



# corporate travel management

## Annual General Meeting

Managing Director Presentation

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# Agenda

1. Group Performance FY11 Overview
2. FY12 Strategic Initiatives
3. etm acquisition update
4. 1<sup>st</sup> Quarter Update FY2012
5. FY2012 commentary

# 1. FY11 Group Performance Highlights

TTV	up by 42.9% to \$502.3m
Revenue	up by 48.2% to \$46.8m
EBITDA	up by 125.0% to \$12.6m
Underlying NPAT	up by 158.0% to \$8.56m*
Statutory NPAT	up by 149.2% to \$8.27m
EPS	13.5 cents per share (6.6 cents FY2010)

\* Underlying NPAT includes adjustment for one-off items for After tax share issue costs of \$92,000. and Business combination accounting adjustment re Travelcorp acquisition of \$199,000.

- Strong organic growth (new client wins and retention).
- Well executed merger of Travelcorp business.
- Leveraging scale and efficiencies in product, systems and people
- Strong operating cash flow. Strong Balance Sheet with no debt
- 5 cents per share dividend

## 2. Key Strategic Initiatives FY12

### **Clients:**

- Continued investment in client facing innovations (capital investment in FY12 of circa \$1.5 mill) to build upon compelling model and create new revenue streams
- Leverage complementary MICE\* solutions to current and future clients  
= Organic growth (new client wins and retention), to build further market share

### **People:**

- Technology and productivity initiatives to ensure CTM's people are well positioned to deliver a highly personalised and expert service to clients
- CTM's workforce is both scalable and highly trained to support client growth

### **Integration:**

- Transitioning etm team under one roof to create synergies
- Enhance client offerings to current and future clients

\* MICE = Meeting, Incentive, Conference and Events



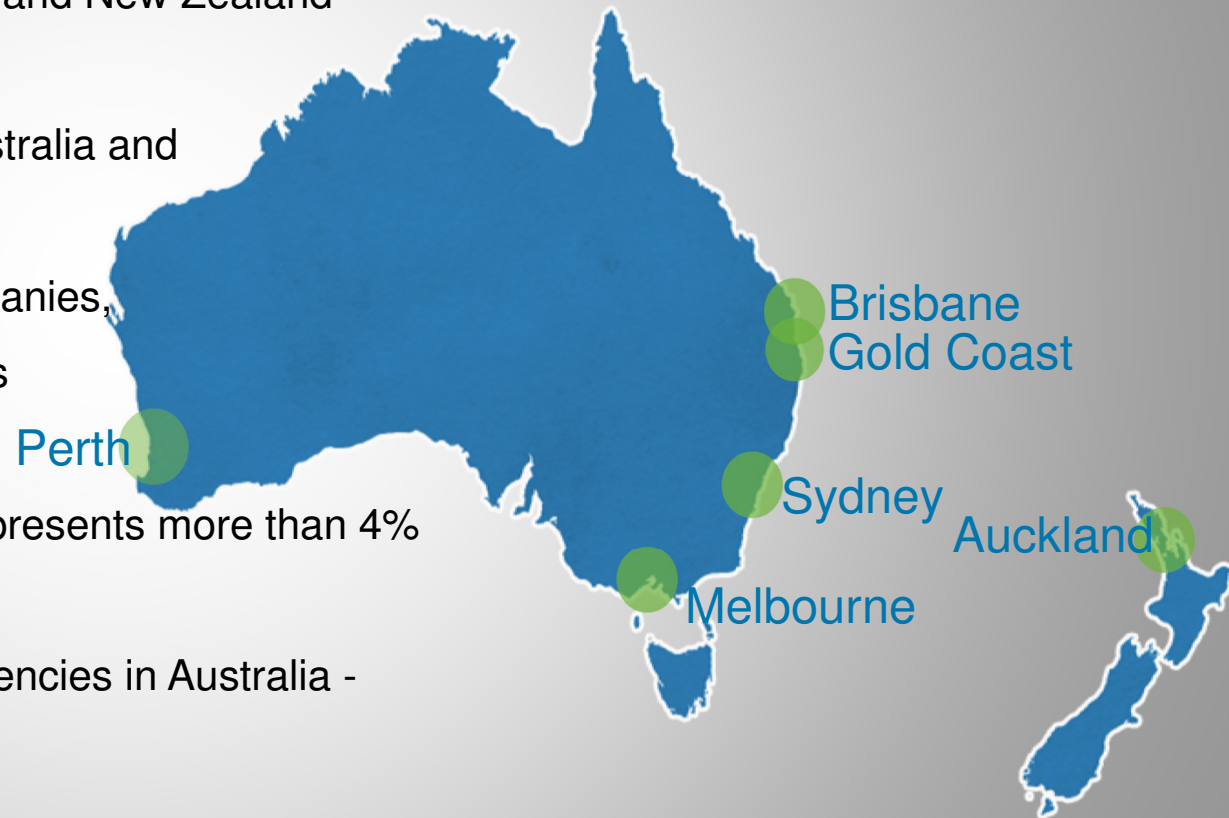
# Client-Facing Technology Developments

- Dedicated Product Development Team
- Client products- \$1.5M investment FY2012
- Mining and Marine Project
- Business Intelligence - Dynamic ROI analysis
- CTM's Mobile Technology – solid client uptake



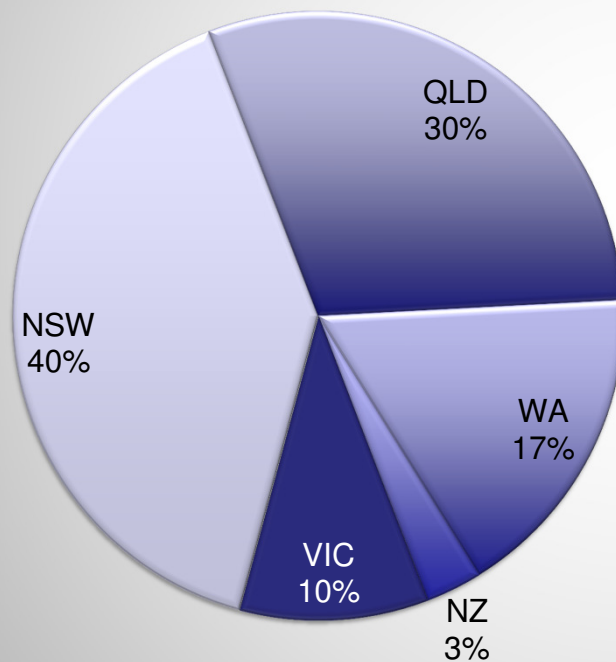
# CTM landscape – strong geographic and client diversification

- Over 445 FTE staff across 6 offices in Australia and New Zealand
- Corporate market share circa 8% and growing
- One of the largest MICE Travel providers in Australia and New Zealand
- Approx. 650 clients, including 14 ASX100 companies, Global companies, Australia and New Zealand's largest private companies
- Diversification and risk mitigation - no client represents more than 4% of EBITDA
- Voted 2011 AFTA Best Corporate and MICE Agencies in Australia - quality under one roof

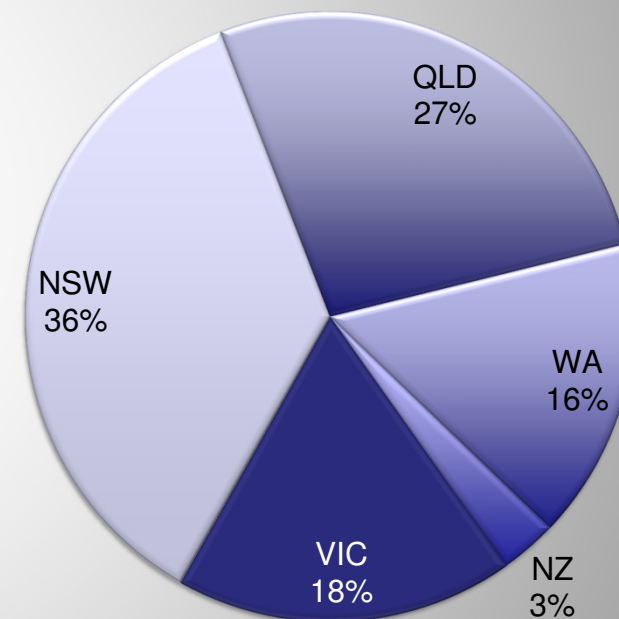


# Combined Entity – Improved diversification and scalability

**CTM FY11 pre-etm**



**CTM FY11 including etm**



- etm enhances CTM's well diversified geographic portfolio, providing further scalability and lower cost base per location
- CTM remains well exposed to corporate growth states (WA, QLD)



### 3. etm acquisition update

- **etm on-track:**
  - Ownership change completed 3 October 2011
  - Integration plan well underway and on-track
  - Melbourne operation under one roof from mid- December 2011 in CBD
  - “One roof “ allows synergies and cultural integration
- **Risk mitigation:**
  - All major etm clients contracted through to FY2013 or later
  - All key staff engaged in on-going business operations
- **etm profit guidance:**
  - Early stages, more guidance later in year

## 4. 1st Quarter results – CTM Highlights

- **Financial Performance:**

- **Record Quarter in TTV sales \$154.3m (up 37% pcq)**
- Result does not include etm (contribution from 3 October 2011)

### **Why?**

- Continued success in winning new clients combined with strong client retention
  - Event Travel Management - strong forward activity
  - Leveraging scalability in cost base & systems without compromising service
  - Client activity remains solid despite economic headwinds
- **Resulting client profit contribution and EBITDA margins** in line with CTM's expectations

# 1st Quarter -Business Model Awarded

**WINNER**

**AFTA 2011**

**CTM**

**Best Corporate Agency  
in Australia**

*7 of the past 8 years*

**WINNER**

**Best MICE\* Agency**

*etm*

**FINALIST**

**World Travel Awards  
2011**

*Finalist Australasia's Leading  
Business Travel Agent for  
past 2 years*

\*MICE- Meeting Incentive, Conference and Event Management

## 5. FY12 full year guidance reiteration

- **Summary:**

- **Reiteration of FY12 Forecast** EBITDA growth range of 30-40%
- **FY2012 ytd results are at top end of guidance range**

### **Why?**

- Continue to win new clients- much of the TTV growth already locked in for FY12
  - Remain well positioned for continued organic growth and increased market share
  - Continue to leverage scalability across cost base and systems
  - etm integration on track
  - Current client activity remains solid
  - Strong cash flow, no balance sheet debt (etm funded from cash reserves)
- **Factors affecting Profit range moving forward:**
    - Any deterioration in client activity may put CTM at lower end of guidance range
    - To date, CTM has seen no effect on client activity to the downside
    - Expect dividend policy to continue (circa 50% NPAT)



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