

Answers To Shareholder Questions

FLIGHT Centre Limited (FLT) received a handful of questions from shareholders ahead of the company's Annual General Meeting in Brisbane on October 27, 2011.

Broadly, the questions related to:

- Promoting the benefits of ownership to FLT's people
- Shareholder discount programs
- The environment
- The impact of increasing fuel prices and possible fuel shortages in the future; and
- Directors' remuneration, specifically the reason for a non-binding vote on the Remuneration Report

A brief overview of FLT's position in each of these areas has been included below.

Ownership

FLT strongly believes in the value of its people having genuine ownership of the businesses they work in. This belief is articulated in the company's philosophies.

Ownership opportunities are available through the company's Employee Share Plan, which was expanded during 2010/11, and various other programs, including the Business Ownership Scheme (BOS). The BOS is outlined in detail in the annual report.

Shareholder discounts

Because of FLT's relatively low margins and its commitment to its lowest airfares guarantee and other customer promises, the company has not been in a position to offer further discounts.

Its focus has been on creating value for shareholders in other ways.

Environment

FLT is committed to enhancing its environmental record and has adopted a series of policies and initiatives in Australia and overseas.

These are included in a broader CSR position statement, which is now available on the company's website.

Fuel prices

Increasing fuel prices will inevitably have a flow-on effect to airfare prices.

Airfare prices, however, remain extremely affordable by historic standards and are unlikely to increase significantly in the short-term future in our view.

Airlines are also proactively adopting strategies to reduce fuel consumption and, ultimately, the impact of future price rises on their business and customers overall.

Directors' Remuneration

Directors' fees have been set for 2011/12 at the same levels as 2010/11.

The non-binding vote, relating to the Remuneration Report, that will take place at the company's Annual General Meeting is a statutory requirement for publicly listed Australian companies.

This vote provides shareholders with the opportunity to voice any concerns about a company's remuneration policies and practices.