



20 November, 2013

ASX Release

CORPORATE TRAVEL MANAGEMENT TO ACQUIRE 75.1% OF WESTMINSTER TRAVEL¹ TO BE FUNDED BY A \$53.3 MILLION FULLY UNDERWRITTEN ENTITLEMENT OFFER

Highlights:

- Corporate Travel Management Limited (CTM) has entered into an agreement to acquire 75.1% of Westminster Travel. The remaining 24.9% will be acquired by the two major shareholders of Westminster Travel, Dato WONG Sin Just and Mr YU Kam Kee Lawrence, MBE².
- Westminster Travel is an award winning travel management and services provider with offices in five Asian countries / territories (Hong Kong, Singapore, China, Macau and Taiwan). It has been operating for 40 years, achieving compound annual growth in NPAT of 19% over the last 5 years.
- In FY13, Westminster Travel achieved NPAT of A\$7.3 million on revenue of A\$38.7 million³. The acquisition price of A\$49.2 million reflects a multiple of 7x FY13 profit before tax³.
- This acquisition will be EPS accretive in FY14 and fast-tracks CTM's entry into the Asian travel market, delivering an immediate mature Asian footprint in key Asian markets.
- The purchase price will be funded by a fully underwritten 4 for 27 renounceable entitlement offer of fully paid ordinary shares to eligible shareholders at \$4.60 per share to raise \$53.3 million (Entitlement Offer).
- FY14 underlying EBITDA guidance has been increased to \$27.0 million - \$28.0 million (assuming a 5 month contribution from the 75.1% share of Westminster Travel).

¹ CTM, through wholly owned UK subsidiary Corporate Travel Management (UK) Limited, is acquiring 75.1% of Wealthy Aim Investments Limited, which is a wholly owned subsidiary of Westminster Travel Limited, a company listed on the Catalist Exchange of the Singapore Stock Exchange (SGX).

² Ever Prestige, a special purpose vehicle owned as to 50% by Dato WONG Sin Just and as to 50% Mr YU Kam Kee Lawrence, will acquire 24.9% of Westminster Travel.

³ An exchange rate of HKD\$7.2 has been used for the purpose of converting Hong Kong dollars to AUD.

³ The 7x PBT is for the subsidiaries of WTL



Acquisition Overview:

CTM today announced that it has executed a Sale and Purchase Agreement to acquire 75.1% of Westminster Travel for cash consideration of A\$49.2 million. The remaining 24.9% will be acquired by the two major shareholders of Westminster Travel, Dato WONG Sin Just and Mr YU Kam Kee Lawrence, MBE.

The acquisition is subject to: approval by Westminster Travel shareholders, noting that CTM has obtained irrevocable undertakings to vote in favour of the resolution from shareholders with the voting power required to pass the resolution; and the approval of the Travel Agents Registry of Hong Kong and the Travel Industry Council of Hong Kong. The acquisition will be settled on 31 January 2014.

The acquisition price of A\$49.2m reflects a multiple of 7x FY13 profit before tax³ and will be EPS accretive to CTM in FY14. The acquisition of Westminster Travel fast-tracks CTM's entry into the Asian travel market, delivering an immediate and mature footprint in key Asian markets. CTM also believes that there are cross-selling and growth opportunities which will benefit both businesses, as has been experienced with its recent US acquisitions.

About Westminster:

Westminster Travel is an award winning one stop travel management services, and was listed on the Catalist Exchange of the SGX in 2009. It was established in 1973 and now employs approximately 700 people in Hong Kong, Singapore, China, Macau and Taiwan. Westminster Travel has achieved compound annual growth in NPAT of 19% during the last 5 years. CTM welcomes the Westminster Travel senior management team which collectively has 150 years of experience in the travel industry. Westminster has won the TTG Best Travel Company Hong Kong, four of the last six years.

For more on Westminster Travel, go to www.westminstertravel.com.

Trading Update and Updated FY14 Guidance:

Based on the acquisition timetable, Westminster Travel will be contributing earnings to CTM for approximately five months in FY14. Based on the contribution from CTM's 75.1% interest in Westminster Travel and assuming ANZ and USA continue to trade in line with previous guidance, CTM has increased its underlying FY14 EBITDA guidance to \$27.0 million - \$28.0 million.

Entitlement Offer:

The acquisition will be funded by the proceeds of the Entitlement Offer.

CTM Managing Director Jamie Pherous will be a significant participant in the Entitlement Offer but is not in a position to take up his full entitlement. All non-executive directors of CTM intend to take up their entitlements in full.

The offer price reflects a 10% discount to the theoretical ex-rights price (TERP).



Morgan Corporate Limited and CIMB Bank Berhad, Singapore branch acted as joint financial advisors to CTM and the Entitlement Offer is underwritten by Morgans Corporate Limited.

Activity	Date
Announcement of the Entitlement Offer	20 November 2013
Mailing of the Entitlement Offer details	21 November 2013
Ex-date and Rights trading commences	22 November 2013
Record Date for Entitlement Offer (7.00pm AEDT)	28 November 2013
Information Booklet and Entitlement & Acceptance Form despatched	2 December 2013
Entitlement Offer opens	2 December 2013
Rights trading ends	9 January 2014
New shares quoted on deferred settlement basis	10 January 2014
Closing date for acceptances under Entitlement Offer (5.00pm AEDT)	16 January 2014
Company notifies ASX of under subscriptions	21 January 2014
Allotment of New Shares under the Entitlement Offer	23 January 2014
Despatch of holding statements for New Shares issued under the Entitlement Offer	24 January 2014
Normal ASX trading for New Shares issued under the Entitlement Offer commences	28 January 2014

About CTM:

CTM is an award-winning provider of innovative and cost effective travel management solutions to the corporate market. Its proven business strategy combines excellence in client services, advanced technologies and global buying power to deliver client-driven solutions and savings for business travel needs.

The Company employs approximately 620 FTE staff and has established a national footprint in Australia and international offices in New Zealand and the USA.

CTM has been acknowledged by the Australian Federation of Travel Agents (AFTA) as the 'Best Corporate Agency in Australia' eight times in the past ten years and was inducted into AFTA's Hall of Fame in 2010 for continued excellence.

Important Notice:



This release does not constitute an offer to sell or the solicitation of an offer to buy, any securities in the United States. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Shares in any jurisdiction outside Australia and New Zealand. In particular, the New Shares under the Entitlement Offer have not been, and will not be, registered under the US Securities Act of 1933 (**US Securities Act**) or the securities laws of any state or other jurisdiction of the United States. The new shares under the Entitlement Offer may not be taken up by persons in the United States or by persons (including nominees or custodians) who are acting for the account or benefit of a person in the United States and the New Shares may not be offered, sold or resold, directly or indirectly, in the United States or to, or for the account or benefit of, a person in the United States, except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and any applicable securities laws of any state or other jurisdiction of the United States.

This release contains certain forward-looking statements with respect to the financial condition, results of operations, projects and business of CTM and certain plans and objectives of the management of CTM. These forward-looking statements involve known and unknown risks, uncertainties and other factors which are subject to change without notice, and may involve significant elements of subjective judgment and assumptions as to future events which may or may not be correct.

Forward-looking statements are provided as a general guide only and there can be no assurance that actual outcomes will not differ materially from these statements. Neither CTM, nor any other person, gives any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statement will actually occur. In particular, such forward-looking statements are subject to significant uncertainties and contingencies, many of which are outside the control of CTM. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements. Investors should consider the forward-looking statements contained in this release in light of those disclosures.

