

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(D) OF  
THE SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): April 23, 2025

Travel + Leisure Co.

(Exact name of registrant as specified in its charter)

Delaware	001-32876	20-0052541
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification Number)

6277 Sea Harbor Drive	
Orlando Florida	32821
(Address of Principal Executive Offices)	(Zip Code)

(407) 626-5200

(Registrant's telephone number, including area code)

None

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, \$0.01 par value per share	TNL	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

**Item 2.02. Results of Operations and Financial Condition.**

The information set forth in Item 7.01 is incorporated by reference into this Item 2.02.

**Item 7.01. Regulation FD disclosure.**

On April 23, 2025, Travel + Leisure Co. (the "Company") issued a press release reporting financial results for the quarter ended March 31, 2025 (the "Press Release"). A copy of the Press Release is furnished as Exhibit 99.1 and is incorporated by reference into this Item 7.01. The Press Release as well as an infographic and certain supplemental historical financial information are available on the Company's website at [investor.travelandleisureco.com](http://investor.travelandleisureco.com).

The Company may use its website and LinkedIn as a means of disclosing information concerning its operations, results and prospects, including information which may constitute material nonpublic information. Accordingly, investors should monitor the Investor Relations section of the Company website at [investor.travelandleisureco.com](http://investor.travelandleisureco.com) and the Company's LinkedIn profile, in addition to accessing its press releases, its submissions and filings with the SEC, and its publicly noticed conference calls and webcasts.

The information set forth under Items 2.02 and 7.01 of this Current Report on Form 8-K, including exhibit 99.1, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing made by the Company under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

**Item 9.01. Financial Statements and Exhibits.**

d) Exhibits. The following exhibit is furnished with this report:

<b><u>Exhibit No.</u></b>	<b><u>Description</u></b>
99.1	<a href="#">Press Release of Travel + Leisure Co., dated April 23, 2025, reporting financial results for the quarter ended March 31, 2025.</a>
104	Cover Page Interactive Data File (cover page XBRL tags are embedded within the Inline XBRL document)

---

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**TRAVEL + LEISURE CO.**

By: /s/ Thomas M. Duncan

Name: Thomas M. Duncan

Title: Chief Accounting Officer

Date: April 23, 2025

# TRAVEL+ LEISURE

## Travel + Leisure Co. Reports First Quarter 2025 Results

**ORLANDO, Fla. (April 23, 2025)** — Travel + Leisure Co. (NYSE:TNL), the world's leading vacation ownership and membership travel company, today reported first quarter 2025 financial results for the three months ended March 31, 2025. Highlights and outlook include:

- **Net income of \$73 million, \$1.07 diluted earnings per share, on net revenue of \$934 million**
- **Adjusted EBITDA of \$202 million and adjusted diluted earnings per share of \$1.11<sup>(1)</sup>**
- **Volume per guest (VPG) of \$3,212, a 6% percent increase year-over-year**
- **Expects second quarter adjusted EBITDA of \$245 million to \$255 million and reaffirms full-year adjusted EBITDA guidance of \$955 million to \$985 million**
- **Returned \$111 million to shareholders through \$41 million of dividends and \$70 million of share repurchases**

"Our first quarter results demonstrate solid execution of our long-term business strategy with adjusted EBITDA at the high end of our guidance range. This performance was driven by the strength of our vacation ownership business, which saw volume per guest well above \$3,000, bookings increasing via our new Club Wyndham app, and an increase in overall guest satisfaction," said Michael D. Brown, president and chief executive officer of Travel + Leisure Co.

"Looking ahead, we are focused on delivering our multi-brand strategy as we explore new opportunities and build our businesses with world class brands, including continuing to grow our core Club Wyndham and WorldMark business, leveraging the momentum we have seen from Accor Vacation Club, expanding our Margaritaville Vacation Club, and launching sales for Sports Illustrated Resorts. We expect a busy summer travel season as we see positive momentum for future bookings and believe our owners will continue to prioritize their leisure travel needs."

(1) This press release includes Adjusted EBITDA, Adjusted diluted EPS, Adjusted free cash flow, Gross VOI sales and Adjusted net income, which are measures that are not calculated in accordance with Generally Accepted Accounting Principles in the U.S. ("GAAP"). See "Presentation of Financial Information" and the tables for the definitions and reconciliations of these non-GAAP measures. Forward-looking non-GAAP measures are presented in this press release only on a non-GAAP basis because not all of the information necessary for a quantitative reconciliation is available without unreasonable effort.

## **Business Segment Results**

### ***Vacation Ownership***

<i>\$ in millions</i>	<i>Q1 2025</i>	<i>Q1 2024</i>	<i>% change</i>
Revenue	\$755	\$725	4 %
Adjusted EBITDA	\$159	\$135	18 %

Vacation Ownership revenue increased 4% to \$755 million in the first quarter of 2025 compared to the same period in the prior year. Net vacation ownership interest (VOI) sales increased 4% year over year despite a higher provision rate. Gross VOI sales increased 4% driven by a 6% increase in VPG partially offset by a 1% decrease in tours.

First quarter adjusted EBITDA was \$159 million compared to \$135 million in the prior year period, due to the revenue growth and lower cost of VOIs sold.

### ***Travel and Membership***

<i>\$ in millions</i>	<i>Q1 2025</i>	<i>Q1 2024</i>	<i>% change</i>
Revenue	\$180	\$193	(7) %
Adjusted EBITDA	\$68	\$75	(9) %

Travel and Membership revenue decreased 7% to \$180 million in the first quarter of 2025 compared to the same period in the prior year. This was driven by a 7% decrease in transaction revenue due to lower exchange transactions. Transactions were impacted by an increasing mix of exchange members with a club affiliation who have a lower transaction propensity.

First quarter Adjusted EBITDA decreased 9% to \$68 million compared to the same prior year period due to the decline in exchange transactions during the quarter.

## **Balance Sheet and Liquidity**

**Net Debt** — As of March 31, 2025, the Company's leverage ratio for covenant purposes was 3.3x. The Company had \$3.5 billion of corporate debt outstanding as of March 31, 2025, which excluded \$2.2 billion of non-recourse debt related to its securitized notes receivables portfolio.

**Timeshare Receivables Financing** — On March 19, 2025, the Company closed on a \$350 million term securitization transaction with a weighted average coupon of 5.2% and a 98% advance rate. Additionally, subsequent to the end of the quarter, the Company renewed its USD timeshare receivables conduit facility with a borrowing capacity of \$600 million and extended its term to August 2027.

**Cash Flow** — For the three months ended March 31, 2025, net cash provided by operating activities was \$121 million compared to \$47 million in the prior year period. Adjusted free cash flow was \$152 million for the three months ended March 31, 2025 compared to \$22 million in the same period of 2024 due to higher proceeds from non-recourse vacation ownership debt and a decrease in cash utilized for working capital items, mainly due to higher collections on Vacation ownership contract receivables.

**Share Repurchases** — During the first quarter of 2025, the Company repurchased 1.3 million shares of common stock for \$70 million at a weighted average price of \$52.27 per share. As of March 31, 2025, the Company had \$373 million remaining in its share repurchase authorization.

**Dividend** — The Company paid \$41 million (\$0.56 per share) in cash dividends on March 31, 2025 to shareholders of record as of March 17, 2025. Management will recommend a second quarter dividend of \$0.56 per share for approval by the Company's Board of Directors in May 2025.

## **Outlook**

The Company is providing guidance for the second quarter 2025:

- Adjusted EBITDA of \$245 million to \$255 million
- Gross VOI sales of \$620 million to \$640 million
- VPG of \$3,050 to \$3,150

The Company is providing guidance for the 2025 full year:

- Adjusted EBITDA of \$955 million to \$985 million
- Gross VOI sales of \$2.4 billion to \$2.5 billion
- VPG of \$3,050 to \$3,150
- Travel and Membership Adjusted EBITDA of flat to down 2%

This guidance is presented only on a non-GAAP basis because not all of the information necessary for a quantitative reconciliation of forward-looking non-GAAP financial measures to the most directly comparable GAAP financial measure is available without unreasonable effort, primarily due to uncertainties relating to the occurrence or amount of these adjustments that may arise in the future. Where one or more of the currently unavailable items is applicable, some items could be material, individually or in the aggregate, to GAAP reported results.

**Conference Call Information**

Travel + Leisure Co. will hold a conference call with investors to discuss the Company's results and outlook today at 8:30 a.m. ET. Participants may listen to a simultaneous webcast of the conference call, which may be accessed through the Company's website at [travelandleisureco.com/investors](http://travelandleisureco.com/investors), or by dialing 877-733-4794 ten minutes before the scheduled start time. For those unable to listen to the live broadcast, an archive of the webcast will be available on the Company's website for 90 days beginning at 12:00 p.m. ET today.

**Presentation of Financial Information**

Financial information discussed in this press release includes non-GAAP measures such as Adjusted EBITDA, Adjusted diluted EPS, Adjusted free cash flow, gross VOI sales and Adjusted net income, which include or exclude certain items, as well as non-GAAP guidance. The Company utilizes non-GAAP measures, defined in Table 7, on a regular basis to assess performance of its reportable segments and allocate resources. These non-GAAP measures differ from reported GAAP results and are intended to illustrate what management believes are relevant period-over-period comparisons and are helpful to investors when considered with GAAP measures as an additional tool for further understanding and assessing the Company's ongoing operating performance by adjusting for items which in our view do not necessarily reflect ongoing performance. Management also internally uses these measures to assess our operating performance, both absolutely and in comparison to other companies, and in evaluating or making selected compensation decisions. Exclusion of items in the Company's non-GAAP presentation should not be considered an inference that these items are unusual, infrequent or non-recurring. Full reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures for the reported periods appear in the financial tables section of the press release.

The Company may use its website as a means of disclosing information concerning its operations, results and prospects, including information which may constitute material nonpublic information, and for complying with its disclosure obligations under SEC Regulation FD. Disclosure of such information will be included on the Company's website in the Investor Relations section at [travelandleisureco.com/investors](http://travelandleisureco.com/investors). Accordingly, investors should monitor that Investor Relations section of the Company website, in addition to accessing its press releases, its submissions and filings with the SEC, and its publicly noticed conference calls and webcasts.

**About Travel + Leisure Co.**

Travel + Leisure Co. (NYSE:TNL) is the world's leading leisure travel company, providing more than six million vacations to travelers every year. The Company operates a portfolio of vacation ownership, travel club, and lifestyle travel brands designed to meet the needs of the modern leisure traveler, whether they're traveling the world or staying a little closer to home. With hospitality and responsible tourism at its heart, the Company's nearly 19,000 dedicated associates around the globe help the Company achieve its mission to put the world on vacation. Learn more at [travelandleisureco.com](http://travelandleisureco.com).



## **Forward-Looking Statements**

*This press release includes “forward-looking statements” as that term is defined by the Securities and Exchange Commission (“SEC”). Forward-looking statements are any statements other than statements of historical fact, including statements regarding our expectations, beliefs, hopes, intentions or strategies regarding the future. In some cases, forward-looking statements can be identified by the use of words such as “may,” “will,” “expects,” “should,” “believes,” “plans,” “anticipates,” “intends,” “estimates,” “predicts,” “potential,” “projects,” “continue,” “future,” “outlook,” “guidance,” “commitments,” or other words of similar meaning. Forward-looking statements are subject to risks and uncertainties that could cause actual results of Travel + Leisure Co. and its subsidiaries (“Travel + Leisure Co.” or “we”) to differ materially from those discussed in, or implied by, the forward-looking statements. Factors that might cause such a difference include, but are not limited to, risks associated with: the acquisition of the Travel + Leisure brand and the future prospects and plans for Travel + Leisure Co., including our ability to execute our strategies to grow our cornerstone timeshare and exchange businesses and expand into the broader leisure travel industry through our travel clubs; our ability to compete in the highly competitive timeshare and leisure travel industries; uncertainties related to acquisitions, dispositions and other strategic transactions; the health of the travel industry and declines or disruptions caused by adverse economic conditions (including inflation, recent tariff and other trade restrictions, higher interest rates, and recessionary pressures), terrorism or acts of gun violence, political strife, war (including hostilities in Ukraine and the Middle East), pandemics, and severe weather events and other natural disasters; adverse changes in consumer travel and vacation patterns, consumer preferences and demand for our products; increased or unanticipated operating costs and other inherent business risks; our ability to comply with financial and restrictive covenants under our indebtedness; our ability to access capital and insurance markets on reasonable terms, at a reasonable cost or at all; maintaining the integrity of internal or customer data and protecting our systems from cyber-attacks; the timing and amount of future dividends and share repurchases, if any; and those other factors disclosed as risks under “Risk Factors” in documents we have filed with the SEC, including in Part I, Item 1A of our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, filed with the SEC on February 19, 2025. We caution readers that any such statements are based on currently available operational, financial and competitive information, and they should not place undue reliance on these forward-looking statements, which reflect management’s opinion only as of the date on which they were made. Except as required by law, we undertake no obligation to review or update these forward-looking statements to reflect events or circumstances as they occur.*

## **Contacts**

### **Investors:**

Travel + Leisure Investor Relations  
(407) 626-4050  
IR@travellandleisure.com

### **Media:**

Melissa Landy  
Public Relations  
(407) 626-3830  
Media@travellandleisure.com

Travel + Leisure Co.  
Condensed Consolidated Statements of Income (Unaudited)  
(in millions, except per share amounts)

	Three Months Ended March 31,	
	2025	2024
<b>Net Revenues</b>		
Service and membership fees	\$ 417	\$ 419
Net VOI sales	384	369
Consumer financing	112	110
Other	21	18
Net revenues	934	916
<b>Expenses</b>		
Operating	445	438
Marketing	124	121
General and administrative	122	112
Consumer financing interest	34	33
Depreciation and amortization	30	28
Cost of vacation ownership interests	23	34
Total expenses	778	766
<b>Operating income</b>	156	150
Interest expense	57	64
Other (income), net	(1)	(2)
Interest (income)	(1)	(4)
<b>Income before income taxes</b>	101	92
Provision for income taxes	28	26
<b>Net income attributable to Travel + Leisure Co. shareholders</b>	<u>\$ 73</u>	<u>\$ 66</u>
<b>Earnings per share</b>		
Basic	\$ 1.09	\$ 0.93
Diluted	\$ 1.07	\$ 0.92
<b>Weighted average shares outstanding</b>		
Basic	67.1	71.5
Diluted	68.2	72.0

Travel + Leisure Co.  
Condensed Consolidated Balance Sheets (Unaudited)  
(in millions, except share data)

	March 31, 2025	December 31, 2024
<b>Assets</b>		
Cash and cash equivalents	\$ 188	\$ 167
Restricted cash	179	162
Trade receivables, net	171	155
Vacation ownership contract receivables, net	2,580	2,619
Inventory	1,221	1,227
Prepaid expenses	253	214
Property and equipment, net	587	591
Goodwill	968	966
Other intangibles, net	209	209
Other assets	408	425
<b>Total assets</b>	<u>\$ 6,764</u>	<u>\$ 6,735</u>
<b>Liabilities and (deficit)</b>		
Accounts payable	\$ 67	\$ 67
Accrued expenses and other liabilities	712	778
Deferred income	486	457
Non-recourse vacation ownership debt	2,174	2,123
Debt	3,484	3,468
Deferred income taxes	744	722
<b>Total liabilities</b>	<u>7,667</u>	<u>7,615</u>
Stockholders' (deficit):		
Preferred stock, \$0.01 par value, authorized 6,000,000 shares, none issued and outstanding	—	—
Common stock, \$0.01 par value, 600,000,000 shares authorized, 225,208,290 issued as of 2025 and 224,599,556 as of 2024	3	2
Treasury stock, at cost — 158,815,812 shares as of 2025 and 157,476,502 shares as of 2024	(7,504)	(7,433)
Additional paid-in capital	4,331	4,328
Retained earnings	2,367	2,334
Accumulated other comprehensive loss	(100)	(112)
Total stockholders' (deficit)	<u>(903)</u>	<u>(881)</u>
Noncontrolling interest	—	1
<b>Total (deficit)</b>	<u>(903)</u>	<u>(880)</u>
<b>Total liabilities and (deficit)</b>	<u>\$ 6,764</u>	<u>\$ 6,735</u>

Travel + Leisure Co.  
Condensed Consolidated Statements of Cash Flows (Unaudited)  
(in millions)

	Three Months Ended March 31,	
	2025	2024
<b>Operating activities</b>		
Net income	\$ 73	\$ 66
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for loan losses	91	78
Depreciation and amortization	30	28
Deferred income taxes	22	22
Stock-based compensation	14	9
Non-cash interest	6	7
Non-cash lease expense	4	4
Other, net	2	1
Net change in assets and liabilities, excluding the impact of acquisitions and dispositions:		
Trade receivables	(14)	(3)
Vacation ownership contract receivables	(52)	(93)
Inventory	6	(2)
Prepaid expenses	(37)	(40)
Other assets	20	(8)
Accounts payable, accrued expenses, and other liabilities	(70)	(30)
Deferred income	26	8
<b>Net cash provided by operating activities</b>	<b>121</b>	<b>47</b>
<b>Investing activities</b>		
Property and equipment additions	(21)	(17)
Acquisitions, net of cash acquired	(1)	(40)
<b>Net cash used in investing activities</b>	<b>(22)</b>	<b>(57)</b>
<b>Financing activities</b>		
Proceeds from non-recourse vacation ownership debt	502	431
Principal payments on non-recourse vacation ownership debt	(450)	(439)
Proceeds from debt	632	506
Principal payments on debt	(616)	(216)
Repayment of notes and term loans	(2)	(2)
Repurchase of common stock	(70)	(25)
Dividends paid to shareholders	(41)	(38)
Net share settlement of incentive equity awards	(13)	(9)
Debt issuance/modification costs	(5)	(5)
Proceeds from issuance of common stock	2	—
Other, net	(2)	—
<b>Net cash (used in)/provided by financing activities</b>	<b>(63)</b>	<b>203</b>
Effect of changes in exchange rates on cash, cash equivalents and restricted cash	2	(4)
Net change in cash, cash equivalents and restricted cash	38	189
Cash, cash equivalents and restricted cash, beginning of period	329	458
Cash, cash equivalents and restricted cash, end of period	367	647
Less: Restricted cash	179	168
Cash and cash equivalents	<b>\$ 188</b>	<b>\$ 479</b>

Travel + Leisure Co.  
Summary Data Sheet  
(in millions, except per share amounts, unless otherwise indicated)

	Three Months Ended March 31,		
	2025	2024	Change
<b>Consolidated Results</b>			
Net income attributable to TNL shareholders	\$ 73	\$ 66	11 %
Diluted earnings per share	\$ 1.07	\$ 0.92	16 %
<b>Net income margin</b>	7.8 %	7.2 %	
<b>Adjusted Earnings</b>			
Adjusted EBITDA	\$ 202	\$ 191	6 %
Adjusted net income	\$ 76	\$ 69	10 %
Adjusted diluted earnings per share	\$ 1.11	\$ 0.97	14 %
<b>Segment Results</b>			
<b>Net Revenues</b>			
Vacation Ownership	\$ 755	\$ 725	4 %
Travel and Membership	180	193	(7) %
Corporate and other	(1)	(2)	
Total	<u>\$ 934</u>	<u>\$ 916</u>	2 %
<b>Adjusted EBITDA</b>			
Vacation Ownership	\$ 159	\$ 135	18 %
Travel and Membership	68	75	(9) %
<b>Segment Adjusted EBITDA</b>	<u>227</u>	<u>210</u>	
Corporate and other	(25)	(19)	
<b>Total Adjusted EBITDA</b>	<u>\$ 202</u>	<u>\$ 191</u>	6 %
<b>Adjusted EBITDA margin</b>	21.6 %	20.9 %	

Note: Amounts may not calculate due to rounding. See "Presentation of Financial Information" and Table 7 for Non-GAAP definitions. For a full reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures, refer to Table 5.

**Table 4**  
(continued)

Travel + Leisure Co.  
Summary Data Sheet  
(in millions, unless otherwise indicated)

	Three Months Ended March 31,		
	2025	2024	Change
<b><u>Vacation Ownership</u></b>			
Net VOI sales	\$ 384	\$ 369	4 %
Loan loss provision	91	78	17 %
Gross VOI sales, net of Fee-for-Service sales	475	447	6 %
Fee-for-Service sales	37	43	(14) %
Gross VOI sales	<u>\$ 512</u>	<u>\$ 490</u>	4 %
Tours (in thousands)	153	155	(1) %
VPG (in dollars)	\$ 3,212	\$ 3,035	6 %
Tour generated VOI sales	\$ 492	\$ 469	5 %
Telesales and other	20	21	(5) %
Gross VOI sales	<u>\$ 512</u>	<u>\$ 490</u>	4 %
Net VOI sales	\$ 384	\$ 369	4 %
Property management revenue	223	211	6 %
Consumer financing	112	110	2 %
Other <sup>(a)</sup>	36	35	3 %
<b>Total Vacation Ownership revenue</b>	<u>\$ 755</u>	<u>\$ 725</u>	4 %
<b><u>Travel and Membership</u></b>			
Avg. number of exchange members (in thousands)	3,362	3,493	(4) %
Transactions (in thousands)	240	275	(13) %
Revenue per transaction (in dollars)	\$ 353	\$ 350	1 %
<b>Exchange transaction revenue</b>	<u>\$ 85</u>	<u>\$ 96</u>	(12) %
Transactions (in thousands)	175	170	3 %
Revenue per transaction (in dollars)	\$ 257	\$ 256	— %
<b>Travel Club transaction revenue</b>	<u>\$ 45</u>	<u>\$ 44</u>	3 %
Transactions (in thousands)	415	445	(7) %
Revenue per transaction (in dollars)	\$ 312	\$ 315	(1) %
<b>Travel and Membership transaction revenue</b>	<u>\$ 130</u>	<u>\$ 140</u>	(7) %
Transaction revenue	\$ 130	\$ 140	(7) %
Subscription revenue	43	45	(4) %
Other <sup>(b)</sup>	7	8	(13) %
<b>Total Travel and Membership revenue</b>	<u>\$ 180</u>	<u>\$ 193</u>	(7) %

Note: Amounts may not compute due to rounding.

(a) Includes Fee-for-Service commission revenues and other ancillary revenues.

(b) Primarily related to cancellation fees, commissions, and other ancillary revenue.

Travel + Leisure Co.  
Non-GAAP Measure: Reconciliation of Net Income to  
Adjusted Net Income to Adjusted EBITDA  
(in millions, except diluted per share amounts)

	Three Months Ended March 31,					
	2025	EPS	Margin %	2024	EPS	Margin %
<b>Net income attributable to TNL shareholders</b>	\$ 73	\$ 1.07	7.8%	\$ 66	\$ 0.92	7.2%
Amortization of acquired intangibles <sup>(a)</sup>	2			2		
Legacy items	1			—		
Acquisition-related deal costs	—			2		
Taxes <sup>(b)</sup>	(1)			(1)		
<b>Adjusted net income</b>	<u>\$ 76</u>	<u>\$ 1.11</u>	<u>8.1%</u>	<u>\$ 69</u>	<u>\$ 0.97</u>	<u>7.5%</u>
Income taxes on adjusted net income	29			27		
Stock-based compensation expense <sup>(c)</sup>	14			9		
Depreciation	28			26		
Interest expense	57			64		
Interest income	(1)			(4)		
<b>Adjusted EBITDA</b>	<u>\$ 202</u>		<u>21.6%</u>	<u>\$ 191</u>		<u>20.9%</u>
<b>Diluted Shares Outstanding</b>	68.2			72.0		

Amounts may not calculate due to rounding. The tables above reconcile certain non-GAAP financial measures to their closest GAAP measure. The presentation of these adjustments is intended to permit the comparison of particular adjustments as they appear in the income statement in order to assist investors' understanding of the overall impact of such adjustments. In addition to GAAP financial measures, the Company provides Adjusted net income, Adjusted EBITDA, Adjusted EBITDA margin, and Adjusted diluted EPS to assist our investors in evaluating our ongoing operating performance for the current reporting period and, where provided, over different reporting periods, by adjusting for certain items which in our view do not necessarily reflect ongoing performance. We also internally use these measures to assess our operating performance, both absolutely and in comparison to other companies, and in evaluating or making selected compensation decisions. These supplemental disclosures are in addition to GAAP reported measures. Non-GAAP measures should not be considered a substitute for, nor superior to, financial results and measures determined or calculated in accordance with GAAP. Our presentation of adjusted measures may not be comparable to similarly-titled measures used by other companies. See "Presentation of Financial Information" and Table 7 for the definitions of these non-GAAP measures.

- (a) Amortization of acquisition-related intangible assets is excluded from Adjusted net income and Adjusted EBITDA.
- (b) Represents the tax effects on the adjustments. We determine the tax effects of the non-GAAP adjustments based on the nature of the underlying adjustment and the relevant tax jurisdictions. The tax effect of the non-GAAP adjustments was calculated based on an evaluation of the statutory tax treatment and the applicable statutory tax rate in the relevant jurisdictions.
- (c) All stock-based compensation is excluded from Adjusted EBITDA.

Travel + Leisure Co.  
Non-GAAP Measure: Reconciliation of Net Cash Provided by Operating Activities to Adjusted Free Cash Flow  
*(in millions)*

	Three Months Ended March 31,	
	2025	2024
<b>Net cash provided by operating activities</b>	<b>\$ 121</b>	<b>\$ 47</b>
Property and equipment additions	(21)	(17)
Sum of proceeds and principal payments of non-recourse vacation ownership debt	52	(8)
<b>Free cash flow / Adjusted free cash flow<sup>(a)</sup></b>	<b>\$ 152</b>	<b>\$ 22</b>

(a) The Company had \$22 million and \$57 million of net cash used in investing activities during the three months ended March 31, 2025 and 2024. The Company had \$63 million of net cash used in financing activities for the three months ended March 31, 2025 and \$203 million of net cash provided by financing activities for the three months ended March 31, 2024.



## Definitions

**Adjusted Diluted Earnings per Share:** A non-GAAP measure, defined by the Company as Adjusted net income divided by the diluted weighted average number of common shares. Adjusted Diluted Earnings per Share is useful to assist our investors in evaluating our ongoing operating performance for the current reporting period and, where provided, over different reporting periods.

**Adjusted EBITDA:** A non-GAAP measure, defined by the Company as net income from continuing operations before depreciation and amortization, interest expense (excluding consumer financing interest), early extinguishment of debt, interest income (excluding consumer financing revenues) and income taxes, each of which is presented on the Condensed Consolidated Statements of Income. Adjusted EBITDA also excludes stock-based compensation costs, separation and restructuring costs, legacy items, transaction and integration costs associated with mergers, acquisitions, and divestitures, asset impairments/recoveries, gains and losses on sale/disposition of business, and items that meet the conditions of unusual and/or infrequent. Legacy items include the resolution of and adjustments to certain contingent assets and liabilities related to acquisitions of continuing businesses and dispositions, including the separation of Wyndham Hotels & Resorts, Inc. and Avis Budget Group, Inc. (ABG), and the sale of the vacation rentals businesses. Integration costs represent certain non-recurring costs directly incurred to integrate mergers and/or acquisitions into the existing business. We believe that when considered with GAAP measures, Adjusted EBITDA is useful to assist our investors in evaluating our ongoing operating performance for the current reporting period and, where provided, over different reporting periods. We also internally use these measures to assess our operating performance, both absolutely and in comparison to other companies, and in evaluating or making selected compensation decisions. Adjusted EBITDA should not be considered in isolation or as a substitute for net income/(loss) or other income statement data prepared in accordance with GAAP and our presentation of Adjusted EBITDA may not be comparable to similarly-titled measures used by other companies.

**Adjusted EBITDA Margin:** A non-GAAP measure, represents Adjusted EBITDA as a percentage of revenue. Adjusted EBITDA Margin is useful to assist our investors in evaluating our ongoing operating performance for the current reporting period and, where provided, over different reporting periods.

**Adjusted Free Cash Flow:** A non-GAAP measure, defined by the Company as net cash provided by operating activities from continuing operations less property and equipment additions (capital expenditures) plus the sum of proceeds and principal payments of non-recourse vacation ownership debt, while also adding back cash paid for transaction costs for acquisitions and divestitures, separation adjustments associated with the spin-off of Wyndham Hotels, and certain adjustments related to COVID-19. TNL believes adjusted FCF to be a useful operating performance measure to evaluate the ability of its operations to generate cash for uses other than capital expenditures and, after debt service and other obligations, its ability to grow its business through acquisitions and equity investments, as well as its ability to return cash to shareholders through dividends and share repurchases. A limitation of using Adjusted free cash flow versus the GAAP measure of net cash provided by operating activities as a means for evaluating TNL is that Adjusted free cash flow does not represent the total cash movement for the period as detailed in the consolidated statement of cash flows.

**Adjusted Free Cash Flow Conversion:** A non-GAAP measure, defined by the Company as Adjusted free cash flow as a percentage of Adjusted EBITDA. We use this non-GAAP performance measure to assist in evaluating our operating performance and the quality of our earnings as represented by adjusted EBITDA, and to evaluate the performance of our current and prospective operating and strategic initiatives in generating cash flows from our earnings performance. This measure also assists investors in evaluating our operating performance, management of our assets, and ability to generate cash flows from our earnings, as well as facilitating period-to-period comparisons.

**Adjusted Net Income:** A non-GAAP measure, defined by the Company as net income from continuing operations adjusted to exclude separation and restructuring costs, legacy items, transaction and integration costs associated with mergers, acquisitions, and divestitures, amortization of acquisition-related assets, debt modification costs, impairments, gains and losses on sale/disposition of business, and items that meet the conditions of unusual and/or infrequent and the tax effect of such adjustments. Legacy items include the resolution of and adjustments to certain contingent assets and liabilities related to acquisitions of continuing businesses and dispositions, including the separation of Wyndham Hotels and ABG, and the sale of the vacation rentals businesses. Adjusted Net Income is useful to assist our investors in evaluating our ongoing operating performance for the current reporting period and, where provided, over different reporting periods.

**Average Number of Exchange Members:** Represents the average number of paid members in our vacation exchange programs who are considered to be in good standing, during a given reporting period.

**Free Cash Flow (FCF):** A non-GAAP measure, defined by TNL as net cash provided by operating activities from continuing operations less property and equipment additions (capital expenditures) plus the sum of proceeds and principal payments of non-recourse vacation ownership debt. TNL believes FCF to be a useful operating performance measure to evaluate the ability of its operations to generate cash for uses other than capital expenditures and, after debt service and other obligations, its ability to grow its business through acquisitions and equity investments, as well as its ability to return cash to shareholders through dividends and share repurchases. A limitation of using FCF versus the GAAP measure of net cash provided by operating activities as a means for evaluating TNL is that FCF does not represent the total cash movement for the period as detailed in the consolidated statement of cash flows.

**Gross Vacation Ownership Interest Sales:** A non-GAAP measure, represents sales of vacation ownership interests (VOIs), including sales under the fee-for-service program before the effect of loan loss provisions. We believe that Gross VOI sales provide an enhanced understanding of the performance of our vacation ownership business because it directly measures the sales volume of this business during a given reporting period.

**Leverage Ratio:** The Company calculates leverage ratio as net debt divided by Adjusted EBITDA as defined in the credit agreement.

**Net Debt:** Net debt equals total debt outstanding, less non-recourse vacation ownership debt and cash and cash equivalents.

**Tours:** Represents the number of tours taken by guests in our efforts to sell VOIs.

**Travel and Membership Revenue per Transaction:** Represents transaction revenue divided by transactions, provided in two categories; Exchange, which is primarily RCI, and Travel Club.

Travel and Membership Transactions: Represents the number of exchanges and travel bookings recognized as revenue during the period, net of cancellations. This measure is provided in two categories; Exchange, which is primarily RCI, and Travel Club.

Volume Per Guest (VPG): Represents Gross VOI sales (excluding telesales and virtual sales) divided by the number of tours. The Company has excluded non-tour sales in the calculation of VPG because non-tour sales are generated by a different marketing channel. We believe that VPG provides an enhanced understanding of the performance of our Vacation Ownership business because it directly measures the efficiency of its tour selling efforts during a given reporting period.