

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

**Summary of Traffic and Capacity Statistics**

**Month of May 2014**

Qantas Group passenger numbers for May 2014 were in line with the previous year. Group capacity (Available Seat Kilometres) increased by 3.0 per cent and Group demand (Revenue Passenger Kilometres) increased by 1.5 per cent, resulting in a revenue seat factor of 73.4 per cent which was 1.1 percentage points lower than the previous year.

Demand at Qantas Domestic in the month was negatively impacted by weak consumer confidence and business sentiment. On 21 May 2014, Qantas announced that in response to changing conditions in the domestic market, total domestic capacity growth (comprising Qantas Domestic, QantasLink and Jetstar Domestic) will be zero in each of the first three months of financial year 2015 compared to the prior corresponding period.

**Financial Year 2014**

Qantas Group passenger numbers for the financial year to date (31 May 2014) increased by 1.1 per cent from the previous year. Group capacity increased by 1.1 per cent and demand decreased by 1.2 per cent, resulting in a revenue seat factor of 77.4 per cent which was 1.9 percentage points lower than the previous year.

For the financial year to date, Qantas Group yields were lower than the prior corresponding period. Total Domestic (comprising Qantas Domestic, QantasLink and Jetstar Domestic) yields were lower than the prior corresponding period as a result of market capacity growth and weak demand. Total International yields were lower than the prior corresponding period due to persistently high levels of competitor capacity growth into Australia.

**Recent Developments**

On 18 June 2014, Qantas, together with joint owners and oneworld partners Cathay Pacific and British Airways, unveiled the new Los Angeles Business Lounge at Los Angeles International Airport. The lounge currently accommodates 400 customers, with all phases due to be completed in early 2015 including a new Qantas First Lounge.

On 12 June 2014, Qantas announced it will repay A\$450 million of senior unsecured bank debt eight months ahead of schedule. This announcement, combined with the recent A\$ medium term notes issues and repurchase of US\$254 million of Qantas' 6.05% notes due April 2016, has significantly extended the Group's debt maturity profile. Qantas retains a strong liquidity position with over A\$3 billion in cash and undrawn bank lines.

On the 2 June 2014, Qantas Frequent Flyer reached the milestone of 10 million members. The program now has hundreds of program partners including 38 partner airlines, all major Australian banks, Woolworths and Optus.

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	Month			Financial Year to Date		
	2013/14	2012/13	Change	2013/14	2012/13	Change
<b>QANTAS DOMESTIC (INCLUDING QANTASLINK) - SCHEDULED SERVICES</b>						
Passengers Carried ('000)	1,796	1,864	(3.6)%	20,082	20,367	(1.4)%
Revenue Passenger Kilometres (m)	2,244	2,349	(4.5)%	25,532	26,128	(2.3)%
Available Seat Kilometres (m)	3,187	3,206	(0.6)%	34,773	34,346	1.2%
Revenue Seat Factor (%)	70.4	73.3	(2.9) pts	73.4	76.1	(2.6) pts
<b>QANTAS DOMESTIC (EXCLUDING QANTASLINK) - SCHEDULED SERVICES</b>						
Passengers Carried ('000)	1,297	1,411	(8.1)%	15,043	15,490	(2.9)%
Revenue Passenger Kilometres (m)	1,931	2,057	(6.1)%	22,295	22,990	(3.0)%
Available Seat Kilometres (m)	2,674	2,740	(2.4)%	29,551	29,548	0.0%
Revenue Seat Factor (%)	72.2	75.1	(2.9) pts	75.4	77.8	(2.4) pts
<b>QANTASLINK - SCHEDULED SERVICES</b>						
Passengers Carried ('000)	499	453	10.2%	5,039	4,877	3.3%
Revenue Passenger Kilometres (m)	313	292	6.9%	3,237	3,139	3.1%
Available Seat Kilometres (m)	512	466	9.9%	5,222	4,798	8.8%
Revenue Seat Factor (%)	61.0	62.7	(1.7) pts	62.0	65.4	(3.4) pts
<b>JETSTAR DOMESTIC - SCHEDULED SERVICES</b>						
Passengers Carried ('000)	912	834	9.4%	11,356	10,712	6.0%
Revenue Passenger Kilometres (m)	1,057	990	6.8%	13,454	12,857	4.7%
Available Seat Kilometres (m)	1,362	1,225	11.1%	16,477	15,681	5.1%
Revenue Seat Factor (%)	77.7	80.8	(3.2) pts	81.7	82.0	(0.3) pts
<b>QANTAS INTERNATIONAL - SCHEDULED SERVICES</b>						
Passengers Carried ('000)	429	427	0.4%	5,393	5,293	1.9%
Revenue Passenger Kilometres (m)	3,632	3,515	3.3%	43,270	44,039	(1.7)%
Available Seat Kilometres (m)	4,843	4,789	1.1%	54,298	54,052	0.5%
Revenue Seat Factor (%)	75.0	73.4	1.6 pts	79.7	81.5	(1.8) pts
<b>JETSTAR INTERNATIONAL - SCHEDULED SERVICES</b>						
Passengers Carried ('000)	363	380	(4.4)%	4,475	4,766	(6.1)%
Revenue Passenger Kilometres (m)	1,056	1,037	1.8%	12,923	13,631	(5.2)%
Available Seat Kilometres (m)	1,534	1,413	8.6%	17,412	17,772	(2.0)%
Revenue Seat Factor (%)	68.8	73.4	(4.6) pts	74.2	76.7	(2.5) pts
<b>JETSTAR ASIA - SCHEDULED SERVICES</b>						
Passengers Carried ('000)	314	307	2.1%	3,640	3,324	9.5%
Revenue Passenger Kilometres (m)	504	479	5.1%	5,659	5,429	4.2%
Available Seat Kilometres (m)	649	603	7.7%	7,249	6,887	5.3%
Revenue Seat Factor (%)	77.6	79.6	(1.9) pts	78.1	78.8	(0.8) pts
<b>QANTAS GROUP OPERATIONS</b>						
Passengers Carried ('000)	3,814	3,812	0.0%	44,946	44,462	1.1%
Revenue Passenger Kilometres (m)	8,492	8,370	1.5%	100,839	102,084	(1.2)%
Available Seat Kilometres (m)	11,575	11,236	3.0%	130,209	128,738	1.1%
Revenue Seat Factor (%)	73.4	74.5	(1.1) pts	77.4	79.3	(1.9) pts

**Notes**

Any adjustments to preliminary statistics will be included in the year to date results next month. Where figures have been rounded, discrepancies may occur between the sum of the components of items, the total and percentage changes which are derived from figures prior to rounding.

The number of passengers carried is calculated on the basis of origin/destination (ie. one origin/destination journey represents one passenger regardless of the number of stage lengths undertaken).

**Key**

(m): Millions

RPKs: The number of paying passengers carried multiplied by the number of kilometres flown

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