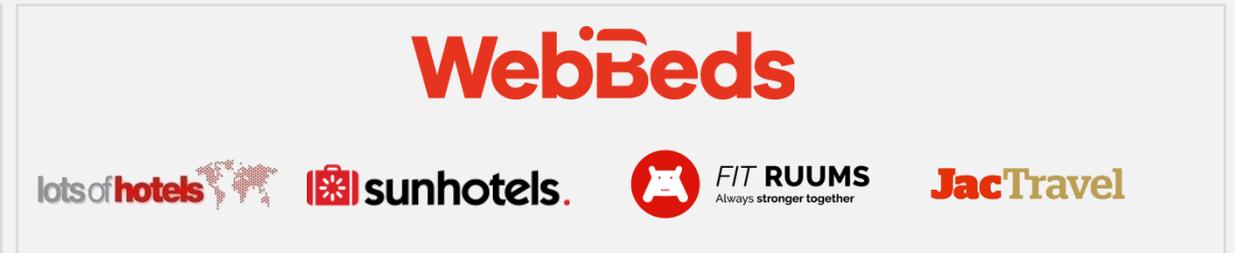




Introduction to Webjet Limited

Goldman Sachs small and mid cap conference – 17/18 April 2018

John Guscic
Managing Director, Webjet Limited





DIGITAL TRAVEL BUSINESS

spanning both consumer and wholesale markets

Who is WEBJET?

B2C

Leading online consumer travel brands

Webjet 
webjet.com.au

- #1 OTA in Australia and New Zealand

Online Republic 

- New Zealand based online aggregator operating
 - # 1 global online motorhome rental agent
 - #2 car rental website in Australia and New Zealand
 - #1 online Cruise agency in Australia and New Zealand

B2B - WebBeds

Online fulfillment of hotel room bookings for travel industry clients

2 B2B global player 

Global Coverage

- **WebBeds Europe**
- **WebBeds AMEA**
- **WebBeds Asia-Pacific**

4 key brand product offerings

- Sunhotels
- JacTravel
- Lots of Hotels (LOH)
- FIT Ruums



B2C TRAVEL

Leading Online Consumer Travel Brands

Webjet - #1 OTA in Australia and New Zealand

Online Republic - online car rental, motorhome and cruise travel bookings





CONVENIENCE & CHOICE

Leading the way in online tools and technology

#1 OTA
in Australia
and New
Zealand



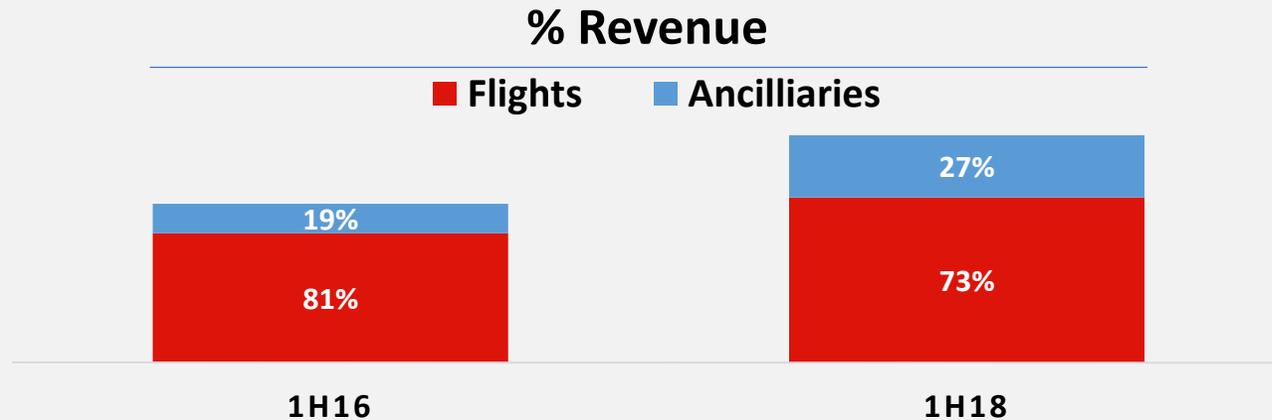


MORE THAN JUST FLIGHTS

We offer a wide range of ancillary products

**Non-flight
revenues
becoming
more
meaningful**

- Car hire
- Packages – Exclusives; dynamic packages
- Travel insurance
- Cruise
- Motorhomes
- Hotels



- All ancillary products are **higher revenue margin** than flights
- In aggregate, ancillary products are **growing faster** than flights



ACQUIRED IN 2016

To complement existing B2C portfolio

ONLINE REPUBLIC

Global digital travel group specializing in online car rental, motorhome and cruise travel bookings

MOTORHOMES

#1 global online motorhome rental agent

- Operating in 8 languages, consumers can book a motorhome from any of over 450 locations across 28 countries.

 Motorhome Republic

CAR HIRE

#2 car rental website in Australia and New Zealand

- Contracts with all global suppliers and operates in 138 countries with websites supported in 8 languages.
- Providing car hire for Webjet OTA since January 2017.

 Airportrentals.com.au

CRUISE

#1 online cruise agency in Australia and New Zealand

- Providing the Webjet OTA cruise offering since 2014.
- Awarded CLIA NZ cruise agency of the year for **3rd year in a row**.

 CruiseSaleFinder



B2C

Growth strategy

- **B2C is well positioned for growth as bookings continue to move online**
 - Australian and New Zealand B2C markets continue to shift online
 - Online penetration rates are less than European and American markets
 - Continued focus on growing visitations and improving conversions
- **Webjet OTA**
 - Considerable growth opportunities in both domestic and international flight bookings
 - Webjet currently has around 5% of the domestic flight market and less than 3% international flight market (departing Australian residents)
 - Higher revenue margin ancillary products also offer growth opportunities as consumers get more comfortable booking online – particularly Packages
 - TTV margins have grown in line with higher margin ancillary products
 - Strong brand helps keep marketing cost constant as % TTV
- **Online Republic**
 - Continue to look for opportunities to expand Online Republic brands into other regional and international markets



B2B WebBeds

Digital provision of hotel rooms to global partners

WebBeds

lots of hotels 

 sunhotels.

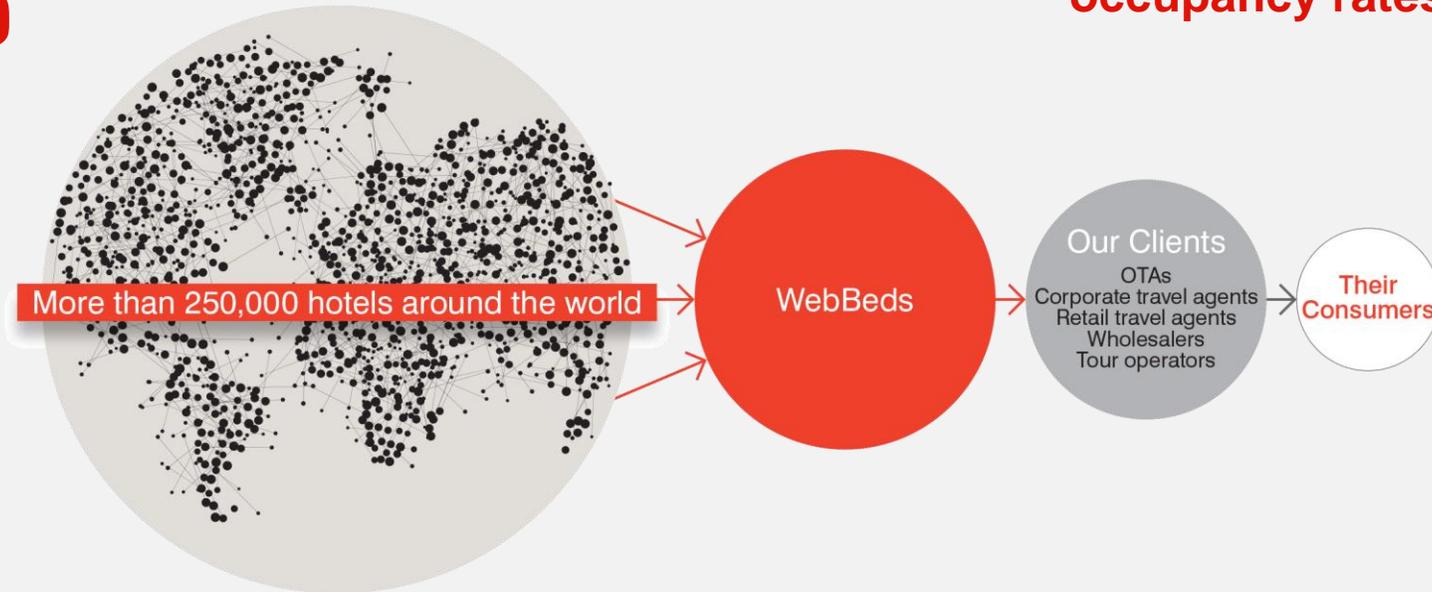
 **FIT RUUMS**
Always stronger together

JacTravel

WebBeds

What is B2B?

WebBeds is an online intermediary between our clients seeking to fulfil accommodation requirements for their customers ... and the more than 250,000 hotels around the world seeking to manage their occupancy rates



What's important?

- Inventory offering
- Pricing
- Easy technology to install and integrate
- Good customer, technical and operational support

>US \$50 Bn TTV Market Opportunity

WebBeds is #2 player – yet we have less than 3% of total global market

Europe



Asia



Middle East/Africa



The Americas



Market Size (TTV \$US)

\$20 Billion

\$18 Billion

\$3 Billion

\$15 Billion

Key market characteristics

Large number of independent hotels

Varies by country

Relationship focused client market

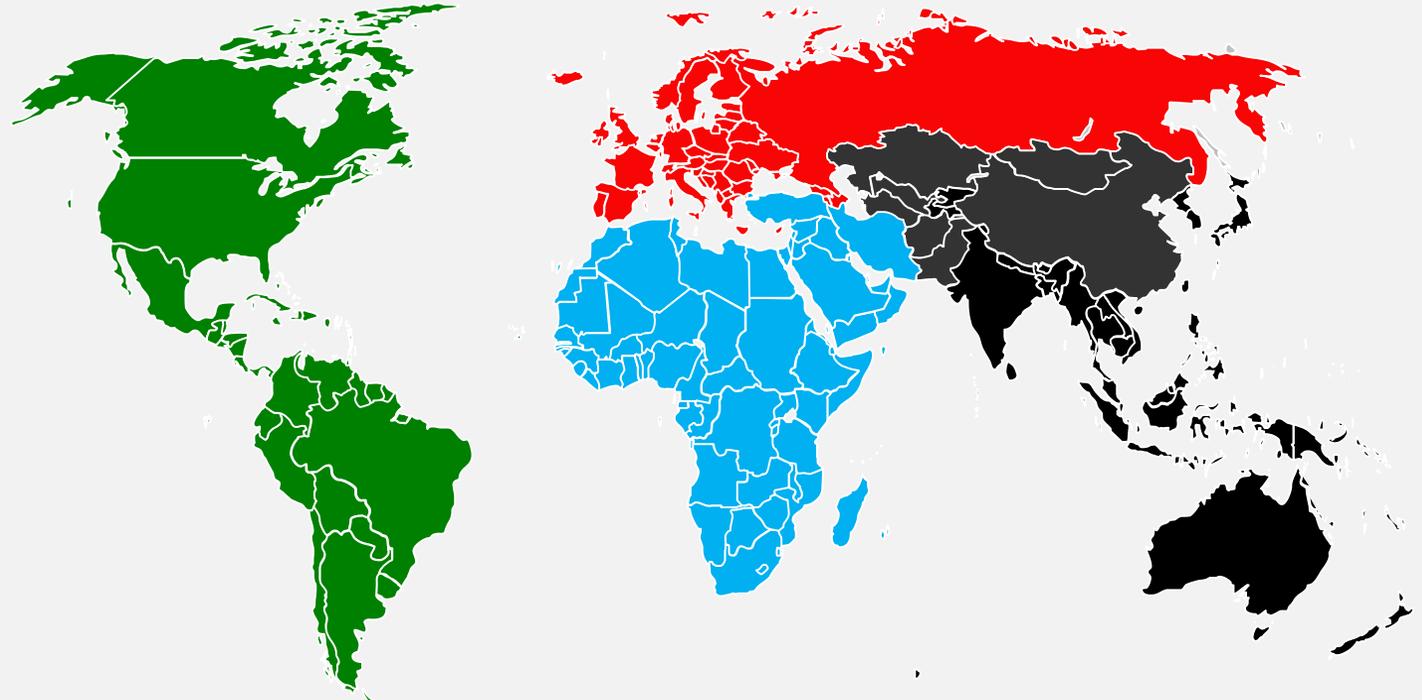
Strong chain hotel loyalty

WebBeds

#2 global B2B player in less than 5 years

The making of WebBeds: Mix of organic start up and acquisition

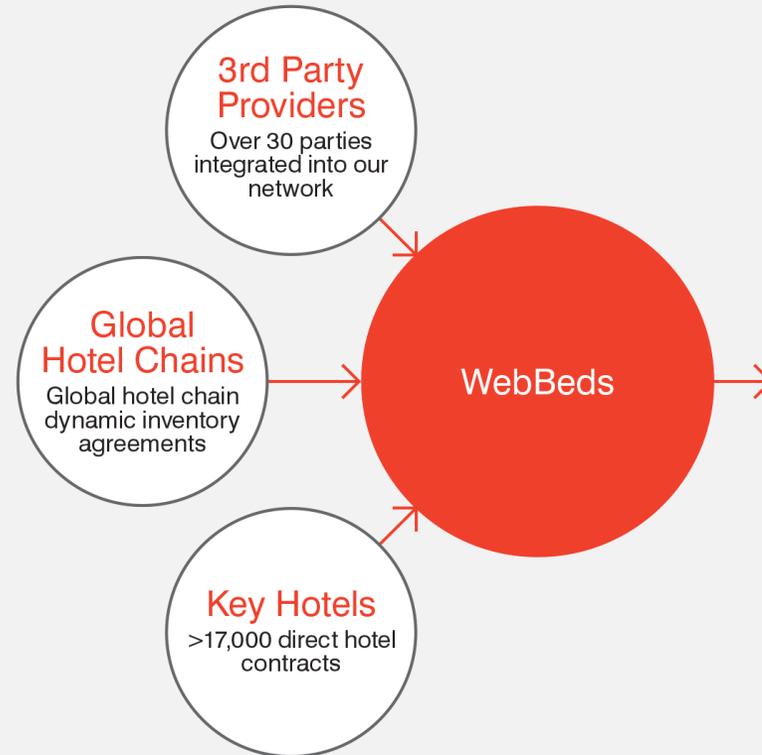
- **Feb 2013** – Started with **Lots of Hotels (LOH)** in Dubai as an organic start up, serving the Middle East and Africa markets (*1st month TTV \$15,000*)
- **Jul 2014** - Purchased **Sunhotels** to service European markets, creating unique position in beach destinations with significant room to grow in Europe
- **Nov 2015** - LOH expands to the **Americas**
- **Aug 2016** - Sunhotels signs partnership agreement with **Thomas Cook**
- **Nov 2016** - Launched **FIT Ruums** as an organic start up to serve the Asian market
- **Aug 2017** - Acquired **JacTravel**, making WebBeds the #2 global B2B player and #2 in European market
- **FY18** - annualised TTV run rate ~\$1.5 billion



AMERICAS	EUROPE	MEA	ASIA PACIFIC
 	  	 	 

What WebBeds offers

The greatest breadth and depth of inventory at competitive prices

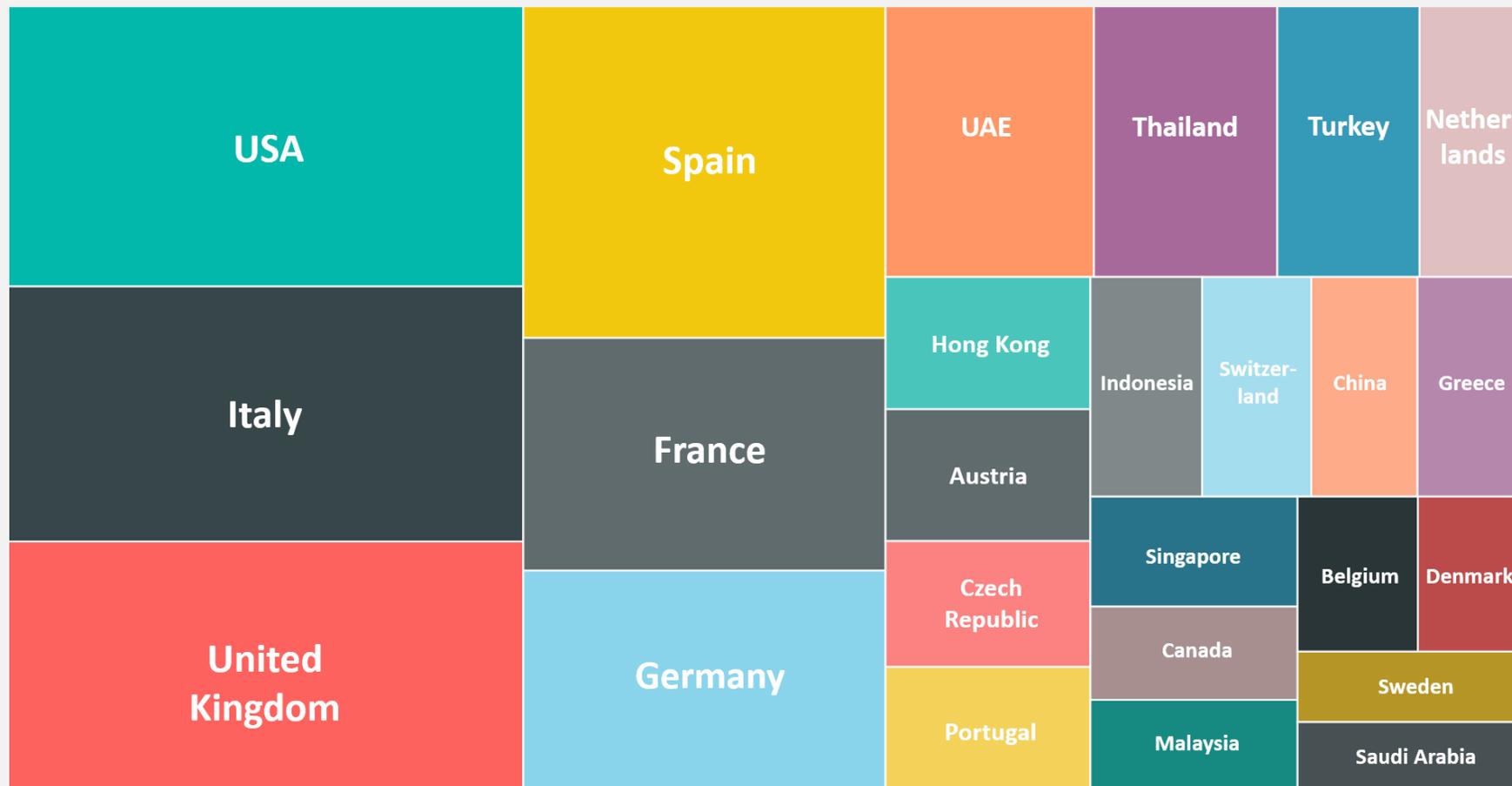


- **Full inventory offering – over 250,000 hotels**
 - Aggregate all supply offerings and display lowest priced option
 - Direct contracts now 50% sales
 - User friendly technology - direct website access or XML connection
- **Low cost operations**
 - Multi-supply aggregation strategy
 - Rezchain (WebBeds' blockchain solution)
 - Cost effective customer support
- **One of very few global players**
 - #2 global B2B player
 - Fastest growing B2B player - increasing relevance to suppliers and customers

WebBeds Top 25 Destination Markets account for 66% of TTV

**Where we
operate
Top 25 Key
Destination
markets by TTV
(YTD 1 APR)**

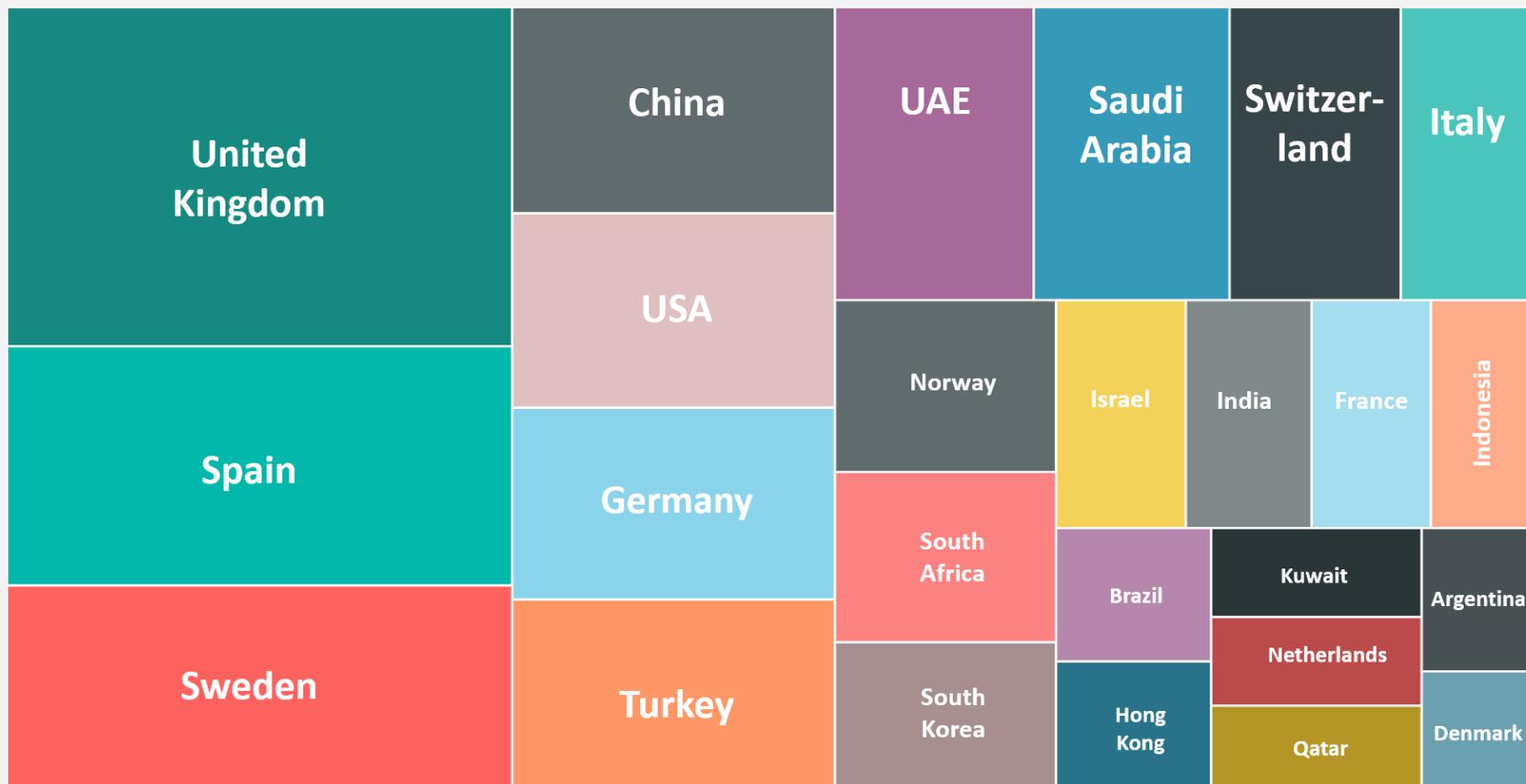
Another 145 countries
account for 34% of TTV



WebBeds Top 25 Source Markets account for 87% of TTV

**Where we
operate
Top 25 Key
Source markets
by TTV
(YTD 1 MAR)**

Another 40 countries
account for 13% of
TTV



B2B Growth strategy

- **Significant market growth potential**
 - Global market >US\$50 billion TTV
 - Highly fragmented market with few global players
 - Industry consolidation represents significant opportunity to gain share
- **Build on our #2 global B2B position**
 - Fastest growing B2B player in the world
 - Continue to outperform underlying market growth rates and gain market share in each region
 - **Europe** - consolidate #2 position in Europe; leverage Sunhotels and JacTravel inventory offerings; deliver on Thomas Cook partnership agreement
 - **Asia** - fastest growing B2B region in the world; aim to become leading regional player over next 3 years; investing in building out sales and contracting teams during FY18
 - **MEA** - continue to narrow gap on # 2 player; unique regional offering
 - **Americas** – leverage key destination markets
 - Augment organic growth with strategic acquisitions
- **EBITDA margins continue to improve**
 - Restructure around regions to deliver greater efficiency
 - Focus on profitable growth
 - Thomas Cook partnership agreement switches to volume based earning arrangement from 1 June 2019



1H18 highlights and FY18 guidance





1H18 Group Tracking to Plan

Webjet flight bookings outperforms market by more than 4 times

- Strong growth in higher margin products

Fastest growing B2B player in the world

- Significantly outperforming market growth rates in all regions
- Growing more than 12 times the global market ⁽¹⁾

Delivering strong financial performance

- For the continuing operations
 - \$41.0 million EBITDA - up **63%**
 - \$20.0 million NPAT – up **25%**

4-Year Booking CAGR: 41%

FY18 EBITDA Guidance

- On track to deliver more than \$3 billion TTV
- FY18 EBITDA guidance of at least \$80 million inclusive of JacTravel acquisition costs

(1) IATA estimated passenger volume increase globally is 7.5% for CY17



webjet limited

Thank You



WebBeds





Appendix



WebBeds





1H18 Financial Highlights

1H18 vs 1H17 ⁽¹⁾	Statutory Result (includes proceeds of sale of Zuji and one-offs)	Continuing Operations ⁽²⁾ (excludes proceeds of sale of Zuji and one-offs)
TTV	↑ 41%	↑ 55%
Total Revenue	↑ 188%	↑ 290%
Revenue ⁽³⁾	↑ 11%	↑ 52%
EBITDA	↓ 10%	↑ 63%
NPAT(before AA) ⁽⁴⁾	↓ 38%	↑ 45%
NPAT	↓ 48%	↑ 25%

(1) **1H17 Restatement**-- reflects the accounting treatment adopted in respect of Thomas Cook agreement for FY17. Impact is \$5.3 million reduction in Revenue and EBITDA and a \$1.4 million reduction in amortisation

(2) **Continuing operations** - 1H18 excludes \$1.0M costs associated with acquisition of JacTravel. 1H17 excludes Zuji, proceeds from sale of Zuji and one-off adjustments including change in accounting treatment for Exclusives acting as principal, termination of car hire contract, performance rights and related incentives

(3) **Excludes Revenue as Principal**

(4) **Acquisition amortisation** includes charges relating to amortisation of intangibles acquired through acquisition



Financial Results ⁽¹⁾

	Statutory Result				Underlying Performance (excl Jac)				Continuing Operations ⁽²⁾				Proforma Continuing Operations ⁽³⁾			
	1H18	1H17	Change		1H18	1H17	Change		1H18	1H17	Change		1H18	1H17	Change	
	\$m	\$m	\$m	%	\$m	\$m	\$m	%	\$m	\$m	\$m	%	\$m	\$m	\$m	%
TTV	1,443	1,025	418	41%	1,211	932	280	30%	1,443	932	511	55%	1,611	932	679	73%
Revenue	131.9	119.2	12.7	11%	106.6	86.7	20.0	23%	131.9	86.7	45.2	52%	146.1	86.7	59.5	69%
Revenue as Principal ⁽⁴⁾	227.9	5.6	222.3	nm	2.9	5.6	(2.7)	(48%)	227.9	5.6	222.3	nm	379.8	5.6	374.2	nm
Total Revenue	359.8	124.8	235.0	188%	109.5	92.3	17.3	19%	359.8	92.3	267.5	290%	525.9	92.3	433.7	470%
EBITDA	40.0	44.4	(4.4)	(10%)	32.3	25.2	7.2	28%	41.0	25.2	15.8	63%	51.8	25.2	26.6	106%
EBIT (before AA)	33.6	40.2	(6.5)	(16%)	28.2	22.3	5.9	26%	34.6	22.3	12.3	55%	45.7	22.3	23.3	105%
PBT (before AA)	30.7	39.1	(8.4)	(22%)	26.8	21.3	5.5	26%	32.3	21.3	11.0	52%	39.6	21.3	18.3	86%
NPAT (before AA)	22.3	36.0	(13.7)	(38%)	18.6	16.4	2.2	13%	23.8	16.4	7.4	45%	30.0	16.4	13.6	82%
Acquisition Amortisation (AA) ⁽⁵⁾	(3.9)	(0.5)	(3.3)	633%	(0.5)	(0.5)	(0.0)	2%	(3.9)	(0.5)	(3.3)	633%	(5.5)	(0.5)	(5.0)	949%
NPAT	18.4	35.5	(17.1)	(48%)	18.1	15.9	2.1	13%	20.0	15.9	4.0	25%	24.5	15.9	8.5	54%
EPS (cents)																
- Basic	16.5	36.6	(20.1)	(55%)	18.4	16.4	2.0	12%	17.8	16.4	1.4	9%	21.9	16.4	5.5	33%
- Diluted	16.3	36.0	(19.7)	(55%)	18.1	16.2	2.0	12%	17.7	16.2	1.5	9%	21.6	16.2	5.5	34%
Margins																
Revenue Margin	9.1%	11.6%	(2%)		8.8%	9.3%	(1%)		9.1%	9.3%	(0%)		9.1%	9.3%	(0%)	
EBITDA Margin	30.3%	37.2%	(7%)		30.3%	29.0%	1%		31.1%	29.0%	2%		35.4%	29.0%	6%	
Marketing % TTV	1.3%	1.6%	(0%)						1.3%	1.6%	(0%)					
Marketing % Revenue	14.4%	14.0%	0%						14.4%	17.3%	(3%)					
Effective Tax Rate (excl AA)	27.4%	8.0%	19%		30.5%	22.7%	8%		26.1%	22.7%	3%		24.2%	22.7%	2%	
Effective Tax Rate	31.4%	8.1%	23%		31.1%	23.3%	8%		29.7%	23.3%	6%		28.2%	23.3%	5%	

- (1) **1H17 Restatement**-- reflects the accounting treatment adopted in respect of Thomas Cook agreement for FY17. Impact is \$5.3 million reduction in Revenue and EBITDA and a \$1.4 million reduction in amortization
- (2) **Continuing Operations** 1H18 exclude \$1.0M costs associated with acquisition of JacTravel. Continuing operations 1H17 exclude Zuji, proceeds from sale of Zuji and one-off adjustments including change in accounting treatment for Exclusives acting as principal, termination of car hire contract, performance rights and related incentives
- (3) **Proforma result** if acquired JacTravel on 1 July 2017 and excludes costs which will not be continuing under Webjet ownership
- (4) **Revenue as Principal** - JacTravel acts as principal in its wholesale relationship between customers and suppliers. As a result, revenue is equal to TTV. During the current reporting period Webjet Exclusives acted as principal and agent. For clarity, revenue associated with both JacTravel and Exclusives acting as principal has been separated out. For consistency, Revenue as Principal has been removed from margin analysis
- (5) **Acquisition amortisation** includes charges relating to amortisation of intangibles acquired through acquisition



Segment Summary Continuing Operations

Continuing Operations ⁽¹⁾	1H18	1H17	Change	
	\$m	\$m	\$m	%
TTV				
Webjet ⁽²⁾	642	527	115	22%
Zuji (inc VAH)	18	31	(14)	(43%)
Online Republic ⁽²⁾	154	138	16	11%
LOH	146	110	36	33%
Sunhotels	156	113	44	39%
Thomas Cook	44	12	33	284%
JAC	232	0	232	n/a
Fit Ruums	50	1	50	n/a
TTV Continuing Operations	1,443	932	511	55%
Zuji HK & SG	0	93	(93)	(100%)
Total TTV	1,443	1,025	418	41%
Bookings				
B2C	1,015	903	111	12%
B2B	1,054	322	732	227%
Segment TTV				
B2C	814	697	117	17%
B2B	629	235	394	168%
Revenue				
B2C	82.4	68.4	14.0	21%
B2B	49.4	18.3	31.2	170%
Operating Costs				
B2C	50.6	40.8	9.8	24%
B2B	36.6	17.4	19.2	110%
Corporate	3.6	3.3	0.3	11%
EBITDA				
B2C	31.8	27.6	4.2	15%
B2B	12.8	0.9	11.9	1378%
Corporate	(3.6)	(3.3)	(0.3)	11%
EBITDA Margin %				
B2C	38.6%	40.3%		(2%)
B2B	25.9%	4.7%		21%
Margins				
Revenue Margin	9.1%	9.3%		(2%)
EBITDA Margin	31.1%	29.0%		7%
Marketing % TTV	1.3%	1.6%		(18%)
Marketing % Revenue	14.4%	17.3%		(17%)
Effective Tax rate	26.1%	22.7%		15%

(1) **Continuing Operations** 1H18 excludes \$1.0M costs associated with acquisition of JacTravel. Continuing operations 1H17 excludes Zuji, proceeds from sale of Zuji and one-off adjustments including change in accounting treatment for Exclusives acting as principal, termination of car hire contract, performance rights and related incentives

(2) **1H17 TTV Restated** to reflect car TTV earned by Online Republic for Webjet volume

Group TTV (continuing operations) ↑ 55% pcp

B2C TTV ↑ 16.8%

- Webjet TTV ↑ 21.8%
- Online Republic ↑ 11.3%

B2B TTV ↑ 168.0%

- LOH ↑ 33.0%
- Sunhotels ↑ 39.0%
- FIT Ruums TTV \$50M

Group EBITDA (continuing operations) ↑ 63% pcp

B2C EBITDA ↑ 15.3%

- Webjet EBITDA ↑ 26.0%
- Online Republic ↓ 15.5%

B2B EBITDA ↑ 1377.9%

- Includes 4 months contribution from JacTravel
- LOH North America now profitable
- No recognition of Thomas Cook management fee
- \$2.3 million loss for Fit Ruums

Effective tax rate (continuing operations) 29.7%

- Excluding non-deductible amortisation of acquisition intangible assets ("AA"), the effective tax rate was 26.1%
- The Proforma Continuing Operations effective tax rate, excluding AA, is 24.7% for current reporting period