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QANTAS GROUP MARKET UPDATE - NOVEMBER 2025

7 November 2025

The Qantas Group continues to see strong trading conditions consistent with the outlook statements provided at FY25 results in August, subject to the updates below.

Group Domestic unit revenue is now expected to increase by approximately 3 per cent in 1H26[1], at the lower end of the guidance range provided at FY25 results. Leisure, SME and resource market demand remain strong. Non-resource corporate demand continues to grow but at a slower rate than previously forecast. Jetstar domestic demand has remained strong.

Group International[2] unit revenue guidance for 1H26 remains unchanged at 2-3 per cent growth[1] with demand stable across key markets. Capacity in the first half is slightly lower than previously guided due to entry into service timing of returning A380 fleet. The Group is monitoring the ongoing US government shutdown and working closely with partners to support customers with no material impact seen on demand to date.

Qantas Loyalty is trading strongly and is on track to achieve 10-12 per cent Underlying EBIT growth in 1H26[1], consistent with its guidance for FY26.

Geopolitical events continue to create fuel price volatility with jet refining margins remaining elevated. At current prices[3], the fuel cost for 1H26 is expected to be approximately $2.62 billion[4]. This includes approximately $25 million of additional non-cash carbon costs in 1H26 due to increased CORSIA[5] compliance obligations.

In the Jetstar Group, the wind down of Jetstar Asia, which ceased operations on 31 July 2025, is on track with the 1H26 Underlying EBIT loss expected to be $30 million. Weakness in the Japanese Yen (JPY) against the US Dollar (USD) has adversely impacted lease liabilities adjustments on Jetstar Japan's share of profit, resulting in approximately $20 million non-cash adverse impact in 1H26 to date[1].

Updated capacity guidance is provided below based on current demand and fleet delivery assumptions.

Qantas Group capacity
vs prior corresponding period

	1Q26	2Q26	1H26	2H26	FY26
Group Domestic	**+4%**	**+6%**	**+5%**	**+5%**	**+5%**
Qantas Domestic	+2%	+6%	+4%	+4%	+4%
Jetstar Domestic	+7%	+5%	+6%	+5%	+6%
Group International	**+5%**	**+2%**	**+4%**	**+4%**	**+4%**
Qantas International	+7%	+5%	+6%	+9%	+8%
Jetstar International[2]	+2%	(3%)	(0%)	(4%)	(2%)
Group	**+5%**	**+4%**	**+4%**	**+4%**	**+4%**

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Authorised for release by the Qantas Board of Directors.

[1] Compared to the prior corresponding period
[2] Jetstar International includes Jetstar Airways' Australian International and New Zealand operations and Jetstar Asia.
[3] 1H26 fuel cost based on forecast consumption of approximately 16.2 million barrels (including SAF); assumes 1H26 market jet fuel price of approximately A$134 per barrel excluding hedging, into-plane costs, SAF premium and carbon credit costs.
[4] Inclusive of hedging, carbon costs and transformation benefits.
[5] Carbon Offsetting and Reduction Scheme for International Aviation ('CORSIA').