

STATEMENT TO AUSTRALIAN SECURITIES EXCHANGE - December 20, 2010

FLIGHT CENTRE COMPLETES US CORPORATE TRAVEL ACQUISITION

FLIGHT Centre Limited (FLT) has become one of the United States' larger corporate travel providers after taking full ownership of Boston-based Garber's Travel Services Inc.

The \$USD10.4million acquisition completed today after FLT's US subsidiary, Flight Centre USA Holding Corp, added the remaining 74% interest in Garber to the 26% interest it acquired in 2007.

The deal is not expected to materially affect FLT's earnings and includes about \$USD6million in cash, which will remain in the business.

Garber is part of FLT's FCm Travel Solutions corporate travel management network, which now extends to more than 70 countries, and will operate alongside FLT's organically grown FCm teams and the acquired Bannockburn FCm business in Chicago.

Together, these businesses are likely to generate total transaction value (TTV) in the order of \$AUD500million annualised, which will represent about 30% of FLT's TTV in the country.

FLT managing director Graham Turner said the acquisition would give FCm Travel Solutions a stronger footprint in the world's largest corporate travel market.

"In the US, we have a comprehensive and profitable corporate offering that includes FCm offices in Seattle, San Francisco, Los Angeles, Phoenix, Dallas, Chicago, Boston, New York and Washington DC," he said.

"Given the Australian dollar's current strength and the recovery in the US corporate travel market we are beginning to see, this acquisition takes place at an opportune time and means we are well placed to capitalise in the future.

"In addition to enjoying the benefits of scale and taking advantage of various sales, systems and management synergies, we can also improve our service offering to local corporations and to businesses in other countries who demand a strong local presence in this crucial market."

FLT's USA operations had managed Garber as a minority owner for the past year.

In addition to the corporate business, Flight Centre USA also includes the Liberty retail travel network and wholesaler GOGO Worldwide Vacations.

As announced previously, FLT expects its overall US business to make a positive EBIT contribution during 2010/11, with losses during the seasonally slower first half to be followed by profits during the peak second half booking periods.

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