



Market Release

18 July 2017

Serko Trading Update for FY18

Serko expects trading revenue in the first half of the 2018 financial year (1H FY18) to be up approximately 25-30% over the same period for the prior year, excluding gains/losses on AUD revenue hedging. Budgeted \$AUD revenue for the year is largely hedged to \$NZD at approximately \$0.93.

Serko anticipates that EBITDA¹ for 1H FY18 will be positive at approximately \$1 million and expects a positive NPAT for FY18. Serko recorded an EBITDA loss of \$1.75 million for the same period in the prior year.

The second half of the financial year is typically weaker than the first due to the seasonal effects of low volumes of corporate travel in December and January. We also expect to expand headcount and therefore remuneration and benefit costs will be higher in the second half. Accordingly we expect both revenue and EBITDA in the second half of FY2018 to be lower than the first half but about break-even at the EBITDA line. However, some recent contract wins may transition onto the Serko platform over the course of the second half and, depending on timing, this may represent upside in the second half results.

Serko will provide a further update on performance and progress for the FY18 year at the Annual Shareholder Meeting to be held on 23 August 2017.

For more information:

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About Serko

Serko is Australasia's leading online travel booking and expense management company for businesses and is listed on the New Zealand Stock Exchange Main Board (NZX:SKO). Headquartered in Auckland, New Zealand and with offices in Sydney Australia, Xi'an City China and Gurgaon India.

Serko Online is an integrated Online Booking Tool (OBT) used by administrators and travellers to book flights, accommodation and car hire from the broadest possible set of travel providers. The OBT ensures that travel bookings comply with corporate travel management policy without limiting the user's choice of travel provider.

Serko's product portfolio also includes Serko Expense, Serko Mobile and serko.travel.

Visit www.serko.com for more information

Note:

Non-GAAP financial information does not have a standardised meaning prescribed by GAAP and therefore may not be comparable to similar financial information presented by other entities. Non-GAAP measures are used by management to monitor the business and are useful to provide investors to access business performance

¹ EBITDA is a non-GAAP measure representing Earnings before Interest, Tax, Depreciation and Amortisation.