



COMPANY BRIEFING

9 months ended 31st March 08

Unaudited results



AGENDA

✈ **INCOME STATEMENT REVIEW**

✈ **KEY PERFORMANCE INDICATORS**

✈ **OPERATIONAL REVIEW**

✈ **OUTLOOK**



Q3 REX INCOME STATEMENT REVIEW

3 months ended 31st March	FY08 (\$M)	FY07 (\$M)	Change
Passenger Revenue	48.9	45.1	+8.4%
Total Revenue	50.3	46.0	+9.3%
Fuel Cost	8.9	6.8	+30.9%
Other Costs & Expenses	35.1	33.3	+5.4%
Profit Before Tax	6.3	5.9	+6.8%
Profit After Tax	4.4	4.1	+7.3%



Q3 REX GROUP CONSOLIDATED INCOME STATEMENT REVIEW

3 months ended 31st March	FY08 (\$M)	FY07 (\$M)	Change
Passenger Revenue	50.9	47.2	+7.8%
Total Revenue	61.8	57.6*	+7.3%
Fuel Cost	10.6	8.6*	+23.3%
Other Costs & Expenses	43.0	41.4*	+3.9%
Profit Before Tax	8.2	7.6	+7.9%
Profit After Tax	5.7	5.3**	+7.5%

* Includes Pel Air's cost and revenue

** Revised PAT to correct Air Link tax under provision

YTD REX GROUP CONSOLIDATED INCOME STATEMENT REVIEW

9 months ended 31st March	FY08 (\$M)	FY07 (\$M)	Change at Q3	Change at 1st Half
Passenger Revenue	156.6	148.2	+5.7%	+5.6%
Total Revenue	190.6*	153.3	+24.3%	+23.5%
Profit Before Tax	21.7	23.4	-7.3%	-15.9%
Profit After Tax	16.1*	16.8**	-4.2%	-10.4%

* FY08 include Pel Air's revenue as it became a fully owned subsidiary in June 07. This is in contrast to FY07 where Pel Air's contribution was treated as investment from associate and reflected in Profit Before Tax figure

** Revised PAT to correct for Air Link's tax under-provision



KEY PERFORMANCE INDICATORS (Rex & Air Link)

9 months ended 31 st March	FY08	FY07	Change
Passengers	1,137,475	1,045,071	+8.8%
ASKs (M)	619	573	+8.0%
Average Fare (\$) (Excl. fuel levy)	137.7 (114.5)	141.8 (118.7)	-2.9% (-3.5%)
Load Factor (%)	68.1	68.5	-0.4% pts
Revenue/ASK (cents)	25.3	25.9	-2.3%
Total cost/ASK (cents)* (Excl. fuel)*	23.3 (18.9)	23.0 (18.7)	+1.3% (+1.1%)
Fuel % Total Cost*	19.2	18.4	+0.8% pts

* Excludes Pel Air's cost










OPERATIONAL REVIEW

- ✈️ **Rocketing fuel prices**
- ✈️ **Pilot attrition rate remains above 50%**
- ✈️ **Pilot academy now fully operational and fully owned**
- ✈️ **Slight contraction of network in response to pilot shortage (3%)**
- ✈️ **Took delivery of 2 latest generation Saab B+ aircraft**



BITRE Statistics Mar & YTD Mar 08

Airline	On Time Departure (%)		Cancellation Rate (%)	
	Mar 08	YTD Mar 08	Mar 08	YTD Mar 08
	85.2 (2 nd)	83.8 (1 st)	0.3 (1 st)	1.2 (4 th)
	86.3	82.5	0.7	1.1
	84.0	79.9	1.5	1.6
	80.2	79.8	0.7	0.9
	83.9	79.5	1.4	1.7
	79.7	81.2	1.5	0.8
	76.4	79.2	2.7	2.4

BITRE : Bureau of Infrastructure, Transport and Regional Economics

OUTLOOK

- ✈ Continued higher fuel prices
- ✈ Pilot attrition to remain at same rate
- ✈ 2nd intake of cadets (39 cadets to date)
- ✈ Further consolidation of network
- ✈ Stronger load factors/yield in last quarter
- ✈ Phasing out of older aircraft and introduction of 3 new aircraft in last quarter



PROFIT GUIDANCE

Reaffirm previous profit forecast:

Net earnings for the full year expected to be at least as strong as the previous year.



END OF PRESENTATION
THANK YOU

