



## Media Release

### **QANTAS LOYALTY BUILDS ANALYTICS CAPABILITY THROUGH TAYLOR FRY ACQUISITION**

**26 February 2015, Sydney:** Qantas today announced it has taken a 51% controlling stake in Taylor Fry, a leading Australian and New Zealand analytics and actuarial consulting business with offices in Sydney and Melbourne.

The strategic acquisition will expand Qantas Loyalty's data and analytics capability and continue to diversify earnings with a complementary adjacent revenue stream.

Taylor Fry was created in 1999 when the founders identified a gap in the market for the provision of first-rate actuarial services to general insurers and accident compensation schemes.

Taylor Fry today works alongside many high profile Australian brands and government departments to develop deep understandings and maximise the value of the data they hold. It also provides a full range of general insurance actuarial services. Taylor Fry reported revenue of A\$12m for the year to 30 June 2014.

Qantas Loyalty CEO Lesley Grant said while Qantas Loyalty was best known for the Qantas Frequent Flyer program, in recent years it had diversified across the broader loyalty and marketing services industry.

"Qantas Frequent Flyer remains at our core, but as part of our growth strategy we are pursuing opportunities to work in the emerging industry of 'big data' and data driven customer insights.

"Harnessing data is not new to us thanks to over 27 years of knowledge and insights from Qantas Frequent Flyer, so we certainly feel we have the credibility to operate in the data and analytics space and consider this an area of great potential for our business."

Taylor Fry has deep knowledge in the insurance industry and is regarded as an actuarial services industry expert. Qantas Loyalty sees significant value in continuing to support the core Taylor Fry business.

Taylor Fry Chairman Martin Fry said: "There is a strong synergy between the Qantas Loyalty and Taylor Fry businesses and we're excited about the growth opportunities that this acquisition presents."

Taylor Fry will be run as a separate business and retain its existing name, branding and premises. The initial Taylor Fry Board will consist of Qantas representatives Lesley Grant (CEO Qantas Loyalty), Brian Funston (CFO and Executive Manager Commercial Qantas Loyalty) and Andrew Finch (General Counsel Qantas), as well as Taylor Fry Board members Martin Fry, Alan Greenfield, Win-Li Toh.

Qantas Loyalty today announced a record half year financial result, with an underlying EBIT of A\$160m, up 10% on the prior corresponding period.





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### Background:

Qantas Loyalty's existing four lines of business:

1. **Coalition Loyalty:** Australia's leading consumer and small to medium business, multi partner, airline loyalty programs (Qantas Frequent Flyer and Aquire).
2. **Direct Adjacencies:** Leveraging the Qantas Frequent Flyer member base to participate directly in a number of adjacent businesses (Qantas Cash, Qantas epiQure, Qantas Golf Club).
3. **Loyalty Solutions:** Consulting and technology solutions for consumer, business and employee loyalty programs via Qantas Loyalty and Accumulate.
4. **Data & Marketing Services:** Media, analytics and research services for consumer driven businesses (Red Planet).

For more detail about Qantas Loyalty, see: [www.qantasloyalty.com](http://www.qantasloyalty.com)

For more detail about Taylor Fry, see: [www.taylorfry.com.au](http://www.taylorfry.com.au)

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