

QANTAS AIRWAYS LIMITED
ABN 16 009 661 901

PRELIMINARY MONTHLY TRAFFIC AND CAPACITY STATISTICS

FEBRUARY 2011

Summary of Traffic and Capacity Statistics

Month of February 2011

Qantas Group passenger numbers for February 2011 were up 5.1 percent from the previous year. RPKs increased by 5.1 percent and ASKs increased by 7.2 percent, resulting in a revenue seat factor of 77.9 percent, which was 1.6 percentage point lower than the previous year.

Financial Year to Date February 2011

Group passenger numbers for the financial year to February 2011 were up 8.7 percent from the previous year. RPKs increased by 6.2 percent, and ASKs increased by 7.2 percent, resulting in a revenue seat factor of 81.1 percent, which was 0.8 percentage point lower than the previous year.

Total Domestic (Qantas, QantasLink and Jetstar Domestic operations) yield excluding foreign exchange for the financial year to February 2011 was 0.2 percent higher when compared to the corresponding prior year period. Total International (Qantas and Jetstar International operations) yield excluding foreign exchange for the financial year to February 2011 was 10.2 percent higher when compared to the corresponding prior year period.

Domestic and international yields and loads have been impacted by a number of significant weather events, natural disasters and the disruptions to the A380 fleet.

Recent Developments

On 30 March, Qantas announced it would reduce group domestic capacity growth in 2H11 from 14 percent to 8 percent and reduce group international capacity growth in 2H11 from 10 percent to 7 percent.

On 30 March, Qantas announced 2H11 Underlying PBT will be impacted by a number of significant events. Current estimates include A380 Rolls-Royce engine incident and fleet grounding (\$25 million), Queensland floods (\$60 million), Cyclone Yasi and Carlos (\$20 million), Christchurch earthquake (\$15 million) and the Japan earthquake and tsunami (\$45 million).

On 24 March, Qantas announced it would increase domestic and regional fares by up to \$10 per sector and Tasman fares by up to 8 percent as part of its ongoing response to high oil and jet fuel prices.

On 18 March, Qantas announced it had reached a settlement with the New Zealand Commerce Commission in relation to price fixing conduct within its freight division between 2000 and 2006. The settlement included an agreement to recommend to the New Zealand High Court that Qantas pays a fine of NZD6.5 million.

On 9 March, Qantas announced it would again increase international fuel surcharges as a further response to continuing rises in oil and jet fuel prices.

Update on Hedging

Qantas has hedged 97 percent of its remaining fuel requirement in 2010/11, mainly in options and collars, at a worst-case crude oil price of USD101.25 per barrel including option premium. Qantas has hedged 35 percent of its fuel requirement in 2011/12 at a worst-case crude oil price of USD105.69 per barrel including option premium. The majority of hedging is in Brent crude oil or refined products.

Qantas has hedged 100 percent of its remaining operational foreign exchange exposure in 2010/11 at a worst case AUD/USD equivalent exchange rate of 0.9020 inclusive of option premium. Qantas has hedged 7 percent of its remaining operational foreign exchange exposure in 2011/12 at a worst case AUD/USD equivalent exchange rate of 0.8212 inclusive of option premium.

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	Month			Financial Year to Date		
	2010/11	2009/10	Change	2010/11	2009/10	Change
Qantas Domestic						
Passengers carried ('000)	1,254	1,264	(0.8)%	11,519	11,067	4.1%
Revenue Passenger Kilometres (m)	1,739	1,763	(1.4)%	16,734	16,059	4.2%
Available Seat Kilometres (m)	2,269	2,228	1.8%	20,737	19,591	5.9%
Revenue Seat Factor (%)	76.6	79.1	(2.5) pts	80.7	82.0	(1.3) pts
QantasLink						
Passengers carried ('000)	351	323	8.7%	3,204	2,793	14.7%
Revenue Passenger Kilometres (m)	228	214	6.2%	2,151	1,929	11.5%
Available Seat Kilometres (m)	352	338	4.1%	3,101	2,835	9.4%
Revenue Seat Factor (%)	64.6	63.3	1.3 pts	69.4	68.0	1.4 pts
Jetstar Domestic						
Passengers carried ('000)	728	632	15.2%	6,611	5,677	16.4%
Revenue Passenger Kilometres (m)	828	694	19.3%	7,636	6,399	19.3%
Available Seat Kilometres (m)	1,064	839	26.8%	9,517	7,683	23.9%
Revenue Seat Factor (%)	77.8	82.7	(4.9) pts	80.2	83.3	(3.1) pts
Qantas International						
Passengers carried ('000)	466	462	0.9%	4,078	4,010	1.7%
Revenue Passenger Kilometres (m)	3,902	3,788	3.0%	34,424	33,960	1.4%
Available Seat Kilometres (m)	4,860	4,729	2.8%	41,198	40,583	1.5%
Revenue Seat Factor (%)	80.3	80.1	0.2 pts	83.6	83.7	(0.1) pts
Jetstar International						
Passengers carried ('000)	326	310	5.2%	2,772	2,641	5.0%
Revenue Passenger Kilometres (m)	945	872	8.3%	8,271	7,451	11.0%
Available Seat Kilometres (m)	1,258	1,094	15.1%	10,587	9,552	10.8%
Revenue Seat Factor (%)	75.1	79.7	(4.6) pts	78.1	78.0	0.1 pts
Jetstar Asia						
Passengers carried ('000)	215	188	14.4%	1,824	1,427	27.9%
Revenue Passenger Kilometres (m)	336	261	28.9%	2,786	1,981	40.6%
Available Seat Kilometres (m)	442	330	33.9%	3,589	2,500	43.6%
Revenue Seat Factor (%)	76.1	79.1	(3.0) pts	77.6	79.3	(1.7) pts
Total Group Operations						
Passengers carried ('000)	3,341	3,180	5.1%	30,009	27,615	8.7%
Revenue Passenger Kilometres (m)	7,977	7,592	5.1%	72,002	67,779	6.2%
Available Seat Kilometres (m)	10,244	9,559	7.2%	88,729	82,744	7.2%
Revenue Seat Factor (%)	77.9	79.4	(1.6) pts	81.1	81.9	(0.8) 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, the total and 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