

**Announcement
Half Year
Results for
FY09/10**

10



AGENDA

- ✈ **CONSOLIDATED INCOME STATEMENT REVIEW**
- ✈ **KEY PERFORMANCE INDICATORS**
- ✈ **OPERATIONAL REVIEW**
- ✈ **OUTLOOK**
- ✈ **INDUSTRY RECOGNITION**



CONSOLIDATED INCOME STATEMENT REVIEW

| | 1H FY10 (\$M) | 1H FY09 (\$M) | 1H FY10 YOY Change | 2Q FY10 YOY Change | 1Q FY10 YOY Change |
|-----------------------------------|------------------|------------------|-----------------------|-----------------------|-----------------------|
| Passenger Revenue | 98.8 | 110.9 | -10.9% | -7.2% | -14.6% |
| Total Revenue | 117.8 | 135.8 | -13.3% | -10.7% | -15.8% |
| Fuel Cost | 15.3 | 25.2 | -39.3% | -32.1% | -45.0% |
| Other Costs & Expenses | 89.6 | 96.2 | -6.9% | -8.1% | -5.5% |
| Profit After Tax | 9.6 | 10.5 | -8.6% | +5.1% | -22.9% |
| Earnings per share | 8.2c | 9.2c | -10.9% | N/A | N/A |



KEY PERFORMANCE INDICATORS

| | 1H FY10 | 1H FY09 | 1H FY10 YOY Change | 2Q FY10 YOY Change | 1Q FY10 YOY Change |
|------------------------------|----------------|----------------|-----------------------|-----------------------|-----------------------|
| Passengers | 641,552 | 703,725 | -8.8% | -4.7% | -12.9% |
| ASK | 375 M | 383 M* | -2.4% | +0.4% | -5.2% |
| Load Factor | 63.1% | 68.1% | -5.0% pts | -4.2% pts | -5.9% pts |
| Pax Revenue/ASK | 26.4c | 28.9c | -8.7% | -7.6% | -9.8% |
| Total cost/ASK | 24.3c | 26.8c | -9.3% | -10.7% | -7.9% |
| Fuel % Total Cost | 14.6% | 20.8% | -6.2% pts | -4.1% pts | -8.3% pts |

* restated



REX GROUP PERFORMANCE

Half yr ended 31 Dec 09

Variance Table

| | Rex Airline | Pel-Air | | | | Air Link | AAPA | Rex Group |
|-------------------|----------------|----------|-----------|----------|---------|-------------|----------|--------------|
| | | Charter | Defence | Medivac | Freight | | | |
| Revenue Growth | -\$6.8M | +\$3.0M | +\$0.02M | -\$2.0M | -\$7.8M | -\$2.5M | -\$0.10M | -\$18.0M |
| PAT Growth | +\$0.94M | +\$0.84M | +\$0.07 M | -\$0.88M | -\$1.5M | -\$0.45M | +\$0.43M | -\$0.9M |



OPERATIONAL REVIEW

- ✈ **Start/Stop of Townsville – Mackay service**
- ✈ **Resumption of Melbourne – Griffith route**
- ✈ **Added 4 Saab 340 B+ into fleet**
- ✈ **Ditching of VH NGA off Norfolk Island**
- ✈ **3rd cadet intake graduated bringing total to 45**



OPERATIONAL REVIEW – TENDER OUTCOME

Awarded the following tenders in 1H FY2010:

- ✈ Fly in/Fly out contract with Iluka Resources**
- ✈ Cwlth Air Transport Deed of Standing Offer**
- ✈ QLD regulated and subsidised N 1 & 2 Routes**
- ✈ Air Ambulance Victoria**



OUTLOOK

- ✈ **10 additional aircraft in AAPA fleet by June 2010**
- ✈ **Completion of AAPA campus in April 2010**
- ✈ **AAPA accreditation for training overseas pilots**
- ✈ **Lease of 2 Saab 340B to SGA of Thailand**
- ✈ **Taking delivery of last 4 Saab 340B+ aircraft**
- ✈ **Taking delivery of 4 aircraft for VIC air ambulance**
- ✈ **Start of QLD regulated and subsidised routes**
- ✈ **Start Townsville to Mount Isa direct service**



OUTLOOK – QUEENSLAND ROUTES



OUTLOOK – UPCOMING TENDERS

Tendering for the following in 2H FY10:

- ✈ Air Defence Target System Services – Feb 2010**
- ✈ NT Aero Medical Service – Mar 2010**

Awaiting outcome of following:

- ✈ VIC Gov Domestic Air Services**
- ✈ Australian Gov Domestic Air Services**
- ✈ MARS air travel services**



REX - INDUSTRY RECOGNITION



PROFIT GUIDANCE

Rex expects PAT for FY2010 to be close to that achieved in FY09 (\$23.0M)



DIVIDEND

In light of the heavy investment in the completion of the AAPA campus (\$ 12M) and the substantial funding needed to start the VIC Air Ambulance contract (\$ 3M), the Board does not recommend paying out an interim dividend at this stage.



ATW's REGIONAL AIRLINE OF THE YEAR 2010

Rex Executive Chairman Lim Kim Hai and Rex Managing Director Jim Davis being congratulated by IATA Director General Giovanni Bisignani



END OF PRESENTATION

THANK YOU

Q&A

