



Statement to Australian Securities Exchange – February 1, 2019

### **Flight Centre Travel Group Completes US Corporate Travel Acquisition**

THE Flight Centre Travel Group (FLT) has formally completed its acquisition of United States corporate travel business Casto Travel Inc (CTI).

As announced previously, FLT agreed to acquire the Silicon Valley-based business's US operations in December 2018 to:

- Strengthen its rapidly growing US business, which now rivals the United Kingdom as the company's largest profit generator outside Australia; and
- Enhance its overall corporate travel footprint, given the size and importance of Silicon Valley and the US West Coast as a global corporate travel hub

CTI has offices in San Jose, San Francisco and Tiburon and currently generates about \$US120million in total transaction value annually.

FLT managing director Graham Turner said the Casto acquisition represented a small but strategically important addition to the company.

"Casto strengthens our overall US operation, which includes the highly successful and rapidly growing corporate travel business, along with our on and offline leisure businesses and wholesaler GOGO," he said.

"This will give us greater scale in Silicon Valley and in the large West Coast market, where we previously had a relatively small corporate travel presence, while also complementing our larger operations on the East Coast and in other key locations.

"Our corporate travel presence now extends to more than 20 US cities and there are significant future opportunities, given our strong growth trajectory and the size of the market, which is estimated to be worth more than \$US300billion per year.

"Casto also has solid future growth prospects as part of our FCM Travel Solutions network business.

"FCM's global reach, proven marketing expertise and full corporate product suite will enhance Casto's strengths and significantly increase opportunities to win larger pieces of business in the west, which is the USA's second largest corporate travel market."

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