



**SMILE OF SUCCESS:** Jamie Pherous shows his delight. Picture: Liam Kidston

# World's his oyster after spectacular float

**Tony Grant-Taylor**

SPECIALIST travel agent Corporate Travel Management hit the stock exchange yesterday, confirming principal Jamie Pherous as a rich man and making two-thirds of his staff pretty happy.

CTM, which raised just under \$22 million in its recent float at \$1 a share, saw its shares trade at \$1.51 at the opening, go on to hit a high of \$1.59 and close the day at \$1.46.

Along with Mr Pherous,

who retained his holding in CTM of 26.6 million shares, worth \$38.8 million at yesterday's close, some 202 of the group's 300 staff took shares in the float, half of whom Mr Pherous said had never owned shares before.

And they got their shares, 800,000 in total, under a staff discount offer of 90¢ each.

CTM's prospectus, which investors obviously took seriously, is forecasting a 40 per cent rise in turnover to \$491 million this financial year, with net profit improving

112 per cent to \$7 million, for earnings per share of 10¢.

"Over the past five financial years, CTM has achieved compound annual growth in earnings before interest and tax at CTM has been 30 per cent, notwithstanding the global financial crisis," Mr Pherous said.

That his staff were looking at a very nice profit, added to Mr Pherous's smile as he watched CTM list at the Australian Securities Exchange Brisbane office.

Mr Pherous said the listing

was to give CTM, which has been a significant consolidator of the fragmented corporate travel market, "funding flexibility" for future growth.

"This means we can use cash, debt or future equity issues (if the right opportunity comes along)," Mr Pherous said.

"But we are a people business, not one with a swag of real estate or other hard assets, which can make it difficult to convince banks (in the current climate) to provide funding."

Mr Pherous said that like its peers in the industry, CTM was seeing a pick-up in business in the wake of the global financial crisis.

In particular, it was seeing growth in the resources sector – by no means all its business – but where the group specialises in "the often logistically complex" task of co-ordinating fly-in and fly-out operations, linking commercial flights to charter operations including, if necessary, helicopter transport.