



THE MARKET

Founded in regional Queensland in 1920, Qantas is Australia's largest domestic and international airline and widely regarded as one of the world's leading long distance airlines.

As one of the strongest brands in Australia, Qantas has built a reputation for excellence in safety, operational reliability, engineering and maintenance, customer service, and innovation.

Qantas operates more than 6,300 domestic flights a week under the Qantas, QantasLink and Jetstar brands, serving 56 destinations in Australia, across all states and mainland territories. The Qantas Group offers services across a network spanning 225 destinations in 44 countries, including those served by codeshare partner airlines around the world.

The Qantas Group carried nearly 47 million passengers in the year ended 30 June 2012.

ACHIEVEMENTS

Qantas has a widely acknowledged history of innovation. As early as 1958, it pioneered a round-the-world service, with two Super Constellations circumnavigating the globe in opposite directions.

In 1979 Qantas invented and was the first to introduce Business Class.

Qantas has twice won the prestigious Cumberbatch trophy - awarded by the British Guild of Air Pilots and Air Navigators for safety and reliability.

Qantas has award-winning inflight product. The Qantas A380 First Class Suite received a Good Design[™] Award from The Chicago Athenaeum. The Qantas A380 Economy Seat won an Australian International Design Award of the Year in 2009.

In 2012 Qantas was named Best Domestic Airline for the third year in a row at the Australian Federation of Travel Agents National Travel Industry Awards. QantasLink the airline's regional carrier was also Air Transport World's Regional Airline of the Year.

Qantas is committed to environmental sustainability. In April 2012 Qantas operated Australia's first commercial flight using biofuel. The Qantas Group is taking the lead in advocating the development of a sustainable aviation fuel industry in Australia.

HISTORY

The Qantas story is inextricably linked with the development of civil aviation in Australia. It begins with fragile biplanes carrying one or two passengers in open cockpits and progresses to the Airbus A380s flying some 450 people half way around the world in a day.



But, it is a story of human endeavour, not just machines. A few determined individuals overcame formidable obstacles to establish Qantas. Supported by committed staff and loyal customers, the airline has persevered to serve the nation and build an enterprise.

Qantas was established by pioneer aviators Paul McGinness and Wilmot Hudson Fysh on their return from service with the Australian Flying Corps in World War I, as well as grazier, Fergus McMaster. It was registered in Brisbane on 16 November 1920. The company began its operations with joy rides and air taxi flights. Regular scheduled air mail and passenger services

began on 2 November 1922 with a flight from Charleville to Cloncurry in rural Queensland. The journey of 923 kilometres took two days with an overnight stop at Longreach.

In 1919 McGinness and Hudson Fysh were commissioned to find suitable landing grounds for a Great Britain-Australia air race. After completing the survey in a Model T Ford, they were convinced that air travel was the ideal alternative for crossing sparsely populated country where roads were almost non-existent. Fysh, later Sir Hudson, remained with the company for 46 years. He was knighted in 1953 and retired as Chairman in 1966.

Qantas has played a key role in the development

of Australian and international aviation. In 1928 it operated the first flying doctor service for the Reverend John Flynn's Australian Inland Mission. In 1931 Qantas made its first link with Imperial Airways (a predecessor of British Airways) when it carried mail to Darwin as part of an experimental Australia -UK service.

The year 1934 saw the formation of Qantas Empire Airways Limited, with Imperial Airways holding 50



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per cent. The two airlines began regular Australia-UK services in December 1934, initially carrying only mail.

A Qantas aircraft flew overseas for the first time in February 1935 when a DH86 operated the Brisbane to Singapore section of the service, and the first Qantas overseas passenger left Brisbane for Singapore in April 1935. Four-engined Shorts 'Empire' flying boats brought new levels of luxury and comfort to the Australia-UK service from July 1938.

THE PRODUCT

All Qantas aircraft are maintained to the highest standards and are flown by some of the world's most experienced pilots. Qantas also undertakes engineering, pilot and cabin crew training for customer airlines.

As at July 2012 the Qantas Group's total fleet comprised of 285 aircraft – Airbus A380s, A330s, A320s, A321s, Boeing 747s, 767s, 737s, 717s and Bombardier Dash 8s. New Boeing 737 deliveries commenced in 2009 and will be completed by late 2013.

The Qantas Frequent Flyer Program is the largest Australian-based airline loyalty program, boasting more than 8.6 million members. There are many ways to earn and use points including flying with Qantas and over 30 airline partners and their affiliates, everyday shopping essentials, credit cards, most Optus personal services, hotel stays, car hire, restaurants and more.

The Qantas Club program provides eligible members with access to a network of Qantas Club and associated lounges in Australia and around the world. The lounges provide a sanctuary for passengers to relax or do business before flying.

Qantas is a founding member of the oneworld alliance. Current oneworld members comprise eleven of the world's leading airlines - Qantas, Airberlin, American Airlines, British Airways, Cathay Pacific, Finnair, Iberia, Japan Airlines, LAN, Royal Jordanian, and S7 Airlines. The alliance provides services to more than 800 destinations in 149 countries. Together, the airlines in oneworld carry almost one million passengers every day. With all partner and affiliate airlines, the Qantas Group's extended network stretches to more than 1000 destinations worldwide.

Qantas has been carrying freight since the airline's inaugural service in November 1922 and uplifting international airmail since the airline's first international flight between Darwin and Singapore in February 1935.

Qantas has one of the largest aircraft engineering and maintenance operations in the Asia Pacific

region and has a global reputation for operational excellence and safety.

RECENT DEVELOPMENTS

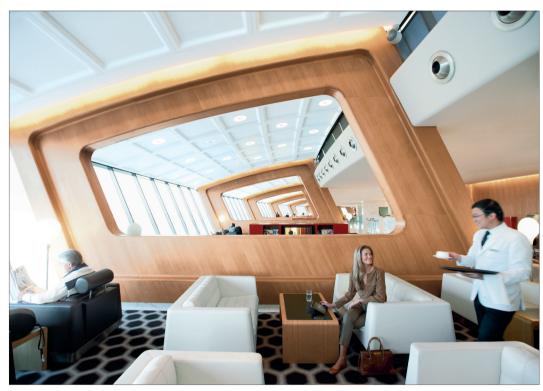
In 2010, Qantas introduced a new era of domestic flying with Faster Smarter Check-in. With Q Card Readers at many domestic airports, Platinum, Gold and Silver Qantas Frequent Flyers or Qantas Club members can simply swipe their Qantas card and they're checked in. Q Card Readers are now also available for selected direct Trans-Tasman flights. Permanent Q Bag Tags further speed up the domestic airport experience — customers can simply drop their bags and go.

Qantas is continually investing in upgrading its fleet. Its award-winning A380 product is now being rolled out across nine of its B747s so

One of Australia's leading and most influential chefs Neil Perry designs the inflight menus for Qantas' First and Business cabins. All meals are accompanied by an award-winning wine list. Qantas won both 'Best First Class' and 'Best Business Class' Cellar in the 2011 Cellars in the Sky Awards.

Qantas has a proud tradition of working with some of the world's best designers to develop uniforms for the Qantas team. Martin Grant has just been appointed to develop the new Qantas uniform. Qantas aims to have its international and domestic cabin crew and ground staff sporting the new design in 2014.

Recently Qantas and Emirates announced a new 10-year global aviation partnership that



passengers can enjoy the latest technology and exceptional customer service.

Qantas Mobile allows customers to book flights and check-in to their flights on the go.

Inflight, Qantas offers over 1500 entertainment options onboard the A380 and selected B747s and over 250 hours of entertainment on selected 737-800s and A330 domestic aircraft. Qantas is introducing Q-Streaming (entertainment via inflight iPads) onboard its B767 fleet from October 2012, and currently trialling inflight connectivity onboard selected A380s.

will give their customers a seamless Australian and international network, exclusive frequent flyer benefits and world-class travel experiences (subject to regulatory approval). Under the agreement Qantas will move its hub for European flights to Dubai.

BRAND VALUES

Qantas is one of Australia's leading brands, with the kangaroo symbol representing a proud history of care, contemporary Australia, wisdom of experience, forward thinking, safety, innovation and excellence.

THINGS YOU DIDN'T KNOW ABOUT QANTAS

- O QANTAS is an acronym for Queensland and Northern Territory Aerial Services.
- Qantas was the first airline in the world to introduce Business Class.
- A Qantas engineer invented the "black box".
- A Qantas engineer invented the inflatable safety slide.
- Qantas offers over 1500 entertainment options onboard the A380 and selected B747s.



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