

# Annual General Meeting

## Thursday, 27 October 2016

### Corporate Travel Management

CTM is an award-winning provider of innovative and cost effective travel management solutions to the corporate market. Its proven business strategy combines personalised service excellence with client facing technology solutions to deliver a return on investment to clients.

Headquartered in Australia, the company employs more than 2,200 FTE staff globally and services clients in 53 countries.



# Managing Director

# Jamie Pherous





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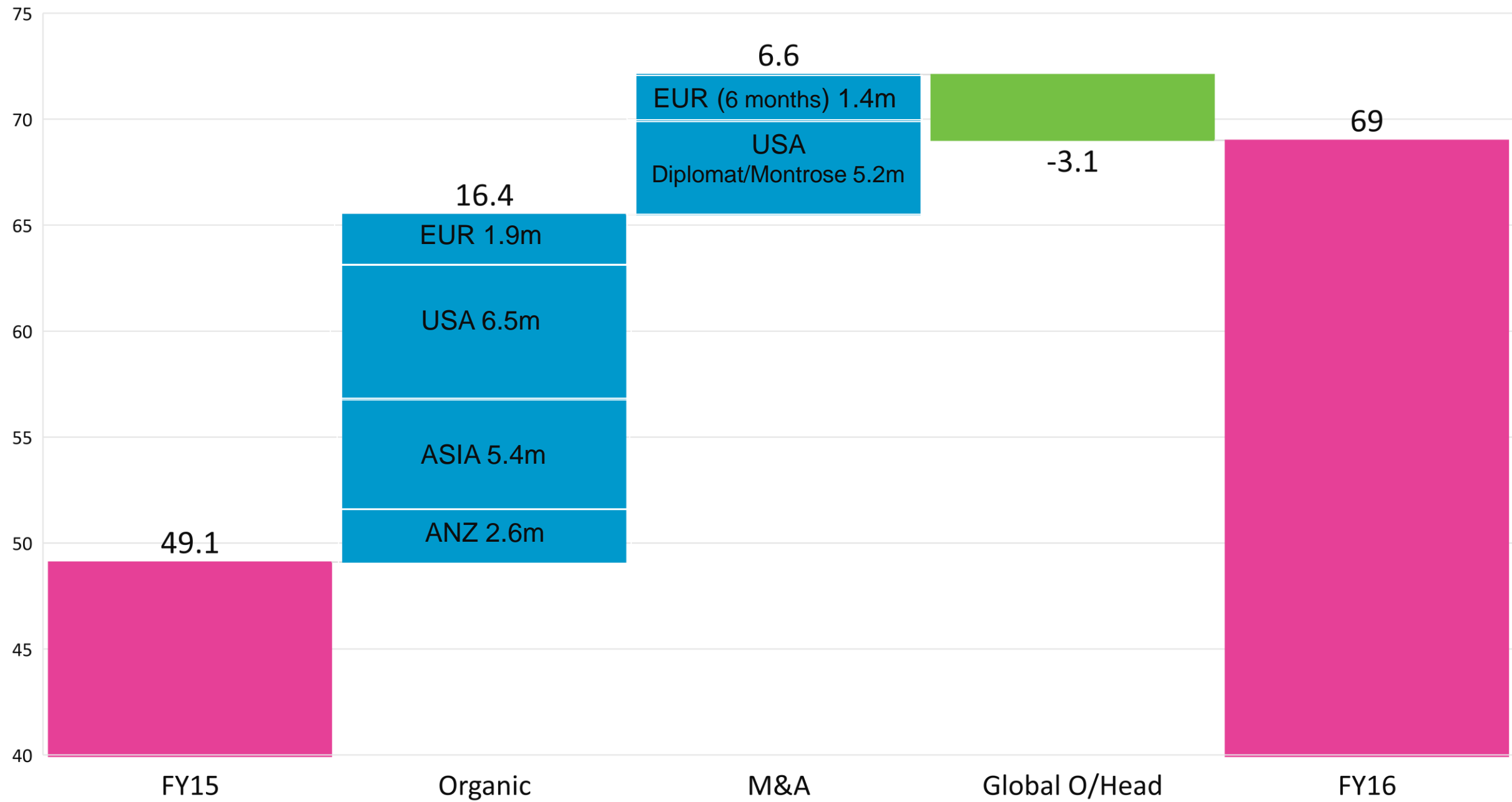
## Group Result Highlights

- Underlying EBITDA up 41% to \$69.0m, statutory EBITDA \$70.1m. Above upgraded guidance of \$68m
- Over 80% of profit growth is organic
- CTM global network and SMART technology were key contributing factors to organic growth/client wins
- Over 100% operating cash flow conversion
- Strong profit growth in all CTM regions
- Well positioned for continued long term growth
- Full year dividend up 50% to 24 cents, fully franked (15 cents payable 6 October 2016)

\$AUD (m)	FY2016	Change on P.C.P
TTV (unaudited)	3,587	+35%
Revenue and other income	264.8	+34%
Underlying EBITDA	<b>69.0</b>	<b>+41%</b>
Statutory NPAT attributable to owners of CTD	42.1	+60%
<b>*Adjusted NPAT (excluding acquisition amortisation)</b>	<b>48.6</b>	<b>+58%</b>
Statutory EPS, cents basic	<b>43.2</b>	<b>+54%</b>
ROE	24%	+47%
Full Year Dividend, fully franked	24c	+50%

\* Net of non-cash amortisation relating to acquisition accounting \$6.5m

# Underlying FY16 EBITDA Growth Summary (\$m)



- Organic growth the catalyst for performance (\$16.4m of \$19.9m)
- Successful M&A integration
- FX negligible effect on EBITDA growth in FY16
- Increased global overhead costs a result of investment in technology suite and global supplier team

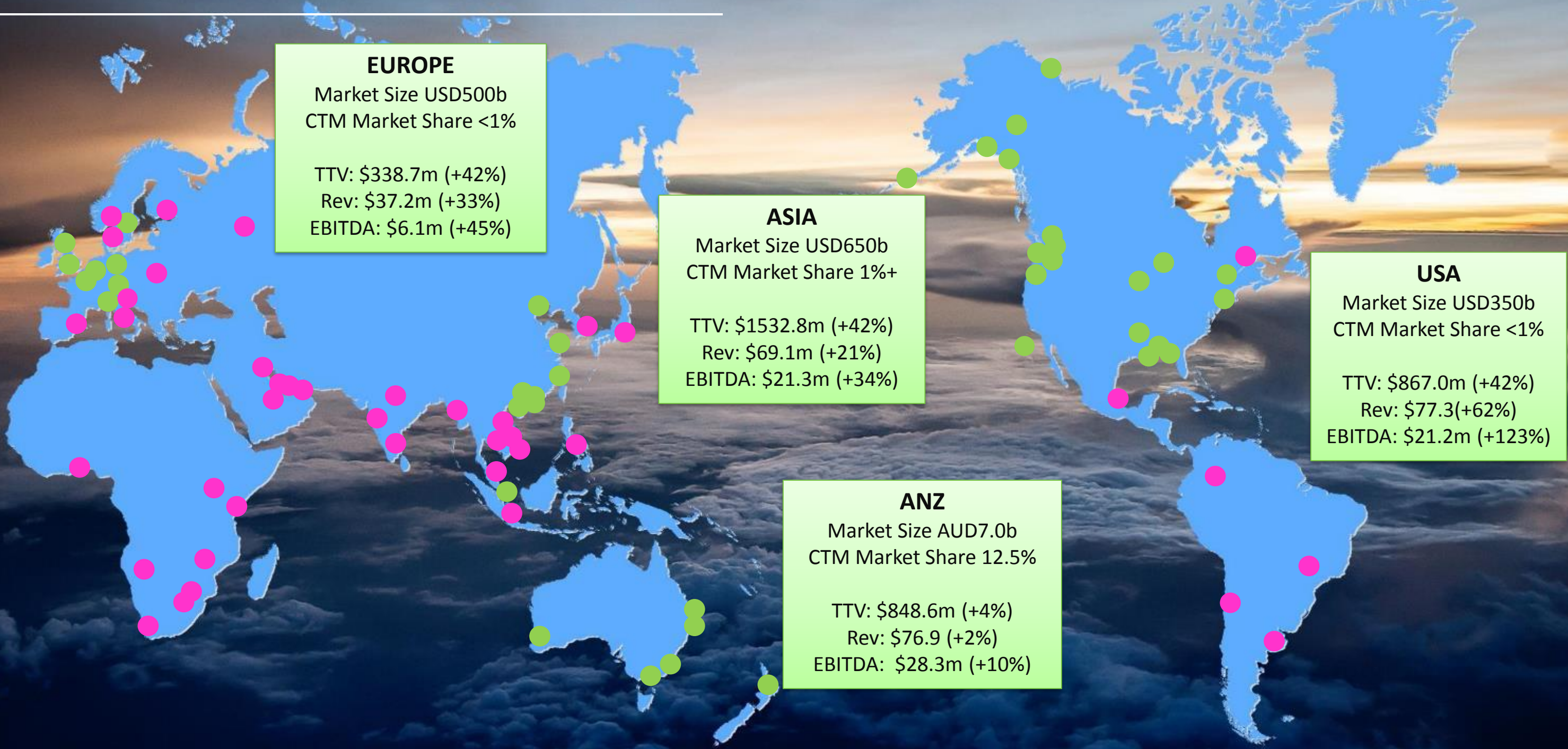


# Growth Profile





# CTM Global Footprint and Performance Overview - FY16 (AUD)

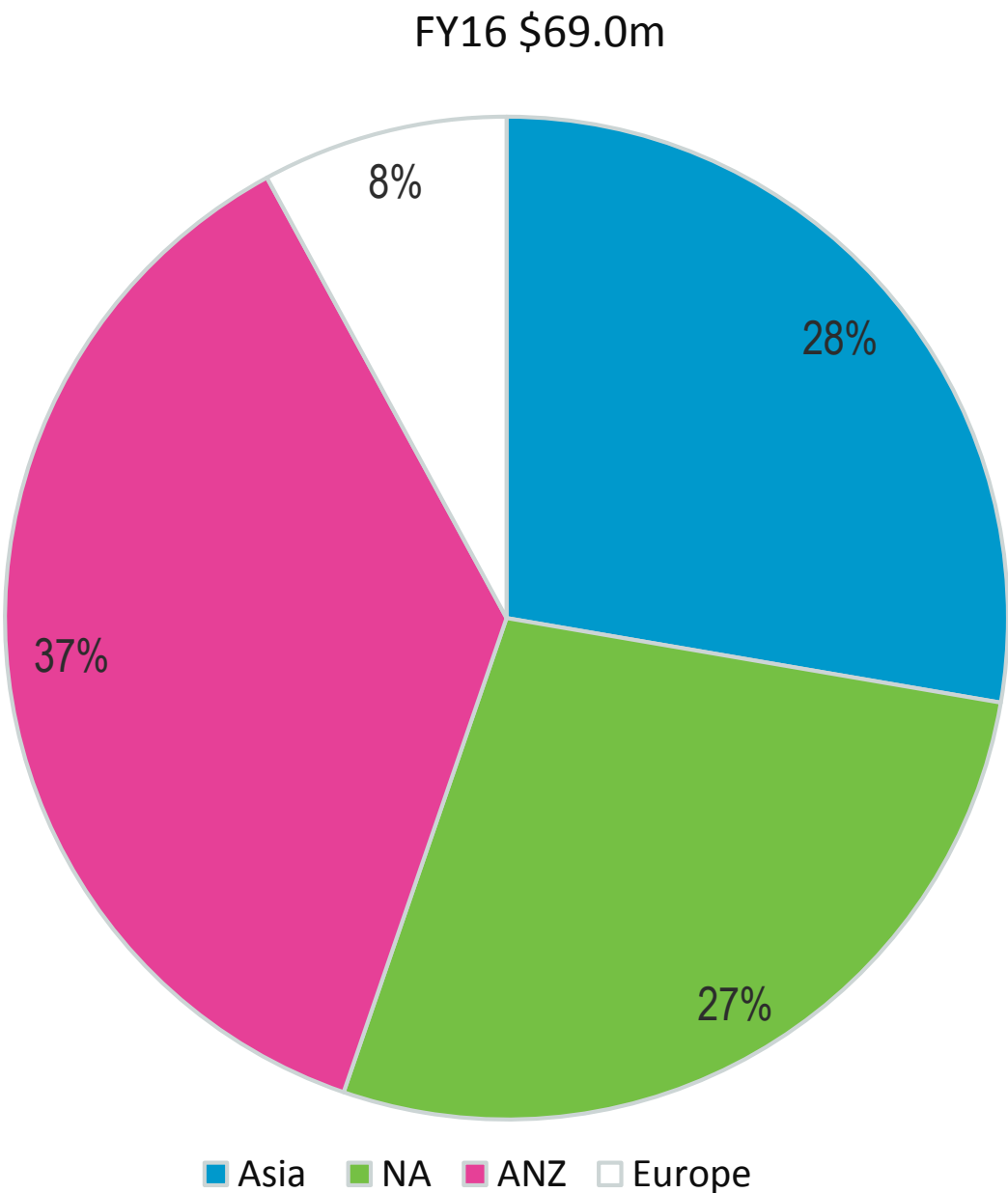
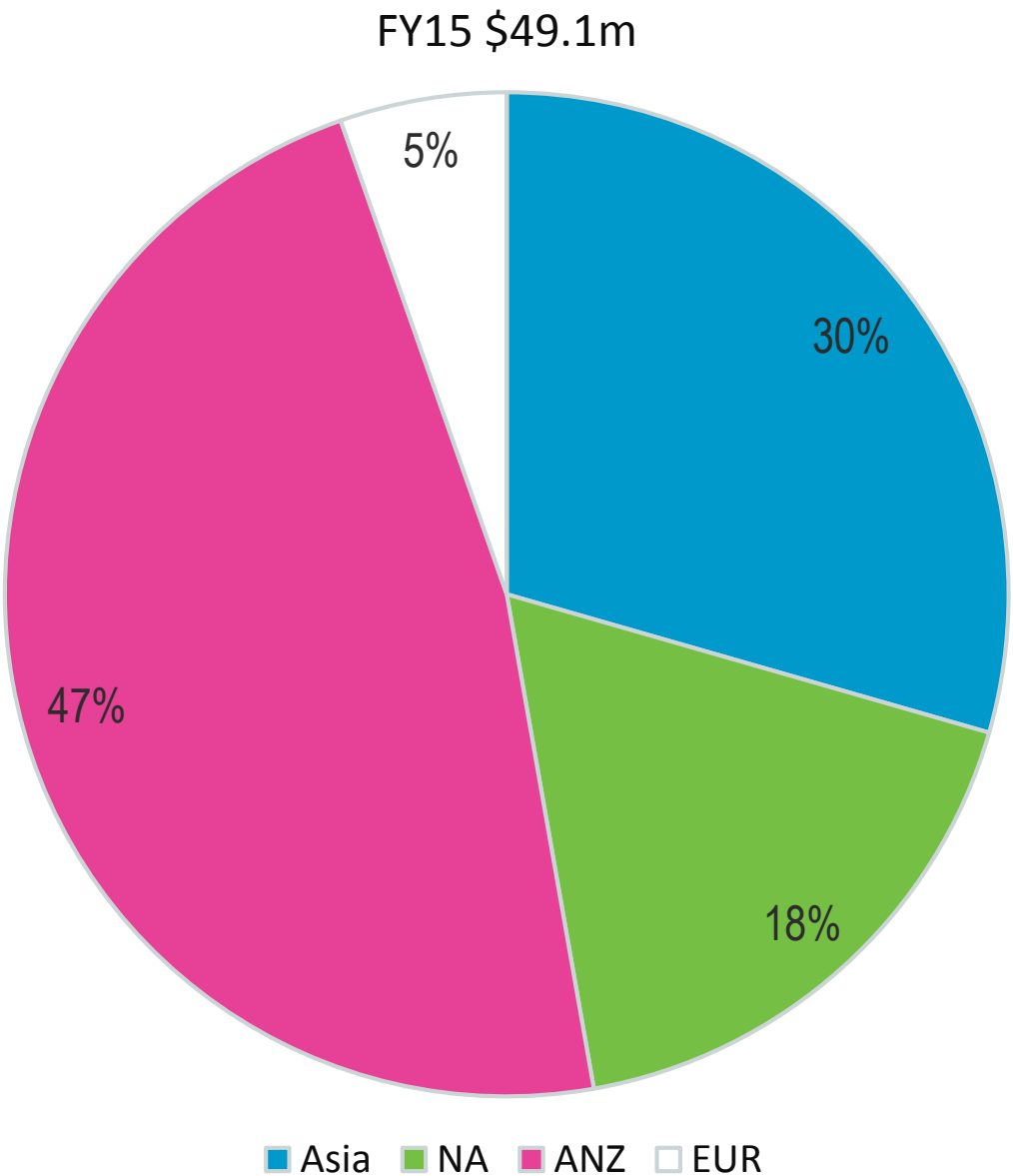
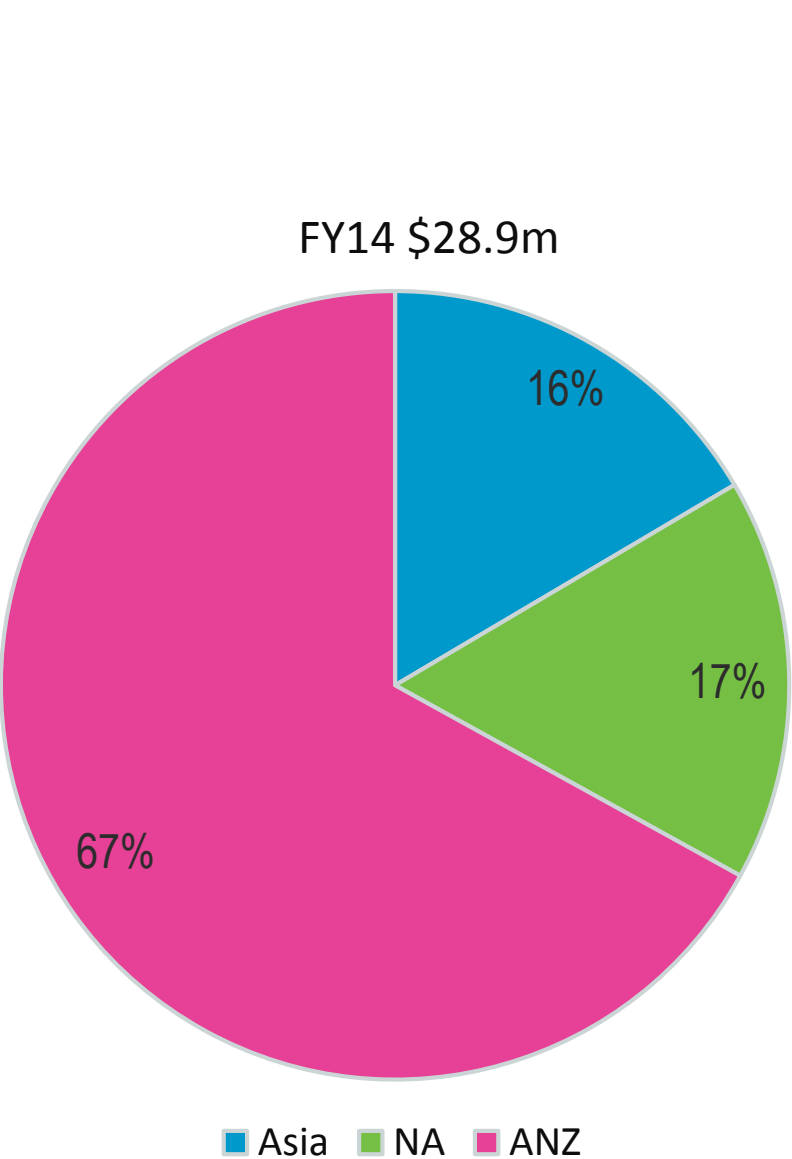


● CTM office  
● Partner office

Market size estimated at USD1.4 trillion, growing at USD40bn p.a.  
Operating out of 53 countries, employing over 2200 FTE

# EBITDA Contribution by Region\*

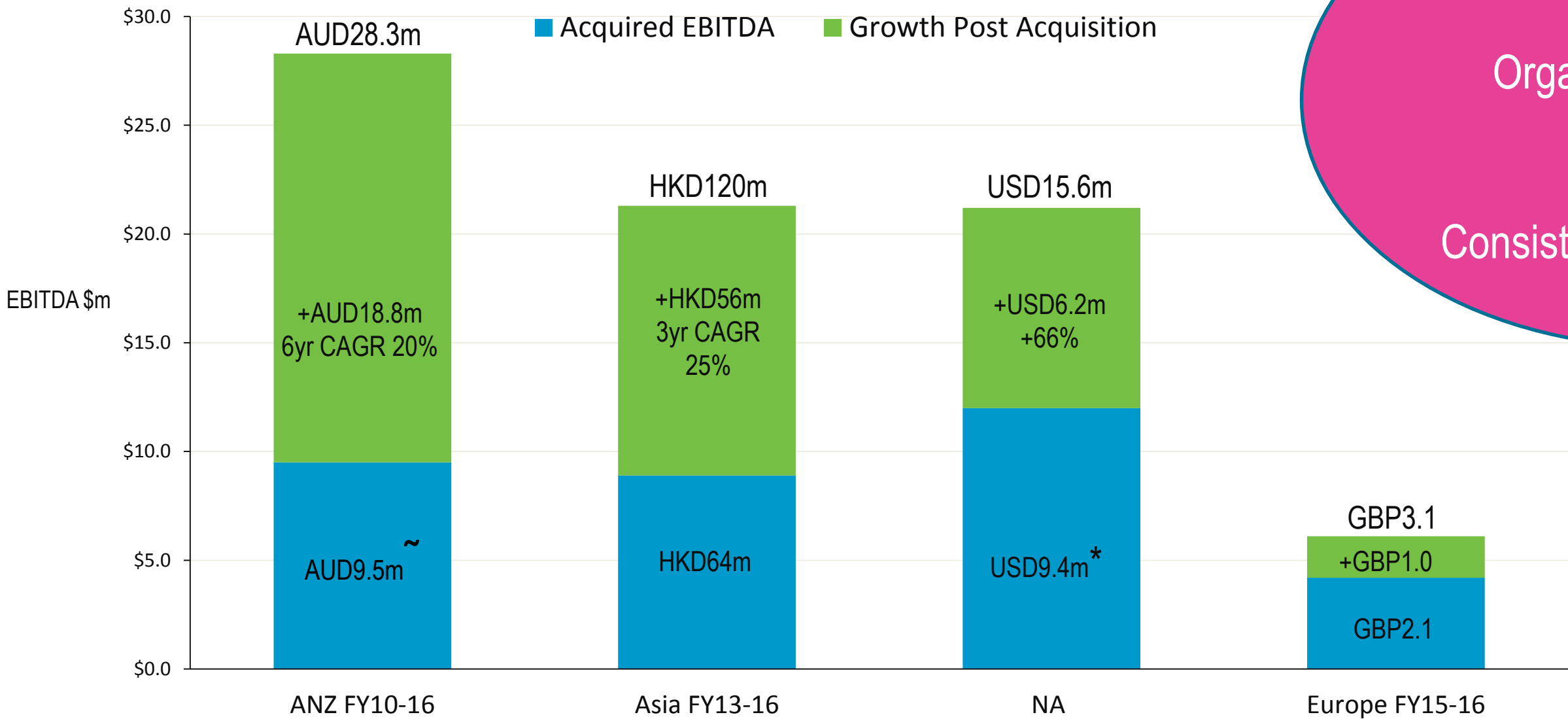
\* Before global overhead costs



Building diversity through offshore expansion



# Regional Growth Profile Post Acquisition – Underlying EBITDA Local Currency



Integration execution

Organic growth post-acquisition

Consistent business model

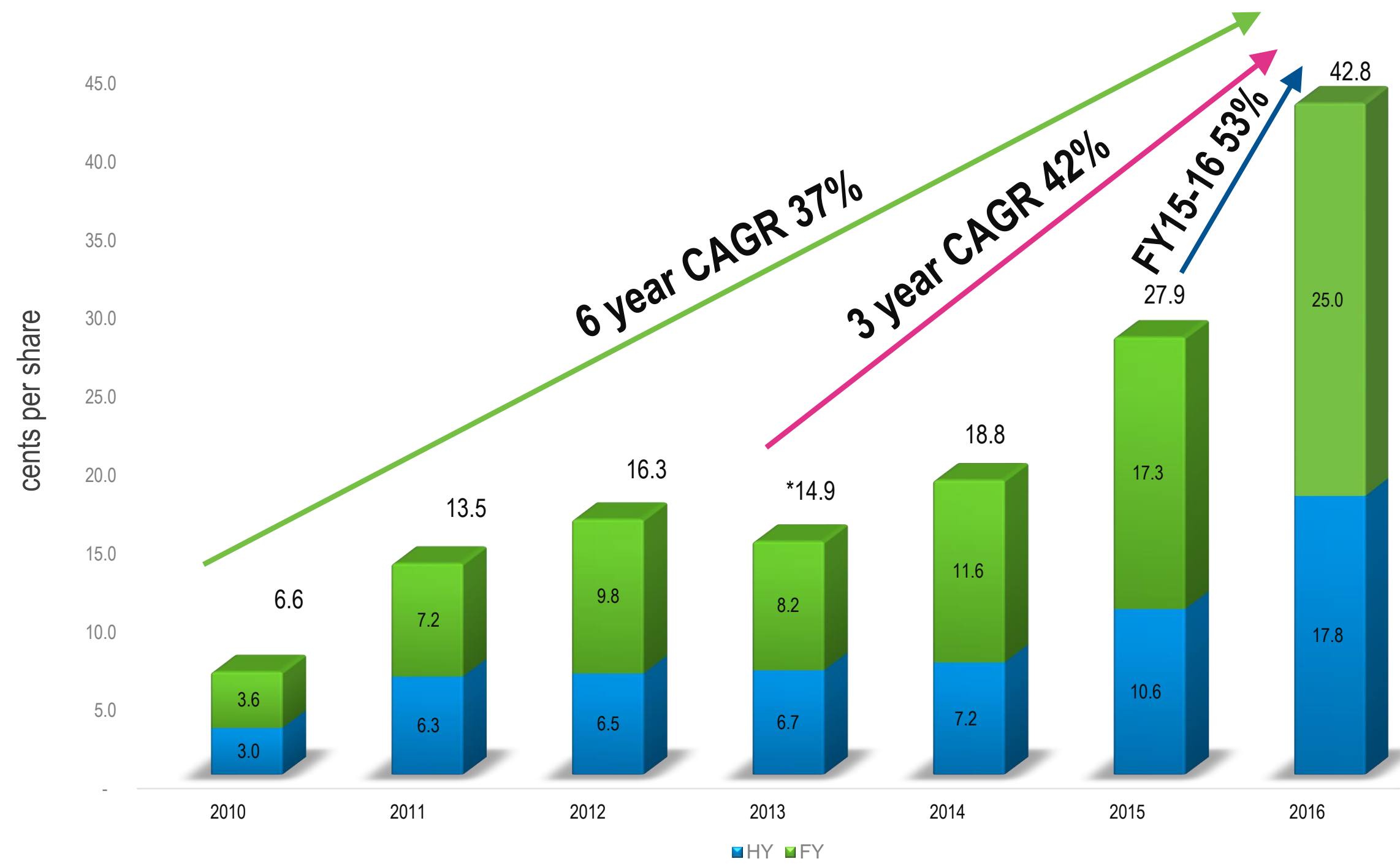
~ ANZ - EBITDA since IPO FY10:

EBITDA FY10	5.6m
ETM 2011	1.7m
Travelcorp 2011	2.0m
Cavalier (NZ) 2010	0.2m
Total Baseline incl. acquisitions	9.5m

\* NA - EBITDA contribution at acquisition date

R&A Travel 2012	USD1.0m
TravelCorp 2013	USD1.9m
USTravel 2014	USD1.05m
Avia Travel 2014	USD0.75m
Diplomat Travel 2015	USD1.85m
Montrose Travel 2016	USD2.85 (FY16 - 6 mth cont.)
Total baseline of acquisitions	USD9.4m

# EPS Growth (diluted) Since IPO December 2010



\*Restated downwards for voluntary change in accounting policy on recognition of pay direct commissions



# FY17 Strategic Initiatives





# FY17 Key Strategic Initiatives

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## Continued Organic Growth and Acquisition

- 1. Enhance our value proposition to client needs, across CTM global network
- 2. Outperform in local, regional and global segments
- 3. Execute upon M&A opportunities

## Client Facing Innovation

- 1. Implementation of SMART technology globally & develop new tools with our clients
- 2. Leveraging technology suite into new market segments

## Productivity and Internal Innovation

- 1. Internal innovation feedback loops to improve and automate existing client and non-client facing process
- 2. Staff empowerment in decisions to drive high staff engagement and client satisfaction outcomes

## Leverage Our Scale and Geography

- 1. Building a structured supplier strategy to optimise performance and client outcomes
- 2. Demonstrating CTM is of high value in the supply chain

## Our People

- 1. Empower our teams to support our client needs
- 2. Continued investment to attract, retain and develop the brightest talent
- 3. Embracing culture that represents our values and business drivers



# CTM SMART Technology





## The Future through the eyes of CTM

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- Paradigm shift at CTM
- User experience front and centre
- Innovation the key to longevity
- Our journey has just begun





# CTM is Unconventional

- Clients drive development not competition
- Finding your 'challengers' that challenge status quo
- Global and local development
- IT programmers don't design
- Projects commence when they are released to market
- End to end integration





# FY17 Guidance





- **Reiterate** Underlying EBITDA guidance range of \$85-90m (+23-30% growth), despite FX and activity slightly below forecast assumptions (original assumptions FX AUD=USD0.74c, flat client activity)

**Regional trading update:**

ANZ	Slightly above expectations
Asia	Slightly below expectations
USA	On-track
Europe	Slightly above expectations

**Continue to actively investigate M&A opportunities**

**corporate travel management.**

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