QANTAS AIRWAYS LIMITED

ABN 16 009 661 901

PRELIMINARY MONTHLY TRAFFIC AND CAPACITY STATISTICS OCTOBER 2015

Summary of Traffic and Capacity Statistics

Month of October 2015

Qantas Group capacity (Available Seat Kilometres) increased by 3.2 per cent and Group demand (Revenue Passenger Kilometres) increased by 4.8 per cent, resulting in a Group revenue seat factor of 81.4 per cent which was 1.3 percentage points higher than the previous October.

Group Domestic (comprising Qantas Domestic and Jetstar Domestic) capacity in the month was 2.5 per cent lower compared to the prior corresponding period, with growth on East Coast routes offset by adjustments to address resource market softness in Western Australia and Queensland.

Group Domestic Revenue per Available Seat Kilometre (RASK) increased compared to the prior corresponding period, reflecting improved yields and loads at Jetstar Domestic and improved yields and stable loads at Qantas Domestic.

Group International RASK was higher compared to the prior corresponding period. Qantas International capacity increased 6 per cent in the month with positive RASK driven by continued strong performance of Asia routes including Shanghai, Hong Kong and Singapore.

Financial Year 2016

Group capacity increased by 3 per cent and demand increased by 4.4 per cent, resulting in a Group revenue seat factor of 81.2 per cent which was 1.1 percentage points higher than the previous year.

For the financial year to date, Qantas Group RASK was higher compared to the prior corresponding period. Group Domestic and Group International RASK were higher compared to the prior corresponding period.

Recent Developments

On 23 November 2015, Qantas announced Qantas Assure – a new joint venture with **nib** to provide health insurance to Qantas Frequent Flyer members. This new program will reward people with Qantas Points for being active when it launches in the first half of 2016. Qantas Assure is targeting a 2-3 per cent share of the \$19 billion Australian private health insurance market on a revenue basis in its first five years.

On 17 November 2015, Qantas presented at the 2015 Australasia UBS Conference in Sydney. The presentation, 'Driving Sustainable Growth', is available to view on the Qantas Investor website or by clicking here.

On 11 November 2015, Qantas and American Airlines announced as part of their new joint revenue sharing agreement a new nonstop service between Auckland and Los Angeles, operated by American Airlines. The service is due to begin in June 2016 subject to regulatory approval.

On 5 November 2015, Qantas released the 2015 Data Book. To access a copy of the 2015 Data Book please visit the Qantas Investor Relations website or click here.

On 23 October 2015, Qantas announced the launch of the expanded strategic partnership with China Eastern. Qantas and China Eastern customers will now experience shorter transit times, more codeshare options and greater frequent flyer benefits when travelling between Australia and China. The airlines have co-located their operations in Terminal 1 at Shanghai Pudong International Airport, giving customers streamlined check in facilities, access to China Eastern's lounge facility and improved connection times in the partnership's Shanghai hub.

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	Month			Financ 2015/16	Financial Year to Date		
	2015/16	2014/15	Change	2015/16	2014/15	Change	
QANTAS DOMESTIC* - SCHEDULED SERVICES							
Passengers Carried ('000)	1,930	1,995	(3.3)%	7,475	7,579	(1.4)%	
Revenue Passenger Kilometres (m)	2,421	2,532	(4.4)%	9,502	9,678	(1.8)%	
Available Seat Kilometres (m)	3,128	3,274	(4.4)%	12,455	12,730	(2.2)%	
Revenue Seat Factor (%)	77.4	77.4	0.0 pts	76.3	76.0	0.3 pts	
JETSTAR DOMESTIC - SCHEDULED SERVICES							
Passengers Carried ('000)	1,191	1,172	1.6%	4,622	4,450	3.9%	
Revenue Passenger Kilometres (m)	1,415	1,378	2.7%	5,595	5,282	5.9%	
Available Seat Kilometres (m)	1,656	1,633	1.4%	6,585	6,360	3.5%	
Revenue Seat Factor (%)	85.4	84.4	1.0 pts	85.0	83.0	1.9 pts	
QANTAS INTERNATIONAL - SCHEDULED SERVICES							
Passengers Carried ('000)	534	499	7.0%	2,111	1,969	7.2%	
Revenue Passenger Kilometres (m)	4,353	4,064	7.1%	17,453	16,407	6.4%	
Available Seat Kilometres (m)	5,298	4,998	6.0%	20,842	19,905	4.7%	
Revenue Seat Factor (%)	82.2	81.3	0.8 pts	83.7	82.4	1.3 pts	
JETSTAR INTERNATIONAL - SCHEDULED SERVICES							
Passengers Carried ('000)	485	437	10.9%	1,793	1,731	3.6%	
Revenue Passenger Kilometres (m)	1,504	1,298	15.9%	5,632	5,204	8.2%	
Available Seat Kilometres (m)	1,815	1,646	10.3%	7,066	6,606	7.0%	
Revenue Seat Factor (%)	82.8	78.8	4.0 pts	79.7	78.8	0.9 pts	
JETSTAR ASIA - SCHEDULED SERVICES							
Passengers Carried ('000)	346	321	8.0%	1,378	1,323	4.2%	
Revenue Passenger Kilometres (m)	574	527	8.9%	2,298	2,187	5.1%	
Available Seat Kilometres (m)	723	686	5.5%	2,911	2,813	3.5%	
Revenue Seat Factor (%)	79.3	76.8	2.5 pts	79.0	77.7	1.2 pts	
QANTAS GROUP OPERATIONS							
Passengers Carried ('000)	4,487	4,424	1.4%	17,378	17,051	1.9%	
Revenue Passenger Kilometres (m)	10,268	9,800	4.8%	40,481	38,756	4.4%	
Available Seat Kilometres (m)	12,622	12,236	3.2%	49,859	48,415	3.0%	
Revenue Seat Factor (%)	81.4	80.1	1.3 pts	81.2	80.1	1.1 pts	

Notes

Any adjustments to preliminary statistics will be included in the year to date results next month. Where figures have been rounded, discrepancies may occur between the sum of the components of items, the total and percentage changes which are derived from figures prior to rounding. The number of passengers carried is calculated on the basis of origin/destination (ie. one origin/destination journey represents one passenger regardless of the number of stage lengths undertaken).

*From January 2015 Qantas Domestic and QantasLink are reported on a combined basis.

(m): RPKs: Millions

The number of paying passengers carried multiplied by the number of kilometres flown ASKs: The number of seats available for sale multiplied by the number of kilometres flown