



9 November 2016

**WEBJET ANNOUNCES SALE OF ZUJI
AND
\$78 MILLION EBITDA GUIDANCE FOR FY 2017**

Key highlights

- Sale of Zuji for \$56 million to Hong Kong based travel technology group
- FY17 EBITDA guidance of \$78 million – includes \$60 million for the continuing businesses

Sale of ZUJI

Webjet Limited today announced that it has entered into an agreement to sell the Zuji businesses in Hong Kong and Singapore to Reckon Holdings Limited and Sharp Focus Pacific Limited, subsidiaries of Uriel Aviation Holding Limited, a Hong Kong based travel technology group.

Webjet will receive total consideration of \$56 million, representing a \$26 million gain over the purchase price of \$30 million (US \$25 million).

Commenting on the sale, Webjet's Managing Director John Guscic said:

“Since acquiring Zuji in March 2013, we have taken out more than \$5 million in annual costs and turned the Zuji businesses into profitable operations in a competitive market. We remain committed to expanding our presence in Asia through B2B hotels and are delighted to announce that we will be launching FIT Ruums later this month. FIT Ruums is a new start-up which extends our B2B division across key Asian markets.”

As part of the agreement, the parties have entered into a Transitional Service Agreement under which Webjet will provide transitional services on a fee-for-service basis for 12 months to assist with the smooth transition of the businesses to the new owners.

Completion of the sale is subject to satisfaction of required regulatory approvals and third party consents and is expected to occur by 28 February 2017.

FY 2017 Guidance

Webjet also today announced EBITDA guidance for FY 2017 of \$78 million. This includes:

- \$60 million EBITDA for the continuing businesses - Webjet, Online Republic, Lot of Hotels and Sunhotels (including the Thomas Cook alliance)
- \$26 million gain on the sale of Zuji
- Deductions of \$8 million comprising:

- A one-off \$5 million cost associated with an accounting policy change due to a shift in supplier contracting arrangements for Webjet Exclusives
- A one-off \$3 million investment associated with the launch of FIT Ruums, the company's Asian B2B entry strategy that will be launched at the AGM on 23 November 2016

Trading performance FY 2017 to date

The company is continuing to experience strong bookings growth across all of its business units:

- B2C
 - Webjet bookings growth continues to outperform the market by more than 4 times, with strong growth coming through in both domestic and international bookings
 - Online Republic is currently tracking ahead of expectations
- B2B
 - Bookings growth rates for both the Lots of Hotels and Sunhotels businesses are outperforming their respective markets by more than 10 times

Mr Guscic said:

"We are continuing to gain market share in each of our business units. In the Australian market, the current unprecedented range and value of air fare deals is encouraging consumer search activity. This underlines the power of Webjet's market footprint which provides our customers with easy, immediate comparisons and increased conversion rates are propelling our overall growth, particularly for international bookings.

In addition, all our B2B businesses continue to demonstrate superior growth in difficult market conditions and business profitability has substantially improved. We remain on track to deliver more than \$11 million EBITDA from our B2B businesses during the 2017 financial year."



John Guscic
Managing Director