

# MEDIA RELEASE

**Wotif.com Holdings Limited** ABN 41 093 000 456

Wednesday 28 August 2013

## Wotif Group announces FY13 results

Full year after tax profit down by \$7 million to \$51 million, with record TTV and revenues offset by increased costs

Results summary (\$m) (for more detail see Appendix A)

	FY13	FY12	% Change
TTV	1166.1	1161.2	0.4
Total revenue	146.6	145.3	0.9
PBT	73.6	81.3	(9.5)
NPAT	51.0	58.0	(12.0)
EPS (cents)	24.10	27.42	(12.1)
Final dividend	11.5 cents	13.5 cents	(14.8)
Total dividend	23.0 cents	25.0 cents	(8.0)

## Key year-on-year variances (FY13 versus FY12)

Major YoY Variances	\$m
ANZ accommodation (primarily margin increase)	4.1
Flights and Other revenue growth	1.6
Credit card merchant fee savings	0.8
Asia/ROW revenue decrease	(3.3)
Marketing cost increase	(2.3)
Interest income	(0.9)
Foreign exchange costs	(1.2)
Write-back of options costs in FY12	(1.3)
Depreciation and amortisation	(0.8)
<b>Sub-total</b>	<b>(3.3)</b>

  

One-off Items	\$m
AWD domain names written off	(1.8)
Accelerated IT Development Costs	(0.5)
<b>TOTAL MAJOR YoY VARIANCES</b>	<b>(5.6)</b>

These major variances account for 88% of the decrease in operating profit (FY13: \$79.9m; FY12: \$86.3m)

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## Results commentary

- Record TTV and Revenue for the year were offset by cost increases of \$9.1 million, including one-off items of \$2.3 million
- ANZ accommodation revenues were up by \$4.1 million, primarily from commission increase to 11% implemented from January 2013
- Australia and New Zealand (ANZ) accommodation room night volumes flat with Asia and Rest of World (ROW) room nights continuing to fall. Asia and ROW revenue down \$3.3 million year-on-year
- Record flight performance with flight TTV increasing by 17.5%. Flights and Other revenue growth up \$1.6 million year-on-year
- Increased marketing investment saw marketing costs up by \$2.3 million year-on-year
- One-off items from write-off of domain names and accelerated IT Development Costs year-on-year impact of \$2.3 million

Wotif Group Chief Executive Officer, Scott Blume, commented:

*"It has been a challenging year for the Group. Some positive momentum has been achieved, with accommodation revenue increases and the growth of the flights business. The flights business has been the standout performer for the Group and we are optimistic that this trend will continue into FY14. However, these revenue gains have been offset by a continued deterioration in Asia and ROW business volumes, which are being addressed separately as part of the previously announced strategy projects.*

*In a period of flat TTV and revenue growth our costs grew by \$9.1 million year-on-year, including one-off write-offs of \$2.3 million. In particular, we made a deliberate decision to continue to invest in marketing and technology to give us a solid base for the future."*

In discussing the future direction for the Company Mr Blume said:

*"We are working very hard on implementing the outcomes of the strategies released to the market in June 2013. Whilst it will take some time to see the effects of this work flow though to TTV and revenue growth, we have solid plans in place and work has already commenced on a number of key initiatives. We also have a number of key projects underway around packaging, mobile and customer reviews as well as the previously announced commission increase to 12% to be implemented progressively from January 2014.*

*Although the Australian retail environment continues to be problematic I am confident that we have the right plan in place to improve the overall business and financial performance for the Group in the coming year."*

The Board has confirmed a final fully franked dividend of 11.5 cents which takes the total dividend for the year to 23.0 cents (compared to 25 cents last year). This sees the Group returning 95% of profits to shareholders.

- ends -

## Appendix A

	FY13 Actual	FY12 Actual	% Change from Prior Corresponding Period *
<b>Total transaction Value:</b>			
- Accommodation TTV	\$1,029.3	\$1,043.4	-1.4%
- Flights & Other TTV	\$136.8	\$117.8	16.1%
<b>Total</b>	<b>\$1,166.1</b>	<b>\$1,161.2</b>	<b>0.4%</b>
<b>Revenue:</b>			
- Accommodation	\$126.9	\$126.1	0.6%
- Flights and Other	\$15.1	\$13.6	11.0%
- Interest	\$4.6	\$5.6	-17.9%
<b>Total</b>	<b>\$146.6</b>	<b>\$145.3</b>	<b>0.9%</b>
<b>Profit before Depreciation, Amortisation and Taxation</b>	<b>\$79.9</b>	<b>\$86.3</b>	<b>-7.4%</b>
Depreciation	(\$3.9)	(\$3.3)	18.2%
Amortisation of IT Development Costs	(\$2.4)	(\$1.7)	41.2%
<b>Profit Before Tax</b>	<b>\$73.6</b>	<b>\$81.3</b>	<b>-9.5%</b>
Income Tax	(\$22.6)	(\$23.3)	-3.0%
<b>Net Profit After Tax</b>	<b>\$51.0</b>	<b>\$58.0</b>	<b>-12.0%</b>
<b>EPS (cents)</b>	<b>24.10 cents</b>	<b>27.42 cents</b>	<b>-12.1%</b>
<b>Final Dividend (fully franked)</b>	<b>11.5 cents</b>	<b>13.5 cents</b>	<b>-14.8%</b>
<b>Total Dividend (fully franked)</b>	<b>23.0 cents</b>	<b>25.0 cents</b>	<b>-8.0%</b>

\* Percentages based on full reported numbers (i.e. non-rounded source data)



Wotif Group operates leading online travel brands in the Asia Pacific region: Wotif.com, lastminute.com.au, travel.com.au, Asia Web Direct, LateStays.com, GoDo.com.au and Arnold Travel Technology, and a network of other travel content and destination websites, such as Phuket.com and Bangkok.com.

Wotif.com launched in 2000, and listed on the Australian Securities Exchange in June 2006 as Wotif.com Holdings Limited, trading under the ASX code "WTF".

The Company has offices in Australia, including its head office in Brisbane, with additional offices in China, Indonesia, Malaysia, New Zealand, Singapore, Thailand, the United Kingdom and Vietnam.



Wotif.com is Australasia's leading travel website, at the forefront of online travel since 2000. With an enviable accommodation range in Australia and New Zealand, Wotif.com sells hotels, domestic and international flights, and flight-hotel-theatre packages.

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**Wotif.com Holdings Limited (ACN: 093 000 456)**