

QANTAS AIRWAYS LIMITED
ABN 16 009 661 901

PRELIMINARY MONTHLY TRAFFIC AND CAPACITY STATISTICS
OCTOBER 2003

Summary of Traffic and Capacity Statistics

Month of October 2003

International traffic, measured in Revenue Passenger Kilometres (RPKs) decreased by 7.7 percent in October 2003 while capacity, measured in Available Seat Kilometres (ASKs), decreased by 5.6 percent. This resulted in a revenue seat factor of 78.6 percent, 1.8 percentage points lower than for October 2002.

Domestic RPKs increased by 2.4 percent in October, while ASKs increased by 1.2 percent over the same period. The resulting revenue seat factor of 82.5 percent was 1.0 percentage point higher than the previous year.

October Group (comprising International, Domestic, Australian Airlines and QantasLink) passenger numbers decreased by 0.4 percent over the previous year. RPKs decreased by 1.3 percent, while ASKs were up 0.3 percent, resulting in a revenue seat factor of 79.2 percent, which was 1.3 percentage points lower than the previous year.

Financial Year to Date October 2003

International revenue seat factor for year to date October 2003 decreased by 0.6 percentage points to 79.9 percent when compared with year to date October 2002, while international yield excluding exchange decreased by 2.4 percent over the same period. Domestic yield excluding exchange for the financial year to October decreased by 1.8 percent. Domestic revenue seat factor increased by 2.6 percentage points to 82.6 percent over the same period.

Group passenger numbers for the year to October decreased by 1.4 percent from the previous year. RPKs decreased by 3.0 percent while ASKs decreased by 2.8 percent, resulting in a revenue seat factor of 80.1 percent, 0.1 percentage points lower than the previous year.

Recent Developments

On 1 December 2003, Qantas announced that its new low cost domestic airline will be called Jetstar. Jetstar will begin selling seats in February 2004 and start flying in May 2004, using 14 Boeing 717s currently operated by Impulse Airlines under the QantasLink brand. Qantas also announced the placement of an initial order of 23 Airbus A320s, with 177 slimline seats, for Jetstar. The first Airbus A320 will be delivered in June 2004 and Jetstar will, over time, move to an all A320 fleet. Jetstar's route network and fare structure will be announced in January 2004.

On 1 December 2003, Qantas also announced the following initiatives for Qantas' full service domestic airline, including the:

- reorganisation of the full service Qantas domestic airline into a two-class jet operation on all services, using only two aircraft types – Boeing 737s and 767s; and
- acquisition of an additional five Boeing 737-800 aircraft for the full service domestic airline to replace the airline's last 737-300s and further modernise the fleet.

On 28 November 2003, Qantas announced the appointment of Patricia Cross as a non-executive Director of the Board of Qantas Airways Limited. Mrs Cross fills a casual vacancy on the Board and will take up that position on 1 January 2004. Mrs Cross is Chairman of Qantas Superannuation Limited and a Director of Wesfarmers Limited.

On 21 November 2003, Qantas welcomed the resolution of the Federal Court litigation by the ACCC for alleged breaches by Qantas of s46 of the Trade Practices Act. The ACCC will discontinue the action, which related to Qantas' commercially justified competitive response to Virgin Blue commencing operations on the Brisbane-Adelaide route in early 2001.

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	Month			Financial Year to Date		
	2003/04	2002/03	Change	2003/04	2002/03	Change
Domestic						
Passengers carried ('000)	1,593	1,543	3.2%	6,011	5,927	1.4%
Revenue Passenger Kilometres (m)	2,131	2,081	2.4%	8,158	8,038	1.5%
Available Seat Kilometres (m)	2,584	2,554	1.2%	9,876	10,045	(1.7)%
Revenue Seat Factor (%)	82.5	81.5	1.0 pts	82.6	80.0	2.6 pts
International						
Passengers carried ('000)	705	767	(8.1)%	2,695	2,983	(9.7)%
Revenue Passenger Kilometres (m)	4,218	4,572	(7.7)%	16,415	18,244	(10.0)%
Available Seat Kilometres (m)	5,368	5,687	(5.6)%	20,549	22,653	(9.3)%
Revenue Seat Factor (%)	78.6	80.4	(1.8) pts	79.9	80.5	(0.6) pts
Australian Airlines						
Passengers carried ('000)	56	4	1300.0%	211	4	5175.0%
Revenue Passenger Kilometres (m)	277	24	1054.2%	1,038	24	4225.0%
Available Seat Kilometres (m)	399	35	1040.0%	1,495	35	4171.4%
Revenue Seat Factor (%)	69.4	68.6	0.8 pts	69.4	68.6	0.8 pts
QantasLink						
Passengers carried ('000)	274	325	(15.7)%	1,113	1,262	(11.8)%
Revenue Passenger Kilometres (m)	182	219	(16.9)%	756	864	(12.5)%
Available Seat Kilometres (m)	240	289	(17.0)%	1,010	1,160	(12.9)%
Revenue Seat Factor (%)	75.8	75.8	0.0 pts	74.9	74.5	0.4 pts
Total Group Operations						
Passengers carried ('000)	2,628	2,639	(0.4)%	10,030	10,176	(1.4)%
Revenue Passenger Kilometres (m)	6,808	6,896	(1.3)%	26,367	27,170	(3.0)%
Available Seat Kilometres (m)	8,591	8,565	0.3%	32,930	33,893	(2.8)%
Revenue Seat Factor (%)	79.2	80.5	(1.3) pts	80.1	80.2	(0.1) pts

Notes

Any adjustments to preliminary statistics will be included in the year to date results next month. Where figures have been rounded, discrepancies 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 (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