revenue Passenger Kilometres (m)	4,528	4,568	(0.9)%	55,807	54,949	1.6%
Available Seat Kilometres (m)	6,061	6,404	(5.4)%	68,586	71,659	(4.3)%
Revenue Seat Factor (%)	74.7	71.3	3.4 pts	81.4	76.7	4.7 pts
Total Group Operations						
Passengers carried ('000)	2,964	2,751	7.7%	33,481	31,261	7.1%
Revenue Passenger Kilometres (m)	7,677	7,143	7.5%	89,526	83,275	7.5%
Available Seat Kilometres (m)	10,381	9,928	4.6%	111,860	108,206	3.4%
Revenue Seat Factor (%)	74.0	71.9	2.1 pts	80.0	77.0	3.0 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