QANTAS AIRWAYS LIMITED ABN 16 009 661 901

PRELIMINARY MONTHLY TRAFFIC AND CAPACITY STATISTICS SEPTEMBER 2004

Summary of Traffic and Capacity Statistics

Month of September 2004

Total Domestic (Qantas, QantasLink and Jetstar) traffic, measured in Revenue Passenger Kilometres (RPKs) increased by 10.4 per cent in September 2004 while capacity, measured in Available Seat Kilometres (ASKs) increased by 10.6 per cent. This resulted in a revenue seat factor of 80.0 per cent, 0.2 percentage points lower than for September 2003.

Total International (Qantas and Australian Airlines) RPKs increased by 8.4 per cent in September, while ASKs increased by 18.7 per cent over the same period. The resulting revenue seat factor of 72.9 per cent was 6.9 percentage points lower than the previous year.

September Group (comprising Qantas Domestic, QantasLink, Jetstar, Qantas International and Australian Airlines) passenger numbers increased by 10.0 per cent over the previous year. RPKs increased by 9.1 per cent, while ASKs were up 16.0 per cent, resulting in a revenue seat factor of 75.2 per cent, which was 4.8 percentage points lower than the previous year.

Financial Year to Date September 2004

Total Domestic revenue seat factor for the financial year to September 2004 decreased by 2.0 percentage points to 79.9 per cent when compared with year to date September 2003, while total Domestic yield excluding exchange decreased by 7.7 per cent over the same period. Total International yield excluding exchange for the financial year to September increased by 4.5 per cent when compared with the same period last year. Total International revenue seat factor decreased by 5.1 percentage points to 74.5 per cent over the same period.

Group passenger numbers for the year to September 2004 increased by 11.2 per cent from the previous year. RPKs increased by 11.3 per cent, while ASKs increased by 17.4 per cent, resulting in a revenue seat factor of 76.2 per cent, 4.2 percentage points lower than the previous year.

Recent Developments

On 2 November 2004, Qantas announced it had reached agreement with the union representing long haul flight attendants on the establishment of a crew base in London. The successful conclusion of negotiations followed discussions in the Industrial Relations Commission and removed the threat of industrial action by cabin crew over Christmas. The agreement includes the establishment, as announced in June 2004, of a Qantas crew base in London for 400 international flight attendants that will save \$18 million annually through rostering efficiencies and reduced accommodation and allowance costs. Qantas and the FAAA International Division also reached an agreement on a new enterprise bargaining agreement that will come into effect in December 2004. The agreement, which includes a three per cent per annum increase for the next three years, will be put to long haul flight attendants for approval.

Effective 31 October 2004, Qantas commenced operating three Sydney-Hong Kong-London flights each week and three Perth-Singapore-London services each week. These six new flights to London increase the number of UK services offered by Qantas from 21 to 27 per week. Qantas will add a fourth weekly service to the UK via Hong Kong in 2005 and has approval to operate a further three services from April 2006.

On 29 October 2004, QantasLink announced it will replace its fleet of BAe146 aircraft with newer Boeing 717 aircraft from July 2005. The Boeing 717 aircraft will move progressively from Jetstar to QantasLink as Jetstar continues to grow its fleet of new Airbus A320s. Eight Boeing 717s, operating in a 115 seat configuration with a 32 inch seat pitch, will gradually replace eight 65 to 76 seat BAe146s over the 12 months beginning July 2005. QantasLink will continue to fly the remaining two BAe146s in its fleet, which are leased until December 2006. QantasLink also operates a fleet of 34 Bombardier Dash 8 Aircraft.

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SEPTEMBER 2004

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Oceanics Bernardia t	Month 2004/05 2003/04 Change			Financial Year to Date 2004/05 2003/04 Change		
Qantas Domestic *	4 400	4 400	(5.0)0/	4.004	4.440	(0,0)0/
Passengers carried ('000)	1,409	1,496	(5.8)%	4,261	4,418	(3.6)%
Revenue Passenger Kilometres (m)	1,986	2,028	(2.1)%	6,042	6,027	0.2%
Available Seat Kilometres (m)	2,439	2,504	(2.6)%	7,414	7,292	1.7%
Revenue Seat Factor (%)	81.4	81.0	0.4 pts	81.5	82.7	(1.2) pts
QantasLink						
Passengers carried ('000)	256	264	(3.0)%	780	839	(6.9)%
Revenue Passenger Kilometres (m)	156	172	(9.3)%	482	573	(15.9)%
Available Seat Kilometres (m)	214	237	(9.7)%	652	770	(15.3)%
Revenue Seat Factor (%)	73.0	72.6	0.4 pts	73.8	74.4	(0.6) pts
Jetstar *						
Passengers carried ('000)	334	-	na	929	-	na
Revenue Passenger Kilometres (m)	329	-	na	887	-	na
Available Seat Kilometres (m)	441	-	na	1,222	-	na
Revenue Seat Factor (%)	74.7	-	na	72.6	-	na
Total Domestic *						
Passengers carried ('000)	1,958	1,760	11.3%	5,858	5,257	11.4%
Revenue Passenger Kilometres (m)	2,428	2,200	10.4%	7,297	6,600	10.6%
Available Seat Kilometres (m)	3,033	2,742	10.6%	9,129	8,062	13.2%
Revenue Seat Factor (%)	80.0	80.2	(0.2) pts	79.9	81.9	(2.0) pts
Qantas International						
Passengers carried ('000)	701	665	5.4%	2,156	1,990	8.3%
Revenue Passenger Kilometres (m)	4,329	4,018	7.7%	13,453	12,197	10.3%
Available Seat Kilometres (m)	5,938	5,005	18.6%	18,032	15,181	18.8%
Revenue Seat Factor (%)	72.9	80.3	(7.4) pts	74.6	80.3	(5.7) pts
Australian Airlines						
Passengers carried ('000)	70	56	25.0%	216	155	39.4%
Revenue Passenger Kilometres (m)	334	282	18.3%	1,021	761	34.2%
Available Seat Kilometres (m)	453	381	19.0%	1,409	1,096	28.6%
Revenue Seat Factor (%)	73.5	74.0	(0.5) pts	72.5	69.4	3.1 pts
Total International						
Passengers carried ('000)	771	721	6.9%	2,372	2,145	10.6%
Revenue Passenger Kilometres (m)	4,662	4,300	8.4%	14,474	12,958	11.7%
Available Seat Kilometres (m)	6,392	5,386	18.7%	19,441	16,277	19.4%
Revenue Seat Factor (%)	72.9	79.8	(6.9) pts	74.5	79.6	(5.1) pts
Total Group Operations						
Passengers carried ('000)	2,729	2,481	10.0%	8,230	7,402	11.2%
Revenue Passenger Kilometres (m)	7,090	6,500	9.1%	21,771	19,558	11.3%
Available Seat Kilometres (m)	9,425	8,128	16.0%	28,571	24,339	17.4%
Revenue Seat Factor (%)	75.2	80.0	(4.8) pts	76.2	80.4	(4.2) 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).

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

^{*} 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.