STATEMENT TO AUSTRALIAN SECURITIES EXCHANGE – March 28, 2014

FLIGHT CENTRE TRAVEL GROUP DELIVERS MARKET UPDATE IN LIGHT OF ACCC TEST CASE PENALTIES

THE Flight Centre Travel Group (FLT) today updated the market in relation to its 2013/14 fiscal year outlook.

The update follows the ACCC's 2012 competition law test case against FLT, which has now concluded after a Federal Court penalty hearing in Brisbane. Penalties of $11million have been imposed on the company in the aftermath of the case.

FLT has previously announced its intention to appeal the court's judgment, which was delivered in 2013, and may appeal the penalties.

The company believes any appeals are likely to be heard during the 2014/15 financial year but will take up the penalties in its 2013/14 accounts, which will be released in August 2014.

As announced previously, the company's accounts will also include an unrelated one-off gain* that will partially offset the one-off penalties imposed today.

At an underlying level (excluding the one-off gain and the offsetting ACCC penalties), FLT continues to target a full year profit before tax (PBT) between $370million and $385million, 8-12% growth on the record PBT achieved during 2012/13.

"Generally speaking, the business continues to trade solidly and we are seeing similar trends to the patterns reported at the half year," FLT managing director Graham Turner said.

"Last year's test case outcome was disappointing, but has not created a need for fundamental changes within our business, as any such changes that would have been required as a result of the judgment were made several years ago.

"We made these changes proactively after the ACCC launched its initial investigation in 2009 and well before it initiated its test case.

"While we are comfortable that we comply with the law, we consider it appropriate to test the decision at an appeal.

“This will clarify our position and rights as an agent, particularly in light of the contrasting ruling that was delivered recently in a similar Federal Court case involving the ACCC, ANZ Bank and its mortgage brokers.”

FLT will abide by the court’s decision and undertakings prohibiting any repetition of the conduct in question. In addition to the financial penalties, the company will also pay part of the ACCC’s legal expenses.

ENDS: Media and investor enquiries to Haydn Long 0418 750454

*As announced at the half year, FLT will recognise a one-off gain during 2013/14 because it will effectively bring forward some earnings that would previously have been recognised during 2014/15. The gain has been brought about by systems improvement, which has allowed FLT to accurately calculate and capture an additional component of margin within the Flight Centre Global Product (FCGP) business at the time of sale, rather than after the customer has travelled