

PRELIMINARY MONTHLY TRAFFIC AND CAPACITY STATISTICS
SEPTEMBER 2006

Summary of Traffic and Capacity Statistics

Month of September 2006

September Group (comprising Qantas Domestic, QantasLink, Jetstar and Qantas International) passenger numbers increased by 5.5 per cent over the previous year. RPKs increased by 5.7 per cent, while ASKs were up 2.9 per cent, resulting in a revenue seat factor of 80.5 per cent, which was 2.2 percentage points higher than the previous year.

Financial Year to Date September 2006

Total Domestic (Qantas, QantasLink and Jetstar domestic operations) yield excluding exchange for the financial year to September 2006 increased by 1.5 per cent when compared to the same period last year. Total International (Qantas, Australian Airlines and Jetstar Trans-Tasman operations) yield excluding exchange increased by 7.9 per cent over the same period.

Group passenger numbers for the financial year to September 2006 increased by 6.7 per cent from the previous year. RPKs increased by 6.5 per cent, while ASKs increased by 4.0 per cent, resulting in a revenue seat factor of 79.3 per cent, 1.8 percentage points higher than the previous year.

Recent Developments

On 29 October 2006, Qantas announced it placed firm orders for eight more Airbus A380s, increasing its commitment to the A380 to 20 aircraft, to be delivered between August 2008 and 2015. Qantas said the A380 was clearly the most suitable aircraft to deploy on dense longhaul routes from Australia to the United States, the United Kingdom, Continental Europe and possibly the Middle East. Qantas has negotiated an attractive package to firm up the additional eight A380s. The package also includes an additional four A330-200 aircraft which will help mitigate capacity concerns associated with the delay of the first A380s. Qantas said it will also buy five more Boeing 737-800 aircraft for delivery from February 2008.

The 2006 Annual General Meeting of Qantas Airways Limited was held on Thursday, 19 October 2006 in Sydney. All Resolutions were passed by shareholders.

On 19 October 2006, Qantas announced it would reduce its international fuel surcharges effective 24 October 2006. Qantas said the revised one-way fuel surcharges for services from Australia would be to: UK and Europe \$170; mainland USA, Canada, South America, South Africa and India \$133; Asia, Pacific and Honolulu \$105; and New Zealand \$60. Qantas also said, that despite the recent drop in the price of oil, it still faces a significant shortfall compared to last year in terms of recovering fuel cost increases, even after hedging and surcharges.

On 19 October 2006, Qantas also announced that subject to the finalisation of contractual agreements, it would move its IT applications support and maintenance to global service providers Satyam Computer Services Limited and Tata Consulting Services. Qantas said there is an increasing concentration of suppliers with the skills needed for the ongoing support of the applications, and those suppliers are achieving a scale and efficiency that airlines cannot match. Qantas said it would require an investment of \$100 million to develop its inhouse capability in this area to industry best practice standard - an investment it could not support given the extensive capital expenditure program already underway.

On 5 October 2006, Qantas introduced online check-in, allowing domestic passengers to check-in for flights over the internet at qantas.com. Qantas said it expected the convenience of online check-in to be particularly attractive to business customers. On-line check-in allows customers to check-in for same day return flights, choose their preferred seat and print their own boarding passes before heading to the airport. Qantas said that all passengers and their baggage would still need to pass through airport security screening before boarding, regardless of which check-in process was used.

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)	1,361	1,368	(0.5)%	4,098	4,057	1.0%
Revenue Passenger Kilometres (m)	1,985	1,995	(0.5)%	5,958	5,869	1.5%
Available Seat Kilometres (m)	2,480	2,456	1.0%	7,483	7,327	2.1%
Revenue Seat Factor (%)	80.1	81.2	(1.1) pts	79.6	80.1	(0.5) pts
QantasLink						
Passengers carried ('000)	327	273	19.8%	967	807	19.8%
Revenue Passenger Kilometres (m)	215	170	26.6%	648	502	29.0%
Available Seat Kilometres (m)	290	242	19.9%	875	710	23.3%
Revenue Seat Factor (%)	74.2	70.2	4.0 pts	74.0	70.7	3.3 pts
Jetstar						
Passengers carried ('000)	635	458	38.6%	1,881	1,307	43.9%
Revenue Passenger Kilometres (m)	774	484	59.9%	2,336	1,385	68.7%
Available Seat Kilometres (m)	941	613	53.5%	2,874	1,811	58.7%
Revenue Seat Factor (%)	82.2	79.0	3.2 pts	81.3	76.5	4.8 pts
Qantas International *						
Passengers carried ('000)	725	790	(8.2)%	2,207	2,406	(8.3)%
Revenue Passenger Kilometres (m)	5,078	4,967	2.2%	15,409	15,117	1.9%
Available Seat Kilometres (m)	6,298	6,412	(1.8)%	19,460	19,652	(1.0)%
Revenue Seat Factor (%)	80.6	77.5	3.1 pts	79.2	76.9	2.3 pts
Total Group Operations						
Passengers carried ('000)	3,048	2,889	5.5%	9,153	8,577	6.7%
Revenue Passenger Kilometres (m)	8,052	7,616	5.7%	24,351	22,873	6.5%
Available Seat Kilometres (m)	10,009	9,723	2.9%	30,692	29,500	4.0%
Revenue Seat Factor (%)	80.5	78.3	2.2 pts	79.3	77.5	1.8 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 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