

Managing Director  
and Chief Executive Officer

**Alan Joyce**

25 October 2010



Hon Wayne Swan MP  
Deputy Prime Minister and Treasurer  
PO Box 6022  
House of Representatives  
Parliament House  
Canberra ACT 2600

Dear Minister

**Qantas Group Annual Report 2009/10**

It is with pleasure that I attach a copy of the Qantas Group's Annual Report for the 2009/10 financial year which details our priorities and achievements during the year, our plans for the future and, of course, a thorough financial report.

In 2008/09 the Qantas Group stood out in the global aviation sector by recording a profit, due to a rapid and effective response to the global financial crisis. In 2009/10, the Qantas Group trebled that result and delivered an underlying profit before tax of \$377 million.

Qantas was Australia's most profitable domestic airline in 2009/2010. Jetstar again performed strongly, achieving a record profit and growing passenger revenue by 21 per cent. Qantas Frequent Flyer also made an important contribution with benefits from its enhanced relationships, most notably with the Woolworths Group, and reached a loyalty membership of 7.2 million people.

A major highlight of the year was that Qantas achieved its best domestic on-time performance in 15 years for both departures and arrivals. Qantas also achieved its best international on-time performance result for nine years. This is an industry-leading performance that has a very positive impact on customer satisfaction, particularly among business passengers.

The past financial year also had its share of challenges. Aviation often throws up the unexpected, and this past year global aviation was hit with the unprecedented impact of a volcanic ash cloud emanating from Iceland and drifting across northern European skies. For Qantas, it shut down European services for six days and affected 15,000 customers. As always, Qantas put safety first. Qantas experts monitored the situation carefully and flights were not resumed until there was full confidence it was safe to do so. In the meantime, customer care was of the highest quality, with Qantas providing over 15,000 room nights in more than 50 hotels, across six countries.

Finally, in looking forward to the year ahead I'd like to highlight that on 16 November 2010 Qantas will celebrate 90 years as a great Australian enterprise. It's a wonderful milestone and one that we intend to celebrate.

I hope that you find the report useful and I look forward to meeting with you in the near future. Should you require any further information please contact Robert Wood, Head of Government and International Relations on 02 9691 0037.

Yours sincerely

**ALAN JOYCE**

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