

QANTAS AIRWAYS LIMITED

ABN 16 009 661 901

PRELIMINARY MONTHLY TRAFFIC AND CAPACITY STATISTICS

AUGUST 2014

Summary of Traffic and Capacity Statistics

Month of August 2014

Qantas Group passenger numbers for August 2014 increased by 3.2 per cent from the previous year. Group capacity (Available Seat Kilometres) increased by 0.3 per cent and Group demand (Revenue Passenger Kilometres) increased by 3.0 per cent, resulting in a revenue seat factor of 79.7 per cent which was 2.1 percentage point higher than the previous year.

Group Domestic capacity in the month was marginally lower compared to the prior corresponding period. Capacity growth at QantasLink was driven by the introduction of B717 services on routes including Canberra and Hobart.

Jetstar Asia (Singapore) capacity increases in the month of August were primarily driven by changes to flying between Jetstar Australia and Jetstar Asia, and was well above expected capacity growth for the first half of financial year 2015. Combined Jetstar Australia and Jetstar Asia narrowbody capacity growth in South East Asia in the first half of financial year 2015 is expected to be flat on the prior corresponding period.

For August 2014, Qantas Group yields were lower than the prior corresponding period. Total Domestic (comprising Qantas Domestic, QantasLink and Jetstar Domestic) yields were lower than the prior corresponding period. Total International yields were higher than the prior corresponding period.

Financial Year 2015

Qantas Group passenger numbers for the financial year to date increased by 3.2 per cent from the previous year. Group capacity increased by 1.2 per cent and demand increased by 3.2 per cent, resulting in a revenue seat factor of 80.3 per cent which was 1.5 percentage points higher than the previous year.

For the financial year to date, Qantas Group yields were lower than the prior corresponding period. Total Domestic (comprising Qantas Domestic, QantasLink and Jetstar Domestic) yields were lower than the prior corresponding period. Total International yields were higher than the prior corresponding period, with improvements seen across the majority of routes.

Recent Developments

On 22 September 2014, Qantas announced it will start direct flights between Brisbane and Hamilton Island. From November 28, QantasLink will operate four return services per week on Q400 aircraft. The Qantas Group offers 40 return services a week to Hamilton Island from Sydney, Brisbane, Melbourne and Cairns.

On 19 September 2014, Qantas and Jetstar were named the two most reliable major domestic airlines for the month of August 2014. The Bureau of Infrastructure, Transport and Regional Economics (BITRE) shows Qantas and Jetstar beat both of their respective major domestic competitors to deliver the best on-time departures and arrivals.

On 17 September 2014, Qantas and SriLankan Airlines announced a new codeshare agreement. From 26 October (subject to regulatory approval), Qantas will codeshare on SriLankan's daily Singapore-Colombo service whilst SriLankan will codeshare on selected Qantas' services between Singapore and Australia.

On 11 September 2014, Qantas announced a new codeshare agreement with WestJet. From 15 October (subject to regulatory approval), Qantas customers will be able to travel on codeshare services operated by WestJet to more than 20 new routes both to and within Canada.

On 3 September 2014, Qantas announced it will begin flights between Sydney and the new Brisbane West Wellcamp airport in Toowoomba from 17 November. QantasLink will operate 11 return flights a week.

Update on Foreign Exchange Exposure

As at 26 September 2014 the Qantas Group has hedged 93 percent of its AUD/USD risk for financial year 2015 at a worst case exchange rate of 0.88 inclusive of option premium.

QANTAS AIRWAYS LIMITED
ABN 16 009 661 901
PRELIMINARY MONTHLY TRAFFIC AND CAPACITY STATISTICS
AUGUST 2014

	Month			Financial Year to Date		
	2014/15	2013/14	Change	2014/15	2013/14	Change
QANTAS DOMESTIC (INCLUDING QANTASLINK) - SCHEDULED SERVICES						
Passengers Carried ('000)	1,864	1,860	0.2%	3,763	3,775	(0.3)%
Revenue Passenger Kilometres (m)	2,369	2,375	(0.2)%	4,822	4,874	(1.1)%
Available Seat Kilometres (m)	3,135	3,229	(2.9)%	6,332	6,516	(2.8)%
Revenue Seat Factor (%)	75.6	73.5	2.0 pts	76.1	74.8	1.4 pts
QANTAS DOMESTIC (EXCLUDING QANTASLINK) - SCHEDULED SERVICES						
Passengers Carried ('000)	1,338	1,408	(5.0)%	2,695	2,863	(5.9)%
Revenue Passenger Kilometres (m)	2,028	2,080	(2.5)%	4,127	4,273	(3.4)%
Available Seat Kilometres (m)	2,612	2,761	(5.4)%	5,271	5,573	(5.4)%
Revenue Seat Factor (%)	77.6	75.3	2.3 pts	78.3	76.7	1.6 pts
QANTASLINK - SCHEDULED SERVICES						
Passengers Carried ('000)	526	452	16.5%	1,068	913	17.0%
Revenue Passenger Kilometres (m)	341	295	15.7%	694	600	15.6%
Available Seat Kilometres (m)	524	468	11.9%	1,061	943	12.5%
Revenue Seat Factor (%)	65.1	63.0	2.1 pts	65.4	63.7	1.7 pts
JETSTAR DOMESTIC - SCHEDULED SERVICES						
Passengers Carried ('000)	1,047	957	9.4%	2,182	1,998	9.2%
Revenue Passenger Kilometres (m)	1,246	1,169	6.6%	2,602	2,458	5.8%
Available Seat Kilometres (m)	1,500	1,438	4.3%	3,124	2,989	4.5%
Revenue Seat Factor (%)	83.1	81.3	1.8 pts	83.3	82.2	1.1 pts
QANTAS INTERNATIONAL - SCHEDULED SERVICES						
Passengers Carried ('000)	477	487	(2.1)%	985	1,003	(1.7)%
Revenue Passenger Kilometres (m)	4,021	3,996	0.6%	8,284	8,203	1.0%
Available Seat Kilometres (m)	4,918	5,002	(1.7)%	10,034	10,080	(0.5)%
Revenue Seat Factor (%)	81.8	79.9	1.9 pts	82.6	81.4	1.2 pts
JETSTAR INTERNATIONAL - SCHEDULED SERVICES						
Passengers Carried ('000)	429	403	6.4%	870	825	5.4%
Revenue Passenger Kilometres (m)	1,310	1,193	9.9%	2,639	2,379	10.9%
Available Seat Kilometres (m)	1,656	1,587	4.3%	3,338	3,156	5.8%
Revenue Seat Factor (%)	79.1	75.2	4.0 pts	79.0	75.4	3.7 pts
JETSTAR ASIA - SCHEDULED SERVICES						
Passengers Carried ('000)	342	323	5.6%	700	637	9.8%
Revenue Passenger Kilometres (m)	571	506	12.8%	1,160	990	17.3%
Available Seat Kilometres (m)	725	643	12.7%	1,467	1,265	16.0%
Revenue Seat Factor (%)	78.7	78.7	0.1 pts	79.1	78.3	0.9 pts
QANTAS GROUP OPERATIONS						
Passengers Carried ('000)	4,159	4,031	3.2%	8,500	8,238	3.2%
Revenue Passenger Kilometres (m)	9,517	9,238	3.0%	19,507	18,904	3.2%
Available Seat Kilometres (m)	11,933	11,899	0.3%	24,295	24,007	1.2%
Revenue Seat Factor (%)	79.7	77.6	2.1 pts	80.3	78.7	1.5 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