

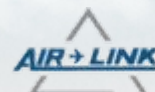


Announcement Half Year Results FY10/11



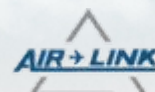
AGENDA

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



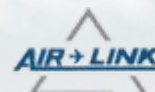
CONSOLIDATED INCOME STATEMENT REVIEW

	1H FY11 (\$M)	1H FY10 (\$M)	Change
Passenger Revenue	102.5	98.8	+3.7%
Total Revenue	121.2	117.8	+2.9%
Fuel Cost	16.0	15.3	+4.9%
Other Costs & Expenses	93.0	89.6	+3.8%
Profit before Tax	12.2	12.9	-5.4%
Earnings per share	7.9c	8.2c	-4.0%



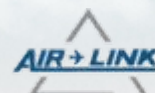
KEY PERFORMANCE INDICATORS

	1H FY11	1H FY10	Change
Passengers	632,777	641,552	-1.4%
ASKs (M)	389M	375M	+4.0%
Average Fare (\$)	162.0	154.0	+5.2%
Load Factor	61.2%	63.1%	-1.9% pts
Revenue/ASK (cents)	26.3	26.4	-0.4%
Total Cost / ASK (cents)	25.2	24.3	+3.7%
Fuel % Total Cost	14.7%	14.6%	+0.1% pts



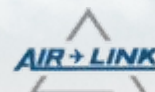
OPERATIONAL REVIEW

- ✈ Capacity reductions on Burnie and Mt Gambier due to increased airport charges
- ✈ Signed agreement to sell 8 Metro III aircraft offshore
- ✈ Delivered 3 Metro III aircraft offshore
- ✈ Signed agreement to purchase 5 Saab 340B aircraft currently under lease
- ✈ Took delivery of 1 Saab 340B aircraft coming off lease
- ✈ Rising fuel cost



OUTLOOK

- ✈ **Delivering remaining 5 Metro III aircraft offshore in 2nd half**
- ✈ **Purchase in Q3 of remaining 4 of 5 Saab 340B aircraft currently under lease**
- ✈ **Sale of 1 Beech 1900D aircraft offshore in Q3**
- ✈ **Applying for PNG AOC for Pel-Air**



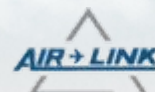
OUTLOOK – UPCOMING TENDERS

Possible tender in 2H FY10/11:

- ✈ Provision of ADF training support

Awaiting outcome of the following:

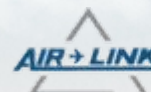
- ✈ NT aero medical service
- ✈ Air Defence Target System (JP66)



PROFIT OUTLOOK

Unable to provide profit guidance in light of:

- ✈️ **volatile exchange rate and fuel prices**
- ✈️ **climatic disasters**
- ✈️ **uncertain economic environment**



END OF PRESENTATION
THANK YOU

