Full Year Results for the year ended 30 June 2010

10 August 2010

The Jetset Travelworld Group

Highlights

The Jetset Travelworld Group

Financial

- PBT $19 million (before $4.5 million of costs associated with the proposed merger) reflecting improving trading conditions and cost control
- TTV $2,199 million
- Cash $114 million
- H2 significantly better than H1 (excluding merger costs)

Awards

- NTIA Best Travel Agency Group
- NTIA Best Wholesaler International Product

Strategy

- Proposed merger with Stella providing compelling strategic rationale to improve JTG market positioning and investment returns
- EGM to be held on 6 September 2010

Quality Brands

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Wholesale	Retail	Corporate	Online
Qantas Holidays	Jetset	QBT	ReadyRooms.com.au
viva! holidays	travelworld	JTG Business Select	
orient pacific	National Cruise Centre		
	CruiseSelect		

Financial Summary

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Segment Analysis

FY10 $ millions	Retail	Wholesale	Business Travel	Corporate /Goodwill	Consolidated JTG
TTV	1,053.9	416.3	728.5	-	2,198.7
Revenue	31.7	68.6	34.8	-	135.1
EBITDA	17.2	12.9	(3.6)	(11.0)	15.5
Profit before related income tax expense and net finance revenue	**16.8**	**12.4**	**(3.6)**	**(16.5)**	**9.1**
Net finance revenue	0.7	4.7	-	-	5.4
Profit before related income tax expense	**17.5**	**17.1**	**(3.6)**	**(16.5)**	**14.5**
Income tax expense					(5.8)
Profit for the year					**8.7**
Segment results by reporting period					
1H 09	11.4	11.7	2.6	(2.7)	23.0
2H 09	6.5	(3.6)	0.2	(2.3)	0.8
	17.9	8.1	2.8	(5.0)	23.8
1H 10	6.7	8.8	(2.1)	(6.1)	7.3
2H 10	10.8	8.3	(1.5)	(10.4)	7.2
	17.5	17.1	(3.6)	(16.5)	14.5

Note: FY10 Corporate costs include $4.5m merger costs and $5.5m of intangible asset amortisation.
In FY09 Corporate costs of an estimated $1.3m resided in the Retail and $5.9m in the Wholesale segment.

Financial Summary (continued)

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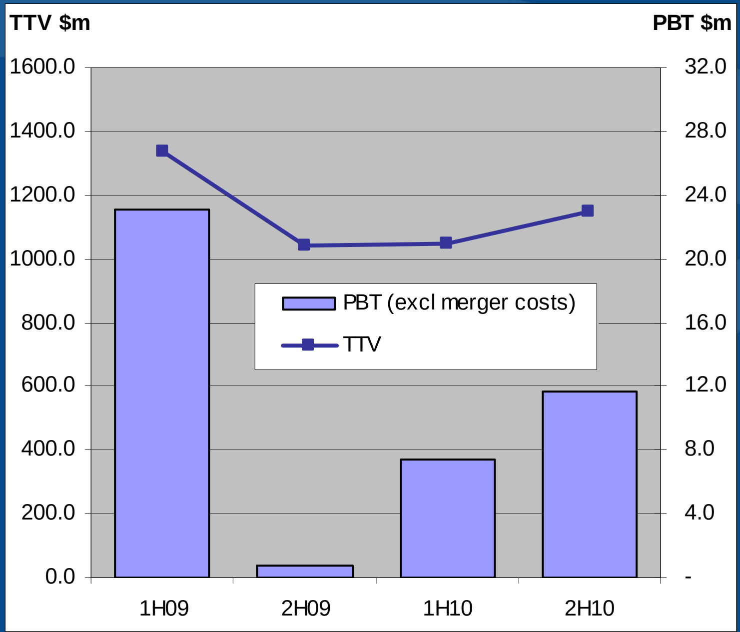
Analysis by Reporting Period



FY10 compared to FY09
- TTV down 7.5% on prior year while net revenue was down 6.9%
- PBT down 20% (excluding merger costs)
- Costs have been reduced 6.2% (excluding merger costs)

2H10 compared to 1H10
- Signs of post-GFC recovery
- TTV in 2H10 improved 9.3% over 1H10
- PBT up 59% (excluding merger costs)

Reported PBT is stated after charging $5.5 million in amortisation of intangible assets arising on consolidation, $4.5 million in advisor fees relating to the merger, $1.3 million of one-off payments received from suppliers and over $5.1 million negotiated settlements of liabilities relating to previous years. In addition, from the 2008 merger, JTG received service level and incentive payments from Qantas to assist transition. These payments reduce over 3 years.

Financial Summary (continued)

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Balance Sheet Summary

	30 June 2010 $m	30 June 2009 $m	Increase/ (Decrease) $m
Net working capital	**46.8**	**42.1**	**4.7**
Property, plant & equipment	1.1	1.5	(0.4)
Intangible assets	168.2	173.5	(5.3)
Non-current liabilities,excluding tax	(0.8)	(2.0)	1.2
Net tax liabilities	(18.4)	(19.7)	1.3
Net Operating assets	**196.9**	**195.4**	**1.5**
Net debt	0.0	0.0	0.0
Contributed equity and reserves	173.0	172.4	0.6
Retained earnings	23.9	23.0	0.9
Total funds employed	**196.9**	**195.4**	**1.5**

- Continued balance sheet strength
- Dividends paid during the year of $7.9 million while NPAT was $8.7 million

Key Profit Drivers

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Economy	• Consumer confidence increasing providing a positive lead indicator • Interest rates increasing providing an indicator of economic recovery
Foreign Exchange	• Relatively strong AUD leads to more passengers taking overseas trips • Volatile exchange rates continues to make forecasting difficult
Operations	• Some recovery in post GFC yields although slow and patchy • Continued focus on delivering sustainable cost savings

Wholesale

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Trading	• Forward bookings are stronger than prior year • Passenger volumes remain strong • Improved return on preferred supplier relationships • Viva! Holidays continues strong growth
Customer support	• ***Trip*** program continues to drive repeat business and now has more than 6,500 members • Trade Surveys continue to show increased satisfaction with the Qantas Holidays offering
Awards	• NTIA Best Wholesaler International Product • NTIA Best Sales Executive – Industry Supplier
Operations	• Significant cost savings • Launch of expanded cruise offering

Wholesale

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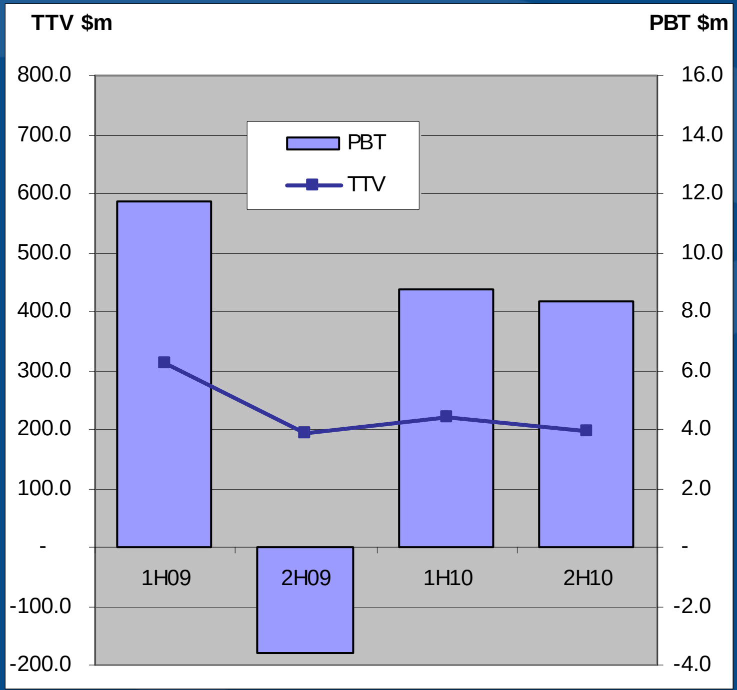

- TTV has stabilised post GFC
- Margin remains under pressure in a competitive market
- Higher FX rates are positive however there has been significant volatility in this area
- Continue to improve cost structure as transition payments from Qantas wind down
- Leverage the strength of ***Trip*** reward & recognition program
- Vigorously pursued one-off payments from suppliers to support profitability during tough times and negotiated settlement of liabilities that related to previous years. In addition FY09 includes $5.9m of costs which were paid by Corporate in FY10

Corporate - QBT

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Government Tender	• Whole of Australian Government travel management services tender has occupied much of the year • QBT included on panel of appointees for Federal Government travel management
Global Alliance	• Global partner with Uniglobe in Australia and New Zealand • QBT can fulfil requirements of Australian customers with overseas operations through alliance partners
Technology	• Majority of customers serviced through Agency Manager system with market leading customer service • Provides detailed reporting capability with enhanced data matching capability

Corporate - QBT

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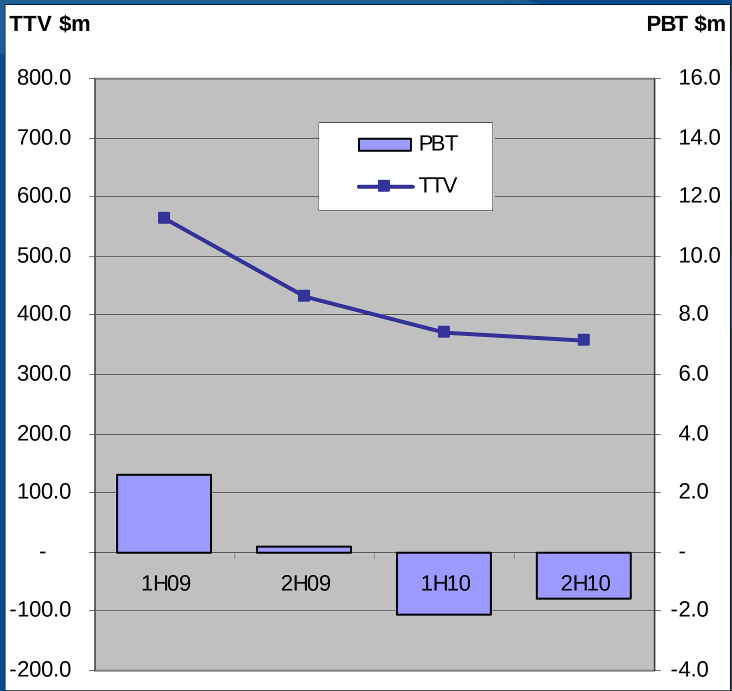

- TTV is down 26.9% on the prior year as large corporations and governments continue to constrain travel, enforce policies directing travel to lower, less flexible airfares as well as the impact of lower ticket prices across all travel classes
- Costs have been reduced 11.2% primarily in manpower. Sustainable cost savings will continue to be pursued to improve profitability
- FY10 PBT loss of $3.6m down $6.5m from FY09.

Retail

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Network	• Strong 26 store growth in network up to 670 • Churn in outlets continues to improve profile and quality of network members
National Cruise Centre	• Launched National Cruise Centre in April 2010 • Core of 82 Cruise Select specialist agents • Progressive state by state roll out plan commencing in August 2010
Awards	• NTIA Best Travel Agency Group (first time ever to win this award) • NTIA Jetset Norwood Best Travel Agent
Business Select	• 5 agents joined the network, now totalling 61 • 18% growth in the TTV contribution • Network maturing with dedicated conference

Retail

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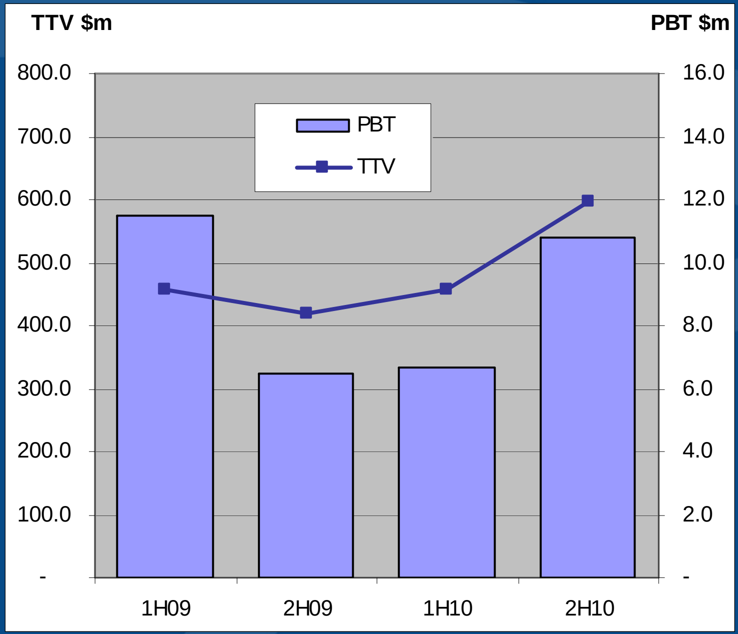

- Full year TTV has increased 20% on FY09 from a number of factors including:
  - positive retail trading conditions
  - collective purchasing agreement with Travellers Choice
  - increasing agent numbers
  - positive impact of agent churn

- TTV growth contributed to increased commissions from suppliers

- FY10 PBT includes positive contributions from entering a preferred GDS arrangement, a number one-off payments from suppliers and re-allocation of administrative costs to the Corporate segment

Online

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Retail	• Redesigned and relaunched jetset.com.au and travelworld.com.au websites • Sites have agency call to action, agent finder tools and offers flights, hotels and travel insurance
Corporate	• Full online booking capability • Online travel management and reporting tools
Consumer	• Launched readyrooms.com full functionality domestic and international booking booking engines for flights, accommodation, car hire and insurance • Cruise product will be added in the future • Hotel bookings also sold via qantas.com

Proposed Merger

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Size

	TTV	Staff	Franchises
JTG	$2.2b	c800	c670
STS	$3.3b	c1,800	c1,530

Benefits

- Ability to compete in rapidly changing industry – online aggregators, online suppliers, growth of competitor owned and controlled networks, new home based competitors
- Opportunity to reduce unit cost of distribution
- Strong shareholders and business partners
- Strong balance sheet

Timetable

- ACCC decision expected 2 September 2010
- EGM 6 September 2010

Outlook

The Jetset Travelworld Group

Market	• Expect improved revenues • Expect some yield recovery • Forward bookings are stronger than pcp
Focus	• Stringent cost control • Volume stimulation • Sustainability initiatives and • Integrating Stella
Outlook	• Refer Explanatory Memorandum dated 28 July 2010