



Statement to Australian Securities Exchange – July 1, 2019

FLIGHT CENTRE TRAVEL GROUP STRENGTHENS

EUROPEAN CORPORATE TRAVEL FOOTPRINT

THE Flight Centre Travel Group (FLT) has strengthened its global corporate travel network by investing further in its European footprint.

The company yesterday (June 30) took 100 per cent ownership of the 3Mundi corporate travel business in France and Switzerland by acquiring the remaining 75 per cent interest in the business.

FLT initially acquired 25 per cent of 3Mundi in June 2017 and has worked with the Paris-based business since 2015, when it became part of FLT's global FCM Travel Solutions corporate travel management network as an independent licensee for the key markets of France and Switzerland.

Yesterday's acquisition was based on terms that were agreed in a put-call option implemented when FLT initially invested in the business in 2017 and has further underlined its position as one of the world's largest corporate travel management businesses.

"France is an important business travel hub globally and is now the world's sixth largest corporate travel market, making it a significant future growth opportunity for our company," FLT managing director Graham Turner said.

"We have worked closely with the 3Mundi team since 2015 and believe that this extension of our relationship will unlock further benefits – both for 3Mundi's local customers and for FCM customers in general – and help us capitalise on this opportunity.

"As a result of this deal:

- 3Mundi will have an enhanced global reach and will have full access to our proven corporate travel systems, products and customer offerings; and
- FLT will have a stronger corporate network and an even more powerful proposition for French and Swiss customers and for global customers who travel to and transact in the key markets of France and Switzerland."

Strengthening FLT's European Corporate Footprint

3Mundi was founded in 2006 by Jordy Staelen and Simon Renaud and generated total transaction value (TTV) in the order of Euro170million during the 2018 calendar year.

The business operates in Paris and Geneva and currently employs 220 people.

Managing director Solenn Le Brazidec will continue to oversee 3Mundi's day-to-day operations and has been appointed FCM Travel Solutions' general manager for France and Switzerland.

“Since we first worked with FLT in 2015, we realised that we shared the same values, the same pioneering mindset and the same ambitions for the business,” Ms Le Brazidec said.

“The incredible opportunity to wear the FCM brand for four years already has allowed us to grow and triple our turnover.

“By now becoming a subsidiary of FLT, we have a stronger global offering for our customers, a greater technological integration and more opportunities for growth.”

FLT’s corporate travel footprint in the UK and Europe now extends to:

- The UK, Germany, France and the Netherlands, which all rank among the world’s 15 largest corporate travel markets; plus
- Ireland, Switzerland and the Nordic countries of Sweden, Norway, Finland and Denmark

FLT also operates a technology business in Spain, with this Barcelona-based Lab developing and enhancing the award winning Sam :] mobile app and other bespoke products to benefit FLT’s corporate customers globally.

In addition to Barcelona, Labs are also in place in Boston, Washington D.C., Bangkok and Brisbane to develop innovative new products and features for customers globally.

Investing for Further Growth

Globally, FLT’s corporate businesses have continued to perform strongly and together generated \$4.2billion in TTV during the six months to December 31, 2018, about 37% of the group’s global TTV for the period.

Further corporate travel growth is expected, given FLT’s success in all markets, the strength of its customer offerings and brands and its expanding presence in key markets globally.

Key corporate brands include:

- Corporate Traveller, which provides dedicated business travel services to companies in the SME sector
- FCM Travel Solutions, one of the world’s largest travel management companies with a presence in 97 countries and a high profile client base of large national, multi-national and global corporations
- cievents, a globally recognised, full service, strategic meetings and event management agency; and
- Stage & Screen, a specialist travel provider to clients in the television, film, music, performing arts, sports and creative industries

In April, FLT also acquired a 25% interest in The Upside Travel Company, a Washington DC-based, technology-driven business launched in 2017 by Priceline founder Jay Walker.

Through this investment, FLT became Upside’s largest individual shareholder and gained access to a travel technology platform and software development resources that will

enhance its already strong SME offering that it predominantly delivers via the Corporate Traveller brand.

The offering will be deployed in the Americas in the near term and has been earmarked for release in the UK in the medium-term.

Transaction Details

The transaction completed yesterday (June 30) and was funded via FLT's existing debt facilities.

The transaction price, which is based on a multiple of normalised earnings, is currently confidential and has not been disclosed.

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