



corporate travel management

Morgans Conference

Wednesday 8th October

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Celebrating 20 Years ♦ 1994 ➔ 2014

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Agenda

- **CTM Footprint and Strategy**
- Trading Update by Region
- Acquisition Update



20 Years of Continued Growth

CTM established May 1994 (operating over 20 years)

Listed on the ASX December 2010



Award Winning

**2014 Best National Travel
Management Company**
9 of the last 11 years



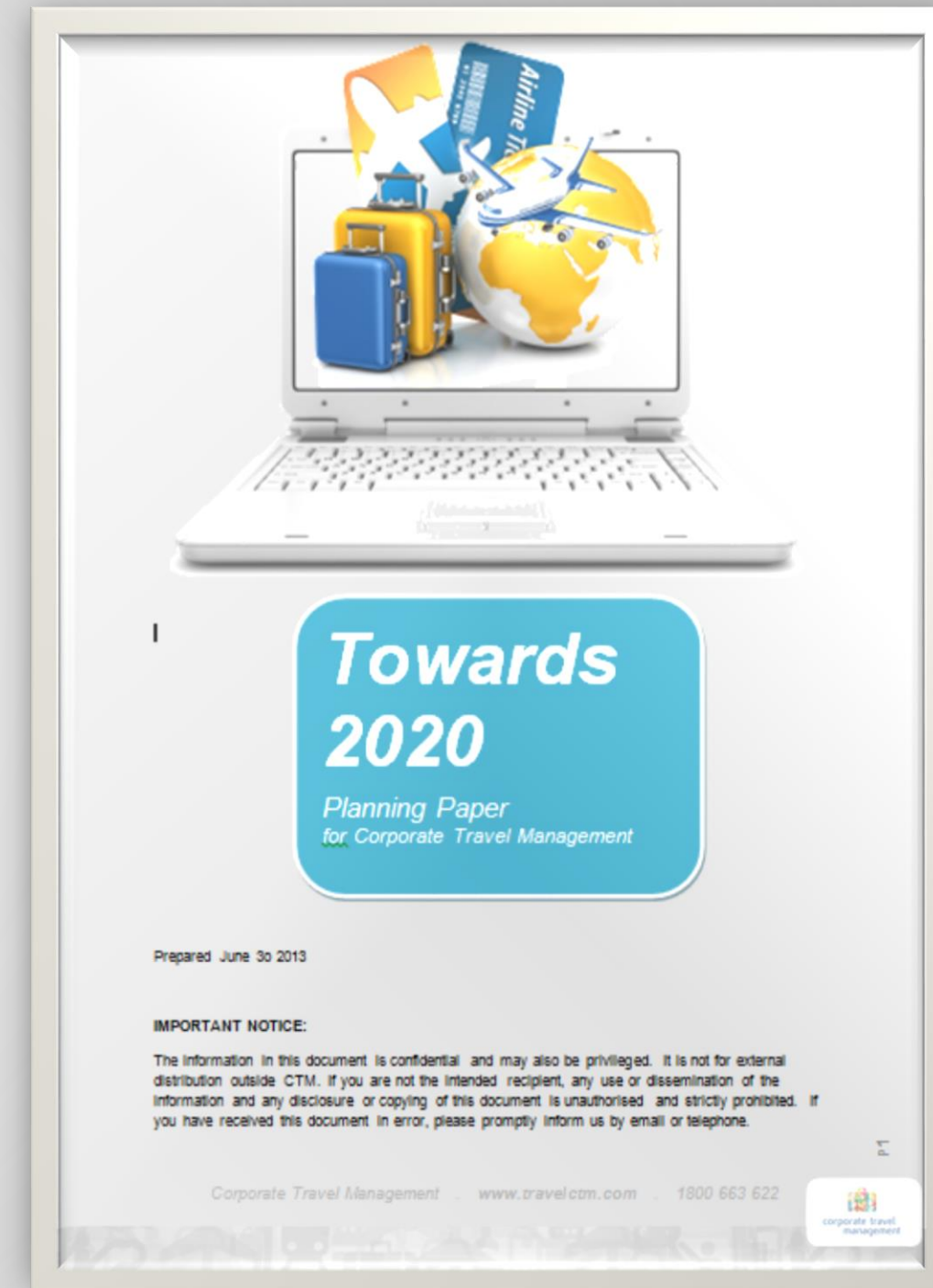
**2014 BEST TRAVEL AGENCY
HONG KONG WINNER**
5 of the last 7 years



Strategy

Aspirations:

- ✓ To be in every major region (**ANZ, North America, Asia, Europe**) with potential for emerging markets where suitable
- ✓ ANZ, continues to be a “fortress” of continued double digit profit growth that underpins global expansion strategy
- ✓ Win market share via local organic growth in all operations and regions
- ✓ By working with our clients, continuing to develop new technology, client facing solutions and business models that evolve with their changing needs
- ✓ To be renowned as the best travel company in every region in which CTM operates by retaining CTM’s highly differentiated service model and high staff engagement, underpinned by technology solutions that add client value
- ✓ Target the regional and global client segment via our client friendly multi-regional solution.
- ✓ To ultimately be a truly global company, where substantial profit is derived offshore



CTM Footprint

ASIA 700 Employees

Beijing
Seoul
Tokyo
Shanghai
Guangzhou
Taipei
Macau
Hong Kong
Bangkok
Kuala Lumpur
Singapore
Jakarta
Manila
Ho Chi Minh

NORTH AMERICA 370 Employees

Prudhoe Bay
Fairbanks
Anchorage
Dutch Harbor
Juneau
Seattle
Tacoma
Portland
Woodinville
Spokane
Denver
Urbandale
Dallas Fort Worth
Houston
Baton Rouge
New Orleans
Lafayette

ANZ 450 Employees

Brisbane
Gold Coast
Sydney
Melbourne
Perth
Auckland

Unique regional value proposition
Operating out of 37 cities in 15 countries
Over 1500 employees

Forecast FY15 TTV \$2bn-\$2.2bn.

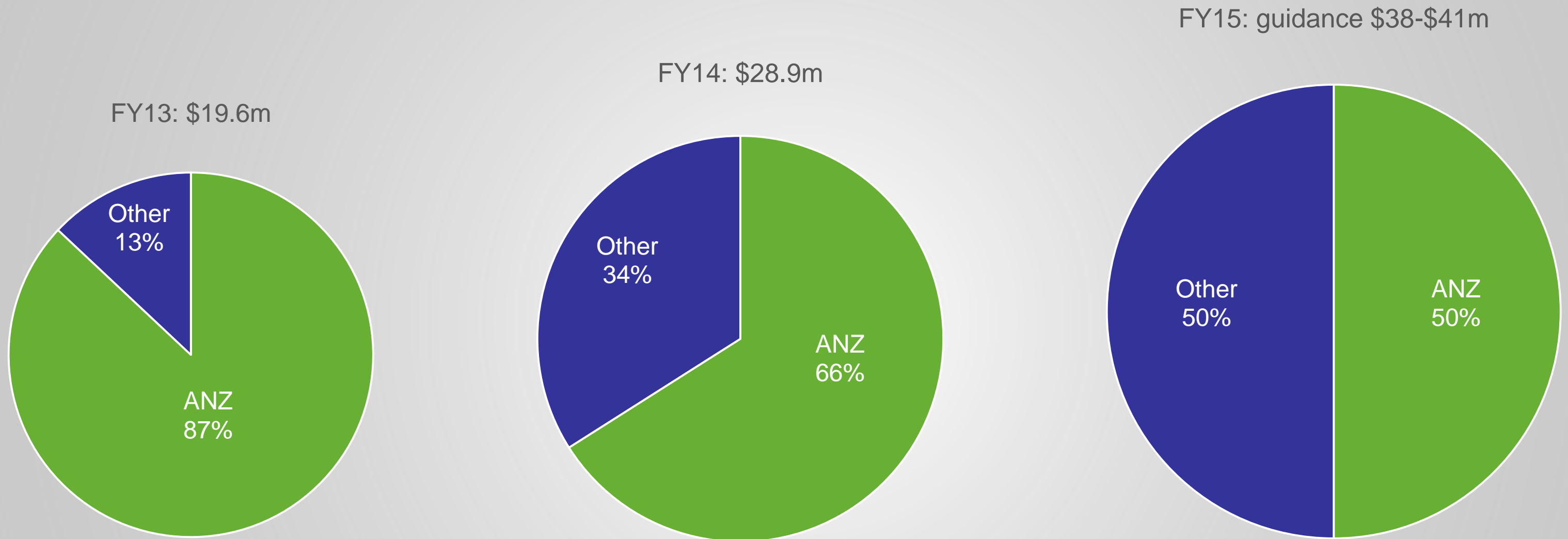
Powerhouse in Asia Pac region underpinned by uniform values:

- Highly personalised service to match local culture
- Best in market/region technology that enhances client experience and adds value
- Demonstrating Return on Investment (ROI)

CTM Offices

Partner Offices

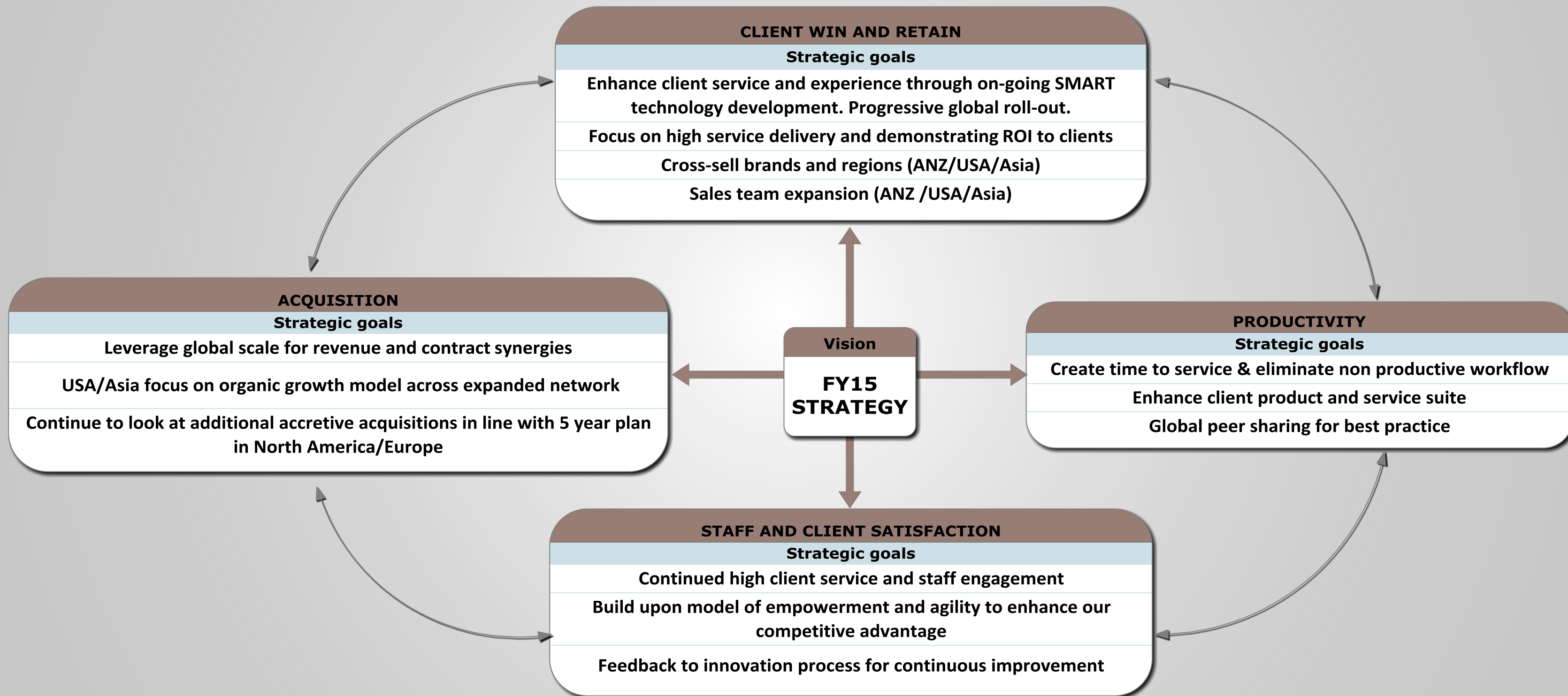
EBITDA Profit Contribution by Region



Building diversity through offshore Expansion

FY15 off-shore profit contribution expected to be circa 50% before any future acquisitions.

FY15 Initiatives



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Trading Update and Guidance

FY15 underlying EBITDA guidance at \$38m-\$41m (circa 32-42% on p.c.p.)

- Guidance reflects 100% contribution from Asia (CTM owns 75.1%)
- Guidance assumes flat client activity and average ticket prices in ANZ, USA acquisition integration success
- Underlying FY15 EPS growth expected to be **approximately 20%-30%** after minority interests

Trading update:

- Currently trading at **top end of guidance**
- Any future acquisitions will be in addition to this guidance

ANZ Trading Update

New Clients

- Strong momentum from FY14 wins
- Continue to win new business creating a solid FY15
- Building market share

Client Activity

- 1QFY15 client activity trading up for first time since Q2FY11
- The vast majority of Top 20 clients trading higher than p.c.p.

Domestic Ticket Prices

- Highest average ticket prices in 12 months.
- Expect supplier revenues to be positively impacted versus p.c.p.

North America Trading Update

New Clients

- Strong start in new client wins including global client segment
- Sales and marketing investment expected to accelerate under one brand across 17 cities, 7 states into CY15

People & Process

- Building upon local accountability and empowerment across the region via similar organisational structure to ANZ
- Sharing of best practice both within CTM USA and the group

Acquisition Integration

- Leveraging scale through enhanced buying power and cost synergies
- Early success in the UST acquisition integration and associated revenue synergies
- Avia (Houston) contributed to profit from September 2014

Client Activity

- Experiencing client activity growth consistent with long term USA trends

Asia Trading Update

Client

- Key focus upon scalable corporate organic growth
- Already won and working on a number of regional tenders
- Client retention strong through integration phase

People

- Strong Management team in place with skin in the game
- Westminster recently awarded Best Agency in Hong Kong 2014, winning five of the last seven years.

Profit

- Tracking to internal expectations, noting Asia will have a full 12 month contribution to profit in FY15 (5 months FY14)
- Average ticket prices at long term trends

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Merger and Acquisition Discipline

CTM's acquisition strategy has remained consistent across all acquisitions:

- Strong discipline in selection criteria – looking for the “1 in 100”
- Alignment - “Skin in the game” for leaders and/or senior management
- Focus on financial and people due diligence for cultural match
- Robust transition process concentrating on enhancing people, systems and revenue growth
- Focus on EPS accretive acquisitions

➡ Creates better business acumen and discipline in team for better results



North America Acquisition Update

USTRavel:

- Acquisition completed 1 July 2014 @ 5x Dec13 NPBT USD\$1.05m
- Extends North American footprint to the Pacific North West region

Update:

- Tracking above our expectations for 1QFY2015
- Being part of CTM has contributed to winning and retaining business
- Synergy extraction - Contributing to buying power upside for all of North America, including UST
- Identifying great people that will form part of our North American Leadership team

North America Acquisition Update

Avia International:

- Acquisition completed 1 September 2014 @5.5x Dec13 NPBT USD\$750k
- Bolsters presence in one of the largest travel markets in the USA (Houston), the centre of the US energy industry.

Update:

- Becomes our Centre of Excellence for Energy, Off-shore, Oil & Gas, Marine in North America and compliments our other Energy and Marine centres in CTM (Australia (WA, QLD), Singapore, Alaska)
- One month's contribution so too early to call but tracking to expectations
- Identifying excellent people within the Avia business that will add value to North America

Future Acquisitions

UK/Europe:

- Currently investigating a number of options. Plan to have a solution by end of FY15
- Key plank of our global strategy to have comprehensive coverage in the key global corporate markets
- Enables CTM to genuinely compete in the global/regional client segment
- Regional/global managed segment estimated to be USD\$200bn.

North America:

- Continue to look at further EPS accretive acquisitions that fit our strategy and discipline
- North American corporate market estimated at USD\$250bn, our current market share under 1%
- Acquisitions can occur simultaneously (North America/Europe)

Thank you.
Any Questions?