

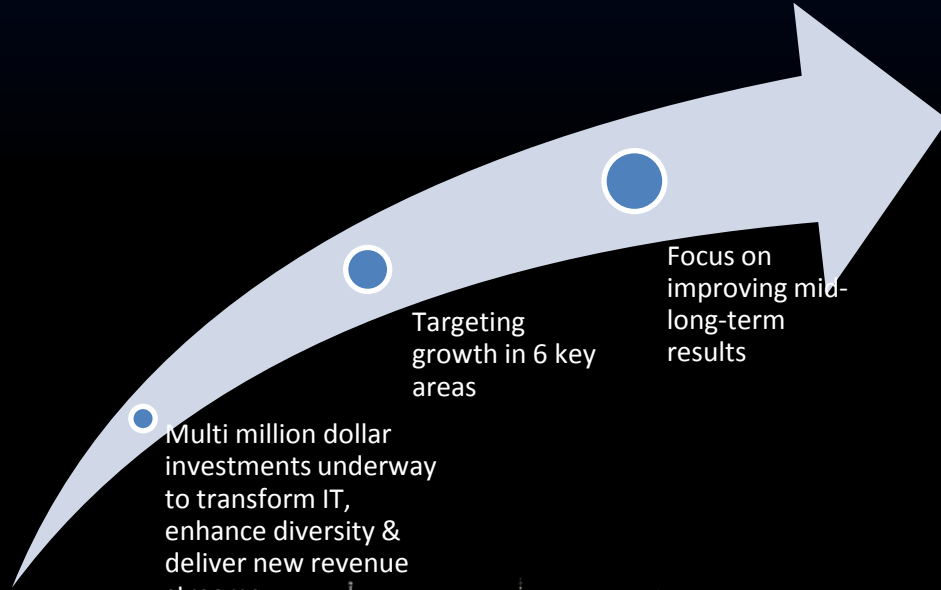
# MORGANS CONFERENCE

PRESENTATION 12 OCTOBER 2016



**FLIGHT CENTRE**  
TRAVEL GROUP

# OUR 2022 FLIGHT PATH



Multi million dollar investments underway to transform IT, enhance diversity & deliver new revenue streams

Targeting growth in 6 key areas

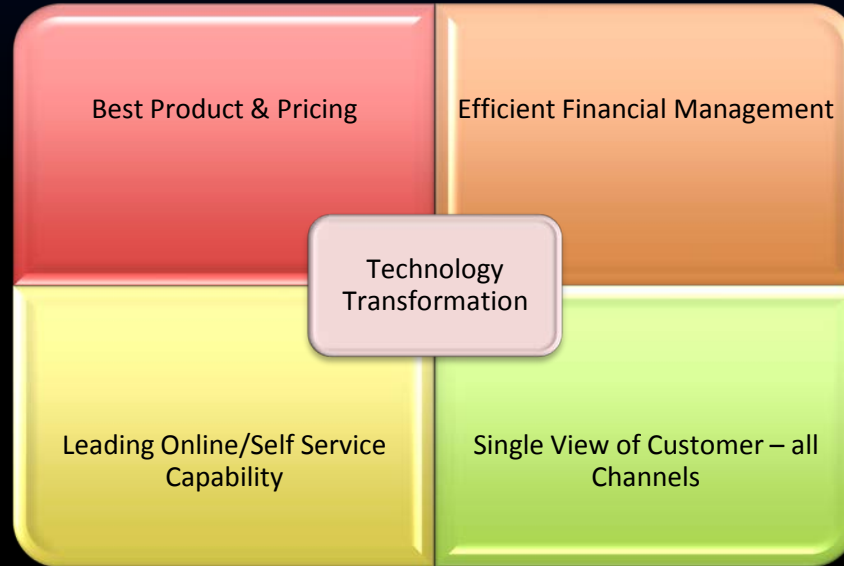
Focus on improving mid-long-term results

Blueprint in place for 2022 & 2035



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FOR THOSE WHO WANT TO SEE

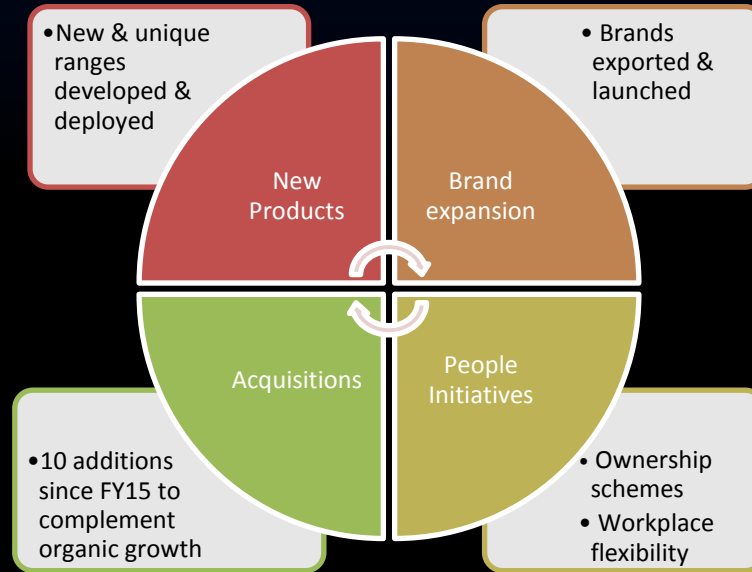
# 2022 FLIGHT PATH: TECH INVESTMENTS



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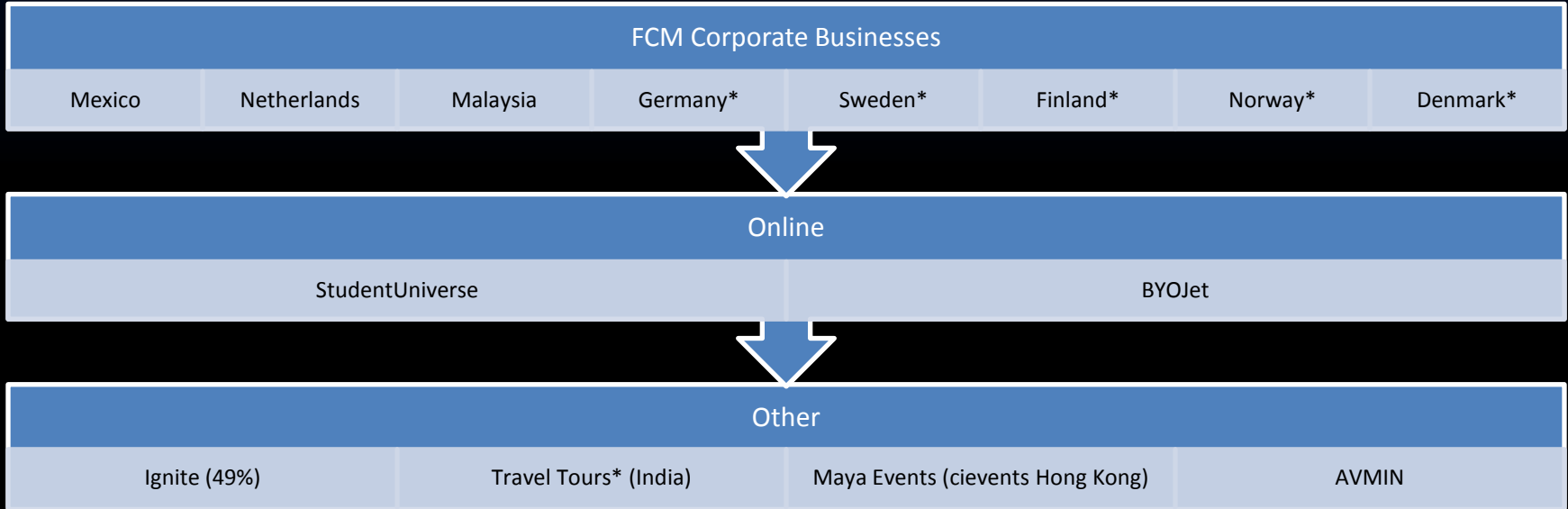
# 2022 FLIGHT PATH: OPERATIONAL INVESTMENTS



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# 2022 FLIGHT PATH: RECENT ACQUISITIONS



\* Not yet formally completed

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# 2022 FLIGHT PATH: KEY STRATEGIES

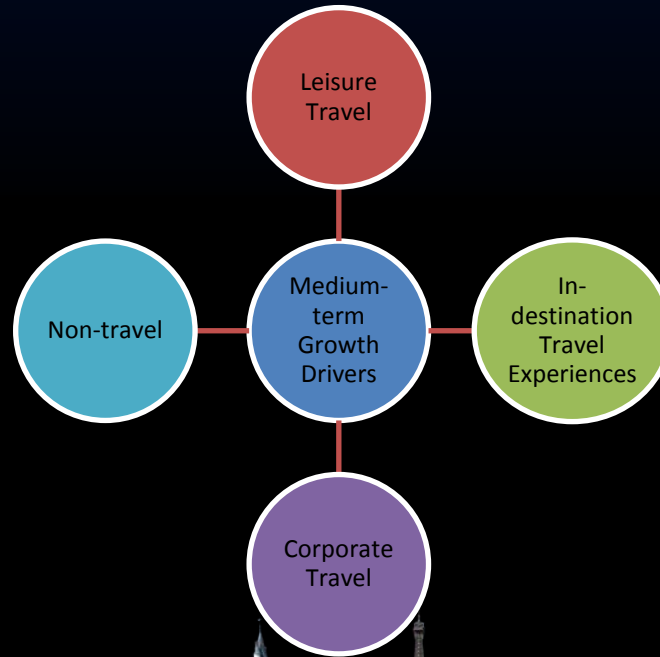


1. Make it easy to buy from us and thus lead to sticky and deep customer relationships
2. Famous distinctive brands with expertise
3. Scalable growth

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# 2022 FLIGHT PATH: KEY GROWTH SECTORS



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# 1) 2022 FLIGHT PATH: LEISURE TRAVEL RETAILING

Aim to be the world's best person-to-person retailer

Diverse network of mass market & specialist brands to meet customers' needs across multiple channels

Growing distribution channels to dominate the leisure travel market in many countries & in key segments, while also delivering a powerful distribution network for partners (including FLT's in-destination travel experience network)

P2P Index in place to focus growth across the different models to help FLT achieve better scale, greater customer choice & a successful model at all levels across the world

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# TRAVEL RETAILING ... The P2P index

## CORE LEISURE VOLUME

85-90% of Australian TTV

OTA

- High volume, low touch, low margin

CONTACT CENTRES

- 24/7 telephone sales & assist

FLAGSHIP STORES

- Hyperstores
- Megastores

COMMUNITY

- Shopping centres
- CBD and strip locations

HOME BASED

- Associates

EVENTS

- Travel Expos, Discover Europe, Discover America

Low touch, low cost offerings

Higher touch offerings

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# NEW INITIATIVES: AUSTRALIAN LEISURE

## Book With Me

- Personalised URL for FLT's travel agents

## Interest-free Holidays

- Offer extended to FLT's leisure brands through new agreement with Flexi Group

## Key To The World

- Innovate digital travel wallet launched by Travel Money

## Platinum

- Short-term initiative that allows customers to cancel for any reason without incurring additional charges

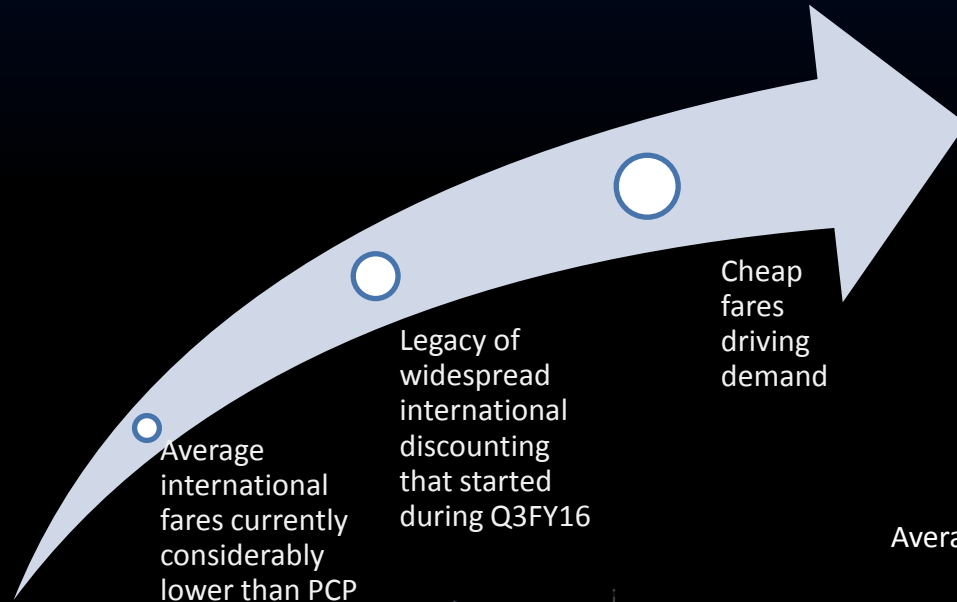
## Get Luxe

- Voucher-based product range available exclusively from Escape Travel (brought about by Ignite acquisition)

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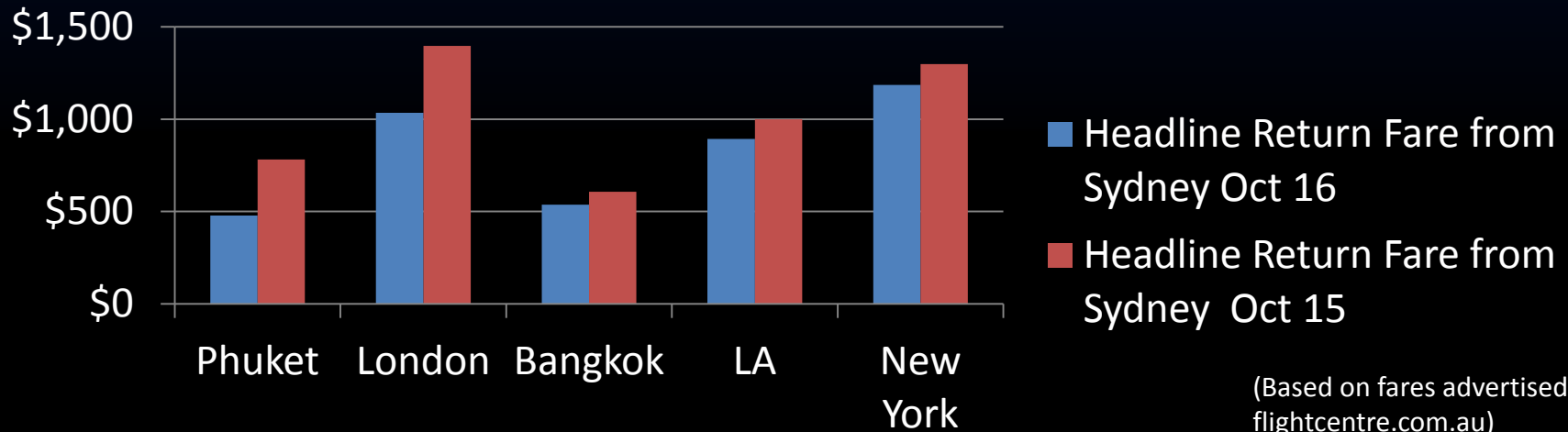
# AUSTRALIAN LEISURE: FALLING FARES



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# FALLING FLIGHT PRICES: EXAMPLES



The cheapest advertised fares to Phuket & London are currently 38.9% & 25.9% cheaper than last year

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# STUDENT/YOUTH: GROWTH OBJECTIVES

1. Be the dominant global **retailer of student & under-30s travel products** through both the StudentUniverse brand & Student Flights brand initially
2. Be a major **provider of student & under-30s travel experiences** including touring, accommodation & event-based products specifically targeting youth & students



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# Highly Coveted Youth Travelers

Multiple long-haul trips  
per year

18 – 30 years-old

Explore new destinations

Global explorers

\$200b-a-year industry

Educational, leisure & altruistic  
travel purposes

Long-term customer base

High yield

Flexible dates

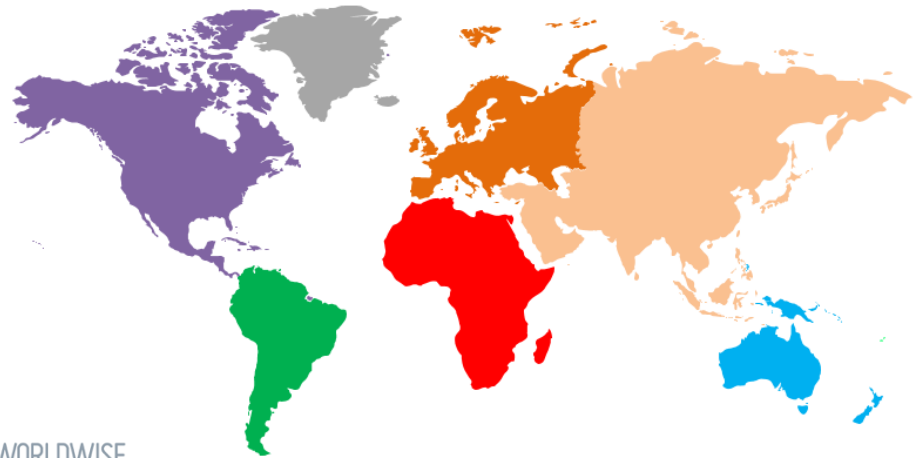
Future business travelers





## 2) IN-DESTINATION TRAVEL EXPERIENCES

FLT's growing network of tour operators & ground operations businesses

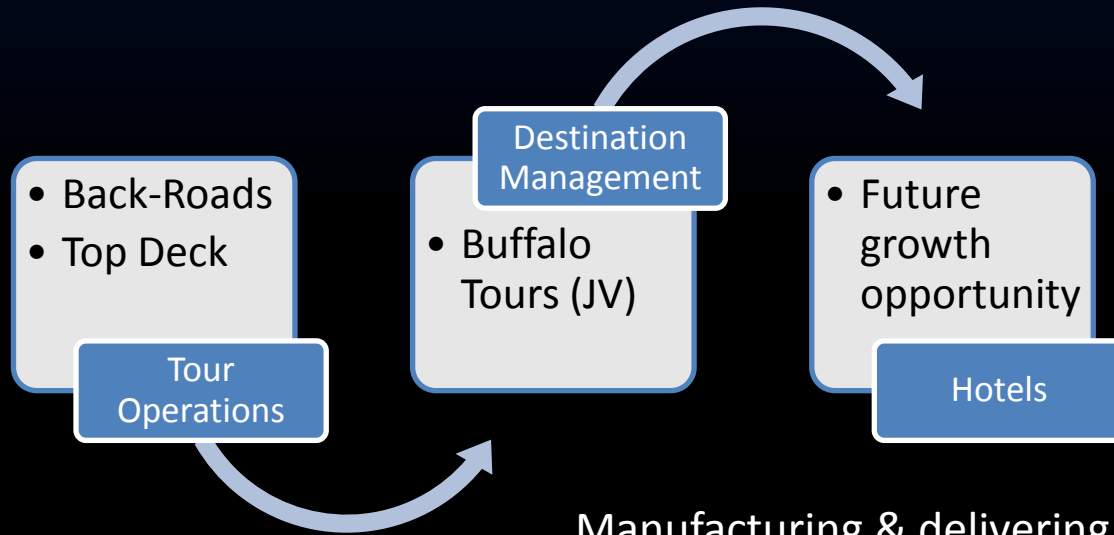


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## 2) IN-DESTINATION TRAVEL EXPERIENCES



Manufacturing & delivering products that can be distributed via FLT's leisure network

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# DMC: FLT'S DESTINATION MGMT COMPANY

An Early Success Story

JV with Vietnam-based Buffalo Tours launched in September 2014

Now operating in 11 Asian countries

Day tours, extended touring, transfers, contracting attractions & hotels

FIT & GIT - Top Deck ground operator, MICE, cruise-shore excursions

Looking to develop a global DMC network



Delivering a solid return on FLT's \$US1.5m investment

# 3) CORPORATE TRAVEL



- ✓ TMC
- ✓ SME
- ✓ Entertainment / Sport
- ✓ MICE
- ✓ Education
- ✓ Consulting
- ? Low Cost Corporate

By sales, FLT is now one of the world's top-5 corporate travel managers & aims to be the world leader

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# CORPORATE: GROWING GLOBALLY

Corporate turnover topped \$AU6.2b during FY16



Has almost doubled since FY11



14.37% CAGR achieved over past 5 years



Company-owned businesses in 19 countries\*



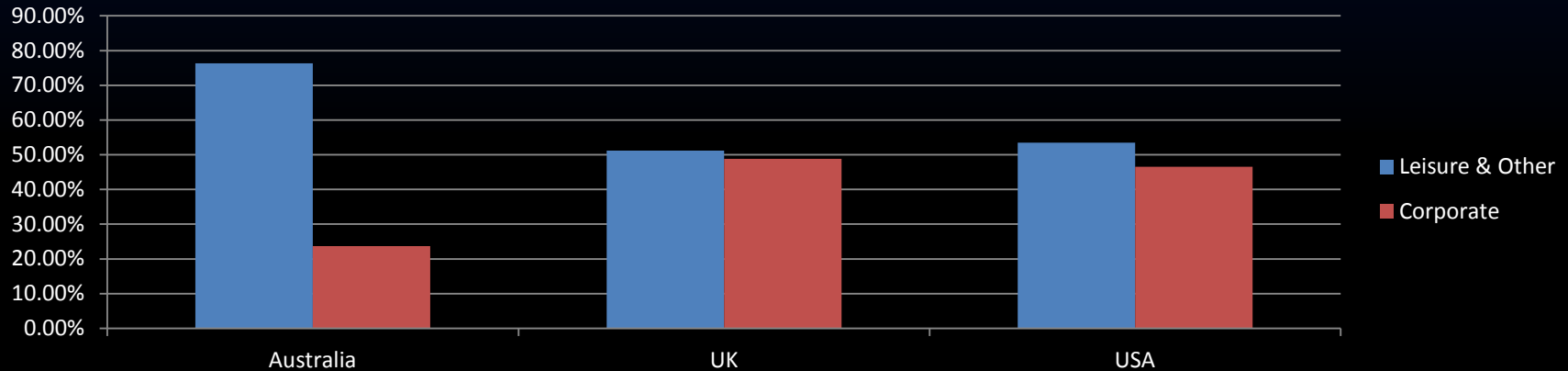
Now generating about 33% of global turnover (almost 50% in the UK & USA)

\* Including recent acquisitions that have not yet been settled

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# CORPORATE v LEISURE TURNOVER FY16



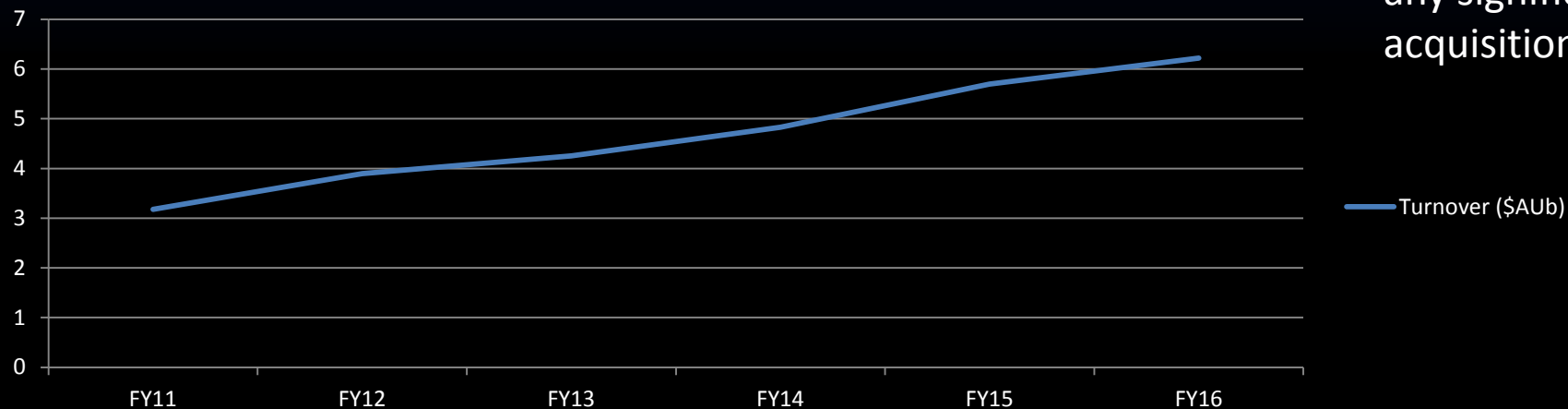
Almost half of FLT's turnover in the USA & UK and almost a quarter in Australia now comes from the company's corporate brands

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# CORPORATE: GLOBAL GROWTH

Turnover (\$AUb)



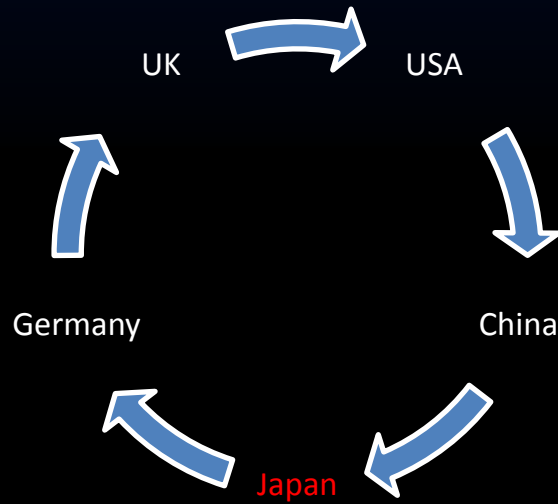
Circa 14.3%  
CAGR without  
any significant  
acquisitions

— Turnover (\$AUb)

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# CORPORATE TRAVEL: GLOBAL SCALE



FLT now has an equity presence in 4 of the world's 5 largest corporate markets

Company owned businesses in 4 other top-15 countries – India, Canada, Australia & Netherlands

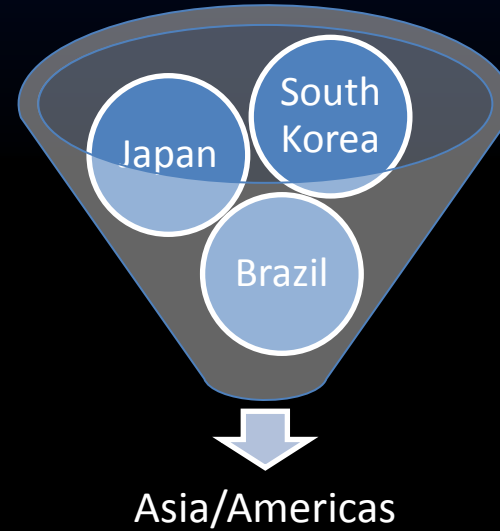
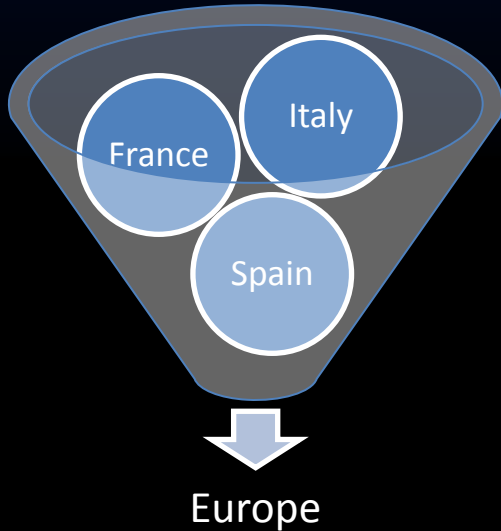
Aim to be in all top-15 countries by 2022 (excluding Russia) – acquisitions/organic growth

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# THE TOP-15: FLT'S MISSING INGREDIENTS



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# 4) OTHER BUSINESSES

ADJACENT TO TRAVEL

BUSINESS MODEL

FIRST CLASS  
EDUCATION GROUP

HEALTH  
WISE

MW  
moneywise™  
GLOBAL

99 BIKES

ADVANCE TRADERS

TRAVEL  
MONEY  
GROUP

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Travel Money Oz

Quick and simple way to  
convert money over! Cashback!  
Add on, we'll bring it home!

Stash Master

GIFTS N STYLE

TRAVEL  
MONEY OZ

TRAVEL BROCHURES

GIFTS N STYLE



# PEDAL GROUP

Our purpose...

*Enriching mind, body,  
earth and soul with  
the freedom of riding.*



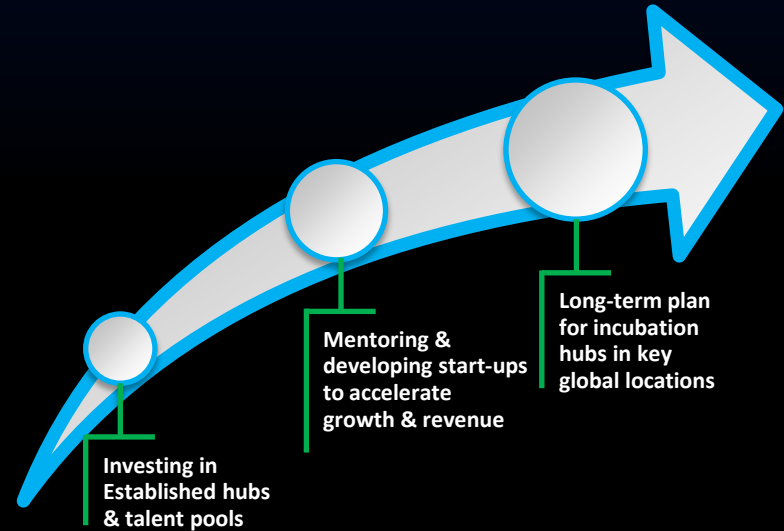
**ADVANCE** TRADERS 

**99** BIKES

LET'S *RIDE*

# 2022 FLIGHT PATH: ACCELERATION

Objective: To establish the world's leading travel accelerator, incorporating areas of our DNA & contributing to our future story



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QUESTIONS?

