



24 February 2022

ASX Market Announcements Office
Australian Securities Exchange Limited

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Qantas Group HY22 Investor Presentations

Qantas Airways Limited attaches the following documents:

- Qantas Group HY22 Investor Presentation; and
- Qantas Group HY22 Investor Presentation – Supplementary.

Yours faithfully,

Andrew Finch
Group General Counsel and Company Secretary

Authorised for release by Qantas' Board of Directors.



1H22 Results Presentation

Qantas Airways Limited

24 February 2022

ASX: QAN

US OTC: QABSY



1H22 overview

Operating Results

- 1H22 Underlying EBITDA¹ of (\$245)m, Underlying Loss Before Tax (ULBT)² of (\$1,277)m, Statutory Loss Before Tax of (\$622)m, impacted by
 - COVID-19 border closures and lockdowns, Group capacity at 18% of pre-COVID levels³
 - Net gain on sale of \$649m⁴ from disposal of surplus land at Mascot
 - Record 1H22 Freight performance⁵ and continued earnings growth⁶ in Qantas Loyalty
- Positive Net Free Cash Flow⁷ of \$552m supported by Mascot land sale and strong Qantas Loyalty cash contribution
 - Three consecutive months of positive Net Free Cash Flow (excluding Mascot land sale) in 2Q22 totalling \$0.4b driven by recovery and rebuild of Revenue Received in Advance (RRIA)

Balance Sheet and Liquidity

- Net Debt⁸ improved to \$5.5b at December 2021 (within Net Debt target range of \$4.4b – \$5.5b)
- Total liquidity \$4.3b consisting of cash of \$2.7b and undrawn facilities of \$1.6b

Recovery Plan Highlights

- Delivered \$840m in structural cost benefits program to date, on track for >\$900m by FY22, and \$1b by FY23
- Return of all stood down Australian-based employees in December 2021
- Earlier than anticipated restart of international operations in November 2021

Recovery on track despite very challenging trading conditions

1. Underlying earnings before interest, tax, depreciation, amortisation and impairments (Underlying EBITDA). 2. Underlying LBT is a non-statutory measure and is the primary reporting measure used by the Chief Operating Decision-Making bodies, being the Chief Executive Officer, Group Management Committee and the Board of Directors, for the purpose of assessing the performance of the Qantas Group. All items in the 1H22 Presentation are reported on an Underlying basis, unless otherwise stated. For a reconciliation from Statutory LBT to Underlying LBT, please see slide 6 of the Supplementary Presentation. 3. 1H19 used as proxy for pre-COVID flying. 4. Net gain on sale before tax. 5. Underlying EBITDA. 6. Underlying EBIT. 7. Cash from operating activities plus net cash inflows from investing activities. 8. Net Debt under the Group's Financial Framework includes net on Balance Sheet debt and capitalised aircraft lease liabilities. For a detailed calculation of the Net Debt target range, please see slide 15 in the Supplementary Presentation.



Recovery Plan progress

Preserving liquidity - 2020

- Acted swiftly to safely hibernate the business, cut costs and preserve liquidity
 - Boosted liquidity; maintained no financial covenants on debt and investment grade credit rating (Baa2)
 - Disciplined capital allocation¹; deferred aircraft deliveries
 - Renegotiated supplier contracts, grounded the majority of the fleet, stood down ~25,000 employees
 - Improved travel credit conditions for customers; introduced 'Fly Well'
- Cut cash costs by ~75% in response to 82% fall in Group Total Revenue²
- Initiated three-year cost transformation Recovery Plan of \$1b by FY23
- Changed Loyalty program to drive member engagement, including tier extension

Restructuring and restart - 2021

- Successful restart of operations in a highly dynamic environment
 - Safely returned fleet from hibernation
 - Relentless cash focus and agile network management
 - International restart in November 2021, earlier than expected
 - Return of all stood down Australian-based employees by December 2021
- Strong liquidity and Balance Sheet repair underway
 - Positive Net Free Cash Flow across CY21
 - Net Debt within target range by December 2021
 - Investment grade credit rating maintained
- Recovery Plan delivered \$840m of cost benefits to date
- Maintained customer focus despite challenging travel landscape
 - Record NPS³ across all brands
 - Enhanced confidence through 'Fly Well' and 'Fly Flexible'
 - Accelerated digital enablement of the travel experience
- Record performance from Freight and Qantas Loyalty returned to growth⁴

Accelerating our recovery - 2022

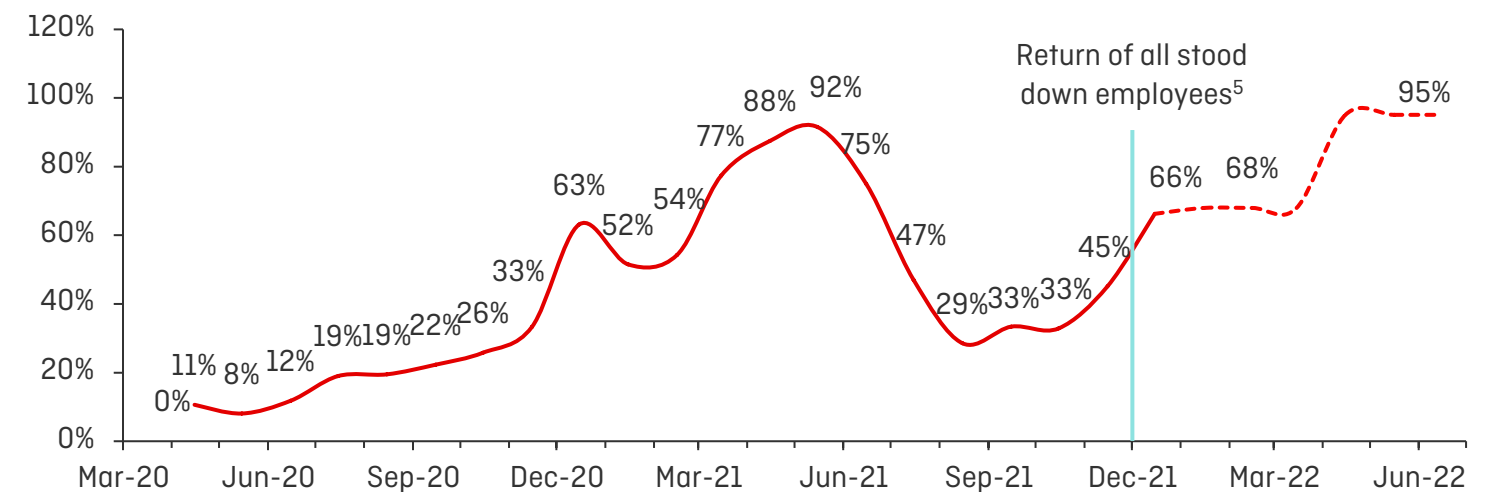
- Well-positioned as demand returns
 - Extended competitive positions across all segments
 - Agile ways of working now embedded across the Group
 - Ability to scale capacity quickly and highly leveraged to recovery in travel demand
 - Continued focus on cash positive flying
- Continuing Balance Sheet repair
 - Net Debt maintained within target range with focus to move towards bottom half of the range
 - Replenish unencumbered assets with selective prepayment of secured debt and option to fund new deliveries with cash
- Deliver \$1b Recovery Plan benefits by FY23
- Continued investment in customer experience with an emphasis on digital experience and reward for Loyalty, maintaining high levels of NPS³
- Qantas Loyalty returning to double digit growth by end of CY22⁵ and Freight profitability structurally higher than pre-COVID levels

1. Cancelled up to \$150m off-market share buy back and interim dividend totalling \$201m. Reduced capital expenditure by ~\$400m. 2. Over April – June 2020. 3. Net Promoter Score. 4. Record Freight Underlying EBITDA performance achieved in 1H22. Loyalty Underlying EBIT returned to growth in calendar year 2021 vs calendar year 2020. 5. Underlying EBIT 1H23 vs 1H22.

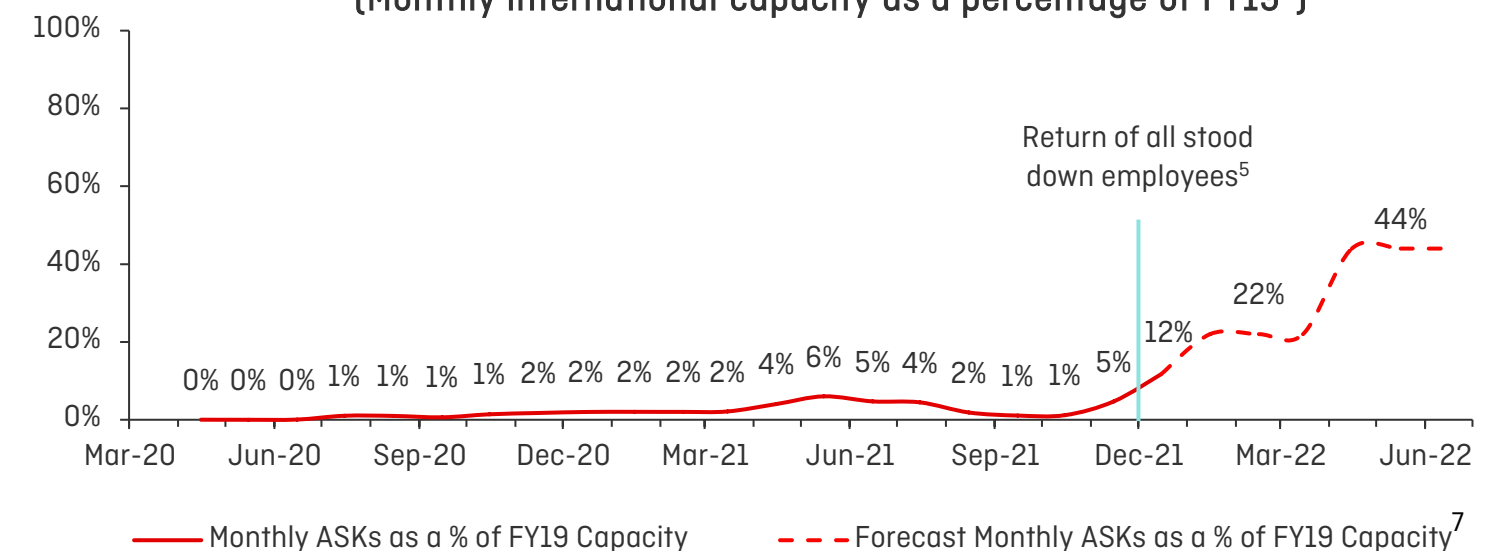
Network and workforce management

- Dynamic approach to domestic and international schedules required given highly fluid demand environment – threefold increase in schedule changes compared to pre-COVID¹
- Flexible fleet deployment meeting new sources of demand
 - 48 new domestic routes announced since July 2020, including 15 launched in 1H22²
 - Launch of Delhi services with strong performance
- Disciplined focus on cash positive flying maintained with 92% cash positive for Group Domestic and 93% for Qantas International³
- Full return of Australian-based workforce from December, ahead of demand
 - Enhances operational resilience and improves network flexibility
 - Operational workforce efficiency managed through targeted leave programs and training optimisation, reducing operational surplus from 17% in 3Q22 to 3% in 4Q22, with no surplus expected in 1Q23
 - Increased flying activity accounts for 9% of the reduction whilst mitigation strategies deliver a 5% reduction
 - Thresholds for cash positive flying now incorporates the return of all stood down Australian-based employees

Group Domestic Capacity Profile
(Monthly domestic capacity as a percentage of FY19⁴)



Group International Capacity Profile
(Monthly international capacity as a percentage of FY19⁶)



Network recovery supported by agile capacity management and return of workforce

1. 1H22 vs 1H19, as a proxy of pre-COVID flying. 2. Announced 41 new routes for Qantas Domestic and 7 new routes for Jetstar Domestic. Of those, 11 routes were launched by Qantas Domestic and 4 routes were launched by Jetstar Domestic in 1H22. 3. Group Domestic includes Qantas Domestic and Jetstar Domestic, calculated daily on a return flight basis. Qantas International calculated weekly on a return flight basis. 4. 4Q20 capacity includes the minimum viable network flying which has been historically reported as charter. 5. Australian-based employees. 6. Regular Public Transport (RPT) flying, excludes repatriation and International Freight Assistance Mechanism (IFAM) flying. 7. Figures on chart represent the average of 3Q22 and 4Q22 capacity forecast. Midpoint taken on Group Domestic 4Q22 capacity forecast.

Recovery Plan benefits delivered \$840m program to date, on track for \$1b by FY23

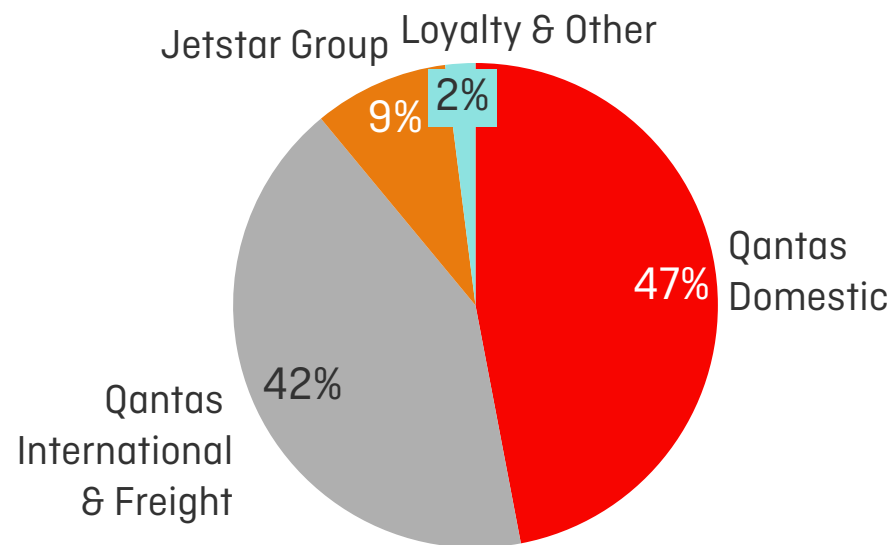
\$1b in Recovery Plan Benefits

- \$840m of recovery benefits delivered to date
- On target to deliver \$1b by FY23
- ~9,800 exits¹ since July 2020
- Program includes cost initiatives only
- >98% of initiatives complete or initiated²
- Program benefits sized on FY19 activity levels

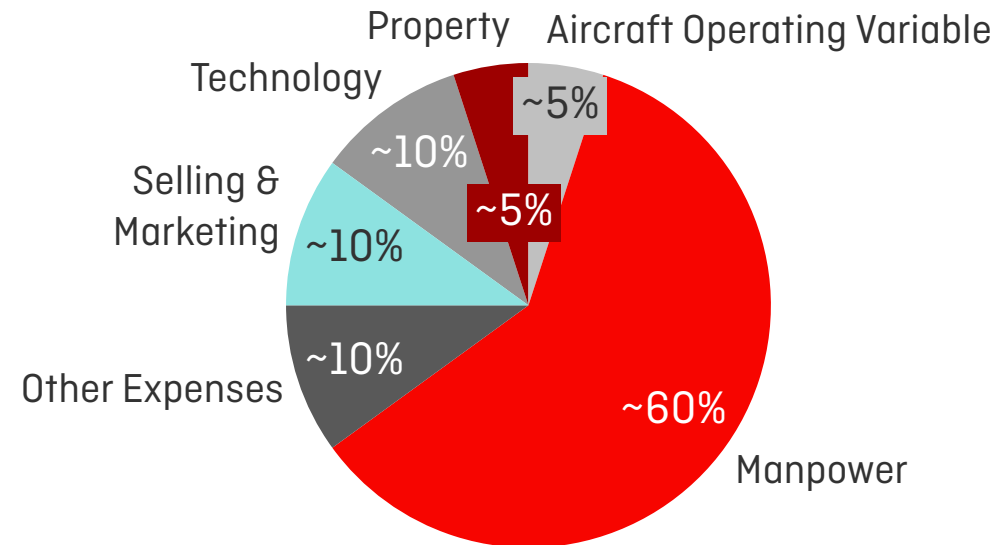
Additional Transformation

- Parallel focus on incremental benefits, over and above the \$1b program
- Designed to offset non-fuel cost increases (including inflation) over the three year period commencing FY21
- Comprises of both cost and revenue benefits⁴

Breakdown by Segment



Breakdown by Category³

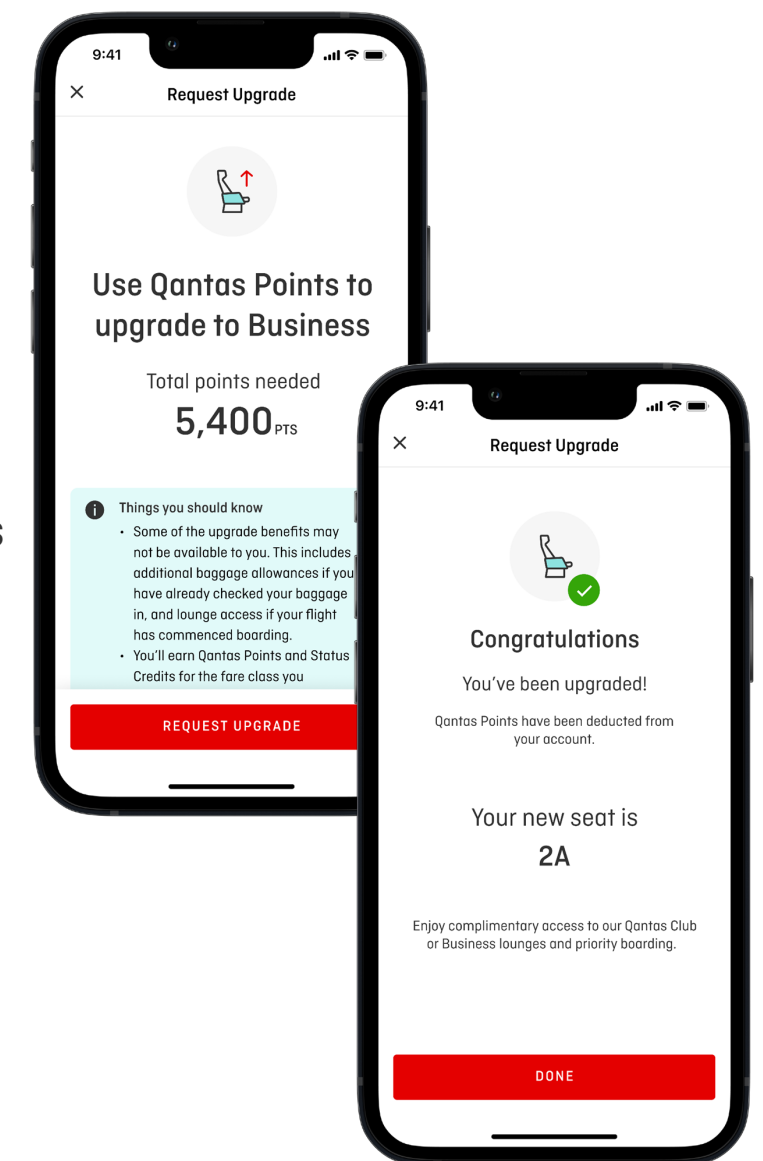


Dual focus on \$1b Recovery Plan and offsetting cost inflation to support sustainable earnings uplift

1. Exits associated with Recovery Plan benefits. 2. Initiatives to achieve \$1b in restructuring cost benefits by FY23 as at 31 December 2021. 3. Costs of Ground Handling outsourced as part of the transformation initiative are netted off against realised manpower benefit. 4. Benefits dependent on flying activity.

Supporting customers through a changing travel landscape

- Record high Net Promotor Scores across all brands and most trusted airline in the region¹
 - Customers' travel intentions for the next 12 months remains high – Domestic 96% and International 64%²
- Domestic Dual Brand strategy remains strong with continued growth in each airline
 - Qantas all-inclusive premium offering including three-tier lounges, complimentary food and drink, fast, free Wi-Fi (domestic) and leading Airline Loyalty program
 - Jetstar price leadership maintained despite strong competition, Qantas support for customer disruptions
- Jetstar and Qantas working together to support customers through the return of international travel
 - Qantas has remained the most trusted airline to keep Australians COVID-safe and healthy for international travel³
 - Regular, contextual communications with digital 'COVID help hub' to seamlessly guide customers through the process
- Ongoing investment in digitalisation of the customer experience
 - Increased contactless and self-service options, offering greater choice and control
 - Deepening Qantas Frequent Flyer integration in the Qantas App
- Building customer confidence to book and fly through 'Fly Flexible' and 'Fly Well', as well as retaining customer loyalty
 - More benefits for customers booking at qantas.com with 'Price Promise', free seat selection and flexibility to change flights, fee-free within 24 hours
 - Qantas Frequent Flyer member status-retention support extended and up to 50% more Classic flight redemptions available⁴



1. NPS surveys conducted between July 2021 to December 2021 for Qantas Domestic, QantasLink, Jetstar Domestic, Qantas Freight and Qantas Loyalty. NPS international numbers have been resumed in line with international restart, reputation survey conducted December 2021 'Overall, how much do you trust the following individual businesses operating in Australia today?'. 2. Survey conducted February 2022. 'When are you likely to travel within Australia/Internationally to NZ/Internationally to other destinations apart from NZ in the next 12 months?' 3. Survey conducted December 2021. 'Qantas is the most trusted airline to keep Australians safe, healthy and successfully manage risks associated with COVID and international travel'. 4. Up to 50% more flown Classic redemption segments as a proportion of the total flown segments on Qantas marketed and operated flights versus the equivalent measure over 2019 on selected routes in Australia from 14 July 2020 until 31 December 2022, all Trans-Tasman routes from 18 April 2021 until 31 December 2022, and all other international routes from when two-way unrestricted travel commences for each route until 31 December 2022.



Recovery Plan scorecard

KEY AREA OF FOCUS	TARGET		AS AT 31 DECEMBER 2021
	METRICS	TIMEFRAME	
Cost savings	Restructuring cost benefits of \$0.6b in FY21, \$0.8b by FY22, \$1.0b by FY23	FY23	Achieved \$840m of cost benefits program to date
	Increased target to at least 8,500 exits	FY21	Complete ✓
	Group Unit Cost (ex-fuel and depreciation) 10% less than FY20	FY23	Restructuring in progress
Deleverage the Balance Sheet	Gross debt reduction ¹ of \$1.75b	FY23	On track, Net Debt reduced by \$0.4b in 1H22
	Net Debt ² / EBITDA <2.5 times	CY22	Net Debt reduced by \$0.4b in 1H22. 2H22 EBITDA negatively impacted by Omicron. Target now expected to be achieved by FY23
Cash flow	Sustainable positive Net Free Cash Flow	FY22 onwards	Achieved in 1H22. Three consecutive months in 2Q22 of positive Net Free Cash Flow ³ ✓
	Flying activity is contribution positive (RASK-Variable cost/ASK >0)	From FY21	92% of Group Domestic flights cash positive in 1H22 93% of Qantas International flights cash positive in 1H22 ✓
	Capex ⁴ for FY21 ~\$0.75b	FY21	Complete. FY22 Capex (excluding Mascot land sale) to be \$850m ✓
Fleet management	Defer deliveries of A321neos and 787-9 aircraft	June 2020	Complete. Deferred deliveries due in FY23 ✓
	Retire 6 x 747s; 12 x A380s in long term storage	December 2020	Complete ✓
Customer and Brand	Maintain Customer Advocacy (NPS) premium to domestic competitor	Ongoing	On track, NPS at historical highs across Qantas, Jetstar and Loyalty ✓
	Maintain brand and reputation	Ongoing	On track, Qantas remains most trusted airline in region ⁵ ✓
Qantas Loyalty	Return to double digit growth	CY22	Returned to growth in 2H21 ⁶ Double digit growth expected by end of CY22 ⁷
Employee engagement	Employee sentiment	Ongoing	Impacted by ongoing pandemic challenges but improving in line with recovery and our return to flying

ACHIEVING OUR TARGETS

1. Compared to Gross Debt level as at 30 June 2020. 2. Net Debt includes on Balance Sheet debt and capitalised aircraft lease liabilities under the Group's Financial Framework. Capitalised aircraft lease liabilities are measured at fair value at the lease commencement date and remeasured over lease term on a principal and interest basis. For a detailed calculation of the Net Debt target range, please see slide 15 in the Supplementary Presentation. 3. Excluding proceeds from Mascot land sale. 4. Capital expenditure, net of asset sales. 5. Survey conducted December 2021. 'Overall, how much do you trust the following individual businesses operating in Australia today'. 6. Loyalty Underlying EBIT returned to growth in 2H21 vs 1H21 and 2H20. 7. Underlying EBIT 1H23 vs 1H22.

ESG overview and commitments

Environmental

Our Planet

- The Group is strongly committed to building business resilience to manage the significant physical and transitional risks of a changing climate and embracing opportunities that add value as part of the transition
- The Group's environmental commitments have three focus areas
 - 1 Principally, reach net zero emissions by 2050** through investment in Sustainable Aviation Fuel (SAF), new aircraft technology and participation in high-integrity carbon markets
 - 2 Significantly reduce waste and single use plastic** across all our operations
 - 3 Embedding climate action** by enhancing Board and Executive accountability through TCFD¹ alignment and interim targets
- Alignment to the Climate Action 100+ sustainability principles

Social

Our People

- After supporting employees to gain secondary employment and government assistance, all Australian-based employees are now stood up
- An emphasis on continuing to foster an inclusive, diverse and safe culture
- Protecting our people through 'Fly Well' and 'Work Well' programs including taking a leading stance on vaccinations and strengthening focus on employee mental health and wellbeing

Our Community

- Operating repatriation flights to bring Australians home and continue to operate IFAM² cargo flights to keep critical export supply chains open
- Prioritised ethical business activities and human rights through: supplier due diligence; supporting both indigenous and SMEs³; signatory to the UNGPs⁴; and deepened the level of transparency and reporting disclosures in our modern slavery statement

Governance

Our Governance

- The Board has ultimate responsibility for overseeing the Group's ESG Strategy
 - The Board's Committee for Health, Environment, Safety and Security (CHESS) has responsibility for oversight of the systems, policies and processes in place within its remit, and undertakes the functions of a risk committee as set out in the ASX Principles, as they relate to operational, and other relevant non-financial risks
- Further progress in the acquisition of talent and enhancement of the Group Sustainability office, and actions to embed ESG across the business
- Assembled a SAF Futures Board to oversee the delivery of the Group's SAF initiatives
- ESG risks are incorporated and monitored through the Group Risk Management framework
- Monitoring global developments in laws, regulations and business practices to ensure an effective governance framework is in place

Acting responsibly and maintaining our social licence to operate by embedding ESG into how we do business



Recent environmental developments and what's ahead for 2022

August 2021

- The Group appointed a Chief Sustainability Officer as part of the Group Management Committee, ensuring a dedicated ESG focus in executive decision making

November 2021

- Announced the Green Tier Loyalty program to incentivise, educate and reward customers that engage in sustainable activities

December 2021

- The Group announced the procurement of 10 million litres per annum of SAF¹ out of London from bp

March 2022

- The Group will release a sustainability framework and a climate action plan for how we will get to net zero. This will include
 - The Group's climate strategy
 - 2030 interim targets for emissions reductions and SAF¹ uptake
 - key initiatives to drive progress towards targets, including through SAF¹, fleet modernisation, renewable energy and waste reduction
 - key enablers to embed climate action across the Group through enhanced governance measures, internal carbon pricing and linking targets to executive remuneration
- Green tier will be launched for customers in early March

April – June 2022

- Further details will be provided on a number of key initiatives that will enable progress on our carbon reduction targets, including
 - an update on Project Winton
 - initiatives to support our SAF¹ strategy
 - initiatives to support our offsetting strategy

September 2022

- The Group will release a sustainability report alongside the Annual Report in line with our commitment to provide transparent and detailed disclosures on our approach to sustainability across the business. The report will detail
 - our sustainability strategy across our planet, people and communities pillars
 - metrics and progress
 - governance measures
 - updated climate scenario analysis
 - priority ESG focus areas going forward
- The disclosures detailed in the report will be aligned to the TCFD²



Financial Performance



1H22 Key Group financial metrics

Profit metrics

(\$245)m

Underlying EBITDA loss

(\$1,129)m

Underlying EBIT¹ loss

(\$1,277)m

Underlying loss before tax²

\$655m

Items not included in Underlying LBT, largely gain on sale of land in Mascot

(\$622)m

Statutory loss before tax

Balance Sheet and Cash Flow metrics

\$137m

Operating cash flow

(\$369)m

Net Capital Expenditure³, excluding Mascot land sale proceeds

\$385m

Net Capital Expenditure³ inflow

\$2,705m

Cash and cash equivalents

\$4.3b

Total liquidity

\$5.5b

Net Debt

\$6,064m/\$5,208m

12-month average Invested Capital/Invested Capital as at 31 December 2021⁴

Other statistics (v 1H19)

(82%)

ASKs⁵

(89%)

RPKs⁶

(67%)

Group Total Revenue⁷

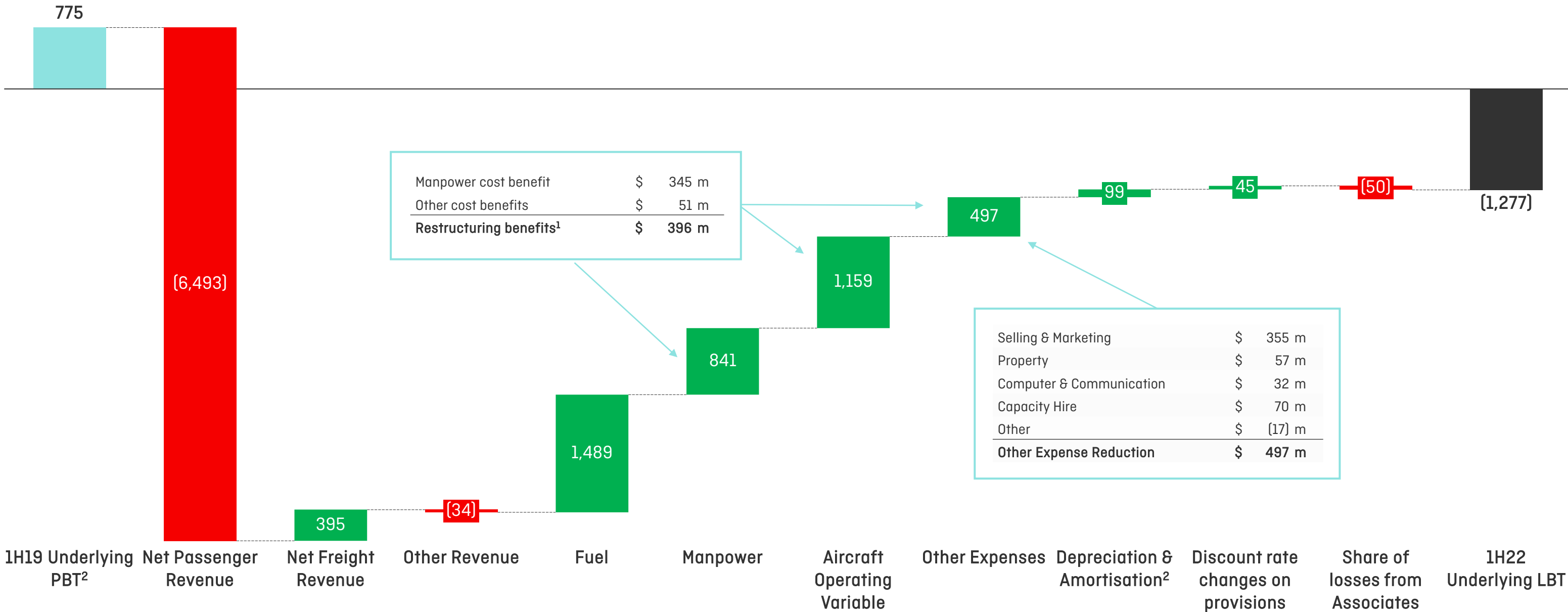
(55%)

Group Operating Expenses⁸

1. Earnings before interest and tax (EBIT). 2. Underlying LBT is a non-statutory measure and is the primary reporting measure used by the Chief Operating Decision-Making bodies, being the Chief Executive Officer, Group Management Committee and the Board of Directors, for the purpose of assessing the performance of the Qantas Group. All items in the 1H22 Results Presentation are reported on an Underlying basis unless otherwise stated. Refer to slide 6 of the Supplementary Presentation for a reconciliation of Underlying to Statutory LBT. 3. Net capital expenditure is equal to net expenditure cash flows included in the Consolidated Cash Flow Statement and the impact to Invested Capital from the disposals/acquisitions of leased aircraft. 4. Refer to slide 13 of the Supplementary Presentation for the Invested Capital calculations. 5. Available Seat Kilometres. Total number of seats available for passengers, multiplied by the number of kilometres flown. Compared to 1H19 as a proxy for pre-COVID performance. 6. Revenue Passenger Kilometres. Total number of passengers carried, multiplied by the number of kilometres flown. Compared to 1H19 as a proxy for pre-COVID performance. 7. Group Total Revenue compared to 1H19 used as a proxy for pre-COVID performance. 8. Group gross expenditure excluding depreciation and amortisation, impairment/(reversal of impairment) of assets and related costs, share of net loss/(profit) of investments accounted for under the equity method and discount rate changes impact on provisions compared to 1H19 as a proxy for pre-COVID performance.

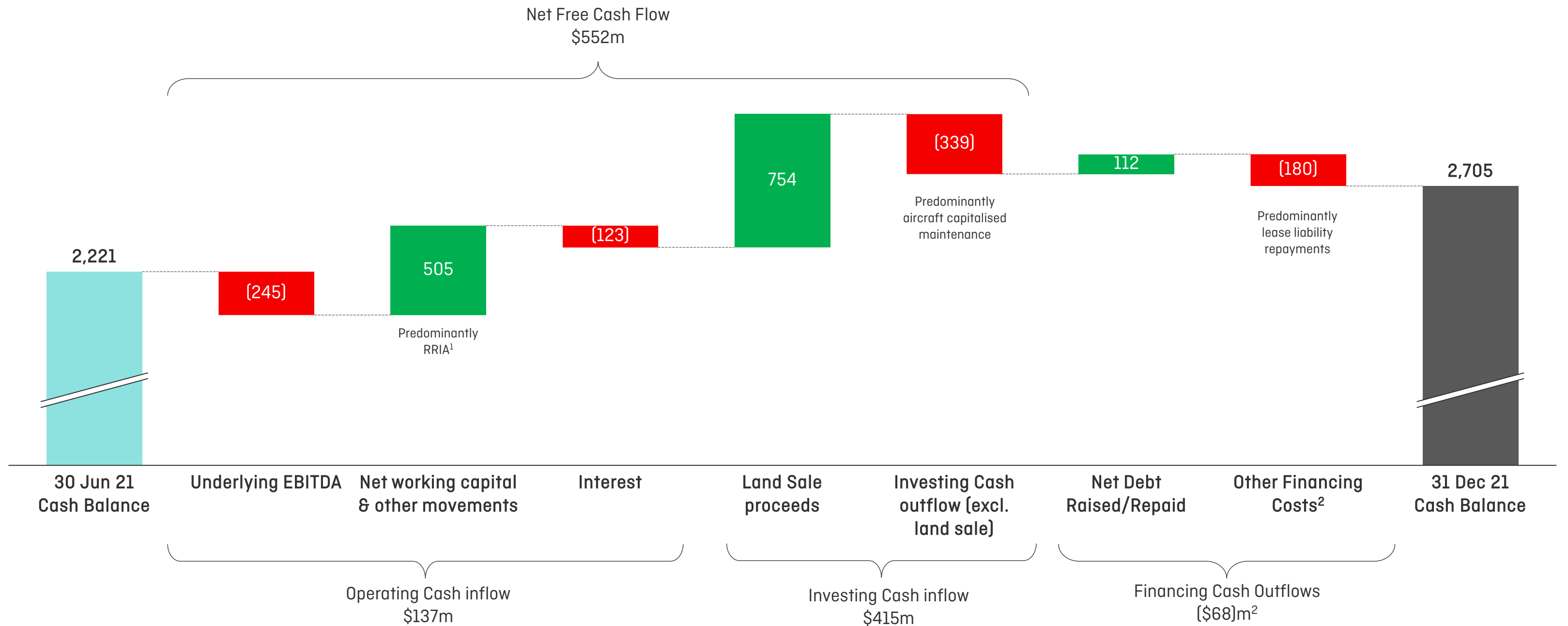


1H22 Profit Bridge compared to 1H19



1. Restructuring benefits equal to \$206m benefits delivered in 1H21 and \$190m incremental benefits delivered in 1H22 compared to FY21. 2. 1H19 not restated for IFRIC Cloud Computing decision. For a detailed summary, please see slides 9 and 10 in the Supplementary Presentation.

1H22 movement in cash position



Net Free Cash Flow positive for 1H22; Balance Sheet repair on track



1. Revenue Received In Advance. 2. Includes the impact of FX on cash balance of \$4m reported in the Cash Flow Statement for 1H22.

Segment Results



Qantas Domestic

- Prolonged lockdowns and border restrictions impacting Underlying EBITDA
 - Continued focus on cash positive flying, with 91% of flights cash positive¹
 - Costs impacted by 1Q22 stranded costs, unwind of COVID relief measures and restart activities
 - Slower demand recovery impacting seat factors
- Growing to extend network advantage
 - Strength in resource and intrastate markets maintained in 1H22
 - 41 new routes announced since beginning of FY21
 - Yield premium growth²; average fares maintained³
 - Capacity at 65% of pre-COVID levels⁴ in December 2021; seat factor recovery to 52% in November 2021
 - E190 fleet growth⁵ to capture emerging central Australia and Northern Territory demand
- ~\$400m in recovery cost benefits delivered to date, on track for ~\$500m by FY23
- Maintained support of vital transport links and domestic tourism through government sponsored RANs, DANs and TANs⁶
- Giving customers confidence to book and fly, extension of 'Fly Flexible' program to April 2022; NPS at record levels

		1H22	1H21	Pre-COVID 1H19
Revenue	\$M	1,127	1,003	3,230
Underlying EBITDA	\$M	(265)	28	857
Underlying EBIT ⁷	\$M	(613)	(329)	478
Operating Margin ⁸	%	<0	<0	14.8
ASKs	M	7,677	5,220	17,314
Seat factor	%	49.6	58.1	79.6

Extended leading premium position in the domestic market



1. Calculated daily on a return flight basis. 2. Compared to main domestic competitor. Based on Qantas internal estimates. 3. July to December 2021 compared to July to December 2019. 4. 1H19 ASKs as a proxy of pre-COVID performance. 5. 5 aircraft operating as at 31 December 2021, 10 aircraft expected to operate from April 2022, with options for up to 18 aircraft available. 6. Regional Airline Network support (RANs). Domestic Airline Network support (DANs). Tourism Aviation Network support (TANs). 7. 1H19 not restated for IFRIC Cloud Computing decision. For a detailed summary, please see slides 9 and 10 in the Supplementary Presentation. 8. Operating Margin calculated as segment Underlying EBIT divided by total segment revenue.

Qantas International (including Freight)

- Record Freight profit¹ supported by record international yields and continued growth in e-commerce
 - International freighter yields remain strong (particularly CN-US² and US-AU³) due to US port constraints, US consumer spending and AU eCommerce demand
 - Continued support of Australian exporters via the International Freight Assistance Mechanism (IFAM)
 - Record volumes delivered during the Christmas peak, including 12% growth vs 2020 peak through the domestic network
 - Ongoing fleet investment program with 3 x A321 converted freighters in operation by December 2021 and 2 x A330 conversions scheduled to commence in mid CY22
- International passenger business moved quickly to take advantage of earlier than expected border openings capturing high levels of pent-up demand
 - Routes to London, Los Angeles and Singapore restarted in November 2021
 - New routes to Delhi launched and seasonal route to Rome announced
 - A380 fleet plan ensuring readiness; 1 hull recommenced operations in January 2022
 - ~\$325m in recovery cost benefits delivered to date, on track for >\$400m by FY23
 - Giving customers confidence to book and fly, extension of 'Fly Flexible' program on bookings to June 2022

		1H22	1H21	Pre-COVID 1H19
Revenue	\$M	1,317	722	3,693
Underlying EBITDA	\$M	89	55	477
Underlying EBIT ⁴	\$M	(238)	(279)	119
Operating Margin	%	<0	<0	3.2
ASKs	M	1,245	31	35,151
Seat factor	%	62.0	N/A	85.5

Well-positioned for efficient restart of international operations



Jetstar Group

- (\$243)m Underlying EBITDA loss driven by weakening leisure demand, partly offset by reduction in costs
 - Demand impacted by Delta, Omicron, border restrictions and competitive pressures
 - Cost reductions due to cost variabilisation and Recovery Plan benefits, partially offset by unwind of COVID relief measures, readiness activities and stranded costs
 - (\$123)m Underlying EBITDA loss from AU Domestic impacted by reduced capacity to 38% of pre-COVID levels¹. Average seat factor at 59% down 14 ppts². 93% of flights were cash positive³
 - (\$74)m Underlying EBITDA loss from AU International, NZ and Jetstar Asia in line with prior year, due to ongoing lack of international flying and associated fixed costs
 - (\$46)m loss attributable to share of Jetstar Japan statutory loss, +\$21m improvement with domestic capacity increasing to 79%⁴ and load factor of 75%⁵
- All businesses well advanced in relaunch of operations
 - All AU/NZ A320/A321s and most 787-8s deployed, all crew stood up, all domestic destinations relaunched and recommenced international operations⁶
 - Jetstar Asia commenced flying on Vaccinated Travel Lane (VTL) routes, providing connecting passenger feed onto Qantas Group services in Singapore
- Jetstar well-positioned domestically with unit cost significantly below competitors, expanding network and new fleet introduction
 - Continued growth in domestic network with 7 new routes⁷ and capacity increasing to 68% of pre-COVID¹ levels in December 2021
 - A321neo delivery on track for July 2022, enabling lower costs and network flexibility

		1H22	1H21	Pre-COVID 1H19
Revenue ⁸	\$M	394	384	2,048
Underlying EBITDA	\$M	(243)	(98)	471
Underlying EBIT ⁹	\$M	(417)	(323)	253
Operating Margin	%	<0	<0	12.4
ASKs ⁸	M	4,584	3,586	24,389
Seat factor ⁸	%	55.0	70.5	86.6

Low fares leadership uniquely positioned for leisure-led recovery

1. 1H19 used as a proxy for pre-COVID performance. 2. Jetstar Domestic seat factor compared to 1H21. 3. Calculated daily on a return flight basis. 4. Versus pre-COVID levels. 5. Load factor was 66% in 1H21. 6. Jetstar Australia recommenced flights to Singapore, Fiji and within NZ Domestic, with Phuket launched in January 2022. Domestic destinations exclude relaunch of WA destinations until after the opening of WA borders on 3 March 2022. 7. New routes announced since July 2020. 8. For Jetstar Consolidated Group, does not include Jetstar Japan. 9. 1H19 not restated for IFRIC Cloud Computing decision. For a detailed summary, please see slides 9 and 10 in the Supplementary Presentation.

Qantas Loyalty

- Group cash contribution >\$0.5b of gross receipts¹ in 1H22; 2% growth in Underlying EBIT²
- Portfolio strategy delivering first half earnings growth
 - ~35% share of credit card spend maintained as spend on Qantas Points Earning Credit Cards recover to pre-COVID levels³; >10% growth in new cards acquired⁴
 - New partnerships with Accor and Optus launched during 2Q22, >70k members earned/linked to date⁵
 - Maintained strong levels of redemption activity in Qantas Rewards Store and Qantas Wine, as demand for airline redemptions return; continued growth in Qantas Insurance⁶
- Strategic partnerships extended throughout the pandemic; renewed agreements with all five major financial services partners and Woolworths
- Growth in members and ongoing strength in program engagement; supported by program generosity, maintaining 1H22 NPS at record levels
 - Largest release of Classic Flight Reward seats to members in anticipation of the travel industry recovery⁷, resulted in the single biggest day for flight redemptions with almost half a billion points redeemed in 24 hours in October⁸
 - Provided members with more unique reward experiences; e.g. private jet for a day, a motorcycle, and other ‘money can’t buy’ experiences acquired using Qantas Points
 - Launched a new program tier, Green Tier, rewarding members who make sustainable choices at home and when they travel⁹
- Continued investment in Hotels and Holidays brands to capture anticipated growth ahead of the travel industry recovery

		1H22	1H21	Pre-COVID 1H19
Revenue ¹⁰	\$M	485	438	809
Cash Contribution ¹	\$M	554	454	524
Underlying EBIT ¹¹	\$M	127	125	175
Operating Margin ¹²	%	26.2	28.5	21.6
QFF Members ¹³	M	13.8	13.5	12.6

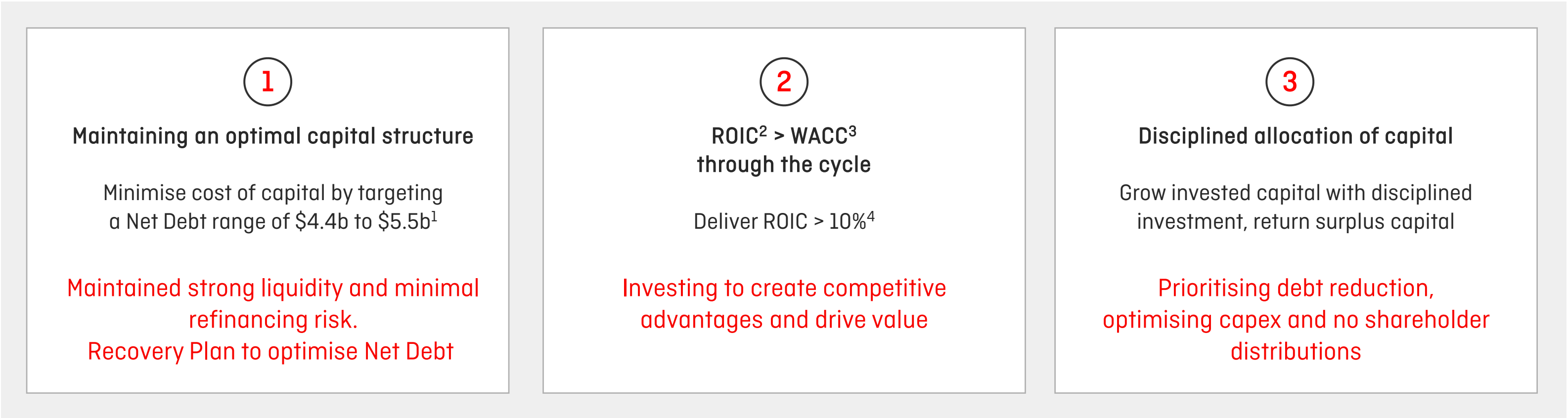
Strong cash generation underpinned by record member engagement

1. Sales to all external parties. 2. 1H22 Underlying EBIT compared to 1H21. 3. Compared to corresponding FY19 period as a proxy for Pre-COVID performance. 4. New cards acquired 1H22 compared to 1H21. 5. Accor Partnership launched 17 November 2021; Optus partnership launched 22 November 2021. Linked members as at 9 February 2021. 6. Health, Motor and Home customers in force as at 31 December 2021 compared to 31 December 2020. 7. Announced 19 October 2021. 8. Total points redeemed for Domestic and International Classic Flight rewards on 19 October 2021. 9. As announced 26 November 2021. 10. Includes revenue from points sales to external partners, commissions received, revenue generated through Qantas Wine, Qantas Store, Qantas Shopping and points issued and redeemed on Qantas Group and partner airlines. 11. During FY21, Qantas Loyalty reviewed the criteria applied in assessing the capitalisation of intangible assets. Due to the mix of projects undertaken, an increased proportion of spend has been expensed. This policy will apply for future periods and has not impacted the Net Free Cash Flow result of Qantas Loyalty. Reporting periods prior to 1H21 have not been restated to reflect this change. 1H19 not restated for IFRIC Cloud Computing decision. For a detailed summary, please see slides 9 and 10 in the Supplementary Presentation. 12. Operating Margin calculated as Underlying segment EBIT divided by total segment revenue. 13. Members at 31 December for corresponding periods.

Financial Framework



Financial Framework will continue to guide our capital decisions



Maintainable EPS⁵ growth over the cycle

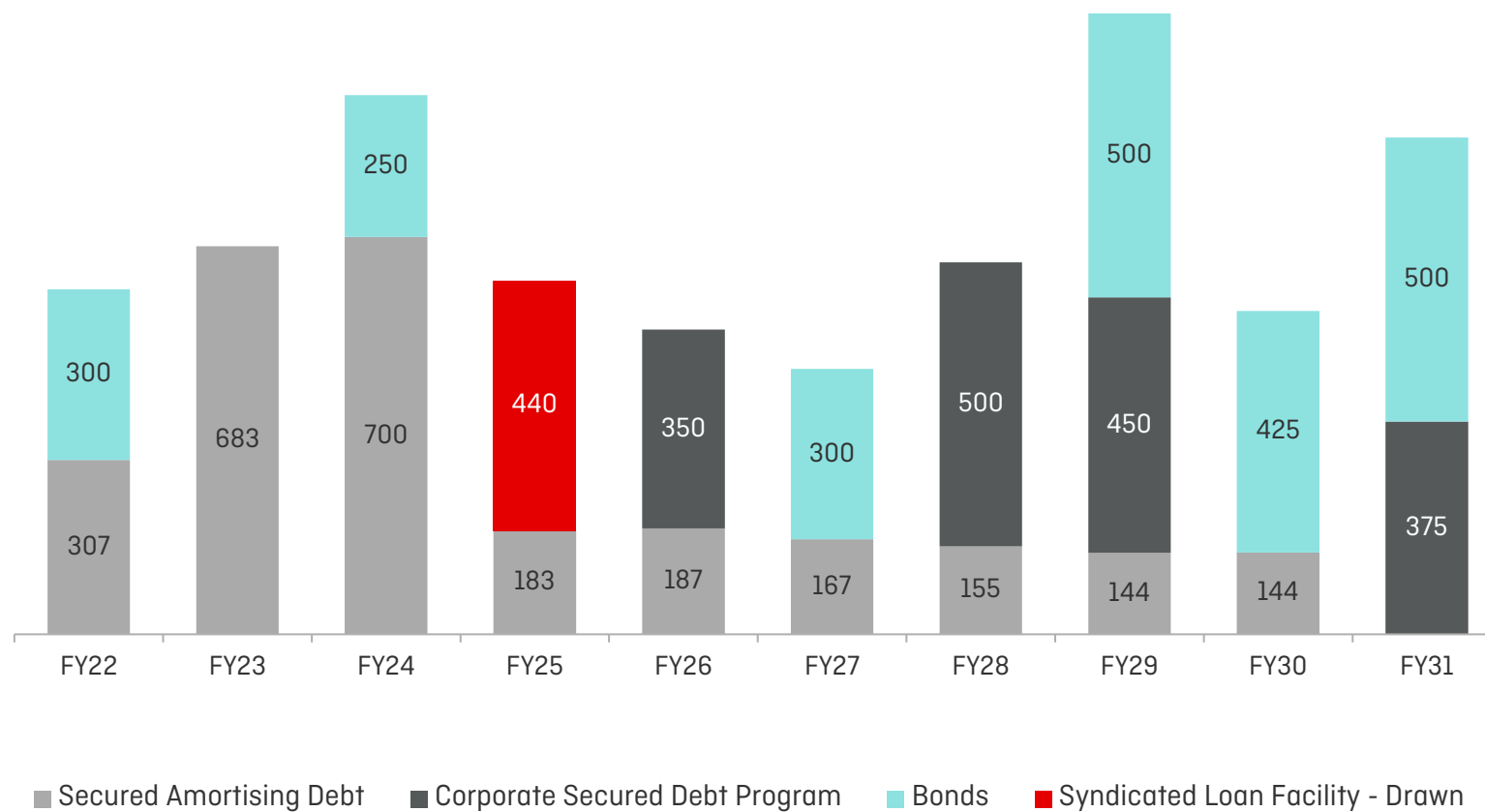
Total shareholder returns in the top quartile⁶



1. Refer to slide 15 of the Supplementary Presentation for calculation of target Net Debt range. 2. Return on Invested Capital (ROIC). Refer to slide 14 of the Supplementary Presentation for the calculation of ROIC. 3. Weighted Average Cost of Capital (WACC), calculated on a pre-tax basis. 4. Target of 10% ROIC allows ROIC to be greater than pre-tax WACC. 5. Earnings Per Share. 6. Target Total Shareholder Returns within the top quartile of the ASX100 and global listed airline peer group as stated in the 2021 Annual Report, with reference to the 2021-2023 LTIP.

Maintaining an optimal capital structure

Debt maturity profile as at 31 December 2021 (\$M)¹



Capital structure and liquidity

- Net Debt² at \$5.5b, prioritising debt reduction
- Total liquidity of \$4.3b including \$2.7b cash³ and committed undrawn facilities of \$1.6b maturing in FY23 and FY24
- Unencumbered asset base >\$2.4b⁴
 - Includes 45% of the Group fleet⁵, spare engines and other assets

Debt structure

- Balance Sheet repair commenced in 4Q21 and continued in 1H22
 - Net Debt within target range at December 2021
 - Refinanced AUD \$300m bond maturing in May 2022
 - Flexibility to prepay secured debt and unencumber assets
- No financial covenants
- Maintained Investment Grade credit rating from Moody's (Baa2)

Maintained strong liquidity and minimal refinancing risk; Recovery Plan prioritising debt reduction

1. Cash debt maturity profile excluding leases. 2. Net Debt includes on Balance Sheet debt and capitalised aircraft lease liabilities under the Group's Financial Framework. Capitalised aircraft lease liabilities are measured at fair value at the lease commencement date and remeasured over lease term on a principal and interest basis. Residual value of capitalised aircraft operating lease liability denominated in foreign currency is translated at the long-term exchange rate. 3. Includes cash and cash equivalents as at 31 December 2021. 4. Aircraft valuations based on the average of Aircraft Value Analysis Company Limited (AVAC) and AVITAS market values as at 31 December 2021. 5. Based on number of aircraft as at 31 December 2021. The Group Fleet totalled 309.

Robust fuel and FX risk management

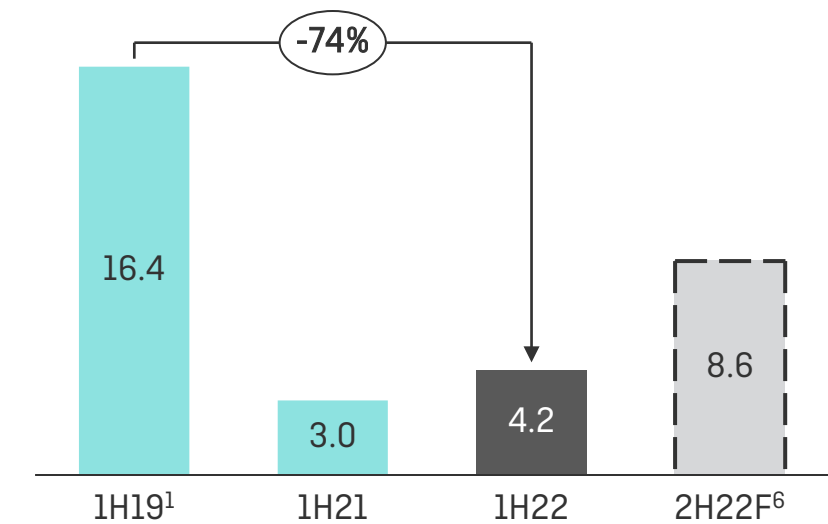
1H22 fuel cost

- 1H22 fuel cost of \$0.5b, down \$1.5b compared to pre-COVID¹ largely due to a 74% reduction in fuel consumption

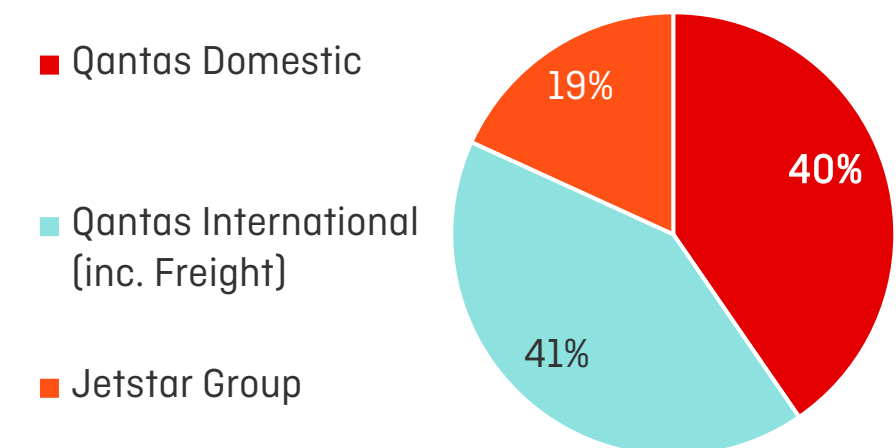
Looking ahead

- FY22 fuel cost currently expected to be materially lower than pre-COVID² but higher than FY21
 - 2H22 fuel cost >90% hedged through a combination of outright options and collars³
 - 2H22 fuel hedge book fully effective at current market prices⁴
 - Fuel and FX hedging actively managed to reflect changes in capacity
- 1H23 fuel and FX hedging is consistent with long term approach to risk management
 - Preference for options allows for high level of participation to lower fuel prices
 - 1H23 fuel hedge book effective at current market prices⁵

Fuel consumption (M'bbls)



Indicative fuel consumption 1H22

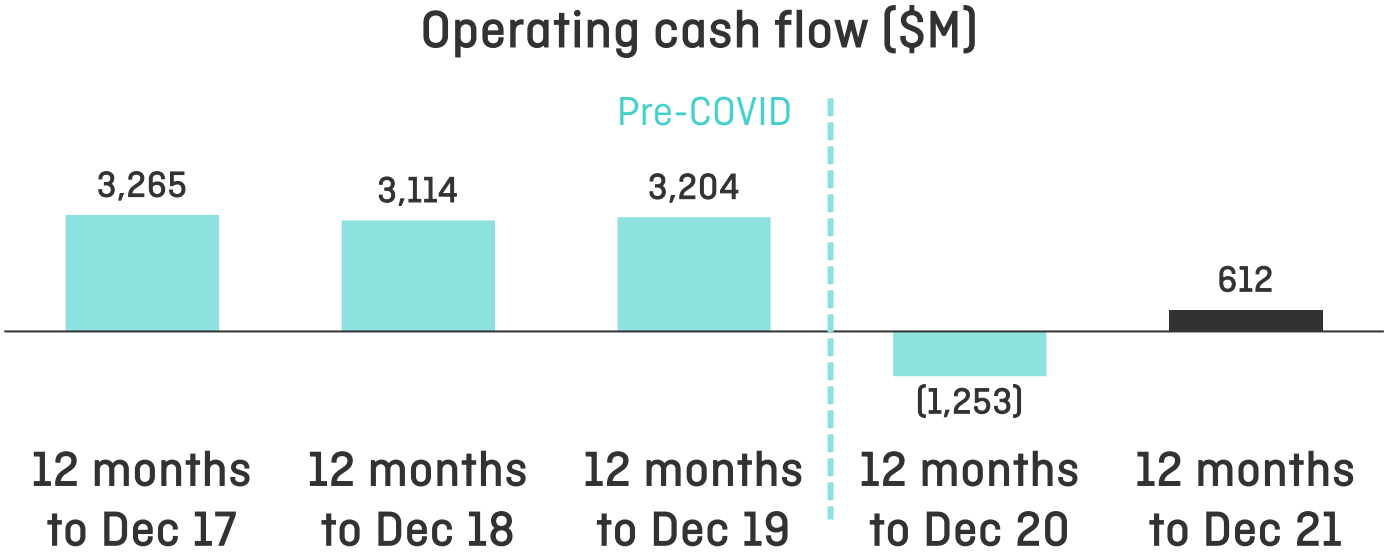
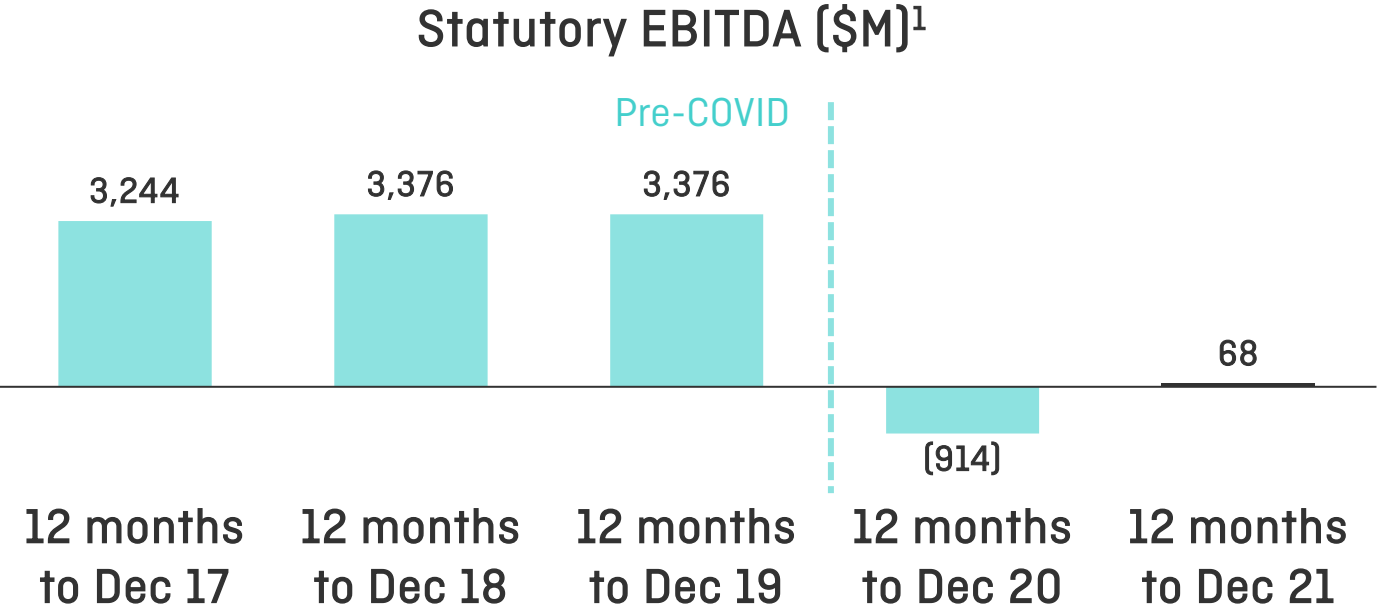


Hedging activity remains consistent with long term approach to risk management



1. 1H19 as a proxy for pre-COVID. 2. FY19 as a proxy for pre-COVID. 3. Hedged percentage calculated on remaining 2H22 consumption. 4. Current market prices assumes an average remaining 2H22 Brent Price of USD92.32/bb and AUDUSD of 0.71906. 5. Current market prices assumes an average 1H23 Brent Price of USD86.61/bb and AUDUSD of 0.71906. 6. Based on Group of 50% of pre-COVID 2H19 flying.

Operating cash flow and EBITDA trend



- Statutory EBITDA¹ of \$0.1b (excluding impairments and gain on sale of land in Mascot) for the 12 months to December 2021
- Operating cash flow of \$0.6b for the 12 months to December 2021
 - 1H22 operating cash flow of \$0.1b, included (\$0.4)b of refunds
- Recovery to at least pre-COVID operating cash flow generation to be enabled by
 - Growth of domestic operations
 - Ramp-up of international flying contributing to significant Revenue Received In Advance (RRIA) rebuild
 - Continued Recovery Plan cost saving benefits
 - Cash flow benefits due to tax losses

Return to positive operating cash flow has enabled Balance Sheet repair



1. Statutory earnings before net interest costs, tax, depreciation and amortisation and impairments. For comparability, 12 months to December 2017 and 12 months to December 2018 Statutory EBITDA also excludes non-cancellable aircraft operating lease rentals (as these financial years are prior to AASB 16). 12 months to December 2021 also excludes gain on sale of land in Mascot.

Disciplined capital allocation

1 Prioritise Balance Sheet strength

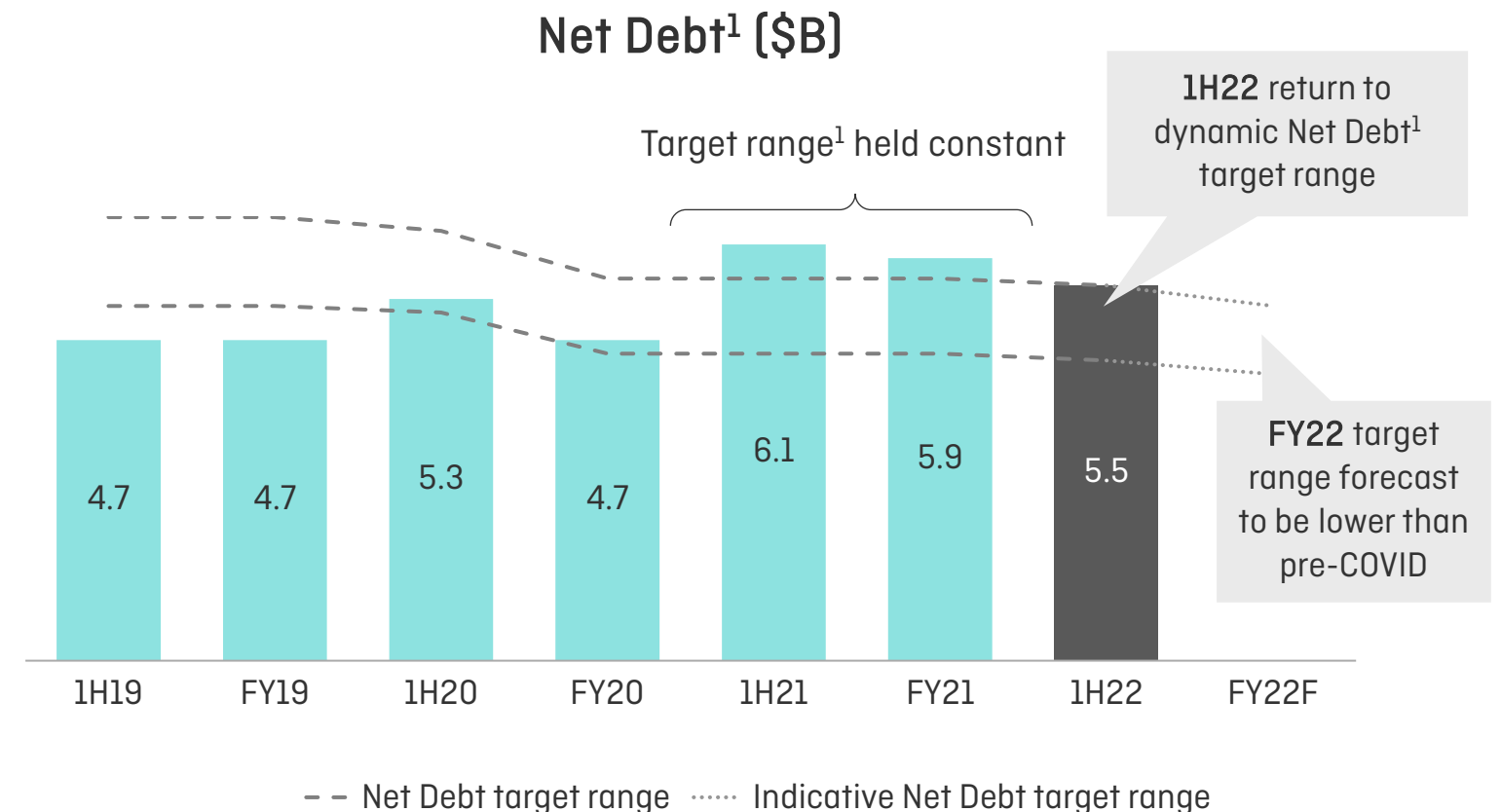
- FY22: Target Net Debt¹ within range
- FY23 onwards: Target bottom half of Net Debt¹ range

2 Invest to drive sustainable earnings growth and returns > WACC²

- Flexible investment plans to accommodate variable operating conditions, earnings and available capital
- Consideration of long-term business objectives
- Expected Net Capital Expenditure³ range of \$2.3b – \$2.4b for FY23
 - Includes ~\$220m in FY20 deferred aircraft deliveries
 - Includes deliveries of 3 x 787-9s and 9 x A321neos
 - Proven history of capital expenditure flexibility

3 Return surplus capital to shareholders

- Considers 12-month forward view of operating conditions and earnings
- Proven record of returning capital to shareholders when surplus exists



The Group will continue to act in accordance with the Financial Framework



1. Net Debt under the Group's Financial Framework includes net on Balance Sheet debt and capitalised aircraft lease liabilities. For a detailed calculation of the Net Debt target range, please see slide 15 in the Supplementary Presentation. 2. Weighted Average Cost of Capital (WACC), calculated on a pre-tax basis. 3. Net Capital Expenditure is equal to net expenditure cash flows included in the Consolidated Cash Flow Statement and the impact to Invested Capital from the disposals/acquisitions of leased aircraft.

Fleet strategic priorities

Right aircraft

Right route

- Selection of Airbus as preferred supplier for Qantas Domestic narrow-body fleet renewal
- Commencing delivery of aircraft in FY23 deferred due to pandemic
 - Delivery of 3 x 787-9s and 2 x A321neos
 - Additional 7 non-deferred A321neos
- A380s right-sized to 10 hulls and returning to service ahead of schedule

Maintain flexibility

- Reallocation of Jetstar international aircraft to optimise domestic capacity in 2H22
 - 787-8 deployment from Jetstar AU International and A320s from Jetstar New Zealand
 - 5 x A320 from Jetstar Asia
 - 2 x A320 from Jetstar Japan (total of 6 by FY22)

Maintain competitiveness

- Delivered 3 x A321 converted freighters in 1H22 with 2 x A330s to come, first aircraft expected to operate mid-2023
- Continue to identify 'power by the hour' opportunities to increase cost variability throughout recovery phase
- Up to 18 x E190s on capacity hire arrangement with Alliance Aviation
- Restart on Project Sunrise activities (to support potential delivery from 2025), subject to Board approval

Continue to maintain flexibility of operational fleet



Project Winton update

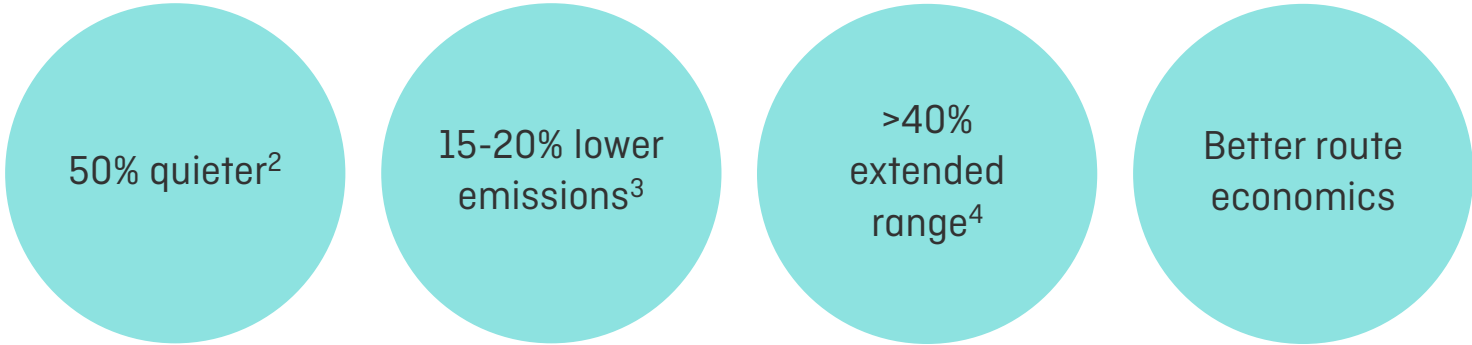
Overview

- Airbus selected as preferred supplier for Domestic narrow-body renewal
 - First 40 aircraft includes 20 x A321XLR and 20 x A220
 - Further 94 aircraft over 10+ years from FY24
- Once finalised, will be largest order in Australian aviation history, total delivery of 299¹
- Secured competitive pricing ahead of expected uptick in demand for next-generation narrow-body aircraft
- Competitive and flexible fleet mix of small, medium and large jets with different range and economics to ensure right aircraft on the right route
- Order expected to be finalised by end of FY22 subject to Board approval



Unprecedented flexibility

- When combined with the existing Jetstar order, the Group has significant flexibility in timing as well as choice of aircraft family and type
 - Ensures capital commitment profile is responsive to changes in demand and network settings



Financial Framework will continue to guide our capital expenditure



1.Total aircraft delivery when combined with existing Jetstar 100+ aircraft order in the A320neo family. 2. Airbus A320 family including Airbus A320neo and A321neo vs A320ceos. 3. A321XLR has 15% less emissions vs 737-800 and A220-300 has 20% less emissions vs 717. 4. A321XLR has >40% extended range vs 737-800 and A220-300 has more than double the range of the 717.

Outlook



Group Domestic

FY22 Outlook

- Group outlook assumes all state borders open, with Western Australia (WA) delayed from 1 February 2022 to 3 March 2022
 - East-West flying represents ~15 pts for 4Q22¹
- Uptick in Omicron COVID cases and initial delay to WA opening has impacted recovery in Group Domestic capacity in 2H22
 - 3Q22 now expected at 68% pre-COVID levels²
 - 4Q22 planned at 90%-100%³ pre-COVID levels²
- Leisure continuing to lead domestic recovery, with good demand expected into 4Q22
- Corporate demand outlook remains unchanged. Recovery delayed due to Omicron and now expected to commence with return to office activities from March 2022
- Competitive intensity expected to remain high in leisure segments
- Continued focus on cash positive flying with flexibility to increase capacity if demand recovers quicker than planned

Group Capacity	3Q22	4Q22	2H22	FY22
% Pre-COVID ²	68%	90%-100% ³	80%-85% ³	~60% ³

Competitive Positioning

- Expect ~70% domestic market share once all border restrictions are lifted, supported by dual brand, network breadth and frequency and strong customer loyalty
- Qantas Domestic
 - Margin advantage through cost transformation and yield premium
 - Increasing Corporate and SME⁴ share
 - Strong NPS and superior product offering
 - Increased network breadth, 41 new routes⁵ and plans to return to 64% capacity in 3Q22 and 86%-90% capacity in 4Q22²
- Jetstar Domestic
 - Only true low cost carrier in the Australian market with significant cost advantage
 - Price leadership and record NPS
 - Increased frequency, 7 new routes⁵ and plans to return to 75% capacity in 3Q22 and 100%-117% capacity in 4Q22²
- 1H23 Group domestic capacity expected to exceed pre-COVID levels²

1. Relative to 4Q22 forecast as a percentage of FY19 pre-COVID flying. 2. ASKs compared to corresponding period in FY19 as a proxy of pre-COVID flying. 3. Both high and low capacity scenarios include WA opening 3 March 2022. 4. Small and Medium Enterprises. 5. Announced 41 new routes for Qantas Domestic and 7 new routes for Jetstar Domestic. Of those, 11 routes were launched by Qantas Domestic and 4 routes were launched by Jetstar Domestic in 1H22.

Group International (including Freight)

FY22 Outlook

- Omicron has impacted border re-opening plans for a number of countries resulting in reduced Group International capacity
 - 3Q22 now expected at 22% and 4Q22 reduced from 60% to 44% pre-COVID levels¹
 - Primarily due to slower opening of New Zealand (represents ~5 ppts²) and key Asian markets (Indonesia, Japan, Hong Kong and China representing up to ~10 ppts²)
- Reduction of travel regulations and protocols will reduce friction to travel and increase demand (refer to next slide)
- Leisure leading recovery with good booking momentum into the Northern hemisphere summer³, particularly non-stop offerings and premium cabins
- Continued focus on cash positive flying and capturing opportunities from changes in border restrictions
- Omicron supply chain disruptions have accentuated air freight demand
 - Freight strength expected to continue into 2H22 given delay to international capacity recovery

Group Capacity ⁴	3Q22	4Q22	2H22	FY22
% Pre-COVID ¹	22%	44%	33%	18%

Competitive Positioning

- Australia's only long-haul premium and low cost international airlines with extensive transformation improving relative cost position
- Qantas positioned to benefit from pent-up leisure demand
 - 10 x reconfigured A380s to return to service, 5 expected by 2H22 with 3 operating London and 2 operating Los Angeles
 - Moving Indian market to a permanent fixture to the network
 - Plans to return to 24% capacity in 3Q22 and 43% capacity in 4Q22¹
- Low fares model together with high density, high utilisation 787-8 enables Jetstar to capitalise on pent-up leisure demand post-COVID, with plans to return to 18% capacity in 3Q22 and 45% capacity in 4Q22^{1,5}
- Emirates, China Eastern and American Airlines Joint Businesses⁶ ready to restart once international travel resumes
- Project Sunrise remains a key part of the Qantas International strategy. Selected A350-1000 as preferred aircraft with non-stop flights expected to be even more popular post-pandemic
- Group International capacity expected to grow to ~70% pre-COVID in 1Q23

1. ASKs compared to corresponding period in FY19 as a proxy of pre-COVID flying. 2. Relative to 4Q22 forecast as a percentage of FY19 pre-COVID flying. 3. June, July and August. 4. Group International capacity excluding Freight. 5. includes Jetstar International and Jetstar Asia flying. 6. Emirates and China Eastern anti-trust immunity until March 2023, American Airlines anti-trust immunity until November 2025.



International bookings environment

Market characteristics

Large Open Markets

- Moving past Omicron caseload peaks
- Low border entry requirements
- Broad mix of VFR¹, leisure and business flows

Includes UK, USA, Canada, South Africa but also new markets launched due to favourable conditions (Delhi and Rome)

~40% of Total Group International pre-COVID capacity

Open but Restricted

- Open but with higher COVID entry conditions
- Additional testing or isolation on arrival
- Higher leisure passenger mix

Includes Singapore, Thailand, Fiji, Honolulu, Philippines.

~20% of Total Group International pre-COVID capacity

Protracted Opening Plan

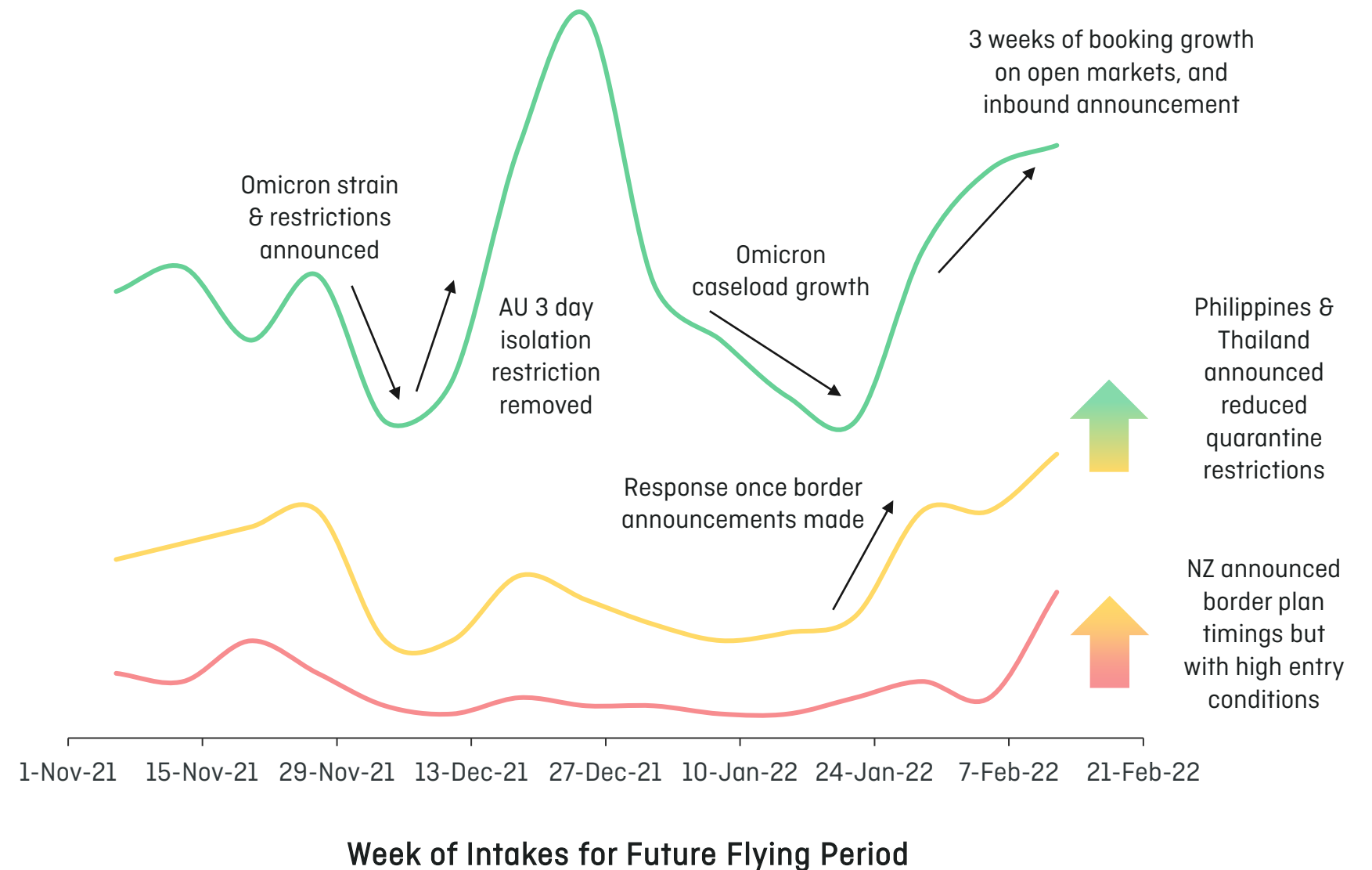
- Stringent virus suppression policies
- No clear timing for border opening
- No clear indication of opening conditions

Includes New Zealand, Japan, Indonesia, China and HK

~40% of Total Group International pre-COVID capacity

Group International Weekly Intakes²

As % of dollar intakes versus 2YP (2019)



1. Visiting Friends and Relatives. 2. Qantas International and Jetstar International new intakes defined as new bookings on Australia outbound capacity from both Australian and Non-Australian Point of Sale.

Qantas Loyalty

FY22 Outlook

- Travel related businesses continue to be affected by domestic and international border limitations
 - Rebound in earnings expected to lead travel industry recovery
- Demand for new consumer credit, and spending on Qantas Points earning credit cards, expected to recover post-Omicron wave impact
- Continued expansion of Financial Services portfolio
 - New partnership with AirWallex
 - Additional lending products on the horizon
- Expansion of Hotels and Holidays businesses through a direct to customer strategy
 - Investment in Jetstar and Qantas Holidays
 - Improved value in Hotels and Holidays redemptions
- On track to deliver in excess of \$1b gross cash receipts in FY22

Competitive Positioning

- Loyalty remains committed to its target of \$500-600m Underlying EBIT by FY24
 - Expect a return to double digit growth by end of CY22¹
- Australia's largest airline loyalty program (premium and low cost); >13m members (1 in 2 households); >600 partners (including ~50 airline partners); >40 co-branded credit cards; and diversified earnings through direct to consumer businesses
- NPS² from loyal and engaged membership base at record levels; significant advantage in NPS over domestic competitors
- Contracts extended with flagship Financial Services and Retail partners driving everyday earn and burn of points
- Continued investment in digital and program experiences through the Qantas Mobile App
 - Classic Reward flight upgrades and personalised offers launched during 1H22; further enhancements to be released during CY22
- Extending competitive position through further investments in value for member travel rewards³
 - >80% of pre-COVID⁴ redemptions on travel related rewards
 - Greater program engagement generates incremental customer lifetime value for the Qantas Group



FY22 Group Outlook

- Current operating expectations
 - Omicron impact on 2H22 Underlying EBITDA estimated at approximately \$650m after mitigations
 - In addition, operating expenses for 2H22 expected to include approximately \$180m of inefficiencies and ramp up costs
 - Continuing to manage the business to a positive Underlying operating cash flow supported by focus on cash positive flying
 - Net Capital Expenditure¹ for FY22 is expected to be \$850m
 - Underlying depreciation and amortisation for FY22 expected to be \$1.8b
 - Recovery Plan program expected to achieve >\$900m ongoing structural cost benefits by FY22
 - Net Debt² within target range at the end of FY22



1. Net Capital Expenditure excluding any potential proceeds from the sale of land. Net Capital Expenditure is equal to net investing cash flows included in the Consolidated Cash Flow Statement and the impact to Invested Capital from the disposals/acquisitions of leased aircraft.
2. Net Debt under the Group's Financial Framework includes net on balance sheet debt and capitalised aircraft lease liabilities.

Integrated Portfolio is well-positioned for continued recovery



Group Domestic¹ airlines are well-positioned to benefit from the recovery in domestic travel and changing competitive environment; market share ~70%; significant unit cost reduction post restructuring



Australia's most valued Loyalty business generating consistently strong cash contributions and has a clear pathway to strong earnings growth²



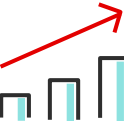
Freight has benefited from the consumer shift to e-commerce and is also a natural hedge to the international passenger business. Profitability expected to have structurally lifted from pre-pandemic levels



Group International³ businesses commenced restart and is well-positioned for gradual ramp-up



Strong liquidity position and strengthening operating cash flow to continue Balance Sheet repair



Three-Year Recovery Plan to improve operational cash flows and deliver \$1b in ongoing annual savings from FY23. Assessing further opportunities to improve revenue and margins

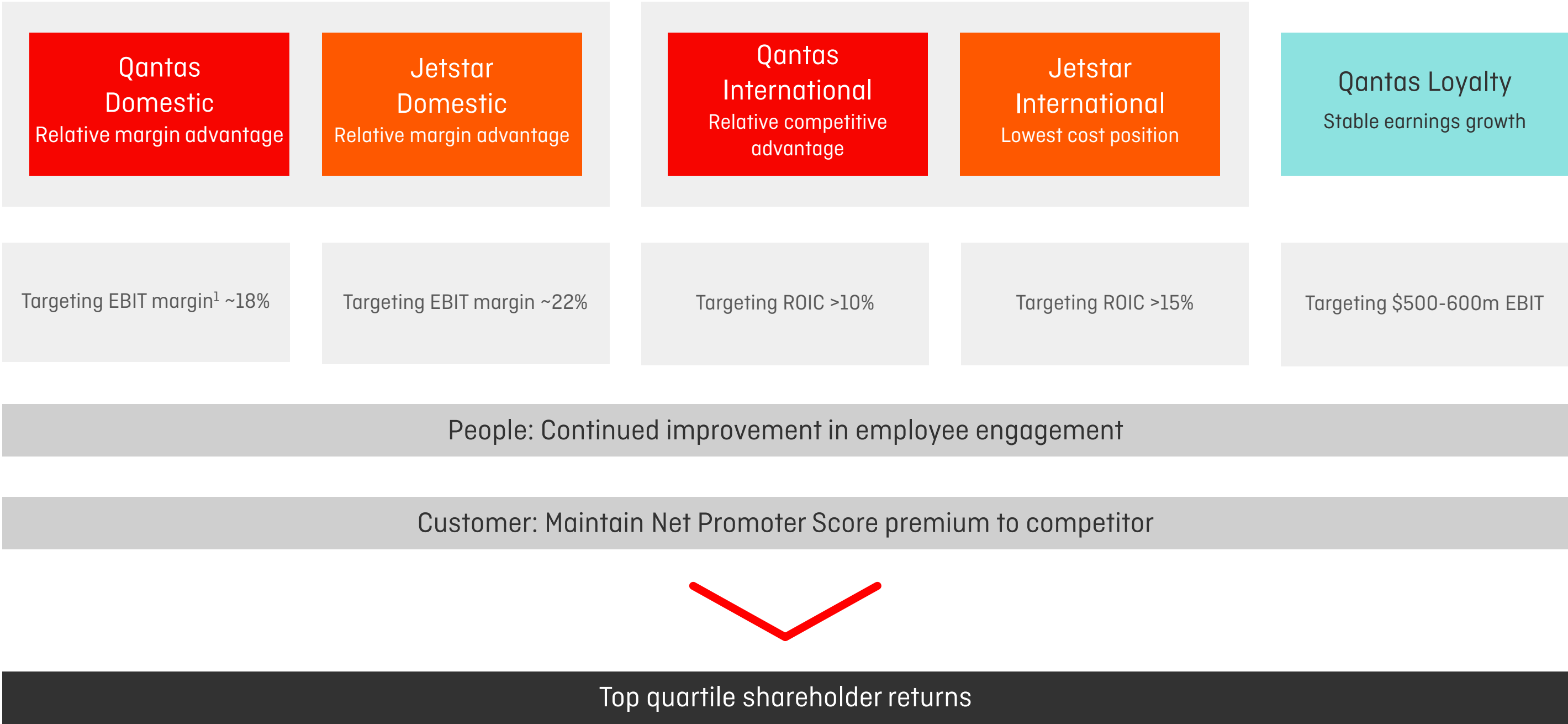


The Group's integrated portfolio of mutually reinforcing businesses are well-positioned for the continued recovery



1. Group Domestic includes Qantas Domestic and Jetstar Domestic. 2. Measured on Underlying EBIT. 3. Group International includes Qantas International (including Qantas Freight), Jetstar International Australian operations, Jetstar New Zealand, Jetstar Asia (Singapore) and the contribution from Jetstar Japan.

Looking forward, we remain committed to the FY24 targets



1. Underlying segment EBIT divided by total segment revenue.

Disclaimer

This Presentation has been prepared by Qantas Airways Limited (ABN 16 009 661 901) (Qantas).

Summary information

This Presentation contains summary information about Qantas and its subsidiaries (Qantas Group) and their activities current as at 24 February 2022, unless otherwise stated. The information in this Presentation does not purport to be complete. It should be read in conjunction with the Qantas Group's Appendix 4D and Consolidated Interim Financial Report for the half year ended 31 December 2021, along with other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange, which are available at www.asx.com.au.

Not financial product advice

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Financial data

All dollar values are in Australian dollars (A\$) and financial data is presented within the six months ended 31 December 2021 unless otherwise stated.

This Presentation is unaudited. Notwithstanding this, the Presentation contains disclosures which are extracted or derived from the Consolidated Interim Financial Report for the half year ended 31 December 2021 which has been reviewed by the Qantas Group's Independent Auditor.

This Presentation also makes reference to certain non-International Financial Reporting Standards (non-IFRS) financial information. The non-IFRS financial information is unaudited and has not been reviewed by the Qantas Group's Independent Auditor.

Future performance and forward looking statements

Forward looking statements, opinions and estimates provided in this Presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

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Past performance

Past performance information given in this Presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

Not an offer

This Presentation is not, and should not be considered, an offer or an invitation to acquire Qantas shares or any other financial products.



1H22 Results Supplementary Presentation

Qantas Airways Limited

24 February 2022

ASX: QAN

US OTC: QABSY



Group Performance



1H22 Key Group financial metrics

	1H22	1H21	Pre-COVID 1H19 ¹¹	Comments vs 1H19
Underlying (Loss)/Profit Before Tax ¹ (\$M)	(1,277)	(1,009)	775	Reduced flying, fixed costs, depreciation and COVID-19 lockdowns
Underlying Earnings per Share ² (c)	(49.6)	(39.6)	31.3	
Statutory (Loss)/Profit Before Tax (\$M)	(622)	(1,442)	691	1H22 includes gain on Mascot land sale
Statutory Earnings per Share (c)	(24.2)	(56.6)	27.9	
Underlying EBITDA ³	(245)	86	1,899	Largely impacted by COVID-19 border closures and lockdowns vs 1H19
Rolling 12 month ROIC ⁴ (%)	(28.5)	(17.1)	19.5	
Revenue (\$M)	3,074	2,330	9,206	19% of 1H19 passengers flown in 1H22. Increased Freight Revenue
Operating cash flow (\$M)	137	(861)	1,435	Rebuild and recovery of Revenue Received in Advance (RRIA) vs 1H21
Net Debt ⁵ (\$B)	5.52	6.05	4.71	Net Debt reduction in 1H22 and 2H21
Unit Revenue ⁶ (RASK)	8.41	10.33	8.94	Decreased due to weaker Domestic demand, impacting load factors
Total Unit Cost ⁷ (c/ASK)	17.86	21.75	7.93	Fixed costs including depreciation over lower ASKs vs 1H19
Unit Cost (ex-fuel and depreciation) ⁸ (c/ASK)	8.16	8.06	N/A	Targeting a 10% reduction in FY23 vs FY20
Available Seat Kilometres ⁹ (ASK) (M)	13,506	8,837	76,854	18% of 1H19 Group Capacity in 1H22
Revenue Passenger Kilometres ¹⁰ (RPK) (M)	7,103	5,568	64,958	Lower ASKs and reduced load factors

1. Underlying (LBT)/PBT is a non-statutory measure and is the primary reporting measure used by the Chief Operating Decision-Making bodies, being the Chief Executive Officer, Group Management Committee and the Board of Directors, for the purpose of assessing the performance of the Qantas Group. All items in the 1H22 Results Presentation are reported on an Underlying basis unless otherwise stated. Refer to slide 6 of this Presentation for a reconciliation of Underlying to Statutory (LBT)/PBT. 2. Underlying Earnings per Share is calculated as Underlying (LBT)/PBT less tax expense (based on the Group's effective tax rate 26.7% benefit (1H21: 26.3% benefit) divided by the weighted average number of shares during the year (consistent with the Statutory Earnings per Share calculation). 3. Earnings before interest, tax, depreciation, amortisation and impairment. 4. Return on Invested Capital (ROIC). For a detailed calculation of ROIC please see slide 14. 5. Net Debt under the Group's Financial Framework includes net on balance sheet debt and capitalised aircraft lease liabilities. For a detailed calculation of Net Debt, please see slide 16. 6. Ticketed passenger revenue divided by ASKs. Subject to rounding. 7. Underlying (LBT)/PBT less ticketed passenger revenue per ASK. 8. Underlying (LBT)/PBT less ticketed passenger revenue, fuel and share of profit/(loss) of investments accounted for under the equity method, adjusted for the impact of changes in FX rates, non-cash impact of discount rate changes on provisions, normalised for depreciation and impairments per ASK. 9. Total number of seats available for passengers multiplied by the number of kilometres flown. 10. Total number of passengers carried multiplied by the number of kilometres flown. 11. 1H19 has not been restated for the IFRIC Cloud Computing decision. For a detailed summary, please see slides 9 and 10.



Underlying Income Statement summary

\$M	1H22	1H21	Pre-COVID 1H19 ²	Comments vs 1H19
Net passenger revenue	1,534	1,298	8,027	Movement largely in line with movement in passengers carried
Net freight revenue	920	613	525	Increase driven by e-commerce trends and international belly space availability
Other revenue	620	419	654	Decrease due to decline in third party service revenues
Total Revenue	3,074	2,330	9,206	
Operating expenses (excluding fuel)	(2,798)	(1,868)	(5,347)	Increase vs 1H21 due to restart and readiness costs associated with increased flying
Fuel	(474)	(309)	(1,963)	Increase vs 1H21 due to greater consumption with increased flying
Share of net (loss)/profit of investments accounted for under the equity method	(47)	(67)	3	Driven by Jetstar Japan share of losses as a result of COVID-19 restrictions in Japan
Underlying EBITDA	(245)	86	1,899	
Depreciation and amortisation	(884)	(949)	(983)	Exit of 747-400 fleet and impairment of A380s resulting in reduced depreciation offsetting the impact of 787-9 introduction
Underlying EBIT¹	(1,129)	(863)	916	
Net finance costs	(148)	(146)	(141)	Higher gross debt in 1H22, largely offset by reduced cost of debt
Underlying (Loss)/Profit Before Tax	(1,277)	(1,009)	775	



1. Underlying Earnings Before Net Finance Cost and Income Tax Expense (Underlying EBIT). 2. 1H19 has not been restated for the IFRIC Cloud Computing decision.

Items not included in Underlying LBT

\$M	1H22	Comments
Recovery Plan restructuring costs	(12)	Redundancies incurred as part of the Recovery Plan not previously provided for in FY20 as well as other restructuring costs
Reversal of impairment of assets and related costs	18	Largely the partial reversal of Helloworld impairment
Net gain on disposal of Mascot land and buildings	649	
Total items not included in Underlying LBT¹	655	

Mascot Land Sale

\$M	1H22	Comments
Announced proceeds	802	
Deferred settlement	(44)	
Transaction costs	(4)	
Net cash proceeds received in 1H22	754	
Less: Carrying value and other costs	(105)	Total carrying value of land, buildings and lease improvements and other lease back adjustments
Net gain on disposal of assets (pre-tax)	649	



1. Items which are identified by Management and reported to the Chief Operating Decision-Making bodies as not representing the underlying performance of the business are not included in Underlying LBT. The determination of these items is made after consideration of their nature and materiality and is applied consistently from period to period. Items not included in Underlying LBT primarily result from revenues and expenses relating to business activities in other reporting periods, transformational/restructuring initiatives, transactions involving investments and impairments of assets and other transactions outside the ordinary course of business.

Reconciliation to Underlying (Loss)/Profit Before Tax

\$M	1H22			Pre-COVID 1H19 ²		
	Statutory	Items not included in Underlying	Underlying ¹	Statutory	Items not included in Underlying	Underlying ¹
Net passenger revenue	1,534	-	1,534	8,027	-	8,027
Net freight revenue	920	-	920	525	-	525
Other revenue	620	-	620	654	-	654
Total Revenue	3,074	-	3,074	9,206	-	9,206
Manpower and staff-related	1,327	-	1,327	2,205	(37)	2,168
Aircraft operating variable	838	(7)	831	1,992	(2)	1,990
Fuel	474	-	474	1,963	-	1,963
Depreciation and amortisation	884	-	884	1,025	(42)	983
Share of net loss/(profit) of investments accounted for under the equity method	47	-	47	(3)	-	(3)
Impairment/(reversal of impairment) of assets and related costs	(18)	18	-	(43)	43	-
De-designation of fuel and foreign exchange hedges	(20)	-	(20)	-	-	-
Redundancy and related costs	5	(5)	-	9	(9)	-
Net gain on disposal of assets	(653)	649	(4)	-	-	-
Other	664	-	664	1,226	(37)	1,189
Total Expenditure	3,548	655	4,203	8,374	(84)	8,290
EBIT	(474)	(655)	(1,129)	832	84	916
Net finance costs	(148)	-	(148)	(141)	-	(141)
(Loss)/Profit Before Tax	(622)	(655)	(1,277)	691	84	775

1. Underlying (LBT)/PBT is a non-statutory measure and is the primary reporting measure used by the Chief Operating Decision-Making bodies, being the Chief Executive Officer, Group Management Committee and the Board of Directors, for the purpose of assessing the performance of the Qantas Group. All items in the 1H22 Results Presentation are reported on an Underlying basis unless otherwise stated. 2. 1H19 has not been restated for the IFRIC Cloud Computing decision.

Revenue detail – compared to Pre-COVID/1H19

Net passenger revenue down 81%

- Group capacity declined by 82% due to COVID related border restrictions and community lockdowns
- Group Unit Revenue decreased 6%
 - Group Domestic¹ Unit Revenue decreased 33%
 - Group International² Unit Revenue increased 2%

Net freight revenue up 75%

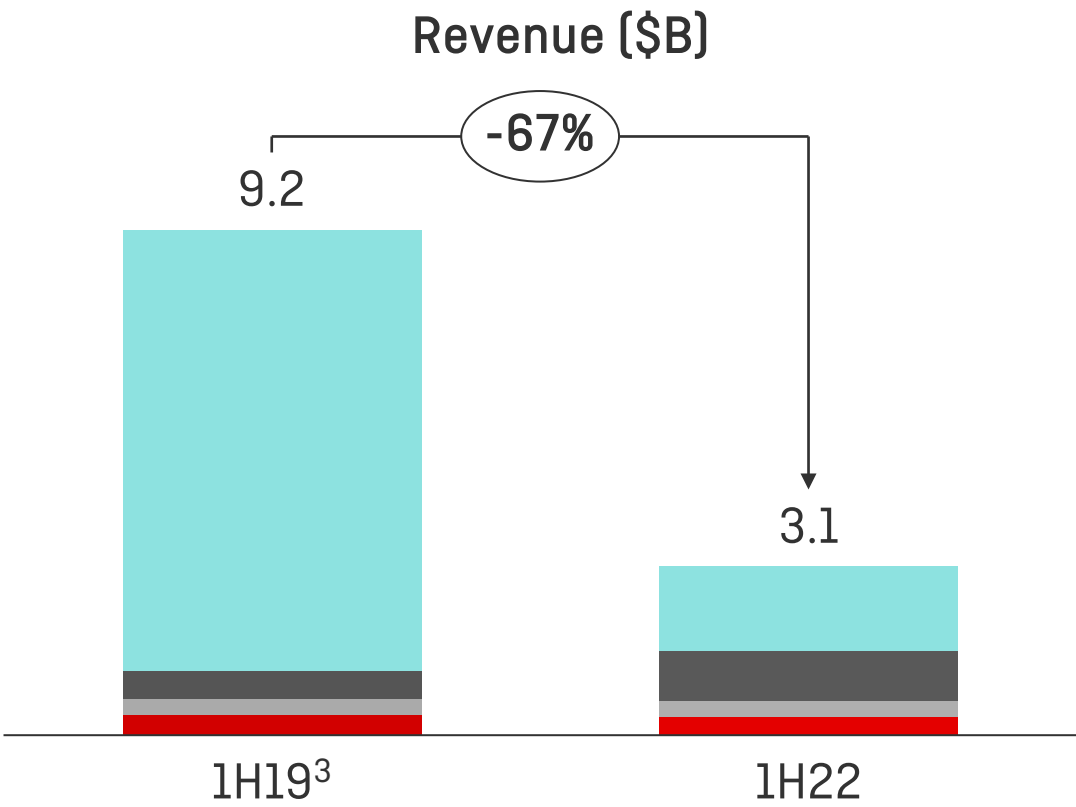
- Constrained belly space capacity shifted high yielding demand to freighters
- Supported International Freight Assistance Mechanism (IFAM)

Frequent Flyer redemption, marketing, store and other revenue down 4%

- Decrease in Qantas Travel Money and Qantas Hotels revenues due to a reduction in travel
- Partially offset by an increase in Qantas Insurance revenue

Revenue from other sources down 6%

- Decrease in third party services and other revenue due to reduction in global air travel impacting codeshare commissions, contract work for other airlines and Qantas Club membership fees



RPKs (m)	64,958	(89%)	7,103
ASKs (m)	76,854	(82%)	13,506



1. Includes Qantas Domestic and Jetstar Domestic. 2. Group International includes Qantas International, Jetstar International Australian operations, Jetstar New Zealand (including Jetstar Regionals) and Jetstar Asia (Singapore). 3. 1H19 has not been restated for the IFRIC Cloud Computing decision.

Expenditure detail – compared to Pre-COVID/1H19

Fuel down 76%

- Reduced consumption due to COVID related travel restrictions
- Lower AUD jet fuel prices

Manpower and staff-related down 39%

- Decreased due to rightsizing and restructuring as part of the Recovery Plan program

Aircraft operating variable (AOV) costs down 58%

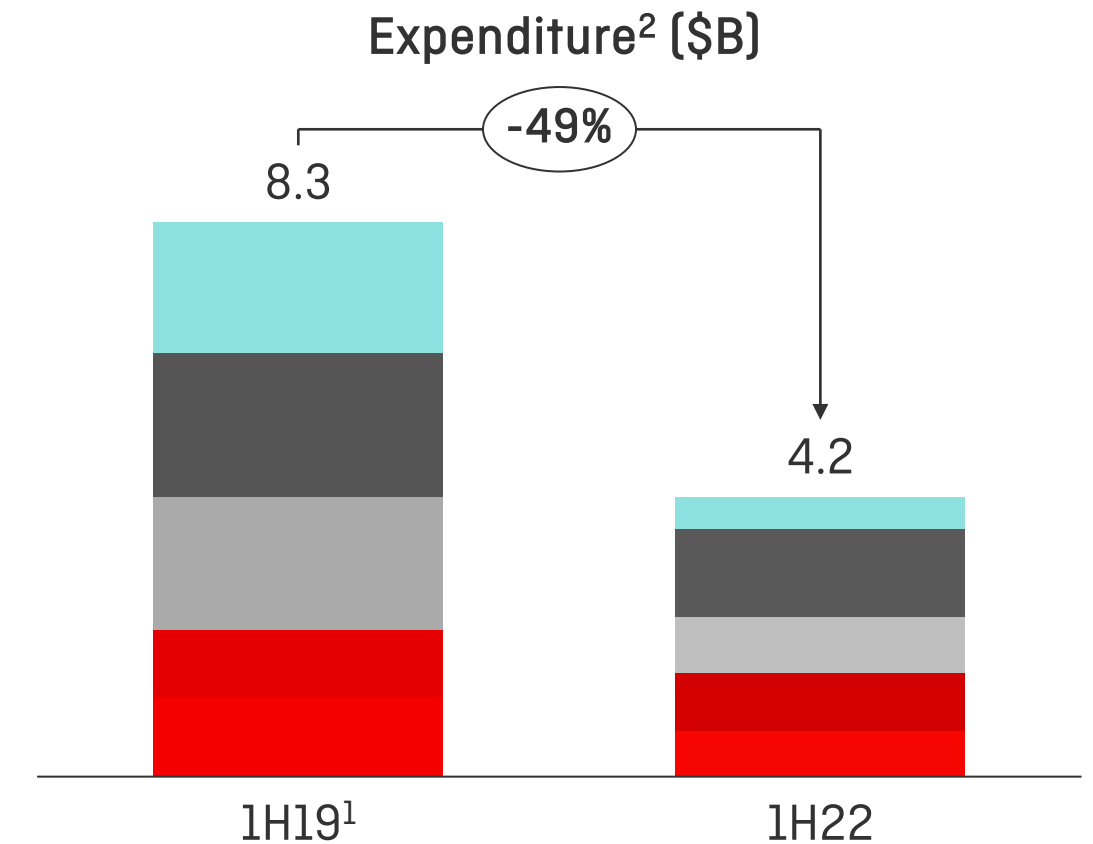
- Reduction in passenger service charges, route navigation, landing fees, engineering and maintenance costs, passenger expenses, lounge costs and other variable costs due to decreased flying

Depreciation and amortisation down 10%

- Exit of 747-400 fleet and impairment of A380s reducing depreciation in 1H22 partially offset by higher depreciation due to introduction of 787-9 fleet
- Amortisation reduced in 1H22 due to the adoption of IFRIC Cloud Computing decision¹

Other expenditure down 42%

- Reduced commissions expense due to reduction in activity
- Reduction in computer and communications spend through rate and volume reductions
- Reduction in capacity hire related to overall activity reduction
- Partially offset by an increase in share of net losses from associates



Passengers ('000)	28,500	(81%)	5,406
ASKs (m)	76,854	(82%)	13,506



1. 1H19 has not been restated for the adoption of IFRIC Cloud Computing decision. 2. All expenditure is presented on an Underlying basis which excludes other items not included in Underlying PBT.

Impact of adoption of IFRIC Agenda Decision on Cloud Computing Arrangements

- The adoption of IFRIC Agenda Decision on Cloud Computing Arrangements requires restatement of 1H21 and FY21
- The decision provides new guidance and requirements for assessing whether costs incurred to implement these arrangements should be capitalised
- This resulted in the derecognition of certain implementation costs which had been capitalised as intangible assets under AASB 138 Intangible Assets, which are instead expensed under the IFRIC Agenda Decision
- The Group's previous accounting policy had been to capitalise costs related to Cloud Computing Arrangements in line with prevailing accounting standards and interpretations where they meet the relevant criteria for capitalisation
- Following the adoption of the new guidance
 - Implementation costs, including cost to configure and customise the cloud provider's application software, are generally expensed
 - Where the cloud service supplier provides these services
 - If distinct services, generally expensed as incurred
 - If non-distinct (not separable from the cloud computing arrangement itself), generally expensed over contract term
 - Through implementing Cloud Computing Arrangements, if the Group develops software code that significantly enhances existing systems, capitalisation may still occur

Restated of Underlying EBIT

\$M	1H21 Reported	Impact of Adoption	1H21 Restated	FY21 Reported	Impact of Adoption	FY21 Restated
Qantas Domestic	(337)	8	(329)	(590)	15	(575)
Qantas International	(291)	12	(279)	(575)	27	(548)
Jetstar Group	(328)	5	(323)	(550)	9	(541)
Qantas Loyalty	125	-	125	272	-	272
Corporate/Unallocated/ Eliminations	(57)	-	(57)	(82)	1	(81)
Underlying EBIT	(888)	25	(863)	(1,525)	52	(1,473)



IFRIC Agenda Decision – Restatement of Balance Sheet and Income Statement 1H21 and FY21

Restated Consolidated Balance Sheet

\$M	FY21 Reported	Impact of Adoption	FY21 Restated
Intangible assets	849	(104)	745
Deferred tax assets	675	31	706
Net assets	516	(73)	443
Accumulated losses	(3,087)	(73)	(3,160)
Total equity	516	(73)	443

- Upon adoption, FY21 and 1H21 have been restated
- FY21 intangible assets were reduced by \$104m (recognised through retained earnings after tax)
- Amortisation expense decreased following restatement as a result of lower intangible assets on the Consolidated Balance Sheet
 - 1H21 amortisation reduced by \$25m
 - FY21 amortisation reduced by \$52m

Restated Consolidated Income Statement

\$M	1H21 Reported	Impact of Adoption	1H21 Restated	FY21 Reported	Impact of Adoption	FY21 Restated
Depreciation and amortisation	(978)	25	(953)	(1,929)	52	(1,877)
Income tax benefit	386	(7)	379	623	(16)	607
Statutory loss after tax	(1,081)	18	(1,063)	(1,728)	36	(1,692)



Cash flow

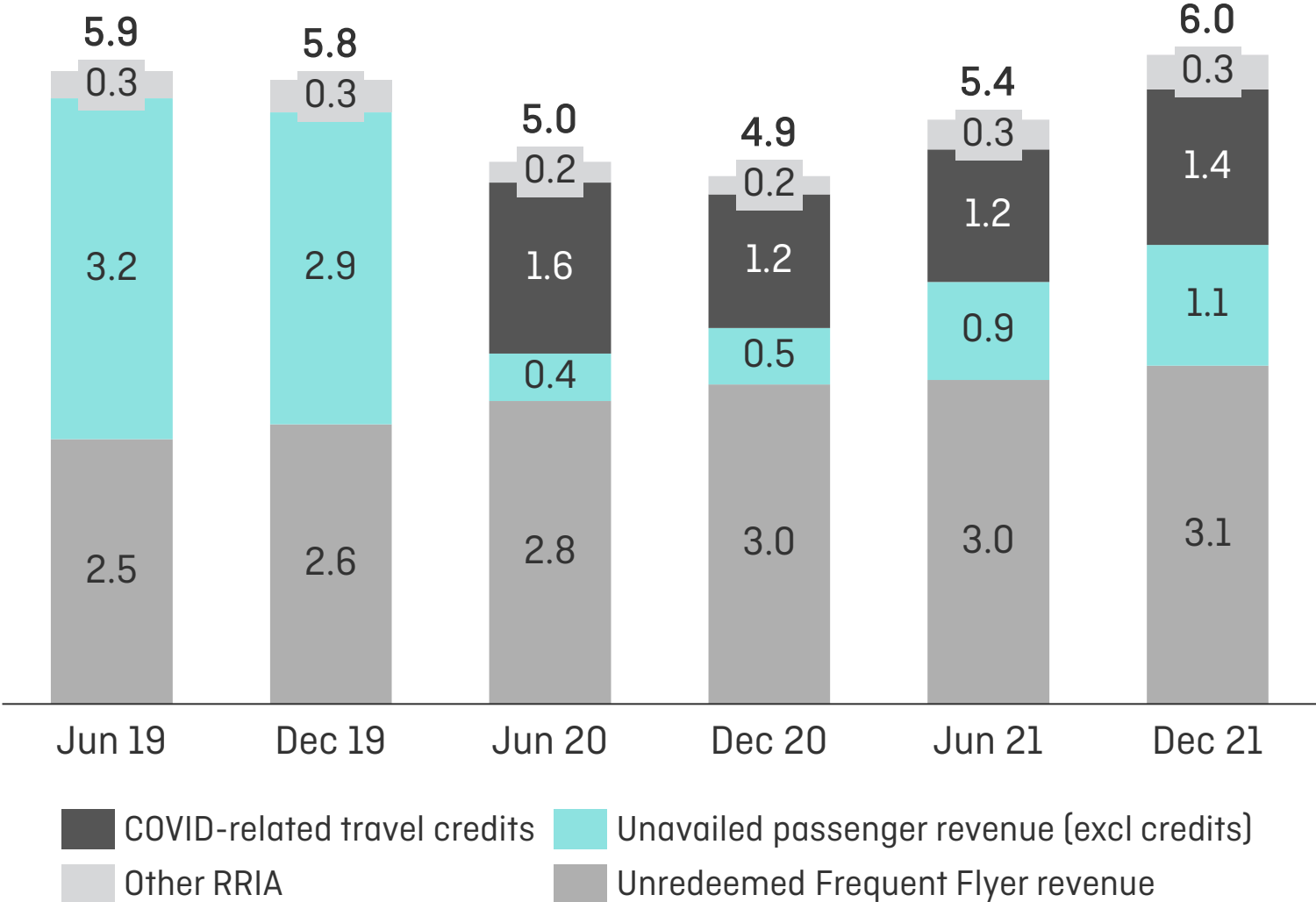
\$M	1H22	1H21
Operating cash flows	137	(861)
Investing cash flows	415	(514)
Net free cash flow¹	552	(1,375)
Financing cash flows	(72)	468
Cash at beginning of year	2,221	3,520
Effects of FX on cash	4	(7)
Cash at end of period	2,705	2,606

- Operating cash flow of \$137m driven by
 - Underlying EBITDA loss of (\$245)m
 - Favourable net working capital and other movements (predominately RRIA²) of \$505m
 - Net interest paid of (\$123)m
- Net investing cash flows of \$415m driven by
 - One-off inflows of \$754m relating to the Mascot land sale
 - Restricted gross investing cash outflow to prioritise debt reduction (\$339)m
- Financing cash flows of (\$72)m include
 - \$496m new debt raised since 30 June 2021
 - Debt repayments of (\$384)m of secured amortising debt
 - Net lease principal repayments of (\$184)m



Revenue Received In Advance (RRIA)

Total Revenue Received in Advance (\$B)



- Future RRIA rebuild will be a result of capacity on sale, load factors and average fares
- ~35% of pre-COVID¹ held bookings rebuilt as at 31 December 2021
 - ~45% of Group Domestic held bookings
 - ~30% of Group International held bookings
- Credit voucher balance of \$1.4b, increase of \$0.2b since June 2021
- Percentage of bookings using credit vouchers as payment remains steady
 - ~7% for Qantas
 - ~20% for Jetstar

Recovery and rebuild of Revenue Received in Advance supporting positive net free cash flow



1. 30 June 2019 balance as a proxy for pre-COVID levels.

Invested Capital calculation

\$M	As at 31 Dec 2021	As at 30 Jun 2021 ³	As at 31 Dec 2020 ³
Receivables (current and non-current)	895	633	735
Inventories	286	279	296
Other assets (current and non-current)	938	856	602
Investments accounted for under the equity method	72	57	65
Property, plant and equipment	10,288	10,787	11,340
Intangible assets	680	745	830
Assets classified as held for sale	3	1	41
Payables (current and non-current)	(1,897)	(1,857)	(1,890)
Provisions (current and non-current)	(1,873)	(1,825)	(2,133)
Revenue received in advance (current and non-current)	(6,036)	(5,431)	(4,907)
Capitalised leased aircraft ¹	1,852	1,751	1,676
Invested Capital	5,208	5,996	6,655
Average Invested Capital²	6,064	6,554	7,489

- Aircraft financed via leases are adjusted as if they were owned, i.e. all AASB16 accounting recognition and lease return provision are reversed and replaced with market value assets that are depreciated in line with other owned aircraft assets
- The resulting Invested Capital is used to determine Net Debt target range



1. Capitalised leased aircraft are included in the Group's Invested Capital at the AUD market value (referencing AVAC) of the aircraft at the date of commencing operations at the prevailing AUD/USD rate and is notionally depreciated in accordance with the Group's accounting policies. The calculated depreciation expense is referred to as notional depreciation. The carrying value of leased aircraft (AUD market value less accumulated notional depreciation) and an adjustment to exclude aircraft lease return provisions is reported within Invested Capital as capitalised leased aircraft. 2. Equal to the 12 months average of monthly Invested Capital. 3. Restated for the adoption of IFRIC Cloud Computing decision.

Return on Invested Capital (ROIC) calculation

\$M	12 mths to Dec 21	12 mths to Dec 20 ⁵
Underlying EBIT	(1,739)	(1,368)
Add back: Lease depreciation under AASB 16	339	400
Less: Notional depreciation ¹	(106)	(107)
Less: Cash expenses for non-aircraft leases	(224)	(202)
ROIC EBIT	(1,730)	(1,277)

\$M	As at 31 Dec 21	As at 31 Dec 20 ⁵
Net working capital ²	(7,687)	(7,297)
Fixed assets ³	11,043	12,276
Capitalised leased aircraft ¹	1,852	1,676
Invested Capital	5,208	6,655
Average Invested Capital⁴	6,064	7,489

Return on Invested Capital (%)	(28.5)	(17.1)
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1. For calculating ROIC, all statutory aircraft leases balances and provisions relating to the leased aircraft are adjusted to represent the capitalised value of the leased aircraft, as if they were owned. Capitalised leased aircraft are included in the Group's Invested Capital at the AUD market value (referencing AVAC) of the aircraft at the date of commencing operations at the prevailing AUD/USD rate and is notionally depreciated in accordance with the Group's accounting policies. The calculated depreciation expense is referred to as notional depreciation. The carrying value of leased aircraft (AUD market value less accumulated notional depreciation) and an adjustment to exclude aircraft lease return provisions is reported within Invested Capital as capitalised leased aircraft. 2. Net working capital is the net total of the following items disclosed in the Group's Consolidated Balance Sheet: receivables, inventories and other assets reduced by payables, provisions, revenue received in advance and assets classified as held for sale. 3. Fixed assets is the sum of the following items disclosed in the Group's Consolidated Balance Sheet: investments accounted for under the equity method, property, plant and equipment, intangible assets, and assets classified as held for sale. 4. Equal to the 12 months average of monthly Invested Capital. 5. Restated for the adoption of IFRIC Cloud Computing decision.

Net Debt target range

- Net Debt target range = 2.0x – 2.5x ROIC EBITDA where EBITDA achieves a fixed 10% ROIC
- At average Invested Capital of \$6.1b, optimal Net Debt range is **\$4.4b to \$5.5b**

	Dec 21	Jun 21	Dec 20	
	\$B	\$B	\$B	
Invested Capital	6.1	6.6	7.5	Average Invested Capital for trailing 12 months
10% ROIC EBIT	0.61	0.66	0.75	Invested Capital x 10%
plus rolling 12 month ROIC depreciation ¹	1.58	1.61	1.68	Includes notional depreciation on aircraft operating leases
EBITDA where ROIC = 10%	2.19	2.27	2.43	
Net Debt at 2.0x EBITDA where ROIC = 10%	4.4	4.5	4.9	Net Debt target range²
Net Debt at 2.5x EBITDA where ROIC = 10%	5.5	5.7	6.1	

Dynamic range reinstated

Conservatively held range during COVID at \$4.5b to \$5.6b

Group leverage target consistent with investment grade credit metrics



1. Equal to the ROIC depreciation for the 12 months to 31 December 2021 and includes Group Underlying depreciation and amortisation (excluding lease depreciation under AASB 16), and notional depreciation on leased aircraft and expected impact of impairments on Underlying depreciation. 2. The appropriate level of Net Debt reflects the Qantas Group's size, measured by Invested Capital and is premised on maintaining ROIC above 10%.

Net Debt and liquidity position

\$M	As at 31 Dec 21	As at 30 Jun 21	Change ⁴
Current interest-bearing liabilities on Balance Sheet	952	969	17
Non-current interest-bearing liabilities on Balance Sheet	6,037	5,861	(176)
Cash at end of period	(2,705)	(2,221)	484
Net on Balance Sheet debt¹	4,284	4,609	325
Capitalised aircraft lease liabilities ²	1,240	1,281	41
Net Debt³	5,524	5,890	366

\$M	As at 31 Dec 21	As at 30 Jun 21	Change ⁴
Cash and cash equivalents at end of period	2,705	2,221	484
Undrawn facilities	1,575	1,575	-
Total liquidity	4,280	3,796	484

- Net Debt decreased by \$0.4b for the 6 months to December 2021
 - Borrowing activity for the period included
 - 1H22 new unsecured borrowings of (\$0.5)b
 - Repayment of \$0.4b secured amortising debt
 - Increase in cash balance supported by proceeds from the sale of Mascot land
- Committed undrawn facilities of \$1.6b
- The Group also maintains an unencumbered asset base of >\$2.4b



1. Net on Balance Sheet debt includes interest-bearing liabilities and the fair value of hedges related to debt reduced by cash and cash equivalents. 2. Capitalised aircraft lease liabilities are measured at fair value at the lease commencement date and remeasured over lease term on a principal and interest basis. Residual value of capitalised aircraft lease liability denominated in foreign currency is translated at the long-term exchange rate. 3. Net Debt under the Group's Financial Framework includes net on Balance Sheet debt and capitalised aircraft lease liabilities. 4. Favourable variance shown as positive amounts.

Net Debt movement consistent with Financial Framework

\$M	1H22	1H21
Opening Net Debt	(5,890)	(4,734)
Net cash from operating activities	137	(861)
Less: Net lease principal repayments under AASB 16	(184)	(219)
Add: Principal portion of aircraft lease rentals	78	119
Funds From Operations	31	(961)
Net cash from investing activities	415	(514)
Lease adjustment for Freighter conversion	(30)	-
Net Capital Expenditure	385	(514)
Dividend paid to shareholders	-	-
Payments for share buy-back	-	-
Shareholder Distributions	-	-
Payment for treasury shares	-	-
Net equity raise funds	-	58
FX revaluations and other fair value movements	(50)	99
Closing Net Debt	(5,524)	(6,052)

- The Financial Framework considers aircraft leases as part of Net Debt
 - Aircraft leases are initially recognised in Net Debt at fair value
 - Principal portions of rentals are treated as debt reduction
 - Purchase of aircraft leases are treated as refinancing
 - Commencing (or returning) aircraft leases are treated as capital acquisitions / borrowings (or capital disposals / repayments)
 - AASB 16 Leases was adopted at 1 July 2019 and applied retrospectively. Under AASB 16, leases are recognised on the balance sheet and measured as the present value of future lease payments. This differs to the fair value at recognition approach under the Financial Framework
 - The adoption of AASB 16 does not change the Financial Framework that guides the Group's capital decisions



Unit Cost breakdown

c/ASK	1H22
Total Unit Cost¹	17.86
Excluding:	
Fuel	(3.51)
Impact of changes in the discount rate and other actuarial assumptions	0.22
Share of net (loss) of investments accounted for under the equity method	(0.35)
Ex-Fuel Unit Cost²	14.22
Excluding:	
Depreciation	(6.06)
Impairment	-
Normalised Ex-Fuel Unit Cost	8.16



1. Underlying (LBT)/PBT less ticketed passenger revenue per ASK. 2. Underlying (LBT)/PBT less ticketed passenger revenue, fuel and share of profit/(loss) of investments accounted for under the equity method, adjusted for the impact of changes in FX rates, discount rates and other actuarial assumptions per ASK.

1H22 Australian Government COVID-19 packages

COVID-19 aviation industry support packages

\$M	1H22
Retaining Domestic Airline Capability (RDAC)	29
International Aviation Support (IAS)	84
Tourism Aviation Network Support (TANS Part 1)	22
Domestic Airport Security Cost Support (DASCS)	2
Total	137

In addition to the packages outlined in the table

- \$65m in support was paid to employees through RDAC and IAS
- Domestic Airport Security Cost Support and Airservices Fee Waiver also provided support to other suppliers of the Group (including government-owned corporations)
 - As a result the providers have offered waivers to the Group of \$59m in 1H22
- The Group provided services for vital passenger and freight services including RANS, DANS, TANS (Part 2)¹, IFAM and repatriation flying
 - These services accounted for \$311m in revenue for the Group in 1H22
 - After offsetting the costs to operate these services the net benefit of this flying was ~\$18m

- Federal Government support was provided chiefly in response to border closures
- Support tapered towards the end of 1H22 and will wind down in 2H22 as borders normalise
- RDAC and IAS programs focused on retaining core aviation capability, with airline readiness linked to the broader ability of the domestic tourism sector to recover and to meet demand for Australians returning from overseas in large numbers once international borders opened. The program ensured readiness capability, including expedited staff training and maintenance to bring aircraft out of hibernation
- The TANS programs (Part 1) helped stimulate domestic tourism demand by funding half price tickets on key leisure routes
- DASCS program provided funding to meet eligible costs related to mandatory security screening obligations under the Aviation Transport Security Regulations 2005



1. Regional Airline Network Support and Domestic Aviation Network Support.

Group Fleet as at 31 December 2021

Aircraft Type	1H22	FY21	Change
A380-800 ¹	10	12	(2)
A330-200	18	18	-
A330-300	10	10	-
737-800	75	75	-
787-9	11	11	-
Total Qantas	124	126	(2)
717-200	20	20	-
Q200/Q300	19	19	-
Q400	31	31	-
F100	18	18	-
A320-200	11	10	1
Total QantasLink	99	98	1
A320-200 ²	60	61	(1)
A321-200	6	6	-
787-8	11	11	-
Total Jetstar	77	78	(1)
737-300F/737-400F	5	5	-
767-300F	1	1	-
A321-200F ³	3	3	-
Total Freight⁴	9	9	-
Total Group	309	311	(2)

- Group fleet⁵ of 309 aircraft as at 31 December 2021
- Movements in 1H22 include
 - Two A380-800s no longer returning to service
 - One A320-200 transferred from Jetstar to QantasLink
- Other significant, new capacity arrangements include
 - E190s capacity hire arrangement with Alliance Aviation supporting emerging Central Australia and Northern Territory demand (currently operating 5, with options up to 18 available)
 - Access to additional four A320-200 from Jetstar Japan providing additional optional capacity to Jetstar Australia



1. Decision to return 10 x A380s to service announced August 2021. 2. Includes Jetstar Asia (Singapore) fleet (13 x A320s), excludes Jetstar Japan. 3. Includes Jetstar A321-200s converted to freighter aircraft. 4. Qantas Group also wet-leases 2 x 747-800s, 1 x 747-400 freighter aircraft, 7 x BAe146 freighter aircraft (not included in the table) taking the total freight fleet to 19 aircraft. 5. Includes purchased and leased aircraft but excludes wet-leased aircraft.

Supplementary Segment Information



1H22 Group and Group Domestic Traffic Statistics vs Pre-COVID

	1Q22	Pre-COVID 1Q19	Change (%)	2Q22	Pre-COVID 2Q19	Change (%)	1H22	Pre-COVID 1H19	Change (%)
Qantas Group Operations									
Passengers carried ('000)	2,153	14,103	(85)	3,253	14,397	(77)	5,406	28,500	(81)
Revenue Passenger Kilometres (m)	2,790	32,372	(91)	4,313	32,586	(87)	7,103	64,958	(89)
Available Seat Kilometres (m)	5,627	38,698	(85)	7,879	38,156	(79)	13,506	76,854	(82)
Revenue Seat Factor (%)	49.6	83.7	(34.1)ppts	54.7	85.4	(30.7)ppts	52.6	84.5	(31.9)ppts
Group Unit Revenue (c/ASK)	8.3	8.7	(5)	8.5	9.2	(8)	8.4	8.9	(6)
Qantas Domestic									
Passengers carried ('000)	1,333	5,723	(77)	1,899	5,694	(67)	3,232	11,417	(72)
Revenue Passenger Kilometres (m)	1,708	6,961	(75)	2,103	6,827	(69)	3,811	13,788	(72)
Available Seat Kilometres (m)	3,494	8,792	(60)	4,183	8,522	(51)	7,677	17,314	(56)
Revenue Seat Factor (%)	48.9	79.2	(30.3)ppts	50.3	80.1	(29.8)ppts	49.6	79.6	(30.0)ppts
Jetstar Domestic									
Passengers carried ('000)	543	3,545	(85)	1,097	3,663	(70)	1,640	7,208	(77)
Revenue Passenger Kilometres (m)	815	4,258	(81)	1,365	4,253	(68)	2,180	8,511	(74)
Available Seat Kilometres (m)	1,497	4,875	(69)	2,203	4,818	(54)	3,700	9,693	(62)
Revenue Seat Factor (%)	54.4	87.3	(32.9)ppts	62.0	88.3	(26.3)ppts	58.9	87.8	(28.9)ppts
Group Domestic									
Available Seat Kilometres (m)	4,991	13,667	(63)	6,386	13,340	(52)	11,377	27,007	(58)
Group Domestic Unit Revenue change (%)			(31)			(35)			(33)



1H22 Group International Traffic Statistics vs Pre-COVID

	1Q22	Pre-COVID 1Q19	Change (%)	2Q22	Pre-COVID 2Q19	Change (%)	1H22	Pre-COVID 1H19	Change (%)
Qantas International									
Passengers carried ('000)	28	2,184	(99)	91	2,244	(96)	119	4,428	(97)
Revenue Passenger Kilometres (m)	69	14,911	(100)	703	15,133	(95)	772	30,044	(97)
Available Seat Kilometres (m)	154	17,691	(99)	1,091	17,460	(94)	1,245	35,151	(96)
Revenue Seat Factor (%)	44.8	84.3	(39.5)ppts	64.4	86.7	(22.3)ppts	62.0	85.5	(23.5)ppts
Jetstar International									
Passengers carried ('000)	218	1,587	(86)	100	1,651	(94)	318	3,238	(90)
Revenue Passenger Kilometres (m)	164	4,706	(97)	74	4,683	(98)	238	9,389	(97)
Available Seat Kilometres (m)	229	5,415	(96)	129	5,325	(98)	358	10,740	(97)
Revenue Seat Factor (%)	71.6	86.9	(15.3)ppts	57.4	87.9	(30.5)ppts	66.5	87.4	(20.9)ppts
Jetstar Asia									
Passengers carried ('000)	31	1,064	(97)	66	1,145	(94)	97	2,209	(96)
Revenue Passenger Kilometres (m)	34	1,536	(98)	68	1,690	(96)	102	3,226	(97)
Available Seat Kilometres (m)	253	1,925	(87)	273	2,031	(87)	526	3,956	(87)
Revenue Seat Factor (%)	13.4	79.8	(66.4)ppts	24.9	83.2	(58.3)ppts	19.4	81.5	(62.1)ppts
Group International									
Available Seat Kilometres (m)	636	25,031	(97)	1,493	24,816	(94)	2,129	49,847	(96)
Group International Unit Revenue change (%)			(34)			13			2



1H22 Group and Group Domestic Traffic Statistics vs 1H21

	1Q22	1Q21	Change (%)	2Q22	2Q21	Change (%)	1H22	1H21	Change (%)
Qantas Group Operations									
Passengers carried ('000)	2,153	1,647	31	3,253	3,268	(0)	5,406	4,915	10
Revenue Passenger Kilometres (m)	2,790	1,816	54	4,313	3,752	15	7,103	5,568	28
Available Seat Kilometres (m)	5,627	2,987	88	7,879	5,850	35	13,506	8,837	53
Revenue Seat Factor (%)	49.6	60.8	(11.2)ppts	54.7	64.1	(9.4)ppts	52.6	63.0	(10.4)ppts
Group Unit Revenue	8.3	9.9	(16)	8.5	10.6	(20)	8.4	10.3	(19)
Qantas Domestic									
Passengers carried ('000)	1,333	910	47	1,899	1,748	9	3,232	2,658	22
Revenue Passenger Kilometres (m)	1,708	1,032	65	2,103	2,000	5	3,811	3,032	26
Available Seat Kilometres (m)	3,494	1,819	92	4,183	3,401	23	7,677	5,220	47
Revenue Seat Factor (%)	48.9	56.7	(7.8)ppts	50.3	58.8	(8.5)ppts	49.6	58.1	(8.5)ppts
Jetstar Domestic									
Passengers carried ('000)	543	534	2	1,097	1,199	(9)	1,640	1,733	(5)
Revenue Passenger Kilometres (m)	815	635	28	1,365	1,509	(10)	2,180	2,144	2
Available Seat Kilometres (m)	1,497	941	59	2,203	2,016	9	3,700	2,957	25
Revenue Seat Factor (%)	54.4	67.5	(13.1)ppts	62.0	74.9	(12.9)ppts	58.9	72.5	(13.6)ppts
Group Domestic									
Available Seat Kilometres (m)	4,991	2,760	81	6,386	5,417	18	11,377	8,177	39
Group Domestic Unit Revenue change (%)			(14)			(22)			(19)



1H22 Group International Traffic Statistics vs 1H21

	1Q22	1Q21	Change (%)	2Q22	2Q21	Change (%)	1H22	1H21	Change (%)
Qantas International									
Passengers carried ('000)	28	-	>100%	91	3	>100%	119	3	>100%
Revenue Passenger Kilometres (m)	69	2	>100%	703	6	>100%	772	8	>100%
Available Seat Kilometres (m)	154	2	>100%	1,091	29	>100%	1,245	31	>100%
Revenue Seat Factor (%)	44.8	100.0	(55.2)ppts	64.4	20.7	43.7ppts	62.0	25.8	36.2ppts
Jetstar International									
Passengers carried ('000)	218	197	11	100	306	(67)	318	503	(37)
Revenue Passenger Kilometres (m)	164	137	20	74	222	(67)	238	359	(34)
Available Seat Kilometres (m)	229	180	27	129	313	(59)	358	493	(27)
Revenue Seat Factor (%)	71.6	76.1	(4.5)ppts	57.4	70.9	(13.5)ppts	66.5	72.8	(6.3)ppts
Jetstar Asia									
Passengers carried ('000)	31	6	>100%	66	12	>100%	97	18	>100%
Revenue Passenger Kilometres (m)	34	10	>100%	68	15	>100%	102	25	>100%
Available Seat Kilometres (m)	253	45	>100%	273	91	>100%	526	136	>100%
Revenue Seat Factor (%)	13.4	22.2	(8.8)ppts	24.9	16.5	8.4ppts	19.4	18.4	1.0ppts
Group International									
Available Seat Kilometres (m)	636	227	>100%	1,493	433	>100%	2,129	660	>100%
Group International Unit Revenue change (%)			(28)			55			24



Jetstar Group as at 31 December 2021

Jetstar Branded Airlines	Ownership ¹	Launch	Aircraft ²
① Jetstar Australia	100%	2004	51 x A320s/A321s 2 x 787-8
② Jetstar International	100%	2006	9 x 787-8s 1 x A320
③ Jetstar New Zealand ³	100%	2009	5 x A320s
④ Jetstar Asia (Singapore)	49%	2004	13 x A320s
⑤ Jetstar Japan	33%	2012	21 x A320s



1. Based on voting rights. 2. Represents operational fleet, includes aircraft subleased for Jetstar Australia Domestic operations (4 from Jetstar Japan) and aircraft that may be temporarily stored or parked due to COVID-19. 3. Includes Jetstar Trans-Tasman services commenced in 2005 and Jetstar New Zealand (Domestic) services commenced in 2009, Jetstar New Zealand (Regional) business exited September 2019.

Diversification and growth at Qantas Loyalty

One of the world's most diverse airline loyalty programs

FREQUENT
FLYER



BUSINESS
REWARDS



QANTAS
MONEY



QANTAS
HOTELS



QANTAS
INSURANCE



QANTAS
SHOPPING



QANTAS
WINE



- 2% growth¹ in Qantas Frequent Flyer membership; 9% growth¹ in QBR² membership with >345,000 SME members³
- >600 program partners⁴ across Qantas Frequent Flyer and Qantas Business Rewards
- Financial Services diversification – NAB Personal Loans; Superhero share trading; and a new Buy Now Pay Later partnership
- Expansion of bp partnership allowing members to redeem Qantas Points at >1,100 bp locations across Australia
- Record NPS⁵ supported by continued investment in member engagement activities
- Group cash contribution >\$0.5b of gross receipts⁶

- 80% growth in Home and Motor Insurance customers⁷, Health Insurance customers growth to more than 100k
- >2.5x uplift in daily flight redemption activity following the largest release of Classic Reward seats⁸
- 18% growth⁹ in Qantas Hotels and Holiday booking activity, supported by the expansion of the Qantas Holidays brand and new product offerings
- Elevated sales continue across Qantas Wine and Reward Store, 1H22 total revenue up 75% and 25% respectively versus pre-COVID levels¹⁰

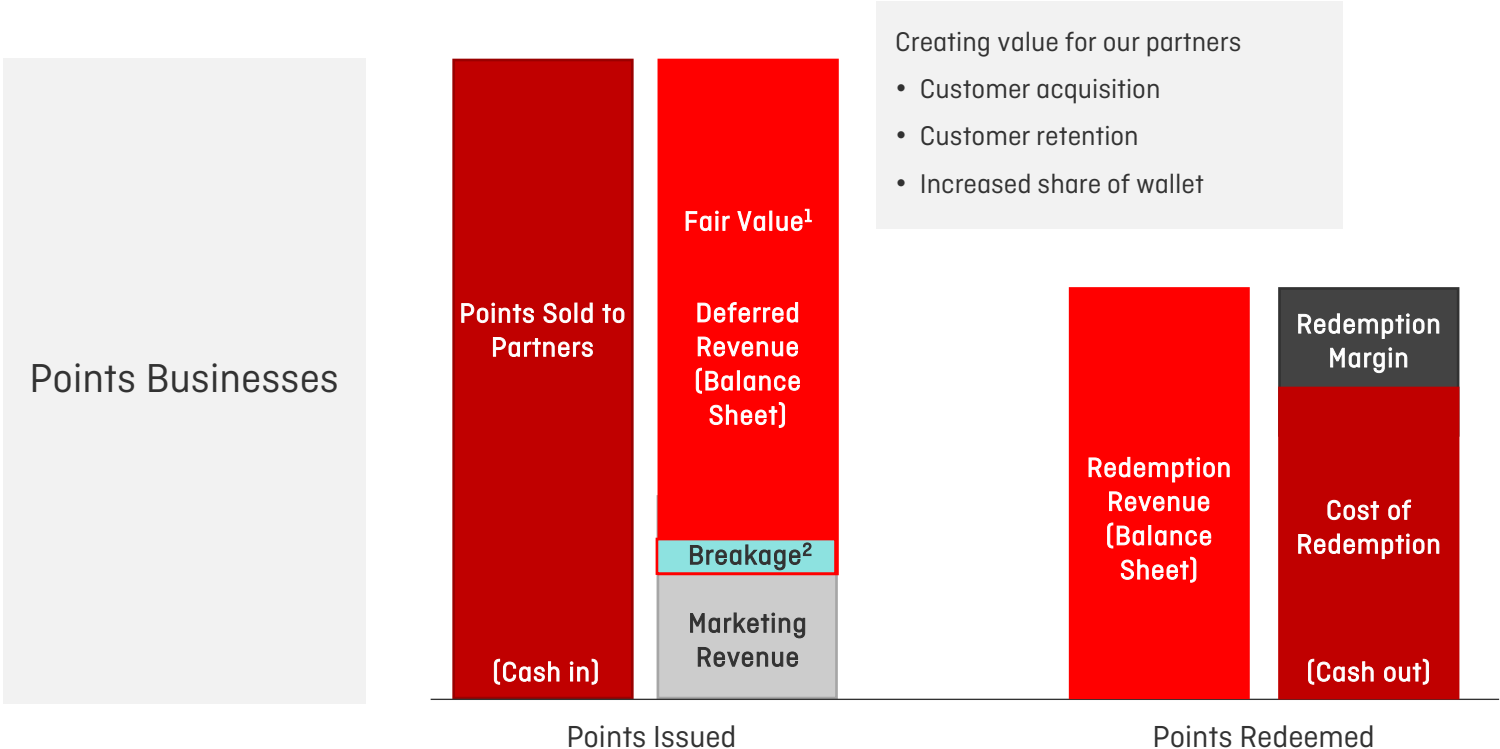
Leadership in customer advocacy in airline loyalty programs

1. Compared to December 2020. 2. Qantas Business Rewards. 3. Small and Medium Enterprises as at 31 December 2021. 4. Includes Airline, Retail, Financial Services and Health and Wellness partners. 5. Net Promoter Score. 6. Sales to external parties during 1H22. 7. Total customers with a Home and/or Motor insurance policy as at 31 December 2021 compared to 31 December 2020. 8. Compared to redemption activity in 7 days prior to International border announcement on 1 October 2021. Total Qantas Points redeemed on International and Domestic flights between 19-25 October 2021 compared to 24-30 September 2021. 9. Compared to 1H21. 10. Total Revenue from Qantas Rewards Store and Qantas Wine includes both cash sales and points redemption activity during 1H22 compared to 1H19.

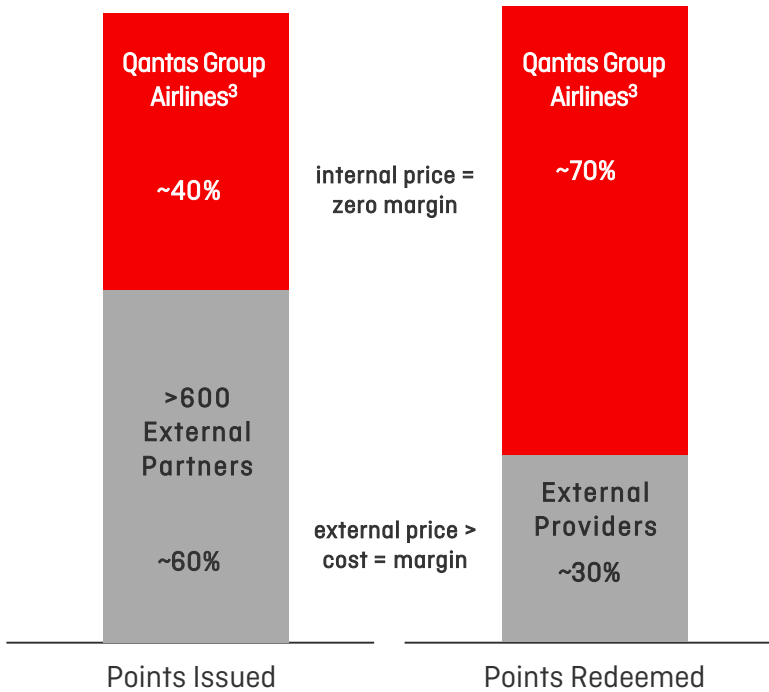


Accounting for points – a lifecycle overview

Qantas Loyalty generates a gross margin on both Issuance and Redemption activity
 (Not to scale and for illustrative purposes only)



Gross margin is only generated on 'external points'
 (unique compared to other airline loyalty programs)
Pre-COVID activity and conditions



Share of gross margin from Consumer Businesses



1. Defined per AASB15, Fair Value includes breakage which has been separated for illustrative purposes. 2. Breakage is recognised at the time of points issuance based on an estimated breakage rate. There is no further recognition of breakage at the time of points expiry. However, the actual rate of breakage is used to inform the estimated breakage rate for initial recognition. 3. Qantas Group operated flights only.

Glossary

Available Seat Kilometres (ASK) – Total number of seats available for passengers, multiplied by the number of kilometres flown

Block Hours – The time between the aircraft leaving the departure gate and arriving at the destination gate

Capitalised aircraft lease liabilities – Capitalised aircraft lease liabilities are measured at fair value at the lease commencement date and remeasured over lease term on a principal and interest basis. Residual value of capitalised aircraft operating lease liability denominated in foreign currency is translated at the long-term exchange rate

DANS – Domestic Aviation Network Support

DASC – Domestic Airport Security Cost Support

EBIT – Earnings before interest and tax

EBITDA – Earnings before interest, tax, depreciation, amortisation and impairments

EPS – Earnings per share. Statutory profit after tax divided by the weighted average number of issued shares

Fixed assets – Sum of the following items disclosed in the Group's Consolidated Balance Sheet: investments accounted for under the equity method, property, plant and equipment, intangible assets, and assets classified as held for sale

FX – Foreign exchange

JBA – Joint Business Agreement

IAS – International Aviation Support

IFAM – International Freight Assistance Mechanism

Invested Capital – Net assets (excluding cash, debt, other financial assets and liabilities and tax balances) including capitalised aircraft lease assets

Net Capital Expenditure (Capex) – Net investing cash flows included in the Consolidated Cash Flow Statement and the impact to Invested Capital from acquiring or returning leased aircraft

Net Debt – includes net on Balance Sheet debt and capitalised aircraft lease liabilities

Net free cash flow – Net cash from operating activities less net cash used in investing activities (excluding aircraft lease refinancing)

Net on Balance Sheet debt – Interest-bearing liabilities reduced by cash and cash equivalents

Net working capital – Net total of the following items disclosed in the Group's Consolidated Balance Sheet: receivables, inventories and other assets reduced by payables, provisions, revenue received in advance and liabilities classified as held for sale

NPS – Net promoter score. Customer advocacy measure

Operating Margin – Underlying EBIT divided by Total Revenue

LBT – Loss before tax

QBR – Qantas Business Rewards

QFF – Qantas Frequent Flyer

RANS – Regional Airline Network Support

RDAC – Retaining Domestic Airline Capability

Return on Invested Capital (ROIC) – ROIC EBIT for the 12 months ended for the reporting period, divided by the 12 months average Invested Capital

Revenue Passenger Kilometres (RPK) – Total number of passengers carried, multiplied by the number of kilometres flown

RRIA – Revenue received in advance

Seat Factor – Revenue passenger kilometres divided by available seat kilometres

SME – Small to medium enterprise

TANS – Tourism Aviation Network Support

Ticketed passenger revenue – Uplifted passenger revenue included in Net Passenger Revenue

Total Unit Cost – Underlying (LBT)/PBT less ticketed passenger revenue per available seat kilometre (ASK)

Unit Revenue – Ticketed passenger revenue per available seat kilometre (ASK)

WACC – Weighted average cost of capital calculated on a pre-tax basis



Disclaimer

This Presentation has been prepared by Qantas Airways Limited (ABN 16 009 661 901) (Qantas).

Summary information

This Presentation contains summary information about Qantas and its subsidiaries (Qantas Group) and their activities current as at 24 February 2022, unless otherwise stated. The information in this Presentation does not purport to be complete. It should be read in conjunction with the Qantas Group's Appendix 4D and Consolidated Interim Financial Report for the half year ended 31 December 2021, along with other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange, which are available at www.asx.com.au.

Not financial product advice

This Presentation is for information purposes only and is not financial product or investment advice or a recommendation to acquire Qantas shares and has been prepared without taking into account the objectives, financial situation or needs of any individuals. Before making an investment decision, investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek legal and taxation advice appropriate to their jurisdiction. Qantas is not licensed to provide financial product advice in respect of Qantas shares. Cooling off rights do not apply to the acquisition of Qantas shares.

Financial data

All dollar values are in Australian dollars (A\$) and financial data is presented within the six months ended 31 December 2021 unless otherwise stated.

This Presentation is unaudited. Notwithstanding this, the Presentation contains disclosures which are extracted or derived from the Consolidated Interim Financial Report for the half year ended 31 December 2021 which has been reviewed by the Qantas Group's Independent Auditor.

This Presentation also makes reference to certain non-International Financial Reporting Standards (non-IFRS) financial information. The non-IFRS financial information is unaudited and has not been reviewed by the Qantas Group's Independent Auditor.

Future performance and forward looking statements

Forward looking statements, opinions and estimates provided in this Presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

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