



STATEMENT TO AUSTRALIAN SECURITIES EXCHANGE – July 31, 2015

FLIGHT CENTRE WINS APPEAL IN ACCC TEST CASE

THE Flight Centre Travel Group (FLT) has won its appeal in the long running competition law test case initiated against it by the ACCC.

The Full Court of the Federal Court of Australia today overturned the judgement that was handed down against FLT in December 2013 in relation to breaches of the Trade Practices Act 1974.

In addition, the ACCC has been ordered to pay FLT's legal costs for both the initial case and for the subsequent appeal.

"We welcome today's judgement and hope that it now brings this six-year saga to an end," FLT managing director Graham Turner said.

"As we said when the ACCC initiated this test case, for more than 30 years Flight Centre has sought to deliver cheaper airfares to the travelling public.

"The company is not in the business of attempting to make airfares more expensive.

"As an agent that provides considerable advice and help to the travelling public and extensive marketing for airlines, FLT asks for appropriate commissions from suppliers and also reasonable access to all deals that they release to the market.

"This is a logical and natural business request for an agent to make to ensure the customers it serves on behalf of airlines are not disadvantaged.

"Given that travel agents book up to 80% of international flights in Australia, it benefits consumers because it means special offers are not solely available from supplier websites."

FLT continues to consider this morning's ruling and, if appropriate, will provide additional updates in due course.

In the initial case, which was heard in the Federal Court in 2012, the ACCC alleged that FLT had engaged in conduct that amounted to attempts to control prices on six occasions between 2005 and 2009.

While FLT rejected these allegations and presented evidence that its objective was to gain access to all fares that were available in the market, the Federal Court awarded judgement in the ACCC's favour.

The court subsequently imposed financial penalties of \$11million on the company (paid during 2013/14).

Today's judgement in FLT's favour means the \$11million, plus interest, will now be repaid to the company and included in its financial results for 2015/16.

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