

FLIGHT CENTRE TRAVEL GROUP™

STATEMENT TO AUSTRALIAN SECURITIES EXCHANGE – August 26, 2026

FLIGHT CENTRE TRAVEL GROUP RELEASES FULL YEAR RESULTS

2026 Fiscal Year (FY26) Highlights

- **Record total transaction value (TTV):** Year-on-year (YOY) growth in both leisure and corporate sectors
- **Profit improvement across most metrics despite escalating Middle East tensions:** Growth in underlying and statutory earnings before interest, tax, depreciation and amortisation (EBITDA), statutory profit before tax (PBT) and underlying and statutory net profit after tax (NPAT)
- **Circa \$60m fourth quarter (Q4) leisure profit hit:** Having been on track to deliver a \$200m underlying profit before tax (UPBT) through Q3, leisure's Q4 disruption and higher Global HQ division losses offset corporate's full year profit uplift, leaving group UPBT slightly down YOY
- **Shareholder returns boosted:** 43% earnings per share (EPS) increase to 71c; combined dividend payments for FY26 up 5% to 42c per share
- **Disciplined capital management:** \$87m shareholder return via fully franked dividends, \$400m in issued capital buy-backs completed or underway, \$450m Convertible Note (CN) issued
- **Solid leisure rebound in early FY27 trading:** Record TTV for July and positive August trends; Corporate trends similar to Q4, with FY27 results expected to be second half (2H) weighted; group profit guidance to be provided at AGM (November 2026)

Result Overview

Flight Centre Travel Group (FLT) today announced audited results for the year to June 30 2026.

The company delivered record TTV and YOY growth across most profit metrics, as outlined above, in a trading environment that became increasingly challenging during Q4 as Middle East hostilities escalated and disrupted global travel patterns.

This temporary disruption slowed group-wide TTV growth and cost the leisure business circa \$60m in profit, after FLT had been tracking near or above the top of its guidance range through Q3.

Corporate was less affected, with profit growth outpacing TTV growth throughout the year.

After a 6.9% increase over the nine months to March 31, group TTV growth eased to 4.7% for the full year, reaching a record \$25.7b and with YOY growth in both the leisure and corporate divisions.

Underlying EBITDA rose 3.9% to \$466m, while UPBT declined 4% to \$278m. Beyond the Middle East-related impact already captured in both metrics, the gap between the two measures reflected a collective \$30m YOY UPBT hit from higher software amortisation, new leisure lease costs and increased net interest expense (circa \$15m).

Statutory PBT increased 0.2% to \$213m and statutory NPAT rose 38% to \$149m – a post-COVID high – with growth bolstered by deferred tax asset write-offs that reduced FY25's NPAT base. EPS increased 43% to 71c, outpacing NPAT growth as on-market buy-backs reduced shares on issue.

YOY cost growth slowed during the 2H, as initiatives in the Global Business Services (GBS) and Supply areas gained traction, leading to a 9.6% underlying cost margin for the year, just short of the record 9.5% FY23 result.

Operating cash inflow improved sharply to \$278m (FY25: \$139m), largely reflecting favourable timing in the airline Billing and Settlement Plan (BSP) payment cycle.

Capital management remained a priority, as the group:

- Completed its initial \$200m on-market buy-back (16.2m shares) and initiated a further \$200m buy-back in July 2026, with 1.4m shares bought back for \$16.5m to date
- Optimised its CNs by issuing a \$450m note (Sept 2025) to retire the 2028 notes, reduce the 2027 CNs' outstanding face value to \$200m and part-fund the Iglu (cruise) acquisition; and
- Returned \$87m (47% of underlying NPAT) to shareholders via 12c and 30c per share interim and final dividends (paid April 2026 and declared today**, respectively), with combined dividends related to FY26 results up 5% YOY to 42c per share

FLT continued to reshape its portfolio by:

- Divesting non-core assets – the company generated about \$80m in cash through the sale of Cross Hotels and Resorts and its minority holding in the Pedal Group cycle joint venture
- Fast-tracking expansion in key sectors – cruise, touring and luxury in leisure; meetings and events, payments and expense in corporate – via strategic acquisitions or start-ups
- Investing in other initiatives, including the World360 Rewards loyalty program, corporate's proprietary technology platforms and digital capabilities group-wide; and
- Using AI to enhance the customer experience, boost productivity and grow revenue

In corporate, customer-facing AI products Sam (FCM) and Mel (Corporate Traveller) are being widely used, with Sam now supporting a full conversational booking experience following the recent launch of Sam Booking (trial underway). The business has also deployed an MCP (Model Context Protocol) capability giving customers access to FCM's reporting and analytics data, and Proactive Analytics, which uses AI to alert customers to trends in their travel programs.

In leisure, an AI acceleration unit is now in place to upskill the workforce, re-imagine roles and secure new revenue. A newly unified global data asset allows AI to be trained and deployed throughout the customer journey, backed by the division's own MCP capability.

Natural language search is now live across Flight Centre and Travel Associates, powered in-store by Co-Consult, Flight Centre's agentic intelligence search platform. The AIBQ mobile assistant gives customers instant itinerary answers, while a new AI agent supports World360 Rewards.

Group Financial Summary

\$AU	FY26	FY25	Change
TTV	\$25.7b	\$24.5b	4.7%
Revenue	\$2.9b	\$2.8b	2.5%
EBITDA (statutory)	\$430.6m	\$398.7m	8%
EBITDA (underlying)	\$466m	\$448m	3.9%
PBT (statutory)	\$213m	\$213m	0.2%
PBT (underlying)	\$278m	\$289m***	(4.0%)
NPAT (statutory)	\$149m	\$108m	38.0%
EPS	70.9c	49.6c	42.9%
Dividend per share	42.0c	40.0c	5.0%

Comments from FLT managing director and CEO, Graham Turner:

“FY26 was a story of mixed fortunes for our company – nine months of strong momentum and progress, interrupted by three months of external disruption that left profit broadly in line with FY25.

“Through the first three quarters we were tracking well ahead of the prior year in both leisure and corporate. Then, in Q4, the Middle East conflict disrupted travel patterns,

“That was an external shock, not a change in the leisure business’s underlying strength, and momentum is already returning, with July TTV at record levels for the month. The \$200m profit the business was on track to achieve during FY26 remains a viable, medium-term target given that travel downturns are historically short and followed by rapid rebounds.

“Corporate was also disrupted, but its broader geographic spread and heavier domestic travel weighting in some markets provided a partial shield. The division still delivered record TTV, which translated to even stronger profit growth.

“Corporate Traveller, our SME brand, was a standout, topping \$5b in TTV for the first time and set for Northern Hemisphere expansion, as we look to fast-track growth in the world’s largest markets.

“We are seeing healthy returns on our investments in proprietary platforms and the Productive Operations initiative, which has delivered material productivity improvements over the past three years. New revenue streams have also performed well, expanding our addressable market and deepening our relationships with customers.”

Corporate Financial Summary and Highlights

FLT's corporate division delivered 2.9% TTV growth to \$12.7b and 3.3% revenue growth to \$1.2b.

TTV again reached record levels, although YOY growth was hampered by:

- Foreign exchange (FX) shifts, with global TTV up 5% at constant currency. In the US, TTV increased almost 10% in local currency – more than double the 4.4% converted growth rate

- FCM contract timing – 45% of the \$1.6b FY26 new account pipeline was secured in Q4 and won't begin trading until later in FY27, reflecting normal onboarding timeframes; and
- The Middle East conflict's heavy impacts on FLT's businesses that operate in or near the region – for example, FCM UAE TTV decreased almost 15%

UPBT increased 28% to \$240m and underlying EBITDA grew 24.4% to \$275m, with profit growth significantly outpacing TTV growth as the division continued to achieve economies of scale.

Corporate Financial Summary

\$AU	FY26	FY25	Change
TTV	\$12.7b	\$12.3b	2.9%
Revenue	\$1.2b	\$1.1b	3.3%
Revenue margin	9.3%	9.2%	10bps
Underlying EBITDA	\$275m	\$221m	24.4%
UPBT	\$240m	\$187m	28.0%
UPBT margin	1.9%	1.5%	40bps

Corporate Highlights

- Solid US results, with TTV topping \$US2b for the first time
- Continued strong results from Corporate Traveller, delivering 8% TTV growth despite currency headwinds (up 13% at constant currency), and targeting rapid growth in five Northern Hemisphere hubs (New York, London, California, Toronto and Quebec)
- 20% uplift in TTV per average full-time employee through Productive Operations since the end of FY23, supporting margin expansion and enhancing customer satisfaction. TTV per sales consultant has increased more rapidly – up more than 30% over the same period
- Deployment of fully integrated proprietary platforms built to scale at lower incremental cost as the business grows
- 11% of revenue derived from services outside traditional travel management (FY25: 9%), reflecting adoption of payment and expense, meetings and events and other adjacent offerings

Leisure Financial Summary and Highlights

FLT's leisure division delivered 7.4% TTV growth to \$12.6b and 2.6% revenue growth to \$1.4b.

Revenue margin (revenue as a percentage of TTV) decreased YOY because of business mix shifts (rapid growth in lower-margin units such as wholesale FX), a temporary swing to lower-margin destinations and reduced supplier incentives as key carriers were grounded. The division also refunded more than \$250m in airfares alone after Middle East tensions escalated, helping thousands re-arrange plans – temporarily slowing productivity but lifting customer satisfaction.

UPBT for the year was down 21.7% to \$139m and underlying EBITDA down 6.7% to \$250m.

Leisure Financial Summary

\$AU	FY26	FY25	Change
TTV	\$12.6b	\$11.7b	7.4%
Revenue	\$1.4b	\$1.4b	2.6%
Revenue margin	11.4%	11.9%	(50bps)
Underlying EBITDA	\$250m	\$268m	(6.7%)
UPBT	\$139m	\$177m	(21.7%)
UPBT margin	1.1%	1.5%	(40bps)

Leisure Highlights

- Acquired Iglu (UK) to fast-track global cruise ambitions – cruise TTV set to top \$2b during FY27
- Healthy forward sales and revenue pipeline from the exclusive 12-month Norwegian Cruiselines charter – first six months now 95% sold ahead of first departures (September 2026)
- Scott Dunn delivered another strong performance, reinforcing its position at the heart of FLT's luxury sector expansion plans
- Launch of the World360 Rewards leisure loyalty program, which now has about 600,000 members in Australia – about 65% of them new or re-engaging customers – and plans to extend the program to Corporate Traveller and Flight Centre Business Travel later this year
- Online leisure TTV topped \$1.8b (up 17%), reflecting continued growth in digital sales and capability, supported by a new, consolidated digital commerce structure

Outlook

FLT is seeing signs of recovery in early FY27 trading, with the leisure business posting record July TTV, surpassing the pre-pandemic 2019 peak, and its strongest July profit since 2015. Flight Centre, Link Travel Group, Ignite, Luxury Travel Collection, Scott Dunn and Cruiseabout are currently among the key contributors.

Long-haul travel from Australia, a key leisure profit driver, is starting to rebound, with:

- US sales returning to YOY growth for two consecutive months (June-July) for the first time since the tariff and immigration-related downturn late in FY25; and
- UK airfare sales back above the prior year levels in July 2026, a positive lead indicator ahead of the upcoming earlybird (airfare sales) season

Corporate TTV trends remain consistent with Q4: solid constant-currency growth in July 2026, though Middle East instability continues to affect businesses located within the region (FCM UAE) or closely linked to it (Asia, Europe, M&E).

FY27 corporate profit is expected to be 2H weighted, with the 1H result likely to be below the prior corresponding period. This reflects the ongoing instability in the region, along with:

- Front-loaded investments in sales and marketing and Corporate Traveller's Northern Hemisphere expansion
- Productive Operations' employee costs moving above-the-line into trading results
- Current FX headwinds on profit translation; and
- The timing of recently won accounts starting to trade

In addition to its contracted account wins, the business has also secured a large RFP pipeline globally, potentially unlocking further TTV growth late in the year and into FY28.

Customer sentiment remains healthy, with FLT's State of the Market survey (July-August 2026) finding that almost 80% of corporate customers and 83% of Corporate Traveller's SME customers expect to increase or maintain travel budgets this year.

Elsewhere, FLT's HQ segment will remain exposed to higher net interest, offset by cost control and a return to normal profitability for its operating businesses, particularly in peak Q4 trading.

The group continues to monitor Middle East volatility and its flow-on economic impacts, while focusing on cost discipline, market share gains and balance sheet strength. FLT is also working closely with supply partners, particularly Middle Eastern carriers, on agreements that position the group to earn stronger returns on key contracts if growth accelerates across core brands.

Consistent with normal practice, FY27 earnings guidance will be provided at the Annual General Meeting (AGM) in November.

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Investor Webcast: FLT's FY26 results webcast will be held today from 9.30am and can be accessed via <https://webcast.openbriefing.com/flt-fyr-2026/>

*\$213m statutory PBT compares with a \$278m UPBT after adjusting for one-off and non-operating items. Adjustments are consistent with prior years and are itemised in the presentation lodged in conjunction with this announcement.

**30c per share fully franked final dividend payable on October 16 to shareholders registered on September 18, 2026.

***FY25 UPBT included a \$3.3m contribution from the Pedal Group. Pedal's profit was excluded from FY26 results after the business was sold. On a like-for-like basis, FLT's comparative UPBT figures would be FY26: \$278m, FY25: \$286m

About Flight Centre Travel Group (FLT)

FLT is one of the world's largest travel retailers and corporate travel managers, with a diverse network of company-owned businesses across three key regions – Asia-Pacific, the Americas and Europe, Middle East and Africa (EMEA). The company opened its first shop in Sydney, Australia, in 1982 and listed on the ASX in 1995. Key leisure brands include Flight Centre, Travel Associates, Scott Dunn, Envoyage, Travel Money, Ignite, Cruiseabout, Iglu, BYOjet, Aunt Betty and World360 Rewards. Corporate brands include Corporate Traveller and FCM. The company also owns touring brands Topdeck and Back-Roads and the Asia-based Discova destination management company.

FLT's Board has authorised this announcement for release