



AGENDA

- ➔ CONSOLIDATED INCOME STATEMENT REVIEW
- ➔ KEY PERFORMANCE INDICATORS
- ➔ OPERATIONAL REVIEW
- ➔ OUTLOOK



CONSOLIDATED INCOME STATEMENT REVIEW

	1H FY08* (\$M)	1H FY07 (\$M)	Change
Passenger Revenue	106.2	100.6	+5.6%
Total Revenue	128.9	104.4	+23.5%
Fuel Cost	21.7	16.8	+29.2%
Other Costs & Expenses	93.6	72.4	+29.3%
Profit After Tax	10.3	11.5	-10.4%
Earnings per share (cents)	8.6**	10.0	-14.0%

* 1H FY08 results include for the first time full contribution from Pel-Air as a subsidiary

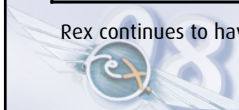
** 1H FY08 is based on 120M shares compared to 115M in the prior period



KEY PERFORMANCE INDICATORS

	1H FY08	1H FY07	Change
Passengers	772,837	703,915	+9.8%
ASKs (M)	419	384	+9.1%
Average Fare (\$) (Excl. fuel levy)	137.4 (115.0)	143.0 (119.3)	-3.9% (-3.6%)
Load Factor (%)	68.4	68.8	-0.4% pts
Passenger Revenue/ASK (cents)	25.3	26.2	-3.4%
Total pax cost/ASK (cents) (Excl. fuel)	23.6 (19.2)	23.2 (18.9)	+1.7% (+1.6%)
Fuel % Total Cost	18.8	18.8	Nil

Rex continues to have no net interest bearing debt. Cash as of 31st Dec 07 was \$19.4M

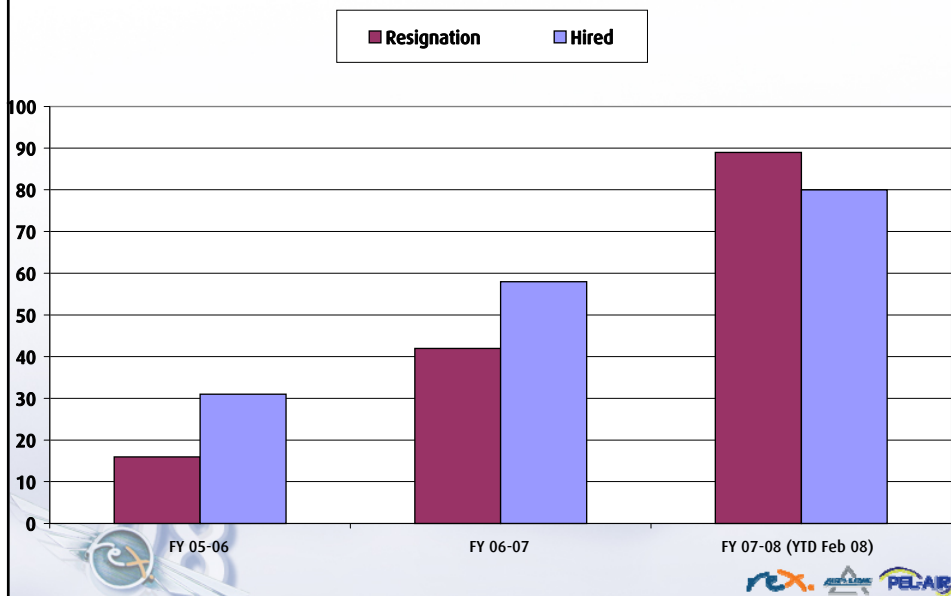


OPERATIONAL REVIEW

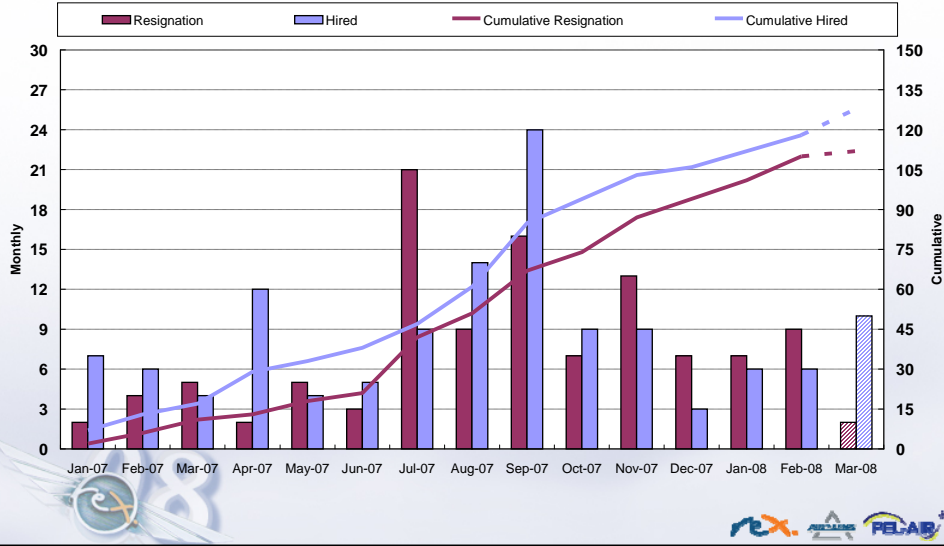
- ➔ Redeployment of Olympic Dam capacity:
 - Increased service frequency (Adelaide-Mount Gambier, Port Lincoln, Whyalla & Melbourne-Burnie)
 - New routes: Griffith-Melbourne July 07, Brisbane-Maryborough Oct 07
- ➔ Introduction of 5 new Saab 340B*plus* aircraft
- ➔ Increased cancellation/suspension of services due pilot shortage
- ➔ Commencement of Rex Pilot Cadet Scheme and flight academy in Dec 07



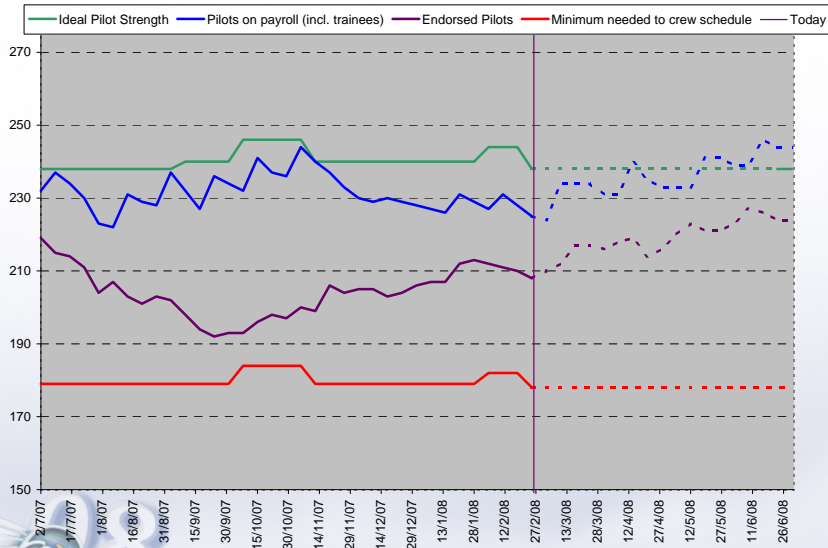
REX PILOT TURNOVER



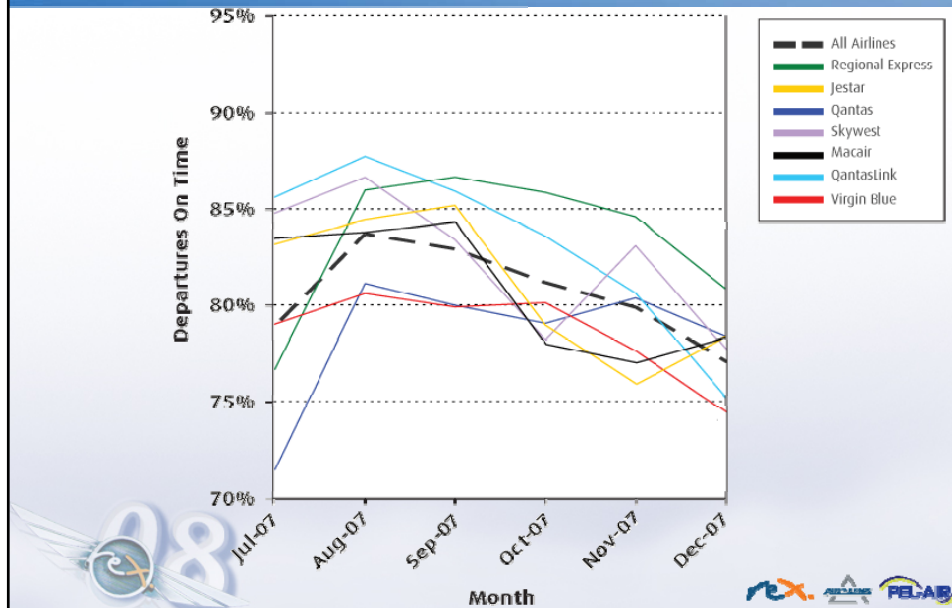
PILOT RECRUITMENT AND RESIGNATION



REX PILOT NUMBERS



ON TIME PERFORMANCE



OUTLOOK

- ➔ Consolidation of current route network
- ➔ Expansion of the flying academy activity
- ➔ Continued introduction of Saab 340B*plus*
- ➔ Saab 340A aircraft deployed to Pel-Air for freight and charter

PROFIT GUIDANCE

- ✦ Earnings for FY07/08 are expected to remain at the same level as FY06/07



QUESTION & ANSWER

END OF PRESENTATION
THANK YOU

