



Introduction to Webjet Limited

Goldman Sachs Emerging Tech Day

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DIGITAL TRAVEL BUSINESS

spanning both consumer markets (through B2C)
and global wholesale markets (through B2B)

WHO IS WEBJET?

B2C TRAVEL

Leading online consumer travel brands

Webjet

- Market leading OTA in Australia and New Zealand

Online Republic

- Global coverage in online Rental Car hire and Motorhomes
- Australasian leader in online Cruise



B2B TRAVEL - WebBeds

Online fulfillment of hotel bookings for our travel industry partners

WebBeds Global Coverage:

- Europe – Sunhotels; JacTravel
- MEA – Lots of Hotels (LOH); JacTravel
- Americas – LOH; JacTravel
- Asia – FIT Ruums; JacTravel





FY17 KEY Highlights

Ongoing growth of Webjet OTA business

- Webjet OTA continues to demonstrate strong growth in both domestic and international flight bookings and Packages
- Online Republic fully integrated

Building global coverage of WebBeds B2B business

- 3 key events during the year has helped develop a global footprint across all key markets
 - Strategic sourcing partnership with Thomas Cook in August 2016 provides significant TTV and revenue growth opportunities from FY20
 - Entry strategy into the fast growing Asian market through the launch of FIT Ruums in November 2016
 - Transformational acquisition of JacTravel in July 2017 makes WebBeds the No. 2 global player and No. 2 player in the important European market

Delivered record financial performance

- Reported NPAT of \$52.4 million (up 146.6%); NPAT from continuing operations of \$33.1 million (up 58.0%)
- Reported EBITDA of \$69.9 million (up 90.7%); EBITDA from continuing operations of \$51.0 million (up 40.3%)



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





Webjet OTA

Leading the way in online tools and technology

**#1 OTA in
Australia
and New
Zealand**





Flight Bookings Continue to move online

(1) Domestic Passenger numbers growth – 12 months to June 2017. Source: BITRE.
 (2) Short Term Resident Departures – 12 months to June 2017 Source Australian Bureau of Statistics



Ongoing product improvements driving increased visitation and conversions

- Enhanced understanding of **consumer purchasing behaviours** and successful **migration to Cloud**
- Industry leading merchandising capabilities** for airline partners
- Increased ancillary product sales** for Low Cost Carriers
- Broadening of payment types**
- Transition to agile development culture** is delivering efficiency and rapid innovation to market. Ability to **deploy daily** without impacting the customer experience
- UX team investment** delivering enhanced customer driven design
- Superior chat, messaging and social engagement services** for our customers
- Ongoing **commitment to data driven decision making** and customer experience improvements
- Enhanced the booking change process/flow** to remove friction points
- Additional customer survey touchpoints** to collect real-time feedback



More than just flights

**Higher
margin
products
delivering
Growth**

Packages

- **Dynamic holiday packages** - Webjet Packages allows customers to dynamically package flights, accommodation and car hire to best suit their needs
- Packages growth supported by billboard and TV campaigns throughout the year
- Opaque pricing of Webjet packages enables airlines to distribute discounted fares without disrupting their own retail (flight only) pricing strategies
- **FY17 - Packages TTV up 40%; bookings up 38% year on year**

Exclusives

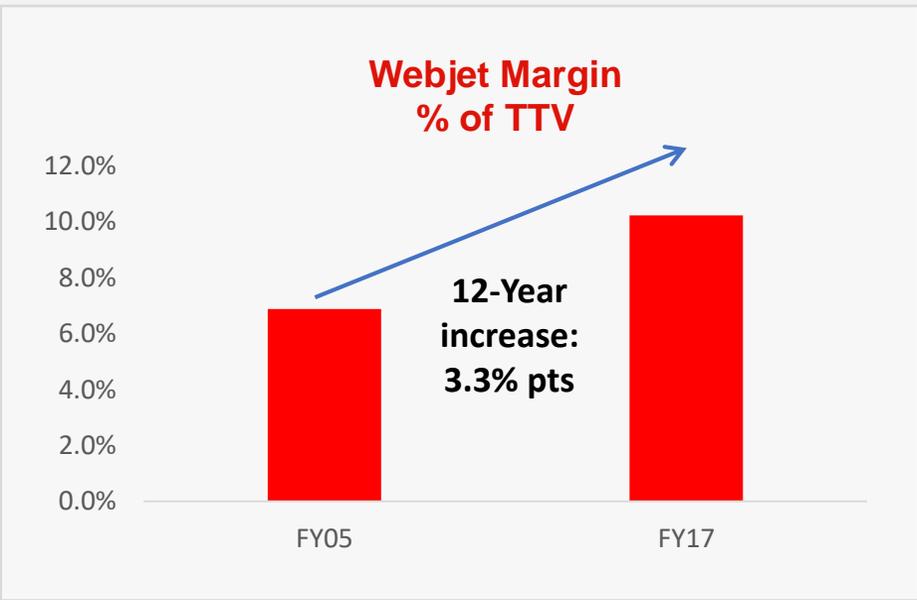
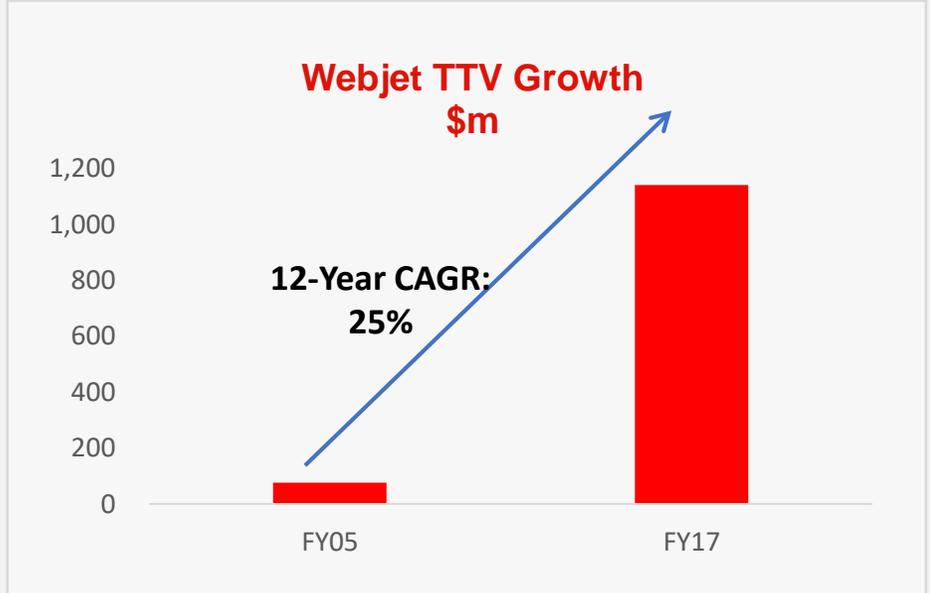
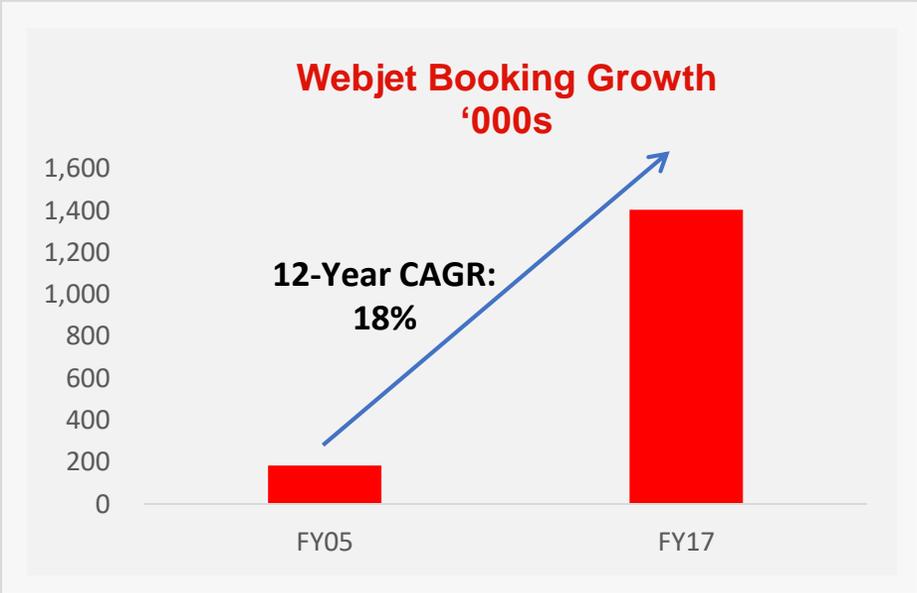
- **Exclusively contracted holiday packages.** Separated out from Webjet Packages during the year to focus on Tour product offerings
- Substantial press advertising provides exposure for the Webjet brand, as well as direct marketing benefits for Exclusives
- **FY17 - Exclusives TTV up 42%; bookings up 5%** reflecting focus on higher value itinerary offerings

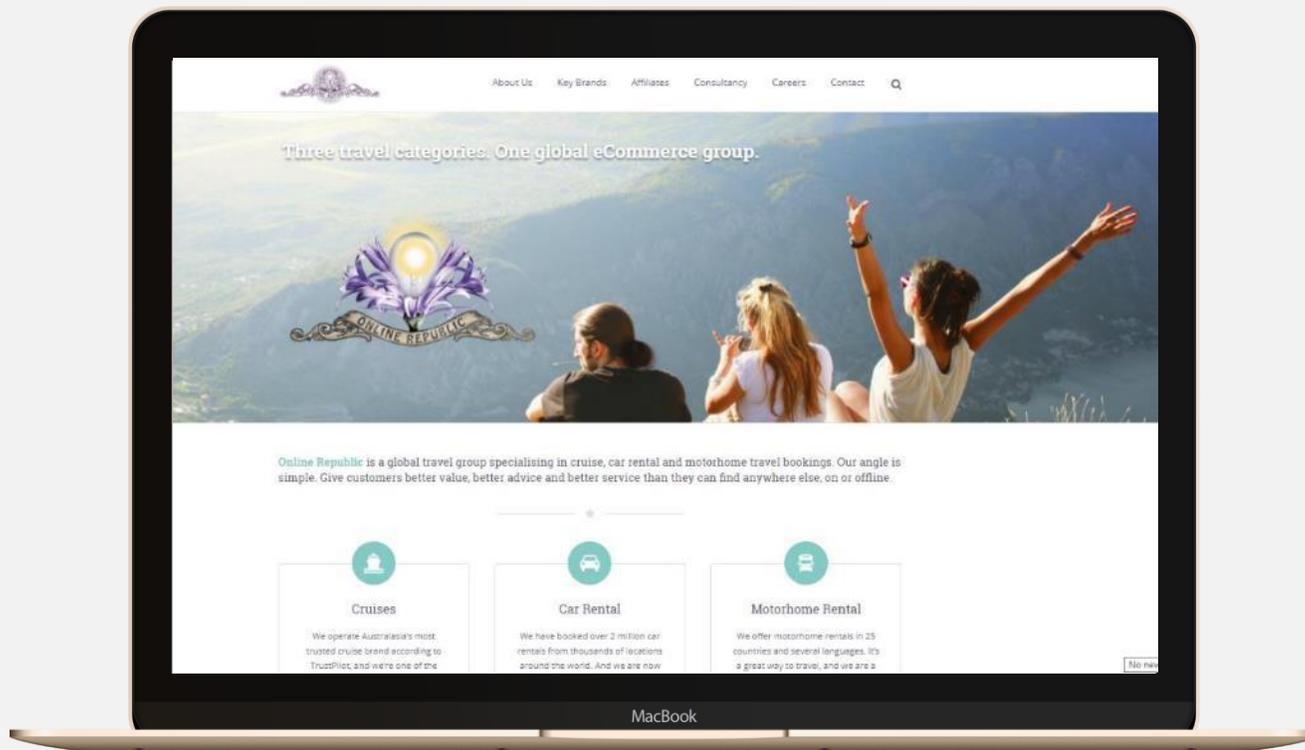
Ancillary products

- **We offer Car hire, travel insurance, motorhomes, cruise and hotel accommodation**
- Travel insurance and car hire continue to demonstrate strong TTV growth. Continual split testing of messaging and offer presentation in path to optimise attachment rate
- Cruise operated through Online Republic
- Over 160,000 hotels worldwide.
- **FY17 - Insurance TTV up more than 25%. Car hire TTV up more than 60%. Hotels TTV decreased 19.2%** in line with strategic decision to focus on flights and Packages and no longer actively promote stand alone B2C hotel offering



History of Delivering Superior Organic Growth





ONLINE REPUBLIC

NEW ZEALAND

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



Business units all growing

Online Republic Acquired in May 2016

MOTORHOMES MotorhomeRepublic

- **#1 global online motorhome rental agent.**
- Operating in 8 languages, consumers can book motorhome from any of over 450 locations across 28 countries.
- Growth in foreign language bookings provided diversification away from domestic Australasian markets into northern hemisphere markets
- **FY17 - bookings growth of 22%**

CAR HIRE Airportrentals.com

- **#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.
- From January 2017, car hire through Webjet OTA now provided by Online Republic. Transition has gone smoothly and performance exceeding expectations.
- **FY17 - bookings growth of 31%**

CRUISE CruiseSaleFinder

- **#1 online cruise agency in Australia and New Zealand**
- Awarded CLIA NZ cruise agency of the year for 2nd year in a row.
- Providing the Webjet OTA cruise offering since 2014.
- Continued to grow but experienced challenging weather events over March-April 2017 which impacted sales for port departures ex Queensland and NSW
- **FY17 - Bookings growth suppressed as a result, with marginal growth of 3%**



B2C

Growth strategy

- **Well positioned for growth as bookings continue to move online**
 - Well positioned for ongoing bookings growth as B2C market continues to shift online and we continue to focus on improving visitations and conversions
- **Webjet OTA**
 - Considerable growth opportunities from both domestic and international flight bookings - currently around 5% domestic flight market and less than 1% entire international flight market
 - Ancillary products also offer growth opportunities – particularly Packages as consumers get more comfortable booking online
- **Online Republic**
 - Continue to look for opportunities to expand Online Republic brands into other regional and international markets

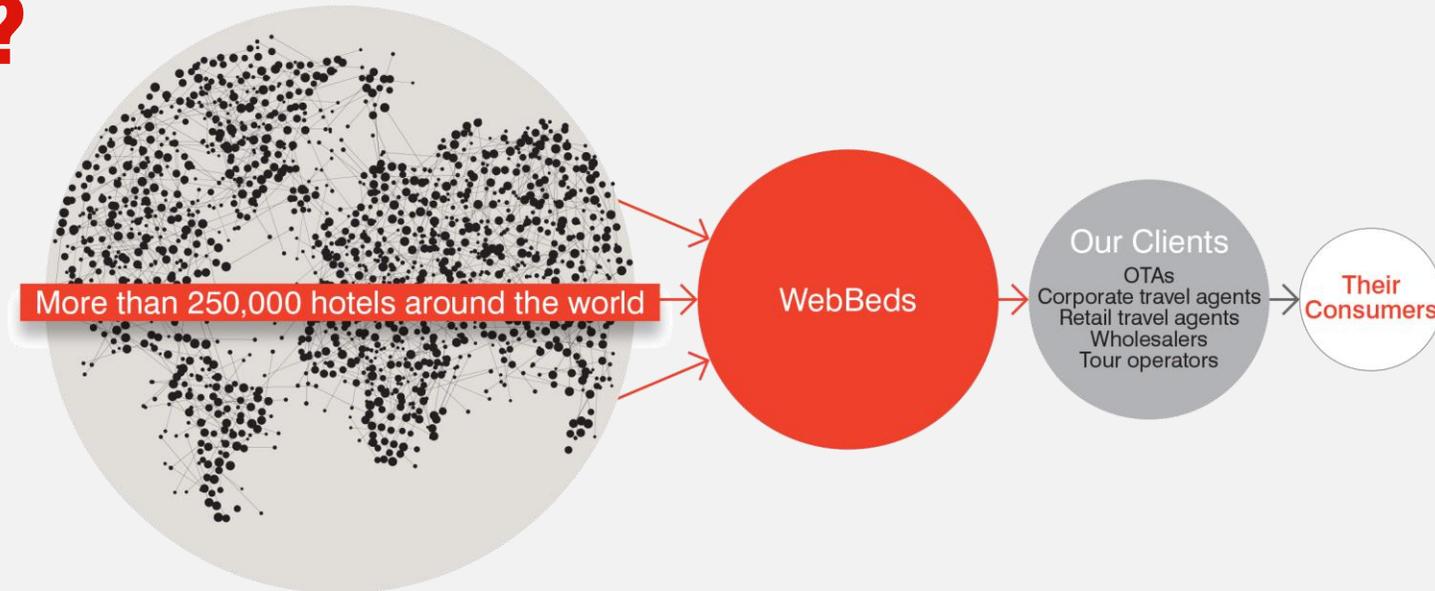


B2B WebBeds

***DIGITAL PROVISION OF HOTEL ROOMS TO
GLOBAL PARTNERS.***



What is B2B?



What's important

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

>US \$50 Bn TTV Market Opportunity

Europe

Asia

Middle East/Africa

The Americas

WebBeds

#2 player yet less than 3% of total global market



Market Size (TTV \$US)

\$20 Billion

\$18 Billion

\$3 Billion

\$15 Billion

Key market characteristics

Large number of independent hotels

Varies by country

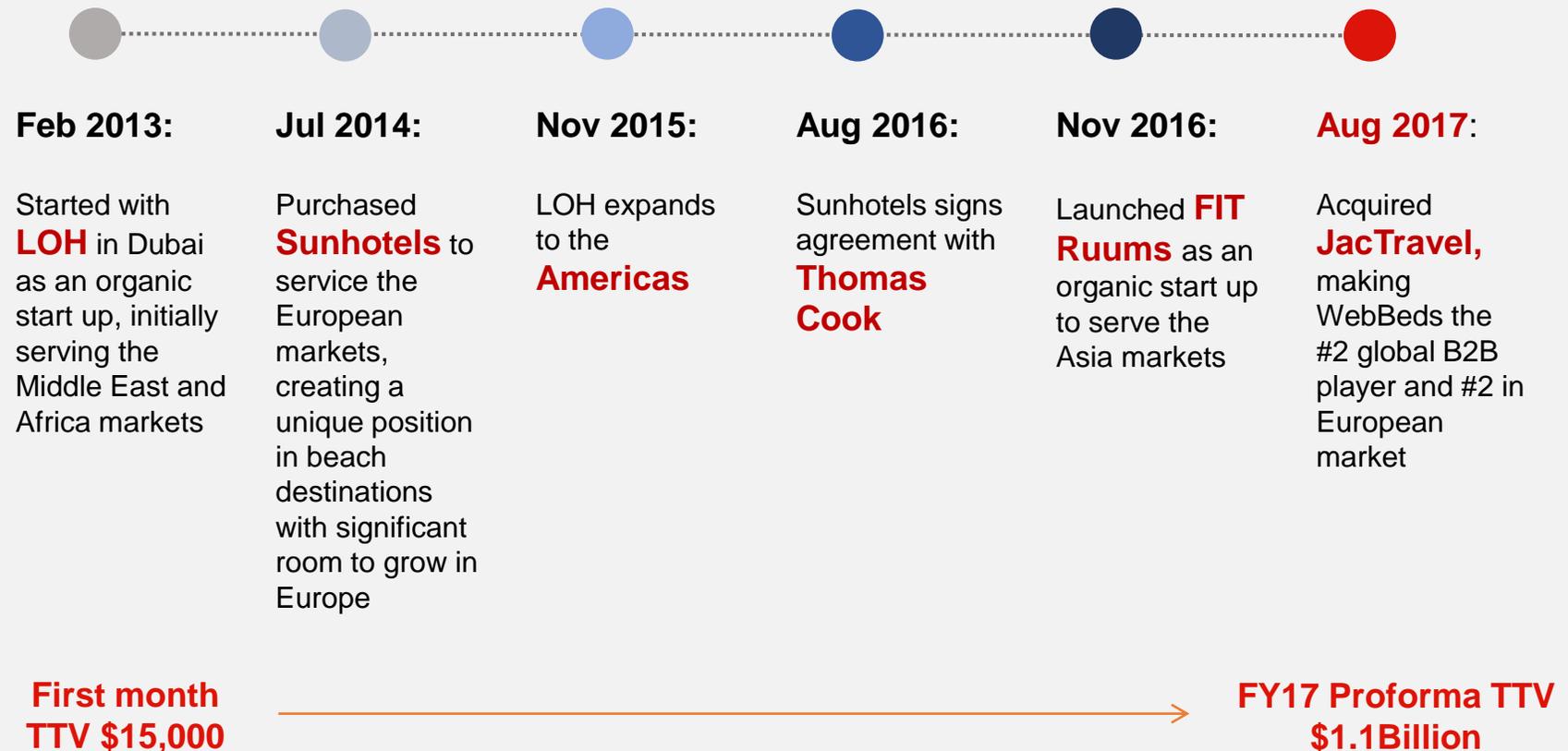
Relationship focused client market

Strong chain hotel loyalty

WebBeds is #2 B2B Player Globally

THE MAKING OF WebBeds:

MIX OF ORGANIC START UP AND ACQUISITION





B2B

Growth strategy

- **Market overview**
 - 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**
 - Currently the fastest growing B2B player in the world
 - Continue to outperform underlying market growth rates and gain market share in each region
 - Consolidate #2 position in Europe; leverage Sunhotels and JacTravel inventory offerings; Thomas Cook partnership switches to volume based earning arrangement from 1 June 2019
 - Become leading player in Asia over next 3 years; fastest growing B2B region in the world; invest in building out sales and contracting teams
 - Continue to narrow gap on # 2 player in MEA; unique regional offering
 - Focus on profitable growth
 - Augment organic growth with strategic acquisitions
- **The JacTravel acquisition provides opportunity to reduce costs globally**
 - Shared services where appropriate
- **EBITDA margins to increase from FY19 onwards**



FY18 guidance





FY18 YTD UPDATE

FY18 – FY20 bookings growth target

- As bookings are a key driver of growth, our aim is to continue to gain market share and grow more than the underlying market in each of our businesses:
 - **3 year B2C growth target** – Bookings growth of more than 3 times the underlying market growth rate.
 - **3 year B2B growth target** – Bookings growth of more than 5 times the underlying market growth rate in each market
- Both B2C and WebBeds B2B are currently exceeding our target growth rates



FY18 GUIDANCE

FY18 EBITDA Guidance

- On track to deliver \$3 billion TTV
- FY18 EBITDA guidance of \$80 million
 - This reflects the inclusion of the below items:
 - One-off JacTravel acquisition costs of \$1.2 million
 - Impact of \$1.7 million Netflix tax (GST on inbound intangible supplies made by overseas supplier to Australian Consumers) in relation to Online Republic
 - Additional \$2.7 million costs associated with Thomas Cook
 - FY18 FIT Ruums losses in line with FY17

Additional information

- Pro forma JacTravel EBITDA contribution for July and August 2017 of \$9 million – if we had owned the business from 1 July 2017, FY18 pro forma EBITDA guidance would be \$89 million
- JacTravel acquisition in September 2017, together with impact of standard 1H seasonality for B2B business will result in a negative 1H18 cash flow. As in FY17, this will reverse in 2H and 2H18 cash flow will be positive.



Questions?

