

ASX ANNOUNCEMENT

Wotif.com Holdings Limited ABN 41 093 000 456
Wednesday 22 February 2012

Results for the Half Year ended 31 December 2011

Pursuant to Listing Rule 4.2A, please find attached for immediate release the following information with respect to the half year ended 31 December 2011:

- Media Release;
- Half Year Report (including Appendix 4D, Directors' Report and Financial Report).

In accordance with the Australian Securities and Investments Commission Practice Note No.61, the documents required by Section 302 of the Corporations Act will not be lodged separately with the Australian Securities and Investment Commission.

For further information or to arrange an interview with Robbie Cooke (Managing Director/Group CEO) or Gordon Timm (Chief Financial Officer):

Media enquiries please contact:

Carolyn Prendergast
Executive GM - Corporate Communications
Ph: (+61) 7 3512 9927
Mob: (+61) 0409 910 561
Email: carolyn.prendergast@wotifgroup.com

Analysts and institutions please contact:

Cath McMurchy
Executive Assistant
Ph: (+61) 7 3512 9965
Email: cath.mcmurchy@wotifgroup.com

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Wotif.com Holdings Limited delivers record half year result

Half year after tax profit up 14% - reaching record \$28.8 million

Brisbane – 22 February 2012, Australia's leading online travel company, Wotif.com Holdings Limited, today announced a record \$28.8 million after tax profit for the six months to 31 December 2011. The result exceeded guidance provided by the Company at its General Meeting in October last year and represents the strongest performance ever by the Group. The 14% increase in profits was generated from \$596 million in travel transactions. The value of travel transactions processed by the Group improved markedly, increasing by \$57 million (11%) when compared to the immediately preceding 6 months (to 30 June 2011).

Half Year Snapshot

- Wotif.com again ranked as the number one Travel - Destinations and Accommodation site in Australia for the eighth consecutive year by independent ratings agency, Hitwise
- The Group processed travel transactions valued at \$596 million (excluding GST and travel taxes) (H1 FY11 \$567 million; H2 FY11 \$539 million)
- 10% of all Australian accommodation was sold by the Wotif Group¹
- Wotif.com room nights "stayed" up 4% to 2.97 million nights (H1 FY11 2.85 million)
- Group room nights "stayed" up 2% to 3.63 million nights (H1 FY11 3.55 million)
- Wotif.com brand recognition in Australia above 60% and New Zealand above 30%
- 20,000+ hotels and accommodation venues (up 12%) working directly with the Group in 66 countries
- Flights operation continuing to gain traction - total transaction value up 23% to \$52 million (excluding all travel taxes and GST)
- International flight booking numbers up 28% (30,500 bookings)
- 11.5 cent interim dividend (fully franked) - up 21% from 9.5 cents

Summary of Results (for more detail, see Appendix A)

	H1 FY12 Actual	H1 FY11 Actual	% Change* H1 FY12 vs. H1 FY11
Total Transaction Value	\$595.6m	\$566.9m	↑5%
Total Revenue	\$74.0m	\$71.0m	↑4%
Profit before Depreciation, Amortisation and Taxation	\$43.5m	\$38.8m	↑12%
PBT	\$41.1m	\$35.8m	↑15%
NPAT	\$28.8m	\$25.4m	↑14%
Interim Dividend	11.5 cents	9.5 cents	↑21%

¹ Based on Australian Bureau of Statistics data

* Based upon non-rounded numbers

Wotif.com Holdings Limited ABN 41 093 000 456

Wednesday 22 February 2012

Commentary

The Wotif Group this morning announced a record half year after tax profit of \$28.8 million - up 14% on the same half last year.

This result was delivered from selling \$596 million in travel transactions - breaking another Group record and representing an 11% increase in transaction values when compared with the immediately preceding 6 months (or a 5% uplift on a same period basis).

In commenting on the result Robbie Cooke, Wotif's Managing Director and Group CEO said:

"Our business performed ahead of our expectations as outlined to the market at our General Meeting in October last year, with our Australian domestic operations delivering a great result despite the continuing strength of the Australian dollar. December trading for Wotif.com was particularly strong with room nights "stayed" in the month up 9%. This performance held through the peak leisure month of January."

The Group's reported result also included a strong contribution from its emerging flights operation. The value of flights sold reached \$52 million, being a 23% increase on the same period last year. In commenting on this, Cooke said:

"Our flights operation is entering a very exciting phase as we now have a complete domestic and international offer available on Wotif. Despite awareness levels for flights on Wotif being in their formative stages, we nonetheless sold flights worth \$52 million - an impressive 23% uplift. We achieved this without having yet embarked upon an active marketing campaign."

In commenting on the Group's market position, he said:

"The Group continued to be the number 1 transactional travel site in Australia on all measures. We sold 1 in every 10 Australian hotel bed slept in. We work directly with more than 20,000 accommodation providers and provide them the lowest cost distribution channel available worldwide. With these one-on-one relationships we are able to supply the best deals direct to our extensive customer base, which includes the 1.3 million Australians who have opted in to receive our newsletters and get advance notice of our deals."

The Group sold \$539 million of accommodation (excluding GST) in the 6-month reporting period (up 10% on H2 FY11 and up 4% on H1 FY11). Room nights stayed reached a total of 3.63 million nights in the half (up 6% on H2 FY11 and up 2% on H1 FY11). The Group increased flight bookings volumes by 17% (79,000 vs. 67,600 in H1 FY11).

Group revenues (\$73.97 million) were up 4% on prior half (\$71.02 million). Operating costs decreased by \$1.82 million over the prior corresponding half, which reflected a return to a more "traditional" approach to marketing activity. The after tax profit of \$28.83 million for the half was up 14% on prior corresponding half (\$25.39 million).

An 11.5 cent interim dividend per share was announced by the Company on releasing its results, representing a 21% increase on the 9.5 cents interim dividend paid last year.

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MEDIA RELEASE

Wotif.com Holdings Limited ABN 41 093 000 456

Wednesday 22 February 2012

Appendix A

	H1 FY2012	H1 FY2011	% Change H1 FY12 vs H1 FY11
Accommodation TTV	\$539.096m	\$520.502m	Up 4%
Flights & Other TTV	\$56.530m	\$46.440m	Up 22%
Total Transaction Value	\$595.626m	\$566.942m	Up 5%
Revenue:			
- Accommodation	\$64.771m	\$63.126m	Up 3%
- Flights and Other	\$6.299m	\$5.884m	Up 7%
- Interest	\$2.900m	\$2.013m	Up 44%
Total	\$73.970m	\$71.023m	Up 4%
Profit before Depreciation, Amortisation and Taxation	\$43.536m	\$38.778m	Up 12%
Depreciation	\$(1.617)m	\$(1.487)m	Up 9%
Amortisation of IT Development Costs	\$(0.803)m	\$(1.386)m	Down 42%
Other Amortisation	\$(0.030)m	\$(0.151)m	Down 80%
Profit Before Tax	\$41.086m	\$35.754m	Up 15%
Income Tax	\$(12.256)m	\$(10.363)m	Up 18%
Net Profit After Tax	\$28.830m	\$25.391m	Up 14%
EPS (cents)	13.6 cents	12.1 cents	Up 12%
Interim Dividend	11.5 cents	9.5 cents	Up 21%

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WOTIF.COM HOLDINGS
LIMITED
ACN 41 093 000 456
7 Baroona Road
Milton QLD 4064
Australia

Phone: +61 7 3512 9965
Fax: +61 7 3512 9914
Email: info@wotifgroup.com

Wotif.com Holdings Limited and our group companies (Wotif Group or Group) operate leading online travel brands around the world, with emphasis on the Asia Pacific region.

We provide both leisure and business customers alike with a highly convenient booking service for all their travel needs. Our services are simple to use, value-driven, and provide a wide range of choice whether for accommodation, flights, car rental, cruises, insurance, experiences, travel packages or tours.

Our Group includes eight leading travel brands, as well as more than 100 other travel-related websites.

We strive to be the first choice for business and leisure consumers with a particular focus on those travelling to, from and within the Asia Pacific region. We work as partners with our travel suppliers, providing a cost-effective distribution platform for their products and sell approximately 7 million room nights annually on their behalf. With each brand offering unique advantages and access to different target markets, our travel and accommodation supply partners can tailor their online marketing and distribution strategies to suit their needs.

Since launching in 2000, we have grown to be a truly international company, employing staff in 18 countries on five continents. Our head office is in Australia, and we have additional offices in New Zealand, Thailand, Singapore, Indonesia, Hong Kong, China, Malaysia, and the United Kingdom. We listed on the Australian Securities Exchange in June 2006, trading under the ASX code "WTF".

In 2008 the Company's operations expanded with the takeover of travel.com.au Limited and the purchase of the businesses conducted by Asia Web Direct (HK) Limited. Wotif Group's operations today include the following businesses:



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WOTIF.COM

- **Accommodation**

As Australasia's leading accommodation website, Wotif.com has been at the forefront of the online accommodation revolution since 2000.

This fun lifestyle brand has a broad range of hotels, international and domestic flights, holiday packages, travel insurance, car hire, gifts and experiences that differentiate it from other travel websites.

- **Flights**

Our unique display allows you to quickly see and compare options at a glance. Booking is then a few clicks away and seats are confirmed in an instant. All flight bookings score a \$20 Wotif.com accommodation voucher.

LASTMINUTE.COM.AU

This fun lifestyle brand has a broad range of hotels, international and domestic flights, holiday packages, travel insurance, car hire, gifts and experiences that differentiates it from other travel websites.

ASIA WEB DIRECT

Asia Web Direct is positioning itself as the premier booking and information source for travel destinations in Asia, providing rich content, inspirational imagery, guest reviews, downloadable guides and an easy-to-use booking service.

ARNOLD

The ARNOLD Corporate system is a customisable online booking platform for the Australasian market that allows large corporates and small-to-medium businesses alike to manage their own travel needs.

TRAVEL.COM.AU

As a full service travel agency, travel.com.au focuses on the leisure travel market and is committed to giving Australian travellers more for their travel budget.

GO DO

GoDo is a leading provider in the activities and "things to do" marketplace. Through its website (godo.com.au), leisure and tourism affiliates and online distribution channels, GoDo offers more than 2,500 activities across 12 categories.

LATESTAYS.COM

LateStays.com promotes last-minute accommodation deals, and is perfect for quick, simple and straightforward bookings, whether for the same day or six months in the future. Consumers can browse and book in English, Chinese, Indonesian, Japanese, Thai, Korean, Malaysian and Russian.

HALF YEAR REPORT

Wotif.com Holdings Limited ACN 093 000 456
Wednesday 22 February 2012

WOTIF.COM HOLDINGS LIMITED ACN 093 000 456

PERIOD ENDED 31 DECEMBER 2011

	Section
Appendix 4D	A
Half Year Directors' Report and Financial Report	B

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SECTION A

APPENDIX 4D HALF YEAR REPORT

WOTIF.COM HOLDINGS LIMITED (WTF) ACN 093 000 456

Statutory Results

Reporting Period: From 1 July to 31 December 2011
 Previous Corresponding Period: From 1 July to 31 December 2010

Results for Announcement to the Market

• Key Information

	Reporting Period	Previous Corresponding Period	% Change Increase/(Decrease)
Revenue from ordinary activities	\$73.970m	\$71.023m	4%
Profit from ordinary activities after tax attributable to members	\$28.830m	\$25.391m	14%
Net profit/(loss) for the period attributable to members	\$28.830m	\$25.391m	14%

For commentary on the results refer to the Directors' Report, which forms part of the Half Year Report.

• Dividends - Ordinary Shares

	Amount per Security	Franked Amount per Security
2012 interim dividend determined 22 February 2012 (payable 30 March 2012)	11.5 cents	11.5 cents
Record date for determining entitlements to the interim dividend	9 March 2012	

Net Tangible Assets per Security

	Reporting Period \$	Previous Corresponding Period \$
Net tangible assets per security	0.03	(0.01)

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Control Gained or Lost Over Entities

N/A

Financial Information

This Appendix 4D should be read in conjunction with the Half Year Report for the half year ended 31 December 2011 as set out on pages 4 to 20.

Foreign Entities

Foreign entities have been accounted for in accordance with Australian Accounting Standards.

Additional Dividend Information

Details of dividends declared and paid during or subsequent to the year ended 30 June 2011:

	Date Paid/ Payable	Amount per Security	Franked Amount per Security	Amount per Security of Foreign Sourced Dividend	Amount
FY2011 Final Dividend	24 October 2011	12.5 cents	12.5 cents	0.00 cents	\$26,405,061
FY2012 Interim Dividend	30 March 2012	11.5 cents	11.5 cents	0.00 cents	\$24,349,668

Dividend Reinvestment Plans

The Company does not operate a Dividend Reinvestment Plan.

Associates and Joint Ventures

In April 2011 the Group entered into a joint venture agreement with Thien Minh Travel Joint Stock Company in relation to the establishment of a joint venture company which will own and operate the travel website iVIVU.com

Information on Audit or Review

The Half Year Report is based on accounts that have been subject to a review.

SECTION B

WOTIF.COM HOLDINGS LIMITED
ACN 093 000 456

HALF YEAR FINANCIAL REPORT
PERIOD ENDED 31 DECEMBER 2011

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DIRECTORS' REPORT

The Directors submit their report on Wotif.com Holdings Limited (**Company**) and the entities it controlled at the end of, or during, the 6 months ended 31 December 2011 (collectively the **Group**).

Directors

The names of the Directors of the Company in office during the half year and until the date of this Report are set out below. Directors were in office for the entire period unless otherwise stated.

R D McIlwain
R M S Cooke
G T Wood
R A C Brice
A B R Smith
K Gaffney

Review and Results of Operations

The Group's operating revenue for the 6 months to 31 December 2011 was \$73.970m, up 4% on prior corresponding period (H1 FY11: \$71.023m) and up 10% on the 6 month period ending 30 June 2011 (H2 FY11 \$67.325m).

Accommodation revenue was up 3% on a corresponding half basis and 10% on a sequential half basis (H1 FY12: \$64.771m; H2 FY11: \$58.860m; and H1 FY11: \$63.126m). Revenue from "Flights and Other" was up 7% on corresponding half (H1 FY12 \$6.299m; H1 FY11 \$5.884m). Interest revenue was up 44% on corresponding half (H1 FY12 \$2.900m; H1 FY11 \$2.013m).

The Group's revenue outcomes were influenced by:

- a 2% increase in the number of room nights sold across the Group over H1 FY11 and a 6% increase over H2 FY11 (room nights: H1 FY12: 3.63m; H2 FY11: 3.42m; H1 FY11: 3.55m)
- a 1% increase in the average value of rooms sold on Wotif.com on a corresponding half basis (H1 FY12 \$151.36; H1 FY11 \$150.12). On a Group basis, room rates were up 1% (H1 FY12 \$148.21; H1 FY11 \$146.19); and
- a 17% increase in the number of flights booked across the Group (H1 FY12 79,000 flights; H1 FY11 67,600 flights).

Net profit after tax of \$28.830m (H1 FY11 \$25.391m) produced in the half-year represented a 14% increase when compared to the 6 months ending 31 December 2010.

Operating expenses (excluding amortisation of IT Development Costs and depreciation) were \$30.434m (H1 FY11 \$32.245m), down 6% reflecting:

- a 1% increase in credit card and commission costs associated with accommodation sold (H1 FY12: \$6.841m; H1 FY11: \$6.751m);
- an 11% reduction in web maintenance costs resulting from the "in-sourcing" of hosting activities (H1 FY12: \$5.264m; H1 FY11: \$5.890m);
- an 8% increase in salaries and wages reflecting salary increases and increases in staff numbers; and
- "normalising" of marketing and advertising activities both online and offline (H1 FY12: \$8.471m; H1 FY11: \$9.643m).

Information Technology (**IT**) Development Costs of \$0.803m were amortised in the reporting period (H1 FY11: \$1.386m). An amount of \$0.814m in IT Development Costs was capitalised in the period and is to be amortised over a 3 year life (H1 FY11 \$1.386m). This accords with the Group's stated accounting policy with respect to IT Development Costs. The majority of the \$0.814m in costs related to works conducted on the ARNOLD platform, the Group's flights booking engine and the Group's accommodation supplier extranet.

DIRECTORS' REPORT

Dividends

On 22 February 2012, the Directors determined a dividend of 11.5 cents fully franked. The dividend will be paid on 30 March 2012.

Rounding of Amounts

The Company is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the Directors' Report and Financial Report. Amounts are rounded off to the nearest thousand dollars.

Auditor's Independence Declaration

Attached (see page 7) is a copy of the Auditor's Independence Declaration provided under section 307C of the *Corporations Act 2001* in relation to the review for the half year ended 31 December 2011. This Auditor's Independence Declaration forms part of this Directors' Report.

Signed in accordance with a resolution of Directors.

On behalf of the Directors:



R D McIlwain
Chairman

Brisbane
22 February 2012



R M S Cooke
Managing Director

AUDITOR'S INDEPENDENCE DECLARATION



1 Eagle Street
Brisbane QLD 4000 Australia
GPO Box 7878 Brisbane QLD 4001
Tel: +61 7 3011 3333
Fax: +61 7 3011 3100
www.ey.com/au

Auditor's Independence Declaration to the Directors of Wotif.com Holdings Limited

In relation to our review of the financial report of Wotif.com Holdings Limited for the half-year ended 31 December 2011, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

A handwritten signature in black ink that reads "Ernst & Young".

Ernst & Young

A handwritten signature in black ink that reads "Alison De Groot".

Alison De Groot
Partner
22 February 2012

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INCOME STATEMENT
for the Half Year ended 31 December 2011

		Consolidated	
	Note*	December 2011 \$'000	December 2010 \$'000
Revenue			
Accommodation revenue		64,771	63,126
Flights and other revenue	4	6,299	5,884
Interest received	4	2,900	2,013
Total revenue		73,970	71,023
Expenses			
Advertising and marketing expenses		8,471	9,643
Business development expenses		4,877	5,132
Operational and administration expenses	4	19,536	20,494
Total expenses		32,884	35,269
PROFIT FROM CONTINUING OPERATIONS BEFORE INCOME TAX		41,086	35,754
Income tax expense		12,256	10,363
PROFIT FOR THE PERIOD		28,830	25,391

Earnings per share from profit from continuing operations attributable to the ordinary equity holders of the parent:	December 2011 per share	December 2010 per share
Basic earnings per share	13.64 cents	12.07 cents
Diluted earnings per share	13.62 cents	12.00 cents

* The accompanying notes form part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME
for the Half Year ended 31 December 2011

	Consolidated	
	December 2011 \$'000	December 2010 \$'000
Note *		
Profit for the period	28,830	25,391
Other Comprehensive Income		
Foreign currency translation	669	(3,851)
Net gain on available-for-sale financial asset	-	33
Income tax on other items of other comprehensive income	-	(10)
Other comprehensive income for the period, net of tax	669	(3,828)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	29,499	21,563

* The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
as at 31 December 2011

		Consolidated	
		December 2011	June 2011
	Note *	\$'000	\$'000
CURRENT ASSETS			
Cash and cash equivalents	5	154,075	133,531
Trade and other receivables		<u>7,465</u>	<u>4,665</u>
TOTAL CURRENT ASSETS		<u>161,540</u>	<u>138,196</u>
NON-CURRENT ASSETS			
Receivables		135	135
Investment in joint venture		222	126
Property, plant and equipment		17,513	18,123
Investment property		3,638	3,683
Deferred tax assets		7,743	7,752
Intangible assets and goodwill		<u>86,399</u>	<u>85,158</u>
TOTAL NON-CURRENT ASSETS		<u>115,650</u>	<u>114,977</u>
TOTAL ASSETS		<u>277,190</u>	<u>253,173</u>
CURRENT LIABILITIES			
Trade and other payables		172,971	155,225
Income tax payable		6,291	4,640
Provisions		<u>1,335</u>	<u>1,397</u>
TOTAL CURRENT LIABILITIES		<u>180,597</u>	<u>161,262</u>
NON-CURRENT LIABILITIES			
Interest-bearing loans and borrowings		95	112
Deferred tax liabilities		2,678	2,678
Provisions		<u>622</u>	<u>589</u>
TOTAL NON-CURRENT LIABILITIES		<u>3,395</u>	<u>3,379</u>
TOTAL LIABILITIES		<u>183,992</u>	<u>164,641</u>
NET ASSETS		<u>93,198</u>	<u>88,532</u>
EQUITY			
Contributed equity	7	30,001	28,947
Retained earnings		61,705	59,280
Reserves		<u>1,492</u>	<u>305</u>
TOTAL EQUITY		<u>93,198</u>	<u>88,532</u>

* The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS
for the Half Year ended 31 December 2011

	Consolidated	
	December 2011	December 2010
Note *	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers (inclusive of GST)	641,823	619,194
Payments to suppliers and employees (inclusive of GST)	(586,088)	(564,360)
Interest received	2,866	2,037
Interest paid	-	-
Income taxes paid	(10,596)	(9,744)
Net cash flows from operating activities	<u>48,005</u>	<u>47,127</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of available-for-sale financial assets	-	1,000
Payments for property, plant and equipment	(943)	(3,345)
Payments for web development	(1,617)	(1,386)
Purchase of investment	(96)	(26)
Net cash flows used in investing activities	<u>(2,656)</u>	<u>(3,757)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	1,054	2,635
Dividends paid	(26,405)	(26,333)
Lease payments	-	(30)
Net cash flows used in financing activities	<u>(25,351)</u>	<u>(23,728)</u>
Net increase in cash and cash equivalents	<u>19,998</u>	<u>19,642</u>
Net foreign exchange differences	546	(3,716)
Cash and cash equivalents at beginning of period	133,531	103,592
Cash and cash equivalents at end of period 5	<u>154,075</u>	<u>119,518</u>

* The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
for the Half Year ended 31 December 2011

Consolidated	Ordinary shares \$'000	Employee equity benefits reserve \$'000	Available for sale investment reserve \$'000	Foreign currency translation reserve \$'000	Retained earnings \$'000	Total equity \$'000
At 1 July 2011	28,947	5,544	-	(5,239)	59,280	88,532
Profit for the period	-	-	-	-	28,830	28,830
Other comprehensive income	-	-	-	669	-	669
Income tax	-	-	-	-	-	-
Total comprehensive income for the half-year	-	-	-	669	28,830	29,499
Transactions with owners in their capacity as owners:						
Share issued	1,054	-	-	-	-	1,054
Share-based payment	-	489	-	-	-	489
Income tax	-	29	-	-	-	29
Dividends paid	-	-	-	-	(26,405)	(26,405)
At 31 December 2011	30,001	6,062	-	(4,570)	61,705	93,198

Consolidated	Ordinary shares \$'000	Employee equity benefits reserve \$'000	Available for sale investment reserve \$'000	Foreign currency translation reserve \$'000	Retained earnings \$'000	Total equity \$'000
At 1 July 2010	25,574	5,109	(23)	566	54,694	85,920
Profit for the period	-	-	-	-	25,391	25,391
Other comprehensive income	-	-	33	(3,851)	-	(3,818)
Income tax	-	-	(10)	-	-	(10)
Total comprehensive income for the half-year	-	-	23	(3,851)	25,391	21,563
Transactions with owners in their capacity as owners:						
Share issue	2,635	-	-	-	-	2,635
Share-based payment	-	577	-	-	-	577
Income tax	-	(416)	-	-	-	(416)
Dividends paid	-	-	-	-	(26,333)	(26,333)
At 31 December 2010	28,209	5,270	-	(3,285)	53,752	83,946

* The accompanying notes form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The Financial Report of Wotif.com Holdings Limited (**Company**) for the half year ended 31 December 2011 was authorised for issue in accordance with a resolution of Directors made on 22 February 2012.

Wotif.com Holdings Limited is a company limited by shares incorporated in Australia, whose shares are publicly traded on the Australian Securities Exchange.

The Company's and its controlled entities' (the **Consolidated Entity** or **Group**) operations and principal activity is the provision of online travel booking services.

Wotif.com Holdings Limited is the ultimate Australian parent and the ultimate parent in the Consolidated Entity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Half Year Financial Report does not include all notes of the type normally included within an annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Consolidated Entity as a full financial report.

The Half Year Financial Report should be read in conjunction with the Annual Report of Wotif.com Holdings Limited for the year ended 30 June 2011.

It is also recommended that the Half Year Financial Report be considered together with any public announcements made by Wotif.com Holdings Limited and its controlled entities during the half year ended 31 December 2011 in accordance with the continuous disclosure obligations of the ASX listing rules.

(a) Basis of preparation

The Half Year Financial Report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, applicable Accounting Standards including AASB 134 *Interim Financial Reporting* and other mandatory professional requirements. The Half Year Financial Report has been prepared on a historical cost basis.

The Half Year Financial Report is presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000) unless otherwise stated under the option available to the Company under ASIC Class Order 98/0100. The Company is an entity to which the Class Order applies.

(b) Significant accounting policies

This Half Year Financial Report has been prepared adopting the identical accounting policies as those adopted in the Annual Financial Statements for the year ended 30 June 2011.

The Group has not elected to early adopt any other new Standards or amendments that are issued but not yet effective.

The Group has considered the impact of new and amended Accounting Standards and has determined that there will be no material impact on the financial report.

(c) Basis of consolidation

The Half Year Financial Statements comprise the financial statements of Wotif.com Holdings Limited and its subsidiaries as at 31 December 2011 (**Consolidated Entity**).

NOTES TO THE FINANCIAL STATEMENTS

3. SEGMENT INFORMATION

Operating segments are identified and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the Company's chief operating decision makers. The Company continued to operate in one business segment, being the provision of online travel booking services.

For the purpose of segment information, revenue is determined by the location of the accommodation rather than the residency of the customer. Expenses are determined by the location in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS

Half year ended 31 December 2011 - by geographical region

	Australia/ New Zealand ¹	Asia ²	Rest of World	Eliminations	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Accommodation revenue	57,173	5,872	1,726	-	64,771
Flights and other revenue	5,412	976	367	(456)	6,299
Interest	2,806	66	28	-	2,900
Total revenue	65,391	6,914	2,121	(456)	73,970
Expenses	27,847	2,699	344	(456)	30,434
Depreciation	1,484	130	3	-	1,617
Amortisation	822	11	-	-	833
Total expenses	30,153	2,840	347	(456)	32,884
Profit before income tax expense	35,238	4,074	1,774	-	41,086
Income tax expense	10,502	1,222	532	-	12,256
Net profit	24,736	2,852	1,242	-	28,830
Assets	222,659	52,474	4,267	(2,210)	277,190
Liabilities	162,468	17,986	3,538	-	183,992
Capital expenditure	2,525	58	-	-	2,583

Half year ended 31 December 2010 - by geographical region

	Australia/ New Zealand ¹	Asia ²	Rest of World	Eliminations	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Accommodation revenue	53,687	7,471	1,968	-	63,126
Flights and other revenue	5,326	1,036	495	(973)	5,884
Interest	1,979	34	-	-	2,013
Total revenue	60,992	8,541	2,463	(973)	71,023
Expenses	29,048	3,723	447	(973)	32,245
Depreciation	1,331	154	2	-	1,487
Amortisation	1,524	13	-	-	1,537
Total expenses	31,903	3,890	449	(973)	35,269
Profit before income tax expense	29,089	4,651	2,014	-	35,754
Income tax expense	8,364	1,395	604	-	10,363
Net profit	20,725	3,256	1,410	-	25,391
Segment assets and liabilities as at 30 June 2011:					
Assets	208,075	41,161	6,902	(2,965)	253,173
Liabilities	140,601	17,020	7,020	-	164,641
Capital expenditure as at 31 December 2010:					
Capital expenditure	4,611	120	-	-	4,731

1. The Australia /NZ geographic region includes accommodation booked at properties located within Australia, New Zealand, Cook Islands, Fiji, Vanuatu and Papua New Guinea and flights ticketed within Australia and New Zealand.
2. The Asian geographic region includes accommodation booked at properties located within Asia and French Polynesia.

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4. REVENUE, INCOME AND EXPENSES

	Consolidated	
	December 2011	December 2010
	\$'000	\$'000
(a) Total Transactional Value	595,626	566,942
<p>Total Transactional Value (TTV) represents the price at which accommodation, flights, package and other travel-related services have been sold excluding all travel taxes and GST across the Consolidated Entity's operations. TTV does not represent revenue in accordance with Australian Accounting Standards.</p>		
(b) Profit before income tax expense includes the following revenues and expenses whose disclosure is relevant in explaining the performance of the entity:		
(i) Revenue		
Interest received – other parties	2,900	2,013
Flights and other revenue	6,299	5,884
Total	9,199	7,897
(ii) Operational and administration expenses		
Credit card commission	6,841	6,751
Amortisation of IT development costs	803	1,386
Other amortisation	30	151
Web maintenance costs	5,264	5,890
Depreciation	1,617	1,487
Foreign exchange loss & currency conversion fee	14	292
Audit fees	150	188
Rent & outgoing	293	305
Share-based payments expense	489	577
Administration employment expenses including Directors' costs	3,550	2,853
Other expenses	485	614
Total	19,536	20,494
(iii) Employee benefits expense		
Wages and salaries (excluding IT development employees' wages and salaries capitalised)	13,070	12,067
Option expenses	489	577

5. CASH AND CASH EQUIVALENTS

	Consolidated	
	December 2011	June 2011
	\$'000	\$'000
Cash at bank	127,894	112,593
Term deposits at call	5,188	5,211
Client funds account	20,993	15,727
	154,075	133,531

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6. DIVIDENDS PAID OR PROVIDED FOR ON ORDINARY SHARES

	Consolidated	
	December 2011 \$'000	December 2010 \$'000
(a) Dividends declared and paid during the half year on ordinary shares: Final franked dividend for 2011: 12.5 cents (2010 Final: 12.5 cents)	26,405	26,333
	26,405	26,333
(b) Dividends proposed and not recognised as a liability Interim franked dividend for 2012: 11.5 cents (2011 Interim: 9.5 cents)	24,350	20,040
	24,350	20,040

7. CONTRIBUTED EQUITY

	Consolidated	
	December 2011 \$'000	June 2011 \$'000
211,736,244 (June 2011: 211,209,444) fully paid ordinary shares	30,001	28,947
	30,001	28,947

8. COMMITMENTS FOR EXPENDITURE

There have been no material changes to the commitments for expenditure disclosed in the Company's 2011 Annual Report.

9. RELATED-PARTY DISCLOSURES

Other related-party transactions

Marketing fee

During the reporting period marketing and promotional services have been provided by a company related to G T Wood (a Director). That company, Ollewood Pty Ltd, received \$21,800 (H1 FY11: \$21,800) from the Group based on normal commercial terms.

Brand licence

During the reporting period a trade mark and domain name licence has been provided to a company related to G T Wood (a Director) for use of the "Wotnews" brand. Under the licence, fees are payable to the Group on normal commercial terms when the licensee's revenues achieve a threshold level. This level was not achieved during the reporting period. During the period payments of nil (H1 FY11: nil) were made under the agreement.

10. SUBSEQUENT EVENTS

Subsequent to 31 December 2011, the Directors determined a dividend of 11.5 cents per ordinary share (total amount payable \$24.350m). This amount has not been recorded in the financial report at 31 December 2011.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Wotif.com Holdings Limited, we state that:

In the opinion of the Directors:

- (a) the financial statements and notes of the Consolidated Entity are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position as at 31 December 2011 and the performance for the half year ended on that date of the Consolidated Entity; and
 - (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



R D McIlwain
Chairman



R M S Cooke
Managing Director

Brisbane
22 February 2012



1 Eagle Street
Brisbane QLD 4000 Australia
GPO Box 7878 Brisbane QLD 4001
Tel: +61 7 3011 3333
Fax: +61 7 3011 3100
www.ey.com/au

To the members of Wotif.com Holdings Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Wotif.com Holdings Limited, which comprises the statement of financial position as at 31 December 2011, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of Interim and Other Financial Reports Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Wotif.com Holdings Limited and the entities it controlled during the half-year, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

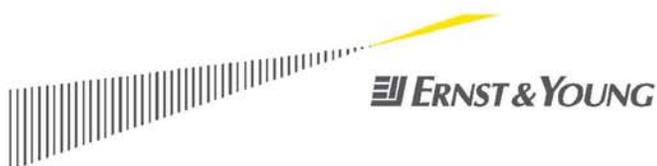
Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration.

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Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Wotif.com Holdings Limited is not in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A handwritten signature in black ink that reads "Ernst & Young".

Ernst & Young

A handwritten signature in black ink that reads "Alison de Groot".

Alison de Groot
Partner
Brisbane
22 February 2012