

## MEDIA RELEASE AND STATEMENT TO STOCK EXCHANGE

### HEALTHY FIRST QUARTER GROWTH FOR FLIGHT CENTRE LIMITED

FLIGHT Centre Limited remains on track for another year of growth after achieving healthy results in the first quarter of the 2003-2004 fiscal year.

In releasing its unaudited accounts for the three months to September 30, 2003, the company today reported increases in profit, revenue and total transaction value in comparison to the corresponding quarter of 2002-2003.

Flight Centre Limited chairman Norman Fussell said profit before tax increased 19 per cent to \$26.7 million during the period, with operating profit after tax increasing 17 per cent to \$18.2 million.

Total transaction value increased 25 per cent to \$1.4 billion, while revenue increased 29 per cent to \$180 million.

Basic earnings per share also increased 11 per cent from 17.6 cents in the September quarter last year to 19.5 cents.

"We can be pleased with our achievements in the first quarter of the current fiscal year," Mr Fussell said. "Growth has been steady and has helped the company surpass its achievements from the three months to September 30, 2002, which was a strong period.

"At this early stage it is impossible to predict a full year result, but it is clear that profit growth should be in the order of 20 per cent."

Flight Centre chief executive officer Shane Flynn said the company's Australian operation had performed strongly in the first quarter, with leisure businesses and business travel brand Corporate Traveller achieving significant growth.

Mr Flynn said New Zealand and South Africa had contributed strongly to overall results, while performances in the United Kingdom had improved.

“Our long established UK businesses have started to bounce back after a disappointing year in 2002-2003 and results from our recent acquisition, Britannic Travel, are in line with budgetary expectations,” he said.

Mr Flynn said results from North America were mixed, with the United States operation continuing to improve but Canadian businesses posting disappointing overall figures. Action has been taken to improve results from Canada.

“Results for the first quarter reflect a reasonable trading performance and our 6000 people throughout the world can be proud of their achievements,” Mr Flynn said. “With our strong balance sheet and with this first quarter behind us, we are well placed to take advantage of opportunities that arise later in the year.”

Flight Centre Limited managing director Graham Turner said the company would open about 240 new stores and internal businesses during 2003-2004, an average of one shop almost every working day.

“There are significant generic growth opportunities in Australia and overseas and we will continue to expand in all markets,” he said.

At September 30, Flight Centre Limited had 1288 shops and internal businesses in Australia, New Zealand, the United Kingdom, South Africa, Canada, the United States and Hong Kong.

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