



# Media Release

## QANTAS RESPONDS AGAIN TO FUEL PRICES

**SYDNEY, 30 March 2012:** Qantas today announced further increases to international fuel surcharges and domestic fares in response to high global jet fuel prices.

Jet fuel is Qantas' largest operational cost and market prices remain consistently high. Average year to date fuel prices are at their highest level since 2007/08. On 30 March 2012, Singapore Jet Fuel was trading at a price of US\$136.95 per barrel.

From 12 April 2012, the following fuel surcharge increases will be applied to Qantas international fares booked in Australia:

Destination	Current Fuel Surcharge AUD (one-way)	Increase AUD	New Fuel Surcharge AUD (one-way)
Asia / Honolulu	\$165	\$10	\$175
Johannesburg / Santiago	\$240	\$20	\$260
United States	\$310	\$30	\$340
London / Frankfurt	\$350	\$30	\$380

From 5 April 2012, domestic Qantas and QantasLink fares will also increase to reflect high fuel costs. The amount of the fare increase will vary by route and fare class, but will average approximately 5 per cent. Examples of new Qantas lead-in, year-round domestic fares on and after 5 April 2012 are as follows:

Route	Current Fare (one-way) AUD	Increase AUD	New Fare (one-way) AUD
Sydney-Melbourne	\$122	\$7	\$129
Brisbane-Melbourne	\$159	\$10	\$169
Sydney-Perth	\$229	\$10	\$239
Brisbane-Cairns	\$159	\$10	\$169

From 5 April 2012, Qantas will also increase the fuel surcharge for Qantas Frequent Flyer Classic Award redemption tickets by \$4 for domestic travel (from \$12 to \$16) and by \$10 for Trans-Tasman flights (from \$20 to \$30).

Jetstar will also increase fares on some routes within both its Singapore and Australian markets, as well as some service charges, in response to higher fuel costs.

The previous increase in international fuel surcharges and domestic fares for the Qantas Group was announced on 2 February 2012.

While fuel surcharges, price increases and hedging are being used to mitigate the impact of fuel prices, they will not fully recover the cost impact. The Qantas Group has hedged 100 per cent of its remaining fuel requirement in 2011/12 at worst case crude oil price of US\$123.59 per barrel. At current prices the Group expects underlying fuel costs to increase by approximately \$300 million from \$1.95 billion in the second half 2010/11 to approximately \$2.25 billion<sup>1</sup> in the second half 2011/12, due to higher forward market jet fuel prices and increased flying.

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<sup>1</sup> As at 26 March 2012.

