Company Briefing
9 months ended 31st Mar 07
Unaudited Results
30 May 2007

rex.

AGENDA

07

- UNAUDITED CONSOLIDATED INCOME STATEMENT REVIEW
- KEY PERFORMANCE INDICATORS
- OPERATIONAL REVIEW
- AIRLINES COMPARATIVE PERFORMANCE
- OUTLOOK

YTD UNAUDITED CONSOLIDATED
INCOME STATEMENT REVIEW

9 months ended 31st March	FY07 ($M)	FY06 ($M)	Change
Passenger Revenue	148.2	122.1	+21.4%
Total Revenue	153.3	127.2	+20.6%
Fuel Cost	24.2	19.5	+24.1%
Other Costs & Expenses	107.3	92.6	+15.9%
Profit After Tax	17.3	11.4	+51.8%

Note : The above revenue and cost comparison includes the consolidation of Air Link results in this period whereas in the previous period, it's results were consolidated in only 4 months of the 9 months. Pel Air's result continue to be treated as contributions from associate although we own 75% of the company for this quarter

KEY PERFORMANCE INDICATORS

9 months ended 31st March	FY07	FY06	Change
Passengers	1,045,071	872,225	+19.8%
ASKs (M)	573	505	+13.5%
Average Fare ($) (Excl. fuel levy)	141.8 (118.7)	140.0 (120.9)	+1.3% (-1.8%)
Load Factor (%)	68.5	66.3	+2.2% pts
Revenue/ASK (cents)	25.9	24.2	+7.0%
Total cost/ASK (cents) (Excl. fuel) (Excl. fuel and employee profit share)	23.0 (18.7) (18.4)	22.2 (18.4) (18.2)	+3.6% (+1.6%) (+1.1%)
Fuel % Total Cost	18.4	17.3	+1.1% pts
PBT Margin (%)	15.6	13.3	+2.3% pts

Note : The above indicators and ratios include the consolidation of Air Link results in this period

rex AIR LINK PEL-AIR

OPERATIONAL REVIEW 07

- Grafton and Taree services successfully commenced on 25th Feb 07 in partnership with the local council.
- Extra flights direct from Sydney to Broken Hill commenced on 26th Mar 07 in partnership with Broken Hill city council
- Second Beech 1900D commenced service with Air Link in early Jan 07 between Sydney and Bathurst
- All 4 Rex Metro aircraft now operating in Pel Air in a passenger charter role with freight operations about to commence

AIRLINES ESTIMATED COMPARATIVE PERFORMANCE 07

	Regional Express 9 months ended 31 Mar 07	Singapore Airlines Full yr ended 31 Mar 07	Southwest 1st Quarter ended 31 Mar 07	Qantas Half year ended 31 Dec 06	Virgin Blue Half year ended 31 Dec 06
Revenue Growth	+21.7%	+8.6%	+8.9%	+12.7%	+16.7%
Revenue Margin (PBT/Revenue)	15.6%	12.8%**	6.8%	7.1%	15.9%
Net Revenue Margin (NPAT/Revenue)	11.5%	12.4%**	4.2%	4.6%	11.1%
PBT Growth	+42.2%	+12.1%**	+55.2%	+7.1%	+75.5%
Debt/Equity*	N/A	0.06	0.26	0.79	1.14

*Borrowing is based on interest bearing long term debt only.
**SQ PBT and NPAT excludes contribution from exceptional items (surplus of sale of SIA building and sale of Singapore Aircraft Leasing Enterprise (SALE). SQ NPAT includes exceptional tax write back due to statutory changes.

OUTLOOK

- Upgrading of the fleet with the first SAAB B-plus aircraft on line end May 07 and one aircraft arriving every 5 weeks for the remainder of 2007
- Loss of OLP route in FY08 but new routes and extra services planned
- Further increases in charter and freight capability with SAAB aircraft being placed into Pel Air to supplement the Metros previously deployed

PROFIT GUIDANCE

- Forecast FY07 PAT +40% above FY06

QUESTION & ANSWER

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END OF PRESENTATION

THANK YOU

ADDITIONAL INFORMATION

Q3 REX UNAUDITED
INCOME STATEMENT REVIEW

07

3 months ended 31st March	FY07 ($M)	FY06 ($M)	Change
Passenger Revenue	45.1	37.8	+19.3%
Total Revenue	46.0	38.8	+18.6%
Fuel Cost	6.8	6.1	+11.5%
Other Costs & Expenses	33.3	30.1	+10.6%
Profit After Tax	4.1	1.5	+173.3%

Q3 UNAUDITED CONSOLIDATED
INCOME STATEMENT REVIEW

3 months ended 31st March	FY07 ($M)	FY06 ($M)	Change
Passenger Revenue	47.5	39.2	+21.2%
Total Revenue	48.8	40.7	+19.9%
Fuel Cost	7.4	6.5	+13.8%
Other Costs & Expenses	34.9	30.8	+13.3%
Profit After Tax	5.6	2.7	+107.4%

Note : The above revenue and cost comparison includes the consolidation of Air Link results in this period. Pel Air's result continue to be treated as contributions from associate although we own 75% of the company for this quarter

AVIATION FUEL PRICE

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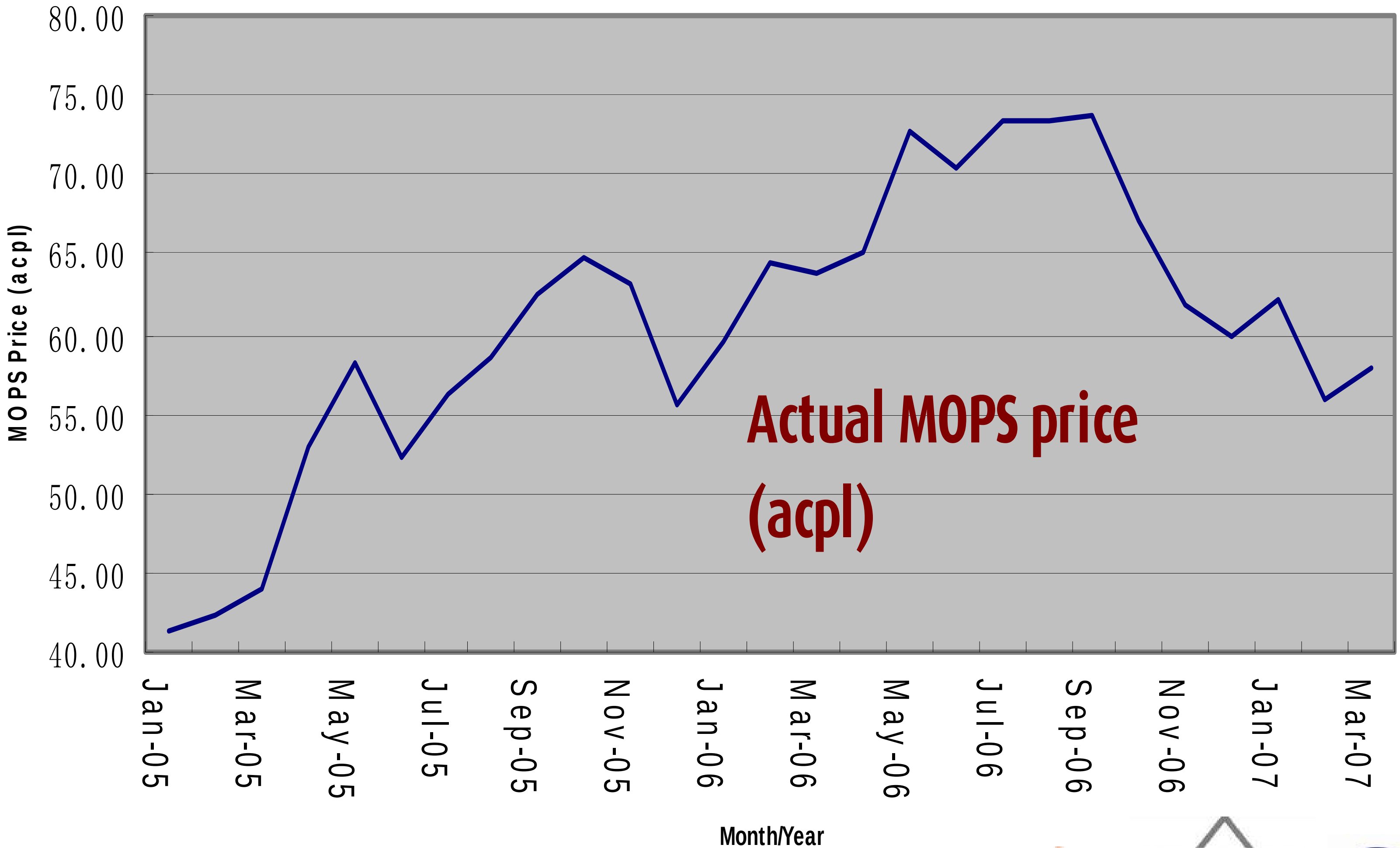

REX OVERVIEW

9 months till 31st March	YTD FY07	YTD FY06	Change
Passengers	1,010,017	864,000	+16.9%
ASKs (M)	557	501	+11.2%
Average Fare ($) (Excl. fuel levy)	140 (117)	139 (120)	+0.7% (-2.5%)
Load Factor (%)	68.4	66.5	+1.9% pts
Revenue/ASK (cents)	25.5	24.0	+6.3%
Total Cost/ASK (cents) (Excl. fuel)	22.4 (18.4)	21.9 (18.1)	+2.3% (+1.7%)
Fuel % Total Cost	18.1	17.3	+0.8% pts
PBT Margin (%)	14.0	11.3	+2.7% pts

AIR LINK OVERVIEW

- Air Link commenced Beech 1900 operations to Bathurst in Jan 07. Service was well received.
- Despite drought conditions throughout Air Link network, activity remained strong due to resource sector activity
- Charter activity remain buoyant

9 months to 31 Mar	YTD FY07	YTD FY06	Change
Sales Revenue ($'000)			
RPT	5,817	4,278	+36.0 %
Freight	37	35	+5.7 %
Charter	761	398	+91.2 %
Profit Before Tax ($'000)	1,731	560	+209 %
Passengers	40,317	30,702	+31.3 %
Average Fare ($)	144	139	+3.6 %

OVERVIEW

- 75% attributable to Rex as of 1st Jan 2007
- 4 M23's transferred from REX
- Strong growth in ad-hoc charter offset by unscheduled maintenance costs

9 months to 31 Mar 07	YTD07	YTD06	Change
Sales Revenue ($'000)	27,321	23,473	+16.4%
Profit Before Tax ($'000)	3,750	3,986	-5.9%
Aircraft Hours	12,892	11,667	+10.5%

REX
COST INCREASE

9 months ended 31st March	REX Group Change	REX Change
Salaries (excl. employee profit share)	+15.1%	+11.6%
Engineering & Maintenance	+24.1%	+16.8%
Flight & Port Operations, excl. fuel	+9.3%	+7.5%
Fuel Cost	+24.3%	+19.4%
Employee profit share	+105.5	+105.5
Total Cost	+17.3%	+13.8%
Revenue / ASK	+7.0%	+6.3%
Total cost/ASK (Excl. fuel) (Excl. fuel & employee profit share)	+3.4% (+2.1%) (+1.2%)	+2.3% (+1.2%) (+0.3%)

Note : The cost comparison above includes the consolidation of Airlink results in this period

AVERAGE FARE TREND