Flight Centre Limited

Annual General Meeting

October 30, 2012

Agenda

2012 ANNUAL GENERAL MEETING
▪ Chairman's address – Peter Morahan ▪ Chief executive officer's address – Graham Turner ▪ Items of business • Item 1: Re-election of director – Peter Morahan • Item 2: Election of director – John Eales • Item 3: Adoption of Remuneration Report • Item 4: Appointment of auditor ▪ Other business

Chairman’s address: 2012 results in brief

RESULTS IN BRIEF	FULL YEAR RESULTS		
	JUNE 2012	JUNE 2011	Variance %
$’ million			
TTV	**$13,238m**	**$12,200m**	**8.5%**
Gross Profit	**$1,827m**	**$1,678m**	**8.9%**
Income margin	13.8%	13.8%	-
Net margin (underlying)	2.2%	2.0%	20bps
Underlying Profit Before Tax (before abnormals)	**$290.4m**	**$245.2m**	**18.4%**
Abnormal items*	-	$32.1m	-
Actual Profit Before Tax (after abnormals)	**$290.4m**	**$213.1m**	**36.3%**
Underlying Net Profit After Tax	$200.1m	$170.7m	17.2%
Net Profit After Tax (actual)	**$200.1m**	**$139.8m**	**43.1%**
Effective tax rate	31.1%	34.4%	
Dividends			
Interim Dividend	41.0c	36.0c	13.9%
Final Dividend	71.0c	48.0c	47.9%

* 2011 abnormal items: $27.9m Liberty Travel Group impairment and $4.2m one-off donations

Chairman's address: 2012 result overview

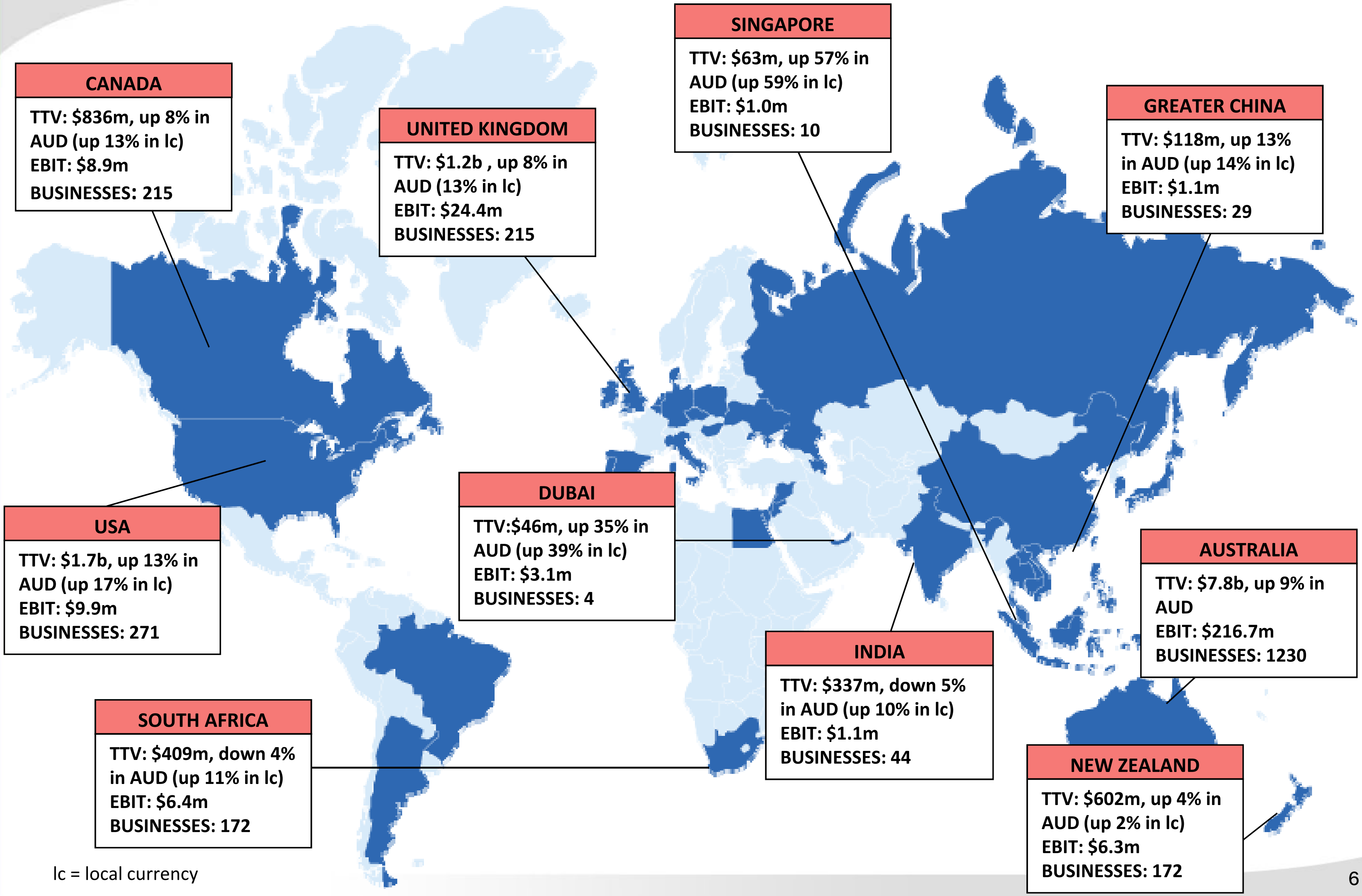
TTV:	Up 8.5% to $13.2b – has exceeded prior year 16 times in 17 years since listing
PBT:	$290.4m – has exceeded prior year 15 times in past 17 years
NPAT:	Surpassed $200m for 1st time, 5 years after $100m milestone and 10 years after passing $50m for 1st time
INCOME MARGIN:	Up slightly and equal second best result since FLT began recording income margin
NET MARGIN:	Equal best result since 2002 and only 30bps below record high (2000 and 2002)
OVERSEAS RESULTS:	Combined overseas EBIT topped $60m and has almost doubled in past two years
CASH:	$400m in general cash at 30 June – has increased almost 150% in past three years without raising capital
DIVIDENDS:	Combined 2011/12 return 11% higher than previous record ($1.01 including a special dividend in 2004)

Chairman's address: FLT's strengths

FLIGHT CENTRE LIMITED

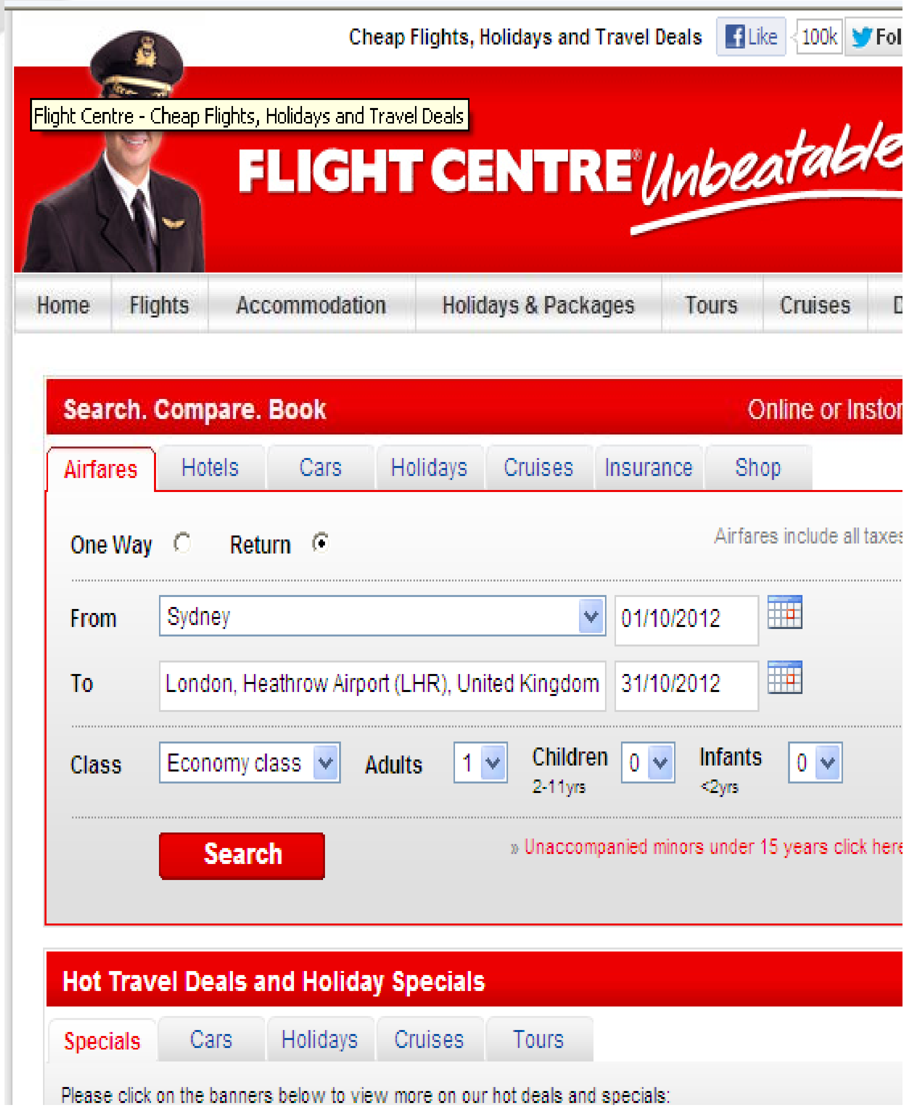
DIVERSITY	More than 30 brands spread across 10 countries Large leisure and corporate travel presence, Australian outbound and domestic focuses
FINANCIAL STRENGTH	Strong balance sheet with positive net debt – a rarity for a travel company Ready and able to capitalise on opportunities
STRATEGIC FOCUS	Plans in place to strengthen and grow the business in the short, medium and long-term
PEOPLE	Outstanding workforce at all levels Experienced management team – track record of achieving growth throughout the business cycle

CEO’s address: 2012 results by country



lc = local currency

CEO's address: flightcentre.com.au



KEY ELEMENTS

- Continued enhancements to flagship Australian site
- Features to be replicated on overseas sites in future
- Now offering:
  - ✓ Flights to more than 2,700 global destinations
  - ✓ More than 100,000 global hotels
  - ✓ More than 30,000 cruise itineraries
  - ✓ More than 4,000 coach and tour options
  - ✓ Rental cars at more than 8,000 locations
  - ✓ Information for planning and dreaming
- Search, Compare, Book ad campaign launched
- Website backs Flight Centre's expert human search engines and vice versa

CEO's address: Capital management

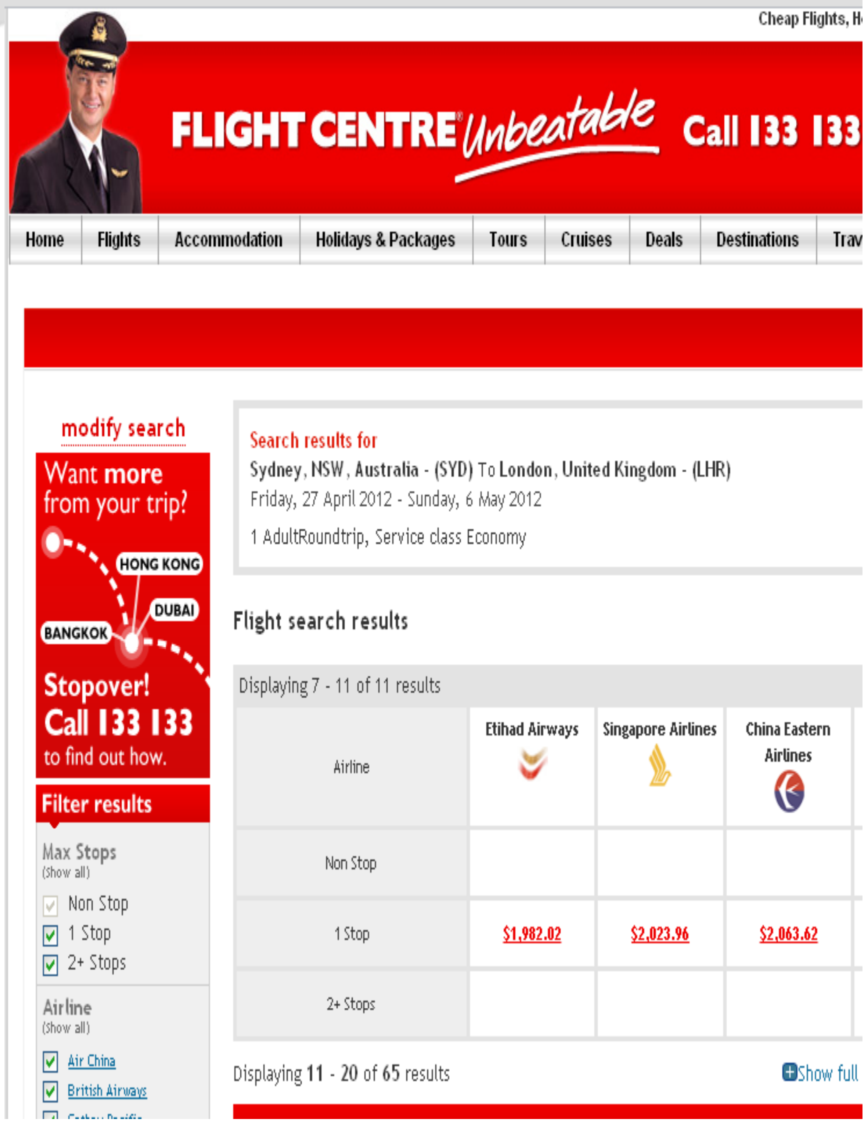
CURRENT POSITION

- Strategies in place to increase cash – have led to general funds increasing from $161m in 2009 to $400m in 2012
- Board intends to maintain healthy cash balances to:
  - ✓ Allow the company to capitalise on opportunities that will arise
  - ✓ Buffer the company against any economic downturns; and
  - ✓ Comply with regulations that apply to travel agencies in Australia and some other countries
- Directors also conscious of need to return surplus funds to shareholders when possible
- Two special dividends have been issued since listing
- Current preference is to alter dividend pay-out ratios from time to time
- Higher dividend yield may create greater long-term shareholder value

CEO's address: Top 7 global foci

1. Improve retail efficiency and shop operations to provide an exciting, inspiring and engaging in-store experience (Travel Shopping of the Future Project), which links with FLT's expanded online offerings
2. Focus on the area, a grouping of 12-20 shops and businesses, as the key operational unit – thinking small to grow big
3. Accelerated corporate travel growth across multiple brands
4. Develop unique air and land product, offering value to customers and suppliers
5. Improve and integrate systems to better manage the record levels of enquiry FLT continues to generate
6. Continue FLT's customer-centric focus to ensure we are available when and how our customers want us to be
7. Create better, replicable and successful business models in our emerging brands so they can grow rapidly globally

CEO’s address: WIP – blended travel



CEO's address: Blended travel

KEY ELEMENTS
▪ Unique proposition for travellers ▪ FLT is creating a new category of travel agency – a blended travel network ▪ Company has looked overseas to retailers in the USA and UK to develop this model ▪ Will not be purely an online travel agent or a bricks and mortar business ▪ Blended solution will offer customers instant and deep access to FLT's product in the ways and at the times that suit their needs ▪ Seamlessly 24/7 for customers through expanded web offerings, plus extended shop trading hours, call centres, mobile phone capabilities and more after-hours sales teams ▪ Customers able to switch between sales channels ▪ Consultant allocation model for online customers currently being finalised

CEO's address: 2013 outlook

PROFIT TARGET	Targeting 6-8% sales network expansion – 1000 new jobs and on track to open 2500th business PBT has increased almost 50% during past two years – not expecting this rapid growth trend to continue Initial target of $305m-$315m PBT (5-8% growth on 2011/12 record)
TRADING UPDATE	Tracking in line with guidance, based on Q1 trading results and October projections Reasonable July and August, October looking solid, September below expectations
MARKET CONDITIONS	Ongoing economic uncertainty in some geographies – corporate currently outperforming leisure International airfare prices still low – a positive for Australian outbound travel
GLOBAL GROWTH	Opportunities within all countries Australia leisure productivity focus, corporate expansion after record business growth last year UK performing well and on track for long-term growth targets, USA expecting further profit growth
ACCC	ACCC's test case concluded mid October after six days of hearings FLT vigorously defended its position Court's decision expected during 2013 calendar year

Item 1: Election of director

To consider and, if thought fit, pass the following ordinary resolution:

"That Mr. Peter Morahan, a non-executive director retiring in accordance with Section 47 of FLT's constitution, being eligible, be re-elected as an FLT non-executive director."

<u>Proxies</u>

The number of proxies received for the resolution to re-elect Peter Morahan is:

- ***For:*** ***80,488,414 (99.71%)***
- ***Against:*** ***29,645 (0.04%)***
- ***Open:*** ***201,282 (0.25%)***
- ***Abstain:*** ***51,824***

Item 2: Election of director

To consider and, if thought fit, pass the following ordinary resolution:

"That Mr. John Eales, appointed in accordance with Section 46(d) of FLT's constitution, being eligible, be elected as an FLT non-executive director."

Proxies

The number of proxies received for the resolution to re-elect John Eales is:

- ***For:*** ***80,454,944 (99.68%)***
- ***Against:*** ***63,745 (0.08%)***
- ***Open:*** ***196,009 (0.24%)***
- ***Abstain:*** ***56,467***

Item 3: Remuneration Report

To consider and, if thought fit, pass the following ordinary resolution:

"That the Remuneration Report … for the financial year ended 30 June 2012 be adopted."

<u>Proxies</u>

The number of proxies received for the resolution is:

- ***For:*** ***61,832,810 (94.8%)***
- ***Against:*** ***3,197,698 (4.9%)***
- ***Open:*** ***193,300 (0.3%)***
- ***Abstain:*** ***131,145***

Item 4: Auditor appointment

To consider and, if thought fit, pass the following ordinary resolution:

"That Ernst & Young, having been nominated and consenting to do so, be appointed as FLT auditor …"

<u>Proxies</u>

The number of proxies received for the resolution is:

- ***For:*** ***80,480,823 (99.72%)***
- ***Against:*** ***32,429 (0.04%)***
- ***Open:*** ***193,897 (0.24%)***
- ***Abstain:*** ***46,817***

Other business

Questions