corporate travel management

FY11 Results and FY12 Guidance

25 August 2011

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Agenda

1. FY11 Group Performance Highlights.
2. Financial Performance.
3. etm Acquisition.
4. Key Initiatives.
5. Looking Forward FY12.

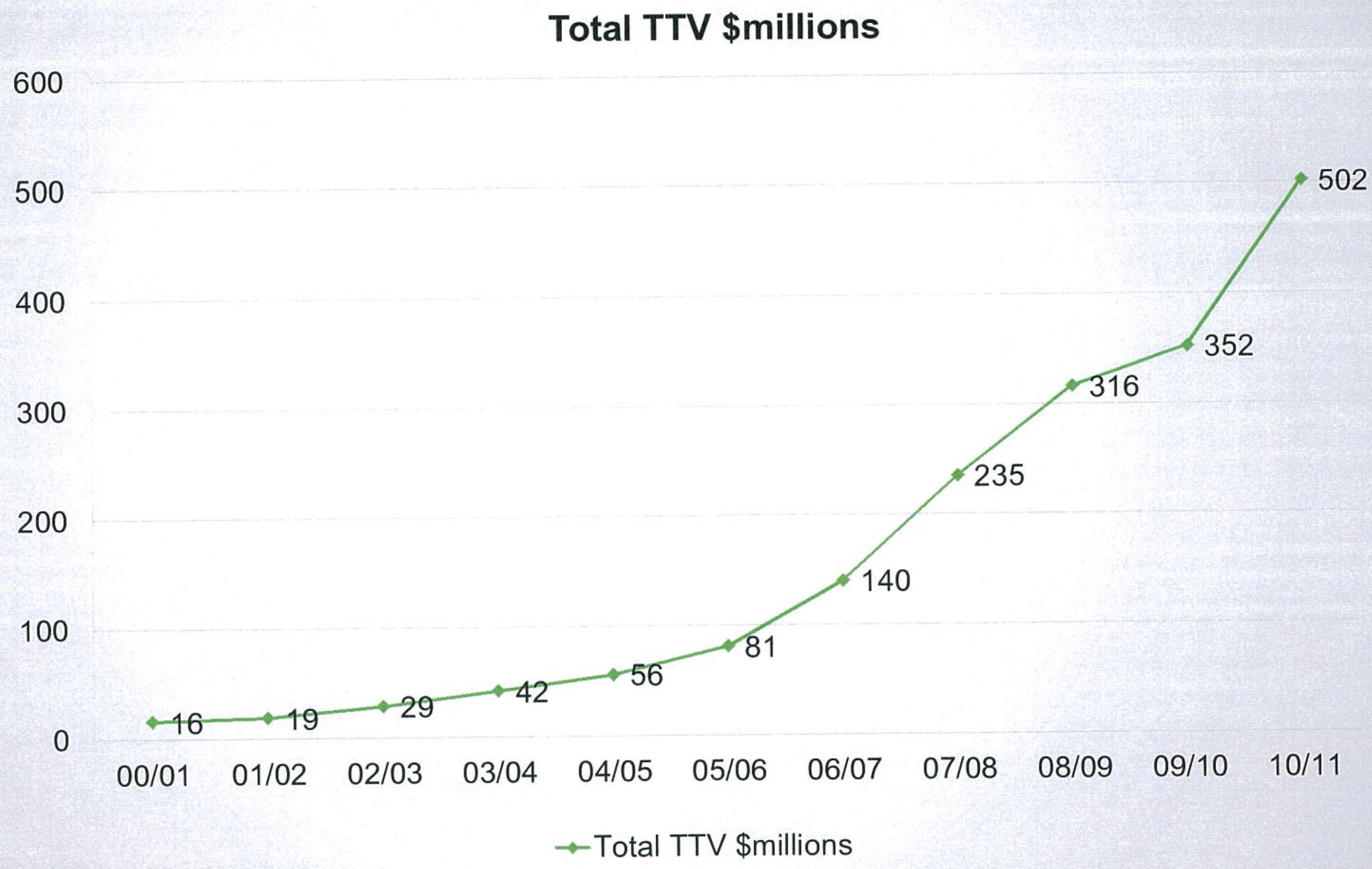
1. FY11 Group Performance Highlights

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 as follows: After tax share issue costs of $92,000; Business combination accounting adjustment re Travelcorp acquisition of $199,000.

- Strong organic growth (new client wins and retention).
- Well executed merger of Travelcorp business.
- Strong operating cashflow.
- 5 cents per share dividend.
- CTM awarded Best National Travel Agent for 2011, 7th time of past 8 years.

Ten Year Growth History (TTV)



Compound annual growth rate 44% over last five years.

Highly Awarded Business Model

WINNER

AFTA 2011
<u>CTM</u>
Best Corporate Agency in Australia

7 of the past 8 years

<u>etm</u>
Winner Best MICE* 2011

BEST

AFTA
Hall of Fame 2010

For continued excellence in travel management services

FINALIST

World Travel Awards 2011

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

*MICE- Meeting Incentive, Conference and Event Management

Group Performance – CTM Highlights

Key Drivers of the Business:

- **Organic growth -** Success in winning new clients combined with strong client retention.
- **Client profit contribution increasing -** without compromising service levels or staff retention. Leveraging scale and efficiencies in product, systems and people.
- **Client activity rebounded 1HFY11 -** has since steadied.
- **Successful acquisitions transition-** delivering synergies and buying power.

Outcomes:

- **Strong Organic Growth** and client retention that is scalable and well resourced.
- Improved EBITDA margins as % of revenue - first time in CTM history above 25%.

2. FY11 Profit and Loss

	12 mths ended June 2011 $'000	% of Income	12 mths ended June 2010 $'000	% of Income
TTV	502,341		351,470	
Revenue	46,782		31,557	
Yield % of TTV	9.3%		9%	
Operating Expenses	(34,134)	73%	(25,928)	82%
EBITDA	**12,648**	**27%**	**5,629**	**18%**
Depreciation	(690)		(523)	
Amortisation	(167)		(119)	
EBIT	11,791		4,987	
Net Borrowing Costs	(116)		(251)	
NPBT	**11,675**	**25%**	**4,736**	**15%**
Tax	(3,407)		(1,419)	
NPAT Statutory	**8,268**	**18%**	**3,317**	**10%**
Add: - one-off After Tax Share Issue Costs as per prospectus	92			
- Business Combination accounting from Travelcorp Acq.	199			
NPAT Underlying	**8,559**	**18%**	**3,317**	**10%**

Balance Sheet Summary ($m)

- Strong working capital position.
- Debt free.
- etm acquisition to be funded by cash reserves.
- Intangibles largely goodwill on acquisitions.
- Acquisitions are EPS accretive.
- July 2011 - $4.0 m cash paid in form of earn-outs achieved on Travelcorp and Cavalier acquisition.

	As at 30 June 2011 $m	As at 30 June 2010 $m
Cash	15.7	1.8
Receivables and other	12.7	9.3
Total current assets	**28.4**	**11.1**
PP&E	1.3	1.6
Intangibles	29.0	11.5
Total assets	**58.7**	**24.2**
Payables	15.7	5.8
Borrowings	0.0	3.4
Other current liabilities	3.2	1.2
Non current liabilities	**1.6**	**2.0**
Total liabilities	**20.5**	**12.4**
Net assets	**38.2**	**11.8**

Cash Flow Summary ($m)

	12 months to June 2011	12 months to June 2010
EBITDA	12.6	5.6
Change in working capital	(0.5)	(1.1)
Income tax paid	0.1	(1.2)
Cash flows from operating activities	**12.2**	**3.3**
Capital expenditure	(0.6)	(0.4)
Other investing cash flows	(10.8)	(0.1)
Cash flow from investing activities	**(11.4)**	**(0.5)**
New equity/borrowing	18.5	0.0
Dividends paid	(0.8)	0.0
Repayment of borrowings	(4.6)	(2.1)
Cash flow from financing activities	**13.1**	**(2.1)**
Net increase in cash	**13.9**	**0.7**

- Strong operating cash flow.
- All interest bearing debt repaid post IPO.
- Growing TTV means larger supplier payment accruals (-ve W.C.).
- Other investing cash flows relate to NZ and Travelcorp acquisition.
- Full year dividend of $3.5m (5 cents per share) to be paid in October 2011.
- $4.0m cash used in July 2011 for Travelcorp and NZ earn-outs.
- $0.9m cash used in July 2011 pursuant to etm acquisition. A further $4.5m to be paid on 1 October 2011.
- Strong Cashflow projection moving forward
.
- Capital expenditure of circa $1.5m predominantly on client facing technologies.

3. etm Acquisition

etm acquisition announced 3 August 2011, acquired 1 October 2011 - 9 month contribution to FY12 result.

Highlights:

- 11 years old, based in Melbourne. One of Australia's largest private Travel Management companies.
- FY11 TTV approximately $70m, NPBT $1.7m.
- Sales mix 70% corporate, 20% MICE, 10% high-end VIP leisure.

The opportunity that exists - an integrated service through one provider

- Larger Corporate clients spend approximately 25% of their corporate budget on additional MICE travel.
- Additionally, senior management demand High-End VIP retail services.
- MICE and High-End VIP retail segments are both heavily fragmented, yet valuable due to expertise required.
- MICE estimated at over $2bn travel spend p.a. in Australia.
- Integrate with CTM's event brand (also called ETM, launched in February 2011 with early success).

A quality, integrated solution under "one roof" to strengthen client proposition

- etm is an award winning MICE provider and will merge well with our events offering.
- High-End VIP Leisure division to CEO's, senior executives and high net worth individuals, with access to specialised and exclusive travel product.

⇒ Offering these complementary solutions to CTM's corporate client base nationally offers a significant upside for CTM.

etm – Deal mechanics

Key elements:

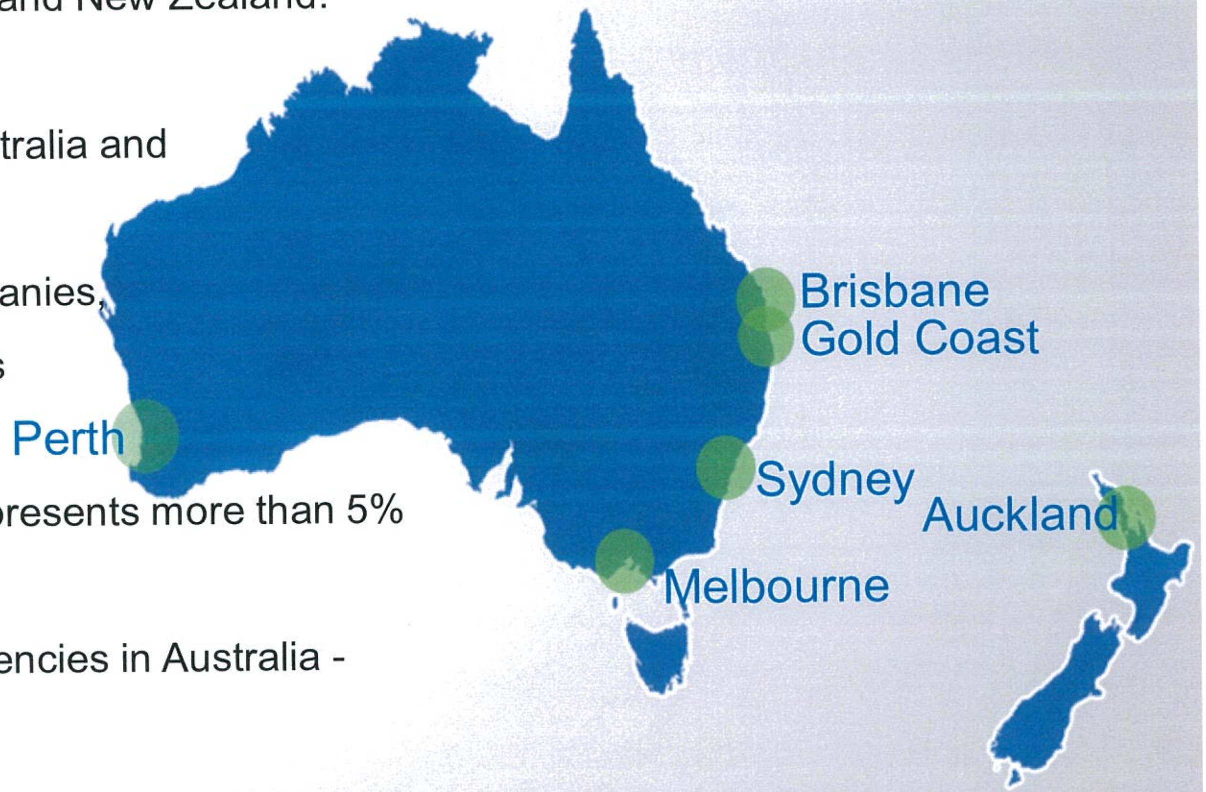
• **Base cash consideration** (approx. 5x NPBT FY11 of $1.7m)	**$8.5m.**
•Deposit (paid 2 August 2011)	$0.9m.
•Tranche #1 payable (1 October 2011)	$4.5m.
•Tranche #2 payable (30 April 2012)	$2.5m.
•Tranche #3 payable (31 August 2012)	$0.6m.
• **Additional cash earn-out component***	$4.1m.
• **Total maximum consideration** payable, capped**	**$12.6m.**

* NPBT out-performance for the nine month period to 30 June 2012. (payable 31 Aug 2012)

** Maximum consideration based upon 9 months NPBT of $2.30m (or annualised NPBT of $3.067m).

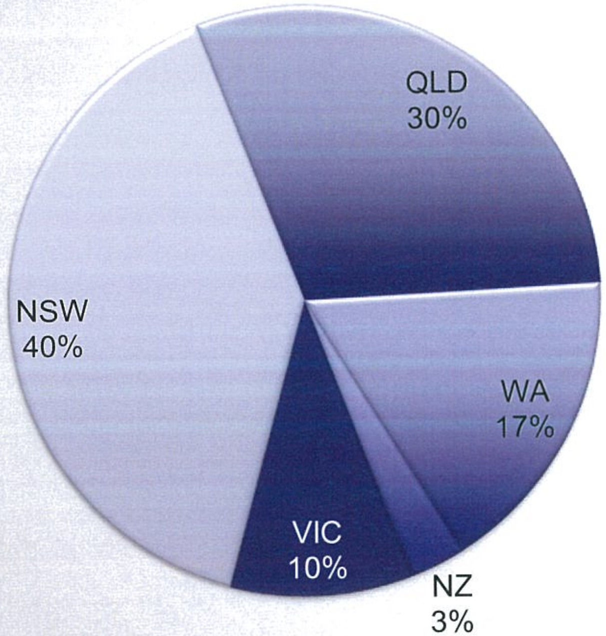
CTM landscape- combined entity

- 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 5% of EBITDA.
- Voted 2011 AFTA Best Corporate and MICE Agencies in Australia - quality under one roof.

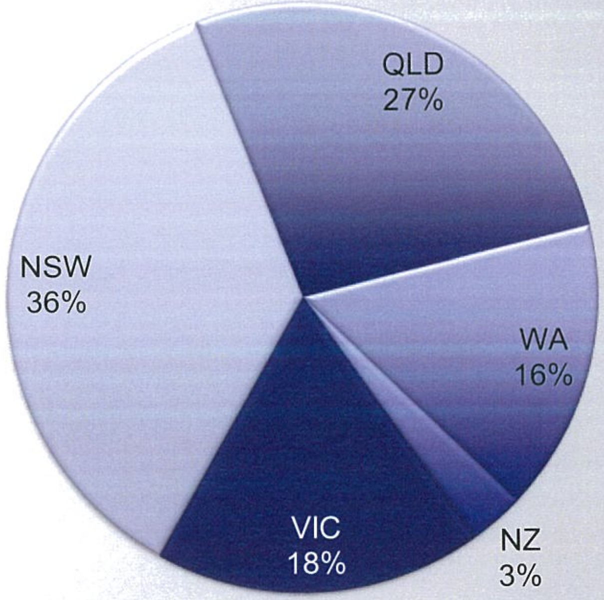


Combined Entity – Improved diversification and scalability

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).

4. Key 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.

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.

5. Looking Forward FY12

- **Current economic activity:**
  - Client activity remains solid across the whole business.
  - Some project delays in WA - activity decline expected to be short term.
  - Diversified client base leveraged to mining/mining services.
  - MICE division - strong forward bookings.
- **Well positioned for organic growth and increased market share through:**
  - Scalable offices in Australia and NZ with lower cost base.
  - Phased roll-out of new technologies and products that are compelling to clients.
  - Offering MICE complementary solutions to current and future clients.
  - Continuous focus on technology solutions for our people, to ensure they are more effective to service our clients (scalability).
- **FY12 Forecast EBITDA growth 30-40% over FY11**
  - July/August 2011 trading puts us at the higher end of our guidance.
  - Factors affecting range - etm transition execution, client activity steady with no erosion.
  - Dividend in line with policy.

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