



**HELLOWORLD LIMITED AND CONTROLLED ENTITIES**

**APPENDIX 4E**

**FOR THE YEAR ENDED**

**30 JUNE 2016**

**ABN 60 091 214 998**

**ASX CODE: HLO**

## RESULTS FOR ANNOUNCEMENT TO THE MARKET

	For the year ended 30-Jun-16 \$'000	For the year ended 30-Jun-15 \$'000	Change \$'000	Change %
Total transaction value (TTV) <sup>1</sup>	5,087,974	4,696,169	391,805	8.3%
Revenue	297,923	279,223	18,700	6.7%
Earnings before interest, tax, depreciation and impairment (EBITDA)	25,290	24,051	1,239	5.2%
Profit/(loss) before tax	3,450	(198,397)	201,847	101.7%
Profit/(loss) after tax attributable to members	1,699	(201,121)	202,820	100.8%
	For the year ended 30-Jun-16 Cents	For the year ended 30-Jun-15 Cents	Change Cents	Change %
Basic earnings/(loss) per share	1.89	(273.99)	275.88	100.7%
Diluted earnings/(loss) per share	1.89	(273.99)	275.88	100.7%
Interim dividend per share	-	-	-	-
Final dividend per share	2.0	-	2.0	-

Reconciliation of EBITDA to Profit/(loss) before income tax	For the year ended 30-Jun-16 \$'000	For the year ended 30-Jun-15 \$'000	Change \$'000	Change %
EBITDA	25,290	24,051	1,239	5.2%
Depreciation and amortisation expense	(18,459)	(13,921)	(4,538)	(32.6%)
Impairment of goodwill	-	(205,300)	205,300	100.0%
Finance costs	(3,381)	(3,227)	(154)	(4.8%)
Profit/(loss) before income tax	3,450	(198,397)	201,847	101.7%

<sup>1</sup> Total Transaction Value (TTV) does not represent revenue in accordance with Australian Accounting Standards. TTV represents the price at which travel products and services have been sold across the Helloworld Group ("Group"), as agents for various airlines and other service providers, plus revenue from other sources. The Group's revenue is, therefore, derived from TTV. Total TTV does not represent Group cash inflows as some transactions are settled directly between the customer and the supplier.

<sup>2</sup> Earnings before interest, tax, depreciation, amortisation and impairment (EBITDA) is the key internal metric used by the Board to assess the performance of the operating segments and the Group. EBITDA is a financial measure which is not prescribed by the Australia Accounting Standards.

<sup>3</sup> The weighted average number of ordinary shares has been restated in prior years for the earnings/(loss) per share calculation to reflect the 1 for 6 share consolidation completed in January 2016 arising from the AOT Group and its controlled entities acquisition.

## **DIVIDENDS**

Since year-end, the directors have resolved to pay a 2.0 cents per fully paid share fully franked final dividend. The dividend is to be paid on 16 September 2016, with a record date of 2 September 2016. The dividend will be paid out of retained profits at 30 June 2016 but is not recognised as a liability at year end.

## **EXPLANATION OF RESULTS**

This information should be read in conjunction with the Helloworld Limited 2016 Annual Report and any public announcements made by the Company since that time.

The information provided in this report contains all the information required by ASX Listing Rule 4.3A.

## **NET TANGIBLE ASSETS**

Net tangible assets per ordinary share as at 30 June 2016 is (\$16.60) cents compared with \$21.90 cents in the prior year. The prior year has been restated to reflect the 1 for 6 share consolidation on issued capital.

Net Tangible Assets is calculated as net assets less total intangible assets.

Net Tangible Assets per ordinary share is based on Helloworld's issued capital as the legal parent entity and issuer of this financial information as at the balance sheet date.

Net assets per ordinary share as at 30 June 2016 is \$2.43 compared with \$2.42 in the prior year following the 1 for 6 share consolidation restatement.

## **OTHER INFORMATION**

### **Entities over which control was gained or lost during the period:**

On 1 February 2016, Helloworld acquired 100% of the share capital of the AOT Group and its controlled entities (AOT). The total consideration amounted to \$104.2 million.

	<b>\$'000</b>
Contribution of such entities to the reporting entity's profit from ordinary activities before income tax during the period 1 February 2016 – 30 June 2016	3,001
Profit from ordinary activities before income tax of the controlled entity (or group of entities) for the whole of the previous financial year ended 30 June 2015	11,542

There were no other significant acquisitions where control was gained, undertaken during the current year.

## INTEREST IN ASSOCIATES

Name of associate / joint venture	Reporting entity's percentage holding	
	Reporting period %	Previous period %
Harvey World Travel Southern Africa (Pty) Limited <sup>1</sup>	-	50.0%
Tour Managers (Fiji) Limited	33.0%	33.0%
Harvey World Travel Strategy Group Ltd	50.0%	50.0%
V & A Travel P/L <sup>2</sup>	50.0%	-
Down Under Answers, LLC <sup>2</sup>	33.0%	-

<sup>1</sup> On 10 July 2015, the Group disposed of its investment in the entity for a consideration of \$0.7 million.

<sup>2</sup> On 1 February 2016, the Group acquired the non-controlling interest of their entities as part of its acquisition of the AOT Group.

These associates and joint ventures did not make a significant contribution to the reporting entity's profit from ordinary activities before income tax during the period.

## AUDIT QUALIFICATION OR REVIEW

The financial statements have been audited and an unqualified opinion has been issued.

## PRELIMINARY FINAL REPORT – FINANCIAL DETAILS

Refer to attached audited financial report.