



STATEMENT TO AUSTRALIAN SECURITIES EXCHANGE - September 27, 2016

## FLIGHT CENTRE TRAVEL GROUP CONTINUES ITS EXPANSION IN EUROPE

THE Flight Centre Travel Group (FLT) has expanded its corporate travel footprint on continental Europe.

The company has today secured a presence in five key countries - Sweden, Denmark, Norway, Finland and Germany - through the agreement to acquire corporate businesses owned by European online travel agency eDreams ODIGEO.

Today's acquisition significantly strengthens FLT's European operations and follows the company's recent expansion into Ireland (May 2014) and the Netherlands (March 2016).

FLT also acquired corporate travel businesses in Malaysia, Hong Kong and Mexico during the 2016 fiscal year, as it continued to develop and expand its global network.

Managing director Graham Turner said today's acquisition was aligned to the company's global strategy of fast-tracking growth in corporate travel.

"Corporate travel is one of our six key growth sectors for the medium to long-term," he said.

"We are already one of the world's largest corporate travel managers - turnover exceeded \$AU6billion during the 2016 fiscal year - but we see strong future prospects within the sector and are expanding internationally both organically and via strategic acquisitions.

"While these new additions to our network are relatively small, they are profitable and give FLT a company-owned presence in five key corporate travel markets within Europe, along with a platform for further corporate travel expansion.

"By having company-owned businesses in these important markets, we also gain greater control over the service offering we deliver to local, national and multi-national clients."

As part of the acquisition, FLT has also secured a proprietary online booking tool, which can potentially be rolled out within the SME-focussed Corporate Traveller and Flight Centre Business Travel brands elsewhere in Europe, as part of a lower cost corporate travel offering.

Managing director Bodil Mansson will continue to run the business and will report to Steve Norris, FLT's corporate travel leader in Europe and Africa.

FLT's European division is the company's largest profit contributor outside Australia and the third largest region by sales behind Australia and the USA.

During the 2016 fiscal year, the combined UK, Ireland and Netherlands businesses turned over a record \$AU2.2billion and contributed \$AU47.2million to group earnings before interest and tax (EBIT).

The acquired businesses are expected to turnover about EURO110million during their 2017 fiscal year.

The acquisition, which will be cash-funded, is expected to be formally completed late in the first half of the 2017 fiscal year.

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#### About the Flight Centre Travel Group

FLT is one of the world's largest travel companies. The company now has about 3000 shops and businesses in 19 countries, plus a network of independent corporate travel licensees in more than 70 other countries. Including today's acquisitions, the company-owned businesses span Australia, New Zealand, South Africa, the USA, Canada, Mexico, the UK, Ireland, the Netherlands, Sweden, Finland, Denmark, Norway, Germany, Greater China, Singapore, Malaysia, India and the United Arab Emirates. Key brands include the Flight Centre leisure brand, Liberty Travel in the USA and the FCM and Corporate Traveller corporate brands.