



INVESTMENT UPDATE
FOR DECEMBER 2005 QUARTER



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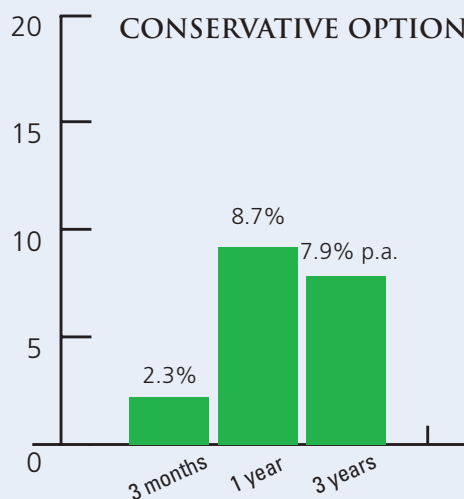
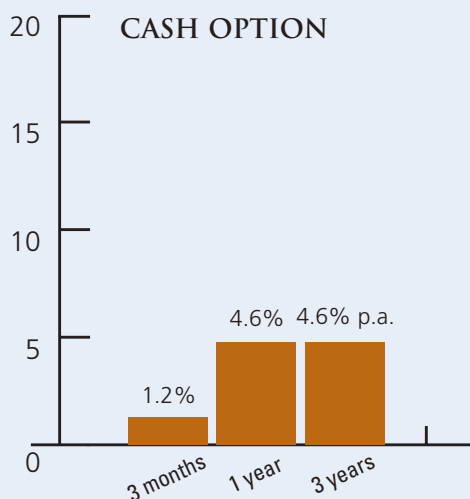
QANTAS
SUPERANNUATION PLAN
INVESTMENT UPDATE



INVESTMENT UPDATE

FOR THE 3 MONTHS TO 31 DECEMBER 2005

INVESTMENT OPTIONS' PERFORMANCE (NET OF TAX)



Note: The investment performance shown in the above graphs includes the actual returns since Investment Choice was introduced from 1 April 2005. Prior to that, the returns are simulation only, based on index returns for the assets contained in each investment option. **Investment returns can go up or down. Past performance and simulations of this type may not be a reliable indicator of future performance.**

MARKET UPDATE

Recent performance by the Plan's asset sectors (before tax) were as follows:

Asset Class	Quarter	Year	3 Years (p.a.)
Australian Equities	▼ 3.6%	24.8%	23.1%
International Shares	▼ 7.0%	22.6%	10.8%
Direct Property	▲ 3.5%	14.1%	10.9%
Listed Property	▲ 5.9%	11.2%	16.1%
Private Capital	▲ 5.7%	21.0%	15.5%
Hedge Funds	▲ 3.8%	9.7%	n/a
Emerging Markets and High Yield Debt	▼ 1.8%	10.1%	n/a
Australian Fixed Interest	▲ 1.8%	6.0%	5.6%
Australian Indexed Bonds	▲ 2.8%	8.2%	6.9%
International Fixed Interest	▲ 1.0%	6.6%	8.0%
Cash	▲ 1.4%	5.2%	4.8%

Investment returns for the Plan continued to be favourable for for the quarter. Although the returns for equities, both in Australia and overseas, were lower than last quarter, they were still strong. Performance in most other sectors improved.

In aggregate, the investment performance of the entire Plan was:

- 3.9% after tax for the quarter to 31 December 2005; and
- 16.6% after tax for the last 12 months.

CREDITED INTEREST RATES

The Credited Interest Rates (CIRs) since 1 July 2005 are:

Quarter ending	Cash Option	Conservative Option	Balanced Option	Growth Option	Aggressive Option
30 Sep 05	1.15%	2.50%	4.40%	5.86%	6.94%
31 Dec 05	1.15%	2.27%	3.04%	3.68%	4.15%

These CIRs do not apply to Division 9 members. CIRs for Division 9 members are contained on the website.

OUR PERFORMANCE COMPARED

Our investment performance and Credited Interest Rates continue to perform very well compared to other funds.

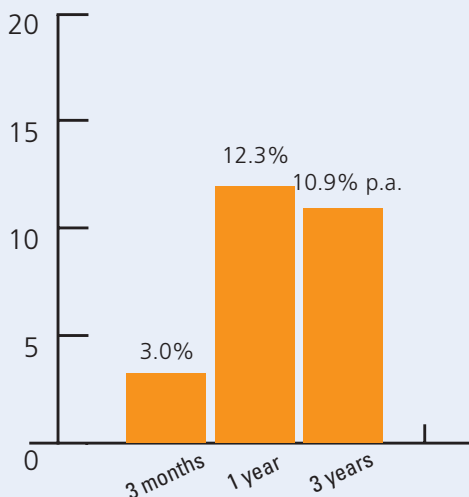
In a recent review of the (default strategy) crediting rates of around 110 Corporate Funds, Industry Funds, Master Trusts and Government funds, the Plan's Credited Interest Rate for the Growth Option ranked 8th for the 12 months to 31 December 2005.

The Trustees are continuing to work hard to achieve competitive returns for Plan members.

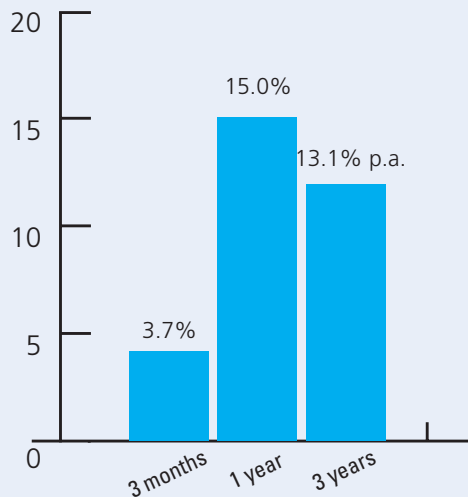
IMPORTANT NOTE

The items in this newsletter have been provided for information only. Any decisions you may make on any of these matters should have regard for your personal circumstances and tax position, and we would strongly recommend you seek financial planning advice to assist you making decisions about your options in the Plan.

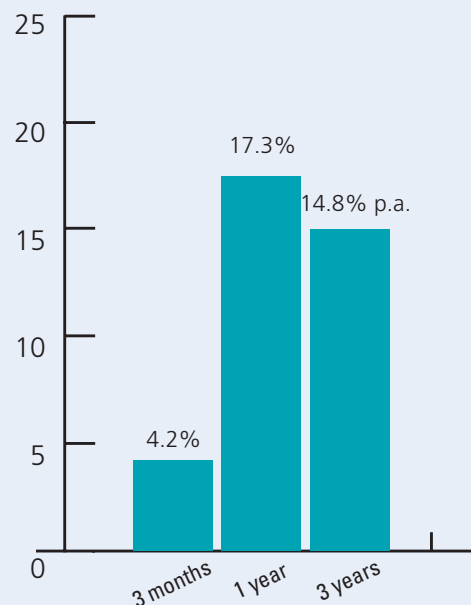
BALANCED OPTION



GROWTH OPTION



AGGRESSIVE OPTION



CONTRIBUTION SPLITTING

Late in 2005 the Government provided final Regulations which allowed contribution splitting, and the Trustee has decided to provide splitting to Plan members.

Contribution splitting will allow you to transfer certain contributions to superannuation accounts for your eligible Spouse.

WHEN?

Splitting will be available for certain eligible contributions made after 1 January 2006.

You may make an application to split any eligible contributions during the 12 months following the financial year in which the contributions were made. For example:

- you may request to split your 2005/06 contributions (ie those made between 1 January 2006 and 30 June 2006) any time during the 12 months following 1 July 2006;
- you may request to split your 2006/07 contributions (ie those made between 1 July 2006 and 30 June 2007) any time during the 12 months following 1 July 2007; and
- so on.

Upon receiving your application to split contributions, the Trustee will transfer your contributions within 90 days. Note that the interest earned on your contributions prior to transfer is not able to be transferred, but will remain in your own account.

WHAT CONTRIBUTIONS MAY BE SPLIT?

All voluntary post tax member and salary sacrifice contributions you make are eligible to be split. These include contributions to the following accounts:

Div 1	Div 2	Div 3	Div 3A	Div 4
Member Voluntary	Member Voluntary	Member Voluntary	Member Voluntary	Member Voluntary
Salary Sacrifice	Salary Sacrifice	Salary Sacrifice	Salary Sacrifice	Salary Sacrifice

Div 5	Div 6	Div 7	Div 10	Div 12
Member	Member	Member Voluntary	Member Voluntary	Voluntary Contributions
Salary Sacrifice	Salary Sacrifice	Salary Sacrifice	Salary Sacrifice	Salary Sacrifice



UPDATE

QANTAS SUPERANNUATION PLAN

Under splitting you may elect to transfer either undeducted contributions or salary sacrifice contributions. The maximum amount available to be transferred is limited to your undeducted contributions plus 85% of salary sacrifice contributions made during the relevant period.

Any split contributions transferred to your spouse will retain their tax status. All contributions you transfer under splitting will be subject to preservation.

DIVISION 11 SPOUSE ACCOUNTS

The eligibility criteria for membership of Division 11 (Spouse Division) has been extended to allow members to establish a Spouse Member Account to receive split contributions. This will allow you to establish an interest in the Plan for your Spouse if they are not already a Plan member, into which they may accumulate personal contributions and split contributions. A copy of the updated Division 11 Product Disclosure Statement (PDS) will shortly be available on the Plans website www.qantassuper.com.au.

The PDS also contains details of the minimum initial contribution and the fees which apply to Spouse Accounts in Division 11.

If your Spouse is already a Plan member, then any transfers under splitting will simply be made to the relevant voluntary contribution accounts in their current Division.

And finally, you can also transfer split contributions from the Plan to another approved superannuation fund for your spouse.

OTHER ISSUES

If you have previously rolled monies into the Plan, or have had employer ETPs made to the plan, these amounts may not be split. Nor are any lump sums paid to the Plan on your behalf from an eligible non-resident, non-complying superannuation fund.

NEXT STEPS

Forms for splitting will be available on the Website shortly. As mentioned, you may not make an application for splitting until 1 July 2006 or later.

If you have any questions about splitting, please call Qantas Super on 1300 654 384 (in Australia) or (02) 9691 9551 from outside of Australia. Or email us at qsl@qantas.com.au.

Finally, there may be significant tax benefits and implications associated with splitting for you. Before making your decisions about whether to split contributions, we strongly recommend that you obtain licensed financial planning advice to assist you in making your decisions.

FINANCIAL SERVICES GUIDE

Included with this newsletter is a financial services guide, which provides information about the company that provides services to Plan members in relation to their superannuation fund membership.