

FLIGHT CENTRE TRAVEL GROUP™

STATEMENT TO AUSTRALIAN SECURITIES EXCHANGE – July 20, 2023

Flight Centre Travel Group Upgrades Profit Guidance

FLIGHT Centre Travel Group (FLT) today upgraded its 2023 fiscal year (FY23) profit guidance.

Based on preliminary trading data, FLT now expects to report underlying earnings before interest, tax, depreciation and amortisation (EBITDA) between \$295million and \$305million for the 12 months to June 30, 2023.

The new midpoint, \$300million, represents:

- A 7 per cent increase on the midpoint in the company's previously targeted range of underlying EBITDA between \$270million and \$290million; and
- A \$483million turnaround on the underlying \$183million FY22 loss

Total transaction value (TTV) for FY23 is expected to be in the order of \$22billion, almost 115 per cent growth on the prior year (FY22: \$10.3billion) and the company's second strongest full year result behind FY19 (\$23.7billion).

FLT's global corporate travel business has continued to outperform, delivering record TTV during FY23 in a market that has generally improved but has yet to fully recover to pre-pandemic levels.

Corporate TTV for FY23 is expected to reach \$11billion, which represents more than 20 per cent growth on the business's previous TTV record of \$8.9 billion (FY19).

This reflects:

- Gradual recovery in client activity following the removal of COVID-related travel restrictions; and
- The multi-billion-dollar pipeline of new accounts won across both the FCM and Corporate Traveller brands during the pandemic

Global leisure TTV for FY23 is expected to be in the order of \$10billion, following a strong and consistent recovery during the year's second half (2H).

"Overall, we are pleased with our continued recovery as demand has generally rebounded solidly across both our leisure and corporate travel businesses," FLT managing director Graham Turner said.

"In corporate, we have delivered record TTV while investing significantly for the future by securing large volumes of new accounts, expanding our sales force and introducing innovative new platforms and products for our customers, which should lead to stronger returns in the years ahead.

"In leisure, we are emerging from the pandemic as a more productive, more efficient and more diverse business with a strong brand stable, enhanced capability and efficient and productive models that are now starting to achieve scale benefits.

"During FY23, we also invested in our luxury travel collection through the Scott Dunn acquisition early in the 2H and, more recently, the Luxperience events business to bolster our presence in a very attractive leisure sector."

"Looking ahead, our expectations are that leisure travellers will continue to prioritise holidays and experiences over other areas of discretionary spending, as we have seen in the past and as evidenced by the consistent year-on-year growth in outbound travel in large and important markets like Australia.

"In corporate, we expect that the large volume of new business that we continue to win – both from competitors and accounts that were previously unmanaged – will offset the impact on TTV flowing from lower-than-normal client spend."

FLT will release audited FY23 accounts on Wednesday, August 30.

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This announcement has been authorised by Flight Centre Travel Group Limited's board.