



STATEMENT TO AUSTRALIAN SECURITIES EXCHANGE - December 21, 2015

FLIGHT CENTRE ACQUIRES MAJORITY STAKE IN AUSTRALIAN ONLINE TRAVEL  
COMPANY

THE Flight Centre Travel Group (FLT) has boosted its presence in the online travel sector.

Just days after making a \$US28million offer to acquire leading US-based youth and student travel specialist StudentUniverse.com, FLT has secured a 70% interest in the BYOjet.com business.

BYOjet.com is an emerging online travel agency that specialises in low cost airfares and turns over in the order of \$100million per year.

Its airfare range includes flights offered by scheduled carriers and fares sourced from various low cost carriers directly, via API connections.

In addition to selling airfares and other travel products via BYOjet.com, the acquired business generates additional revenue by offering its JETMAX booking system as a white-label technology product.

"BYOjet.com is a profitable business with a low cost model that allows it to deliver cheaper airfares to the travelling public - both directly and via metasearch - than many of its larger online rivals," FLT managing director Graham Turner said.

"We see strong potential for BYOjet's future growth by:

- Giving the business access to FLT's vast array of privately negotiated airfares, which will significantly increase its flight range
- Increasing sales of other products, including hotels and insurance
- Improving its contracting
- Launching the business in new markets; and
- Using FLT's marketing expertise to help grow the business and raise its profile."

BYOjet.com was launched in Australia in 2010 and expanded into New Zealand in 2012 and Singapore in 2014.

The business was founded by Lenny and Manne Padowitz and was later partially acquired by publicly-listed Australian company Disruptive Investment Group Limited (ASX: DVI).

Following the acquisition:

- FLT will hold a 70% interest in Professional Performance Systems Pty Ltd (PPS), the company that owns BYOjet.com and its associated businesses
- DVI will retain a 16.4% interest in PPS; and
- Lenny Padowitz and his associates will hold the remaining 13.6% and he will continue to run the business as CEO

Put and call options are in place with the existing shareholders and will allow FLT to increase its holding to 100% in the future. Option payments are based on the acquired business's future performance.

FLT will initially subscribe for \$2.52million of new shares in PPS and may be required to make an additional cash payment to DVI and PPS's founders at the end of the 2016 fiscal year.

The additional payment will be based on the BYOjet business's performance during the year.

Today's acquisition follows FLT's acquisition of Boston-based StudentUniverse.com (SU).

Completion of the acquisition of SU was announced earlier today and gives FLT a strong online brand presence in the student/youth demographic.

"While we have strong overall market share in both the leisure and corporate travel sectors in Australia and elsewhere, we see opportunities to grow more aggressively in some sections of the market that haven't previously been priorities," Mr Turner said.

"The low cost airfare sector is an obvious opportunity and the investments we are making throughout our business provide further evidence of our intention to fast-track our growth and to develop stronger foundations in this space globally.

"We are doing this by:

- Developing and acquiring specialist businesses with low cost models like BYOjet.com; and
- Enhancing our blended travel offering and our overall product range by expanding our relationship with key airlines, including low cost carriers (LCCs)

"For example, we are currently building API connections to various LCC websites, which will allow us to offer customers who prefer to transact online additional flights and ancillary products on flightcentre.com.au from early next calendar year (2016).

"This is in line with Flight Centre's commitment to offering travellers the widest choice of airfares and enabling them to transact with us in the way that best suits them."

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