Amadeus IT Group, S.A. and Subsidiaries

Review report of independent auditors, consolidated and condensed interim financial statements, prepared in accordance with International Accounting Standard 34, and interim consolidated Directors' report for the six-month period ended June 30, 2023

amadeus.com

Amadeus IT Group, S.A. and Subsidiaries

Review report of independent auditors for the six-month period ended June 30, 2023

Building a better working world

Ernst & Young, S.L.
C/ Raimundo Fernández Villaverde, 65
28003 Madrid

Tel: 902 365 456
Fax: 915 727 238
ey.com

REPORT ON LIMITED REVIEW OF THE CONSOLIDATED AND CONDENSED INTERIM FINANCIAL STATEMENTS

Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails.

To the Shareholders of AMADEUS IT GROUP, S.A. at the request of management:

Report on the consolidated and condensed interim financial statements

Introduction

We have carried out a limited review of the accompanying consolidated and condensed interim financial statements (hereinafter the interim financial statements) of Amadeus IT Group, S.A. (hereinafter the parent) and subsidiaries (hereinafter the Group), which comprise the consolidated statement of financial position at June 30, 2023, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows and the explanatory notes for the six months period then ended. The parent's directors are responsible for the preparation of said interim financial statements in accordance with the requirements established by IAS 34, "Interim Financial Reporting", adopted by the European Union for the preparation of interim condensed financial reporting in conformity with article 12 of Royal Decree 1362/2007. Our responsibility is to express a conclusion on these interim financial statements based on our limited review.

Scope of review

We have performed our limited review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Reporting Performed by the Independent Auditor of the Entity". A limited review of interim financial statements consists of making enquiries, primarily of personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A limited review is substantially less in scope than an audit carried out in accordance with regulations on the auditing of accounts in force in Spain and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the accompanying interim financial statements.

Conclusion

During the course of our limited review, which under no circumstances can be considered an audit of accounts, no matter came to our attention which would lead us to conclude that the accompanying interim financial statements for the six months period ended June 30, 2023 have not been prepared, in all material respects, in accordance with the requirements established by International Accounting Standard 34, "Interim Financial Reporting", as adopted by the European Union in conformity with article 12 of Royal Decree 1362/2007 for the preparation of interim financial statements.

Emphasis paragraph

We draw attention to the matter described in the accompanying explanatory Note 2 in the interim financial statements, which indicates that the abovementioned accompanying interim financial statements do not include all the information that would be required for complete consolidated financial statements prepared in accordance with International Financial Reporting Standards, as adopted by the European Union. Therefore, the accompanying interim financial statements should be read in conjunction with the Group's consolidated financial statements for the year ended December 31, 2022. This matter does not modify our conclusion.

Report on other legal and regulatory reporting requirements

The accompanying interim consolidated Directors' report for the six months period ended June 30, 2023 contains such explanations as the parent's directors consider necessary regarding significant events which occurred during this period and their effect on these interim financial statements, of which it is not an integral part, as well as on the information required in conformity with article 15 of Royal Decree 1362/2007. We have checked that the accounting information included in the abovementioned report agrees with the interim financial statements for the six months period ended on June 30, 2023. Our work is limited to verifying the interim consolidated Directors' report in accordance with the scope described in this paragraph, and does not include the review of information other than that obtained from the accounting records of Amadeus IT Group, S.A. and its subsidiaries.

Paragraph on other issues

This report has been prepared at the request of management with regard to the publication of the semi-annual financial report required by article 100 of Law 6/2023 on Securities Markets and Investment Services, of March 17.

ERNST & YOUNG, S.L.

(Signed on the original version in Spanish)

Hildur Eir Jónsdóttir

July 28, 2023

Amadeus IT Group, S.A. and Subsidiaries

Consolidated and condensed interim financial statements for the six-month period ended June 30, 2023, prepared in accordance with International Accounting Standard 34

This English version is a free translation performed by Amadeus IT Group, S.A., under its sole responsibility, and it should not be considered official or regulated financial information

Consolidated statement of financial position (millions of euros)

ASSETS	Note	June 30, 2023 UNAUDITED	December 31, 2022 Restated UNAUDITED
Goodwill	4	3,736.7	3,766.7
Patents, trademarks, licenses and others		303.3	304.7
Technology and content		2,939.3	2,881.4
Contractual relationships		717.7	766.5
Intangible Assets		3,960.3	3,952.6
Land and buildings		97.1	101.0
Data processing hardware and software		75.5	92.3
Other property, plant and equipment		24.1	27.6
Property, plant and equipment		196.7	220.9
Right of use assets		212.9	212.0
Investments accounted for using the equity method		1.8	6.4
Other non-current financial assets	5	105.2	101.5
Non-current derivative financial assets	5	7.3	1.7
Deferred tax asset		136.6	177.2
Other non-current assets		193.2	209.6
Total non-current assets		8,550.7	8,648.6
Trade account receivables	5	714.6	597.0
Current income tax assets		64.1	76.2
Other current financial assets	5	217.1	560.0
Current derivative financial assets	5	3.6	63.5
Other current assets		360.6	334.4
Cash and cash equivalents	5 and 13	1,464.2	1,434.8
Total current assets		2,824.2	3,065.9
TOTAL ASSETS		11,374.9	11,714.5

Consolidated statement of financial position (millions of euros)

EQUITY AND LIABILITIES	Note	June 30, 2023 UNAUDITED	December 31, 2022 Restated UNAUDITED
Share Capital	7	4.5	4.5
Additional paid-in capital	7	885.7	887.8
Retained earnings and reserves	7	3,334.3	3,008.9
Treasury shares	7	(45.2)	(25.3)
Profit for the period attributable to owners of the parent		563.4	664.4
Unrealized gains / (losses) reserve		(3.2)	45.9
Equity attributable to owners of the parent		4,739.5	4,586.2
Non-controlling interests		(0.9)	(0.7)
Equity		4,738.6	4,585.5
Non-current provisions		20.4	19.8
Non-current debt	5 and 8	2,587.4	3,086.4
Non-current derivative financial liabilities	5	4.5	10.6
Other non-current financial liabilities	5	21.8	23.9
Deferred tax liabilities		559.4	533.6
Non-current contract liabilities		220.4	228.5
Non-current income tax liabilities		95.0	154.3
Other non-current liabilities		120.0	103.4
Total non-current liabilities		3,628.9	4,160.5
Current provisions		2.0	1.9
Current debt	5 and 8	1,068.1	1,324.8
Other current financial liabilities	5	2.5	1.2
Dividend payable	5	333.2	0.3
Current derivative financial liabilities	5	23.3	57.3
Trade accounts payables	5	915.5	876.6
Current income tax liabilities		119.3	99.5
Current contract liabilities		250.7	231.3
Other current liabilities		292.8	375.6
Total current liabilities		3,007.4	2,968.5
TOTAL EQUITY AND LIABILITIES		11,374.9	11,714.5

Consolidated statement of comprehensive income (millions of euros)

Continuing operations	Note	June 30, 2023	June 30, 2022
			Restated
		UNAUDITED	UNAUDITED
Revenue	3 and 6	2,692.1	2,099.7
Cost of revenue		(684.8)	(506.3)
Personnel and related expenses		(818.1)	(724.8)
Depreciation and amortization		(311.4)	(318.4)
Other operating expenses		(143.1)	(77.0)
Operating income	3	734.7	473.2
Interest income		18.0	3.0
Interest expense	12	(42.5)	(42.5)
Other financial income/ (expenses)	12	16.6	(11.6)
Exchange gains / (losses)		(22.6)	(2.5)
Financial expense, net		(30.5)	(53.5)
Other income / (expense)		2.4	0.5
Profit before income taxes		706.6	420.2
Income tax		(141.3)	(100.9)
Profit after taxes		565.3	319.3
Share in profit / (loss) of associates and joint ventures accounted for using the equity method		(2.1)	(0.9)
PROFIT FOR THE PERIOD		563.2	318.4
Attributable to owners of the parent		563.4	318.5
Attributable to non-controlling interests		(0.2)	(0.1)
Earnings per share basic [in Euros]	11	1.25	0.71
Earnings per share diluted [in Euros]	11	1.22	0.69
Items that will not be reclassified to profit or loss:			
Actuarial gains / (losses)		0.4	–
Changes in the fair value of equity investment at FVTOCI		0.1	(0.1)
Items that may be reclassified to profit or loss:			
Cash flow hedges		18.3	(38.8)
Exchange differences on translation of foreign operations		(67.9)	221.7
OTHER COMPREHENSIVE INCOME / (EXPENSE) FOR THE PERIOD, NET OF TAX		(49.1)	182.8
TOTAL COMPREHENSIVE INCOME / (EXPENSE) FOR THE PERIOD		514.1	501.2
Attributable to owners of the parent		514.3	501.3
Attributable to non-controlling interests		(0.2)	(0.1)

Consolidated statement of changes in equity (millions of euros)

	Share Capital	Additional paid-in capital	Retained earnings and reserves	Treasury shares	Profit for the period attributable to owners of the parent	Unrealized gains / (losses) reserve	Non-controlling interests	Total
Balance at December 31, 2021 (audited)	4.5	883.5	3,148.1	(33.5)	(142.4)	(114.9)	(0.3)	3,745.0
Adjustment for Amendment IAS 12	—	—	3.2	—	—	—	—	3.2
Balance at December 31, 2021 (restated)	4.5	883.5	3,151.3	(33.5)	(142.4)	(114.9)	(0.3)	3,748.2
Adjustment for Amendment IAS 12	—	—	—	—	(0.1)	—	—	(0.1)
Total comprehensive income for the period	—	—	—	—	318.6	182.8	(0.1)	501.3
Treasury shares acquisition	—	—	—	(3.8)	—	—	—	(3.8)
Treasury shares disposal	—	(4.6)	—	4.3	—	—	—	(0.3)
Recognition of share-based payment	—	3.9	—	—	—	—	—	3.9
Transfer to retained earnings	—	—	(142.4)	—	142.4	—	—	—
Balance at June 30, 2022 (unaudited)	4.5	882.8	3,008.9	(33.0)	318.5	67.9	(0.4)	4,249.2

Consolidated statement of changes in equity (millions of euros)

	Note	Share Capital	Additional paid-in capital	Retained earnings and reserves	Treasury shares	Profit for the period attributable to owners of the parent	Unrealized gains / (losses) reserve	Non-controlling interests	Total
Balance at December 31, 2022 (audited)		4.5	887.8	3,005.7	(25.3)	664.7	45.9	(0.7)	4,582.6
Adjustment for Amendment IAS 12		–	–	3.2	–	(0.3)	–	–	2.9
Balance at December 31, 2022 (restated)		4.5	887.8	3,008.9	(25.3)	664.4	45.9	(0.7)	4,585.5
Total comprehensive income for the period		—	—	—	—	563.4	(49.1)	(0.2)	514.1
Dividend	7	—	—	(332.8)	—	—	—	—	(332.8)
Treasury shares acquisition	7	—	—	—	(33.7)	—	—	—	(33.7)
Treasury shares disposal	7	—	(13.3)	—	13.8	—	—	—	0.5
Derecognition of non-controlling interests	7	—	—	(6.2)	—	—	—	—	(6.2)
Recognition of share-based payment	7	—	11.2	—	—	—	—	—	11.2
Transfer to retained earnings		—	—	664.4	—	(664.4)	—	—	—
Balance at June 30, 2023 (unaudited)		4.5	885.7	3,334.3	(45.2)	563.4	(3.2)	(0.9)	4,738.6

Consolidated statement of cash flows (millions of euros)

	Note	June 30, 2023	June 30, 2022 Restated
		UNAUDITED	UNAUDITED
Operating income	3	734.7	473.2
Depreciation and amortization		311.4	318.4
Operating income adjusted before changes in working capital and taxes		1,046.1	791.6
Trade accounts receivable		(136.1)	(181.3)
Other current assets		(15.1)	(46.9)
Trade accounts payable		45.2	139.8
Other current liabilities		(51.6)	(75.2)
Other non-current liabilities		(3.5)	3.1
Payment of reverse factoring agreements		–	(39.0)
Taxes refunded (paid)		(69.3)	9.6
CASH FLOWS GENERATED BY OPERATING ACTIVITIES		815.7	601.7
Payments for property, plant and equipment		(18.3)	(13.7)
Payments for intangible assets		(291.3)	(243.1)
Net cash outflow on acquisition of subsidiaries and associates		–	(14.3)
Interest received		23.8	0.9
Payments to acquire financial assets		(4.0)	(8.7)
Net loans to third parties		(2.5)	(0.1)
Cash proceeds paid from derivative agreements		(0.1)	(3.0)
Proceeds on sale of financial assets		2.8	7.4
Dividends received		0.8	0.4
Proceeds obtained from disposal of non-current assets		2.5	0.5
Subtotal before cash management activities		(286.3)	(273.7)
Purchase of securities/fund investments		(200.0)	(175.4)
Disposal of securities/fund investments		523.4	36.0
Net cash from derivative agreements		42.8	(16.0)
CASH FLOWS GENERATED FROM (USED IN) INVESTING AND CASH MANAGEMENT ACTIVITIES		79.9	(429.1)
Proceeds from borrowings		0.3	749.4
Repayments of borrowings		(750.1)	(1,016.5)
Interest paid		(47.5)	(37.1)
Payments to acquire non-controlling interests		(6.2)	–
Payments to acquire treasury shares		(32.5)	(3.8)
Payments of lease liabilities and others		(23.8)	(31.2)
CASH FLOWS USED IN FINANCING ACTIVITIES		(859.8)	(339.2)
Effect of exchange rate changes on cash and cash equivalents		(5.4)	2.7
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		30.4	(163.9)
Cash and cash equivalents net at the beginning of the period		1,433.4	1,127.5
Cash and cash equivalents net at the end of the period	13	1,463.8	963.6
Investments used in cash management activities	13	200.0	828.3
Unused credit facilities	8	1,250.0	1,000.0
TOTAL LIQUIDITY AVAILABLE		2,913.8	2,791.9

Index

1. GENERAL INFORMATION AND ACTIVITY

Amadeus IT Group, S.A. (hereinafter, 'the Company') was incorporated and registered at the Companies Register of Madrid on February 4, 2005. Its registered office is in Madrid, Salvador de Madariaga, 1 (Spain).

The Company's corporate object, as set out in article 2 of its by-laws, is the following:

- transfer of data from and/or through computer reservation systems, including offers, reservations, tariffs, transport tickets and/or similar, as well as any other services, including information technology services, all of them mainly related to the transport and tourism industry, provision of computer services and data processing systems, management and consultancy related to information systems;
- provision of services related to the supply and distribution of any type of product through computer means, including manufacture, sale and distribution of software, hardware and accessories of any type;
- organization and participation as partner or shareholder in associations, companies, entities and enterprises active in the development, marketing, commercialization and distribution of services and products through computer reservation systems for, mainly, the transport or tourism industry, in any of its forms, in any country worldwide, as well as the subscription, administration, sale, assignment, disposal or transfer of participation, shares or interests in other companies or entities;
- preparation of any type of economic, financial and commercial studies, as well as reports on real estate issues, including those related to management, administration, acquisition, merger and corporate concentration, as well as the provision of services related to the administration and processing of documentation; and
- acting as a holding company, for which purpose it may (i) incorporate or take holdings in other companies, as a partner or shareholder, whatever their nature or object, including associations and partnerships, by subscribing to or acquiring and holding shares or stock, without impinging upon the activities of collective investment schemes, securities dealers and brokers, or other companies governed by special laws, as well as (ii) establishing its objectives, strategies and priorities, coordinating subsidiaries' activities, defining financial objectives, controlling financial conduct and effectiveness and, in general, managing and controlling them.

The direct or, when applicable, indirect performance of all business activities that are reserved by Spanish law is excluded. If professional titles, prior administrative authorizations, entries with public registers or any other requirements are required by legal dispositions to perform an activity embraced in the corporate object, such activity shall not commence until the required professional or administrative requirements have been fulfilled. The bylaws and other public information of the Company can be consulted on the website of the Company (corporate.amadeus.com).

Amadeus IT Group, S.A. is the parent company of the Amadeus Group ('the Group'). The Group is a leading transaction processor for the global travel and tourism industry, providing advanced technology solutions to our travel providers and travel agencies worldwide. The Group acts as an international network providing comprehensive real-time search, pricing, booking, ticketing and other processing solutions to travel providers and travel agencies. We also offer other travel providers (today, principally airlines and hotels) an extensive portfolio of technology solutions, which automate certain mission-critical business processes, such as reservations, inventory management, payments and departure control.

Customers include providers of travel products and services, such as airlines (network, domestic, low-cost and charter carriers), airports, hotels (independent properties and big chains), tour operators (mainstream, specialist and vertically integrated players), insurance companies, land and sea transport companies (car rental companies, railway companies, cruise lines and ferry lines), travel sellers and brokers (offline and online travel agencies) and travel buyers (corporations and individual travelers).

The Group has no responsibilities, expenses, assets, liabilities or contingencies of an environmental nature that may have a significant impact on its equity, financial position or results. Therefore, no specific disclosures relating to environmental issues are included in the notes to the consolidated and condensed interim financial statements (“interim financial statements” or “consolidated interim financial statements”).

2. BASIS OF PRESENTATION AND COMPARABILITY OF THE INFORMATION

2.1 Basis of presentation

2.1.1 General information

The accompanying consolidated interim financial statements for the six-month period ended June 30, 2023 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (“IFRS-EU”), in particular with International Accounting Standard 34: Interim Financial Reporting, and with the requirements of the Royal Decree 1362/2007. The disclosure requirements of IAS 34 are based on the assumption that the reader of the interim financial statements is doing so together with the most recent consolidated annual accounts. Consequently, the interim financial statements do not include all the information and disclosures that would be required by IFRS-EU for complete consolidated annual accounts. The most recent annual accounts were authorized for issue by the Board of Directors of the Company on February 23, 2023, and approved at the Ordinary General Shareholders’ Meeting on June 21, 2023.

The issue of these interim financial statements was authorized by the Board of Directors of the Company on July 28, 2023.

The presentation currency of the Group is the Euro. The consolidated statement of financial position is presented with a difference between current and non-current items, and the consolidated statement of comprehensive income is presented by nature of expense. The presentation by nature highlights better the different components of financial performance of the Group and enhances predictability of the business. The Group decided to prepare the consolidated statement of cash flows by applying the indirect method.

Except where indicated otherwise, the figures of the interim financial statements are expressed in millions of euros.

2.1.2 Use of estimates

Use of estimates and assumptions is required in the preparation of the interim financial statements in accordance with IFRS-EU. The estimates and assumptions affect the carrying amount of assets and liabilities. The estimates with a more significant impact in the interim financial statements are the following:

- Income tax assets and liabilities
- Expected credit losses
- Amortization period for non-current non-financial assets

The estimates and assumptions are based on the information available at the date of issuance of the interim financial statements, past experience and other factors, which are believed to be reasonable at that time. The actual results might differ from the estimates.

2.2 Comparison of information

For comparison purposes, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows as of June 30, 2023, are presented with information relating to the period of six months ended on June 30, 2022, and the consolidated statement of financial position is presented with information related to the year ended on December 31, 2022. Due to the application of the *Amendment to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction* disclosed in caption 2.5 below, certain amounts have been restated.

2.3 Consolidation scope

The main variations in the consolidation scope are the following:

- In January 2023, the subsidiary Amadeus Finance BV has been liquidated.
- In May 2023, Amadeus has set up a new subsidiary in Dubai named Amadeus IT FZCO.
- In June 2023, Amadeus has set up a new subsidiary in Dubai named Amadeus Travel Distribution India & Subcontinent Holding FZCO .

2.4 Seasonality of interim results

Our business and operations are linked to the global travel industry. Also, travel volumes (air passengers, travel agency bookings, etc.) experience seasonality during the year.

In addition to this, the travel industry continues to recover from the impact of the COVID-19 pandemic. We saw consistent improvement throughout 2022, resulting in a stronger comparable base for the second half of 2023. While travel volumes have continued to improve in the first six months of 2023, there is still uncertainty around the shape and speed of the remaining recovery curve, exacerbated by the current macro and geopolitical events.

As such, the results for the six-month period ended June 30, 2023, may not be representative of the performance for the full year.

2.5 Accounting policies

The accounting policies adopted in the preparation of the consolidated interim financial statements are consistent with those followed in the preparation of the consolidated annual accounts for the year ended December 31, 2022, except for the adoption of new amendments effective as of January 1, 2023.

The Group has applied the following standards and amendments issued and endorsed by the EU for the first time for the annual reporting period commencing on January 1, 2023:

- IFRS 17 Insurance Contracts
- Amendments to IFRS 17 Insurance Contracts
- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Except for the *Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction*, the aforementioned standards and amendments did not have any impact on the amounts recognized in prior or current periods.

Before the issuance of these Amendments to IAS 12, there was an exemption in the initial recognition of deferred tax assets and liabilities on transactions that gave rise to equal amounts of taxable and deductible temporary differences. This was particularly applicable to leases transactions. The Standard has been amended to eliminate such exemption and, consequently, deferred tax assets and liabilities on the initial recognition of leases have been accounted in the consolidated statement of financial of position.

The Group has retrospectively applied these amendments to its right of use assets and lease liabilities resulting in a restatement of the consolidated statement of financial of position, the consolidated statement of comprehensive income and the consolidated statement of changes in equity of the previous periods presented (consolidated statement of cash flows is not impacted). Deferred tax assets as at December 31, 2022 have been increased by €2.3 million and deferred tax liabilities have been decreased by €0.6 million, both against Equity (total impact €2.9 million). Income tax expense of the six-month period ended as at June 30, 2022 has been decreased by €0.1 million.

On May 23, 2023, the International Accounting Standards Board (IASB) has issued *Amendments to IAS 12 Income taxes: International Tax Reform – Pillar Two Model Rules*. The amendments introduce a temporary exception to the accounting for deferred taxes arising from jurisdictions implementing the global tax rules, and targeted disclosure requirements. These amendments are applicable for annual reporting periods beginning on or after January 1, 2023. At the date of issuance of these interim financial statements, these amendments have not yet been endorsed by the EU.

Additionally, certain new accounting standards and amendments have been published by the IASB, that will not be effective until January 1, 2024, and that have not yet been endorsed by the EU. These changes are not expected to have a material impact on the Group, neither in future reporting periods, nor on future transactions.

3. SEGMENT REPORTING

The segment information has been prepared in accordance with the 'management approach', which requires presentation of the segments on the basis of the internal reports about components of the entity which are regularly reviewed by the chief operating decision maker (CODM) in order to allocate resources to a segment and to assess its performance.

The reporting structure pivots on the type of customer and platform, distinguishing between travel and hospitality. The segment reporting is composed of three segments: Air Distribution, Air IT Solutions and Hospitality & Other Solutions, detailed below.

- Air Distribution, comprising travel customers where the primary offering is Amadeus Global Distribution System (GDS) platform. It generates revenues mainly from booking fees that the Group charges to travel providers for bookings made, as well as other non–booking revenues but excluding Hotel and Car providers.
- Air IT Solutions, also focused on travel customers including results from both, Airline IT and Airport IT businesses. The Group offers a portfolio of technology solutions (primarily Altéa PSS and New Skies) that automate mission-critical processes for travel providers. This segment generates revenues from the transactions processed in the Amadeus platform, as well as from other IT services.

Notes (millions of euros)

- Hospitality & Other Solutions, mainly focused on hospitality customers including, both the distribution and IT solutions services, and composed of TravelClick, Hotel and Payments distribution, Hotel and Payment IT solutions, Mobility, Insurance and Ferry and Travel Audience.

The Group applies the same accounting policies for the measurement of the profit or loss of its operating segments as those described in the 2022 consolidated annual accounts. Management, when evaluating the performance of each operating segment, uses contribution as a performance measure. Contribution is defined at the relevant operating segment as revenue less operating costs plus capitalizations directly allocated to the relevant operating segment. The operating expenses (excluding capitalized expenses and those incentives associated to those capitalizations) of the Group are allocated either to operating direct costs or to indirect costs; we denominate operating direct costs to those direct costs that can be assigned to an operating segment and indirect costs to those that cannot be allocated to any operating segment.

Additionally, the Group manages its borrowing activities and taxes centrally and they are not followed up per segment.

Information regarding the Group's operating segments and the reconciliation of the measure of profit or loss to the consolidated statement of comprehensive income are set forth in the table below:

	June 30, 2023				June 30, 2022			
	Air Distribution	Air IT Solutions	Hospitality & Other Solutions	Total	Air Distribution	Air IT Solutions	Hospitality & Other Solutions	Total
Revenue	1,360.5	902.4	429.2	2,692.1	1,037.8	714.8	347.1	2,099.7
Contribution	644.4	642.3	145.8	1,432.5	483.8	499.8	102.5	1,086.1

The main reconciling items correspond to:

	June 30, 2023	June 30, 2022
Revenue	2,692.1	2,099.7
Contribution	1,432.5	1,086.1
Net indirect cost (1)	(386.4)	(294.5)
Depreciation and amortization	(311.4)	(318.4)
Operating income / (loss)	734.7	473.2

(1) Principally comprises what we denominate indirect costs that are costs shared among the operating segments, such as: (i) costs associated with Amadeus shared technology systems, including processing of multiple transactions, and (ii) corporate support, including various corporate functions such as finance, legal, human resources, internal information systems, etc. Additionally, it includes capitalization of expenses and incentives received from the French government in respect of certain product development activities in Nice and which have not been allocated to an operating segment. It also includes €51,2 million from financial aid received from the German authorities in 2022.

The Group operates in the travel industry and, accordingly, events that significantly affect the industry could also affect the Group's operations and financial position.

Amadeus IT Group, S.A. is based in Spain and is the counterparty to all key contractual arrangements with airlines and other travel providers for Air Distribution and Air IT Solutions operating segments.

The table below represents a split of how the revenue of the Group is geographically distributed, based on where the travel agent in which bookings are reserved, is located (for the Air Distribution operating segment), and attending to where the travel provider is receiving the services (for the Air IT Solutions and Hospitality & Other Solutions operating segment):

	June 30, 2023	June 30, 2022
EMEA	1,318.5	1,082.0
Asia & Pacific	511.7	293.8
America	861.9	723.9
Revenue	2,692.1	2,099.7

Included in the table above, the countries with most significant level of revenues including Spain are the following:

	June 30, 2023	June 30, 2022
USA	625.3	537.5
Germany	175.4	146.2
United Kingdom	125.3	92.1
Spain	67.4	82.7

4. GOODWILL

The reconciliation of the carrying amount of goodwill for the period ended June 30, 2023, is set forth in the table below:

	Millions of euros
Carrying amount at the beginning of the period	3,766.7
Exchange rate adjustments	(30.0)
Carrying amount at the end of the period	3,736.7

The Exchange rate adjustments caption for the period ended June 30, 2023, mainly relates to the USD – Euro evolution.

Notes (millions of euros)

5. FINANCIAL ASSETS AND LIABILITIES AND FAIR VALUE MEASUREMENTS

5.1 Classification

The Group's classification of financial assets and liabilities as of June 30, 2023, is set forth in the table below:

	Amortized cost	FVOCI	Hedging derivatives	FVPL	Total
Other non-current financial assets	93.4	11.8	–	–	105.2
Non-current derivative financial assets	–	–	7.3	–	7.3
Total non-current financial assets	93.4	11.8	7.3	–	112.5
Trade accounts receivable	714.6	–	–	–	714.6
Other current financial assets	217.1	–	–	–	217.1
Current derivative financial assets	–	–	3.6	–	3.6
Cash and cash equivalents	1,138.5	–	–	325.7	1,464.2
Total current financial assets	2,070.2	–	3.6	325.7	2,399.5
Non-current debt	2,587.4	–	–	–	2,587.4
Non-current derivative financial liabilities	–	–	4.5	–	4.5
Other non-current financial liabilities	4.0	–	–	17.4	21.4
Total non-current financial liabilities	2,591.4	–	4.5	17.4	2,613.3
Current debt	1,068.1	–	–	–	1,068.1
Other current financial liabilities	2.5	–	–	–	2.5
Dividend payable	333.2	–	–	–	333.2
Current derivative financial liabilities	–	–	19.1	4.2	23.3
Trade accounts payable	915.4	–	–	–	915.4
Total current financial liabilities	2,319.2	–	19.1	4.2	2,342.5

Other current financial assets mainly include a short-term repo used by the Group to invest part of the liquidity raised through the several financings amounting to €200.0 million (note 13), which are included in the net financial debt calculations (note 8).

5.2 Fair value measurements disclosures

The assets and liabilities that are measured at fair value on a recurring or non-recurring basis in the consolidated statement of financial position as of June 30, 2023, are set forth in the table below. These fair value measurements are categorized into different levels of fair value hierarchy based on the inputs to valuation techniques used.

	June 30, 2023	
	Level 2	Level 3
Other non-current financial assets	–	11.8
Non-current derivative financial assets cash-flow hedge	7.3	–
Current derivative financial assets	3.6	–
Non-current derivative financial liabilities cash-flow hedge	4.5	–
Current derivatives financial liabilities	23.3	–
Cash equivalents at fair value	325.7	–
Contingent consideration at fair value	–	17.4

The derivatives relate to foreign currency forwards and options and an interest rate swap.

The fair values of financial assets or liabilities traded on active liquid markets represent the prices quoted in those markets. If the market for a financial asset is not active or no market price is available, fair values are measured in accordance with generally accepted pricing valuation techniques, which include discounted cash flows, standard valuation models based on market parameters, dealer quotes and use of comparable arm's length transactions.

The Group's foreign currency forward and option contracts are measured using market forward exchange rates and the interest rate swap is measured using benchmark interest rates. As such, the financial assets or liabilities in our consolidated statement of financial position resulting from these derivative financial instruments that are measured at fair value, fall within the level 2 category of the fair value hierarchy. Fair values reflect the credit risk of the instrument and include adjustments to take into account the credit risk of the Group entity and of the counterparty when appropriate.

The caption Contingent consideration at fair value under Level 3 includes an amount of USD 10.0 million (€9.2 million), corresponding to the estimated contingent consideration in the acquisition of Optym's Sky business. This variable consideration depends on the revenues upon the execution of qualified new licenses until the end of year 2024. The caption also includes the estimated contingent consideration in the acquisition of Kambr, Inc. amounting to 9.3 USD million (€ 8.6 million). This variable consideration depends on the future revenues of the business between 2023 and 2025.

The caption Other non-current financial assets under level 3 comprises interests in certain unlisted non-controlled companies.

There were no transfers between levels of fair value hierarchy during the six-month period ended June 30, 2023.

The Group estimates that the carrying amount of its financial assets and liabilities measured at amortized cost is a reasonable approximation of their fair value as of June 30, 2023, except for the following financial liabilities:

	Carrying amount	Fair Value	% of face value
Bonds	3,206.3	3,314.2	103.4 %
European Investment Bank	200.0	172.8	86.4 %

The fair value measurement of the bonds and the European Investment Bank unsecured senior loan are categorized within the level 1 and level 2 in the fair value hierarchy, respectively.

Notes (millions of euros)

6. REVENUE

All the revenues recorded by the Group under the Revenue caption derive from contracts with customers. The Group obtains revenue from the rendering of services over time in the markets and segments as disclosed in note 3.

A disaggregation of revenue is as follows:

	June 30, 2023	June 30, 2022
Revenue provided through platforms and software	2,567.8	2,001.5
Revenue from professional services and other revenue	124.3	98.2
Revenue	2,692.1	2,099.7

7. EQUITY

7.1 Share Capital

As of June 30, 2023, the Company's share capital amounts to €4.5 million, as represented by 450,499,205 ordinary shares with a nominal value of €0.01 per share, all of them of one single class; totally subscribed and paid.

The Company's shares are traded on the Spanish electronic trading system ("Continuous Market") on the four Spanish Stock Exchanges (Madrid, Barcelona, Bilbao and Valencia). The Company's shares form part of the Ibex 35 index [AMS].

As of June 30, 2023, the Company's shares were held as set forth in the table below:

Shareholder	Shares	%
Free float (1)	449,655,575	99.81 %
Treasury shares (2)	740,447	0.17 %
Board of Directors (3)	103,183	0.02 %
Total	450,499,205	100 %

(1) Includes shareholders with significant equity stake on June 30, 2023, reported to the National Commission of the Stock Exchange Market (CNMV).
(2) Voting rights remain ineffective given they are treasury shares.
(3) It does not include voting rights that could be acquired through financial instruments.

7.2 Additional paid-in capital

The changes in the balance of the Additional paid in capital caption include the recognition of the share-based payments considered as equity-settled. The fair value of the amounts received during the six-month period ended June 30, 2023, as consideration for the equity instruments granted, amounts to €11.2 million partially offset by the settlement of €13.3 million.

7.3 Treasury Shares

The movement of the carrying amounts for the six-month period ended June 30, 2023, of the treasury shares is set forth in the table below:

	Treasury Shares	Millions of euros
Carrying amount as of December 31, 2022	475,397	25.3
Acquisitions	499,047	33.7
Retirements	(233,997)	(13.8)
Carrying amount as of June 30, 2023	740,447	45.2

On May 9, 2023, the wholly owned subsidiary Amadeus SAS., started a share buy-back program up to a maximum of 125,500 shares, representing 0.027% of the share capital, to meet obligations related to the share-based remuneration plans to employees and senior management of Amadeus SAS (and its wholly owned subsidiary Amadeus Software Labs India Private Limited) for the year 2023. The Company reached the maximum investment under this Program on May 19, 2023.

On June 6, 2023, the Company launched a share buy-back program with a maximum investment of €433.3 million, not exceeding 6,120,000 shares (1.358% of Amadeus' share capital). The share buy-back program is split in two parts, with the following purposes and conditions:

Program 1: Conversion to maturity, or early redemption, of convertible bonds, at the option of Amadeus.

- A maximum investment of €350.0 million.
- Shares acquired under this program will not exceed 4,930,000 shares (1.094% of Amadeus' share capital), with a maximum share price of €71.

Program 2: The share allocation programs for employees, officers and Executive Director of the Amadeus Group (excluding Amadeus SAS and its wholly-owned subsidiary Amadeus Software Labs India Private Limited), for the financial years 2023, 2024 and 2025, in accordance with the regulations of each share plan.

- A maximum investment of €83.3 million.
- Shares acquired under this program will not exceed 1,190,000 shares (0.264% of Amadeus' share capital), with no price limit by share.

The share buy-back program has a six-month Maximum Execution Period, with a Minimum Execution Period of three months. Program 2 will only begin once Program 1 has ended, either by reaching the maximum number of shares allocated to such Program or by reaching the maximum amount for such Program, whichever occurs earlier, or by the cancellation of Program 1 at any time during the Maximum Execution Period. As of June 30, 2023, the Company had acquired 373,547 shares under the share repurchase program.

During the six-month period ended June 30, 2023, the Group has settled employee share-based plans and has transferred 233,945 shares to employees and has delivered 52 shares to the former Amadeus IT Group, S.A. minority shareholders in relation to the exchange ratio established in the merger plan between Amadeus IT Group, S.A. and Amadeus IT Holding, S.A. occurred in 2016.

Notes (millions of euros)

7.4 Dividends distribution

The Company's dividend policy goal is to pay-out up to a range of 40% to 50% of the consolidated net profit for the year (excluding extraordinary impacts). The amount of dividends the Company decides to pay, if any, and the future dividend policy will however depend on a few factors, including earnings, financial conditions, debt service obligations, cash requirements, prospects or market conditions. The amount of dividends to pay, is proposed by the Board of Directors and approved by the shareholders at General Shareholders' Meeting.

On June 21, 2023, the Ordinary General Shareholders Meeting agreed to distribute a gross dividend of €0.74 per ordinary share, representing a total amount of €333.4 million. Considering the balance of 740,447 treasury shares as of June 30, 2023, the dividend payable amounts to €332.8 million. The dividend was paid on July 13, 2023.

7.5 Retained earnings and reserves

On August 2021, i:FAO AG was merged into Amadeus Corporate Business AG after acquiring, through a squeeze-out, the remaining minority participation in i:FAO AG. In 2023 the Group has paid an additional €6.2 million to minority shareholders following the decision of the first instance of the appraisal procedures.

8. CURRENT AND NON-CURRENT DEBT

The breakdown of carrying amounts of debt as of June 30, 2023, is set forth in the table below:

	June 30, 2023	December 31, 2022
Bonds	2,206.3	2,709.9
Deferred charges on Bonds	(14.4)	(18.0)
European Investment Bank (EIB)	200.0	200.0
Other deferred financing fees	(0.2)	(0.8)
Accrued interest	25.3	21.2
Other debt with financial institutions	0.5	1.4
Lease liabilities	169.9	172.7
Total non-current debt	2,587.4	3,086.4
Bonds	1,000.0	1,250.0
Other deferred financing fees	(0.7)	(0.5)
Accrued interests	23.4	29.1
Other debt with financial institutions	4.9	6.0
Lease liabilities	40.5	40.2
Total current debt	1,068.1	1,324.8
Total debt	3,655.5	4,411.2

As of June 30, 2023, close to 100% of the Groups' outstanding interest-bearing debt is at fixed interest rate. The increase in the ratio of fixed interest rate debt in the first semester as compared to the ratio at December 31, 2022, (83%) is mainly due to the exercise of the optional early redemption of Eurobond note for a total amount of €750 million (see caption 8.1 below).

Notes (millions of euros)

In the first quarter of 2023, the Company contracted an interest rate swap, amounting to €250 million, to make 50% of the outstanding Eurobond issued, maturing in September 2028, subject to floating interest rates. This interest rate swap is effective from September 2023, and is accounted for as a fair value hedge. Changes in the fair value of this hedge and in the hedged cash flows of the underlying bond are accounted for in the Other financial income/ (expense) caption of the consolidated statement of comprehensive income.

8.1 Eurobonds

On February 2, 2023, the Group, upon an early redemption exercise, redeemed €750 million outstanding notes, issued partly on February 18, 2022 (€500 million) and partly on April 1, 2022 (€250 million), with maturity date January 25, 2024.

8.2 Revolving credit facility

On January 17, 2023, the Company has signed an amendment agreement extending the maturity to January 17, 2028, of the unused revolving credit facility of €1,000.0 million, with a two year additional extension at the Banks Lenders' option. The Company has not disposed of this facility as of June 30, 2023.

8.3 European Investment Bank

On June 19, 2023 the European Investment Bank granted the Company an unsecured senior loan of €250 million, with different maturity dates (from four to twelve years) depending on how it is repaid, at the Company's choice. The proceeds from this loan will be used by the Company to finance R&D investment. The loan can be disbursed in up to five tranches, at a fixed or floating interest rate, at the choice of the Company.

This facility was undrawn at June 30, 2023.

8.4 Maturity analysis

The Group's financial debt by maturity as of June 30, 2023, is set in the table below:

		Current	Non-current				
	June 30, 2023	June 30, 2023 - June 30, 2024	June 30, 2024 - June 30, 2025	June 30, 2025 - June 30, 2026	June 30, 2026 - June 30, 2027	June 30, 2027 and beyond	Total non-current
Bonds	3,206.3	1,000.0	709.9	–	1,000.0	496.4	2,206.3
EIB	200.0	–		–	–	200.0	200.0
Accrued interests	48.7	23.4	–	25.3	–	–	25.3
Other debt with financial institutions	5.4	4.9	0.5	–	–	–	0.5
Leases	210.4	40.5	36.5	29.1	21.7	82.7	170.0
Total debt payable	3,670.8	1,068.8	746.9	54.4	1,021.7	779.1	2,602.1
Non-current Deferred financing fees	(14.6)						
Current Deferred financing fees	(0.7)						
Total debt	3,655.5						

Notes (millions of euros)

The tables above show the discounted amounts of financial liabilities. The total undiscounted amounts do not differ significantly.

8.5 Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while continuing to generate returns to shareholders, and to benefit other stakeholders through the optimization of the leverage ratio.

The Group bases its capital management decisions on the relationship between the Group's earnings and free cash flows, and its debt amount and debt service payments.

The net financial debt is set forth in the table below:

	June 30, 2023	December 31, 2022
Total non-current debt	2,587.4	3,086.4
Total current debt	1,068.1	1,324.8
Total debt	3,655.5	4,411.2
(-) Short-term investments	(200.0)	(534.4)
(-) Fair value of exchange rate hedges	–	(35.5)
(-) Cash and cash equivalents	(1,464.2)	(1,434.8)
Total net financial debt	1,991.3	2,406.5

In 2023, the rating agency Standard & Poor's has revised the Group's long term credit rating upwards from "BBB-" with a stable outlook to "BBB" with a stable outlook, and also raises to “A-2” from “A3” the short term rating, thus returning to the same credit rating it had before the COVID-19 pandemic. The credit rating granted to the Group by the agency Moody's remains unchanged and is ‘Baa2’, with stable outlook.

The Group considers that the ratings awarded, would allow access to the markets, if necessary, on reasonable terms.

9. RELATED PARTIES BALANCES AND TRANSACTIONS

All transactions with related parties are carried out on an arm's length basis. Transactions between the Group and its subsidiaries, and between subsidiaries, which are related parties of the Company, were eliminated in consolidation. Accordingly, they are not disclosed in this note.

As of June 30, 2023, there are neither shareholders nor parties with significant influence considered as related parties.

Other related parties are linked to the transactions and balances between the Group and its associates and joint ventures.

The Group's transactions and balances with related parties (in thousands of euros) that are set forth in the tables below:

			June 30, 2023
Consolidated statement of comprehensive income	Board members and key management	Other related parties	Total
Cost of revenue and other operating expenses	—	24,592	24,592
Personnel and related expenses	7,617	—	7,617
Total expenses	7,617	24,592	32,209
Dividends from associates	—	2,488	2,488
Revenue	—	200	200
Total income	—	2,688	2,688

			June 30, 2023
Consolidated statement of financial position	Board members and key management	Other related parties	Total
Dividends Receivable - Other current financial assets	—	1,391	1,391
Trade accounts receivable	—	137	137
Trade accounts payable	—	4,542	4,542

9.1 Board of Directors

The position of Member of the Board of Directors is remunerated in accordance with the Company's bylaws. The remuneration for said functions consists of a fixed remuneration to be determined by the General Shareholders' Meeting before the relevant financial year ends. The remuneration to which the Executive Director may be entitled despite of his functions as Director, consists of salary (in cash and in kind), yearly and/or multi-annual bonus, subject to the objectives fulfillment, share-based plans and any other compensation following the remuneration policy approved by the General Shareholders' Meeting held on June 17, 2021, for a period of three years (2022, 2023 and 2024).

On June 21, 2023, the Ordinary General Shareholders' Meeting agreed a fixed remuneration of the members of the Board of Directors, in their capacity as such, in cash or in kind, for the period January to December 2023 with a limit of €1,566 thousand and vested the Board of Directors with the authority to resolve on how said remuneration was to be distributed among the members of the Board, following article 36 of the Company's bylaws. No loans, advances or stock options have been granted to the members of the Board of Directors.

The remuneration paid to the Directors as at June 30, 2023, and 2022, is set forth in the table below:

		June 30, 2023	June 30, 2022
Board Members		Compensation in cash	Compensation in cash
William Connelly	Chairman	164	157
Stephan Gemkow	Vice-Chairman	79	62
Francesco Loredan	Vice-Chairman	57	58
Luis Maroto	Executive Director	18	18
Xiaoqun Clever	Director	60	51
Janna Eggers	Director	49	47
Clara Furse	Director	—	68
Pilar García	Director	76	62
Peter Kürpick	Director	61	58
Amanda Mesler	Director	88	74
Josep Piqué	Director	—	44
Eriikka Söderström	Director	64	36
Frits van Paasschen	Director	—	—
David Vegara	Director	64	—
David Webster	Director	—	71
Total		780	806

On June 21, 2023, Mr. Stephan Gemkow has been appointed as Vice-Chairman, replacing Mr. Francesco Loredan who left the Board. Mr. Frits van Paasschen joined the Board as independent Director effective as of June 24, 2023.

At June 30, 2023, and 2022, investment held by the members of the Board of Directors in the share capital of the Company is set forth in the table below:

	June 30, 2023	June 30, 2022
Name	Shares	Shares
Luis Maroto	102,833	96,294
Stephan Gemkow	350	350

During the six-month period ended June 30, 2023, and 2022, the amounts accrued to the Chief Executive Officer (Consejero Delegado) for his executive functions are the following (in thousands of euros):

	June 30, 2023	June 30, 2022
Compensation in cash (salary and bonus)	1,302	1,296
Compensation in kind	25	12
Pension plan and collective life insurance policies	133	149
Share based payments	793	–
Total	2,253	1,457

9.2 Key Management Compensation

During the six-month period ended June 30, 2023, and 2022, the amounts accrued to Key Management are the following (in thousands of euros):

	June 30, 2023	June 30, 2022
Compensation in cash (salary and bonus)	3,578	4,356
Compensation in kind	231	226
Pension plan and collective life insurance policies	270	248
Share based payments	1,285	7
Total	5,364	4,837

Key management consists of 10 members as at June 30, 2023, (9 members as at June 30, 2022).

The number of shares held by the Group Key Management as at June 30, 2023 is 126,065 (185,905 shares as at June 30, 2022).

10. TAXATION

In the first half of 2023, certain events concerning the estimation of tax contingencies, primarily related to India, have impacted the consolidated interim financial statements.

As disclosed in note 23 of the 2022 consolidated annual accounts, the Company has been engaged in disputes with the Indian tax authorities since 1999. These disputes relate to an allegation that the distribution activities in India qualify as a permanent establishment, leading the Indian tax authorities to claim that a portion of the revenue generated from bookings made by travel agencies in India, should be subject to Indian tax. In 2023, the Supreme Court ruled that no additional income is subject to tax in India under these circumstances. Consequently, the Company has released the amounts accrued subject to this uncertain tax position accounted for along these years.

Additionally, as part of the ongoing proceedings, Amadeus has requested a refund of the amounts paid to the Indian tax authorities for withholdings made over several tax years. The Indian tax authorities have initiated the refund relating to certain periods, resulting in a partial reduction of the corresponding receivables as well as the generation of additional financial income, due to the delay interests. The collection of the amounts withheld in Indian Rupees has also generated exchange losses.

The main impacts on the consolidated interim financial statements related to changes in estimates for tax contingencies are as follows (millions of euros):

Notes (millions of euros)

Consolidated statement of comprehensive income	June 30, 2023
Other financial income/ (expenses)	21.1
Exchange gains / (losses)	(27.7)
Financial expense, net	(6.6)
Profit before income taxes	(6.6)
Income tax	29.2
PROFIT FOR THE PERIOD	22.6

Consolidated statement of cash flows	June 30, 2023
Other current assets	38.8
CASH FLOWS GENERATED BY OPERATING ACTIVITIES	38.8
Interest received	4.0
CASH FLOWS GENERATED FROM (USED IN) INVESTING AND CASH MANAGEMENT ACTIVITIES	4.0
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	42.8

As of June 30, 2023 after the collection of the amounts withheld and exchange losses impacts, the remaining receivable from Indian Tax authorities amounts to €73.1 million, for which the timing of collection is uncertain and therefore is classified as non-current.

Taking into consideration the aforementioned impacts, the nominal tax rates of the companies and the re-assessment of the permanent differences, the expected effective tax rate for the year 2023 is 20.0%. The effective tax rate as of June 30, 2022, and December 31, 2022, was 24.0 % and 23.5% respectively

The effective tax rate has been calculated considering the best estimate available of the full-year effective tax rate and the tax rates currently in force in the different countries defining the Group structure at the date of these consolidated interim financial statements. Due to the impact on the effective tax rate of non-deductible expenses as a percentage of income before taxes, any significant difference between the estimate and the final income before taxes achieved for the full-year could affect the final full-year effective tax rate.

11. EARNINGS PER SHARE

The detail of weighted average number of shares as of June 30, 2023 and 2022 is set forth in the table below:

	June 30, 2023		June 30, 2022	
	Weighted average number of ordinary shares	Weighted average number of potentially dilutive shares	Weighted average number of ordinary shares	Weighted average number of potentially dilutive shares
Total shares issued	450,499,205	450,499,205	450,499,205	450,499,205
Treasury shares	(491,625)	(491,625)	(614,567)	(614,567)
Potentially dilutive shares	–	15,255,840	–	15,202,397
Total shares	450,007,580	465,263,420	449,884,638	465,087,035

Notes (millions of euros)

The basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares issued during the period, excluding weighted treasury shares.

The dilutive earnings per share is calculated by dividing the profit attributable to equity holders of the Company plus the interest accrued by convertible bond holders by the weighted average number of ordinary shares issued during the period, excluding weighted treasury shares, plus potentially dilutive ordinary shares.

Dilutive effects during the period ended June 30, 2023, and 2022, are driven by the potential conversion of the convertible bonds into ordinary shares.

The calculation of basic and diluted earnings per share in euros (rounded to two digits) is set forth in the table below:

			Basic earnings per share
	June 30, 2023		June 30, 2022
Profit for the period attributable to owners of the parent	Earnings per share basic [in Euros]	Profit for the period attributable to owners of the parent	Earnings per share basic [in Euros]
563.4	1.25	318.5	0.71

			Diluted earnings per share
	June 30, 2023		June 30, 2022
Profit for the period attributable to owners of the parent plus interest accrued (convertible bonds)	Earnings per share diluted [in Euros]	Profit for the period attributable to owners of the parent plus interest accrued (convertible bonds)	Earnings per share diluted [in Euros]
567.4	1.22	322.4	0.69

Notes (millions of euros)

12. ADDITIONAL INFORMATION

12.1 Interest expense and other financial expenses

The Interest expense as of June 30, 2023, and 2022, mainly corresponds to the borrowings detailed in note 8. The breakdown is set forth in the table below:

	June 30, 2023	June 30, 2022
Bonds	35.0	36.0
European Investment Bank	0.5	0.6
Interest from derivative instruments	0.3	0.0
Other debt with financial institutions	0.1	–
Lease liabilities	2.6	1.5
Subtotal	38.5	38.1
Deferred financing fees	4.0	4.4
Interest expense	42.5	42.5

The breakdown of Other financial income / (expenses as of June 30, 2023, and 2022, is set forth in the table below:

	June 30, 2023	June 30, 2022
Net Interest on the Net Defined Benefit Liability	(1.2)	(0.8)
Interest expense on taxes	(10.8)	(1.5)
Interest income on taxes	32.4	–
Bank commissions, fees and other expenses	(3.9)	(4.3)
Fair value variances on short term investments	0.1	(5.0)
Other financial income / (expenses)	16.6	(11.6)

12.2 Employee distribution

The employee distribution by category and gender as of June 30, 2023 and 2022, is set forth in the table below:

	June 30, 2023			June 30, 2022		
	Female	Male	Total	Female	Male	Total
CEO/Senior Vice-president/Vice-president	3	33	36	2	29	31
Group Directors	47	134	181	41	132	173
Managers	2,020	3,943	5,963	1,788	3,492	5,280
Disabled managers	33	34	67	36	31	67
Staff	4,755	6,662	11,417	4,504	6,249	10,753
Disabled Staff	66	75	141	66	63	129
TOTAL	6,924	10,881	17,805	6,437	9,996	16,433

Notes (millions of euros)

The average employee distribution by category and gender as of June 30, 2023 and 2022, is set forth in the table below:

	June 30, 2023			June 30, 2022		
	Female	Male	Total	Female	Male	Total
CEO/Senior Vice-president/Vice-president	3	33	36	2	27	29
Group Directors	44	134	178	41	135	176
Managers	1,947	3,789	5,736	1,730	3,408	5,138
Disabled managers	34	34	68	36	29	65
Staff	4,745	6,651	11,396	4,460	6,223	10,683
Disabled Staff	67	75	142	66	65	131
TOTAL	6,840	10,716	17,556	6,335	9,887	16,222

13. CASH FLOWS

The reconciliation of the Cash and cash equivalents net caption of the consolidated statement of cash flows and the Cash and cash equivalents caption of the consolidated statement of financial position is set forth in the table below:

	June 30, 2023	June 30, 2022
Cash on hand and balances with banks	670.0	697.1
Cash equivalents	794.2	271.0
Cash and cash equivalents	1,464.2	968.1
Bank overdrafts	(0.4)	(4.5)
Cash and cash equivalents net	1,463.8	963.6

These investments are readily convertible to a certain amount of cash and do not have an appreciable risk of change in value.

Liquidity available comprises the investments used in cash management activities. The balance includes non-realized financial exchange hedges for those investments held in a different currency than euro. The breakdown is as follows:

	June 30, 2023	June 30, 2022
Value of Investments used in cash management activities	200.0	869.5
Fair value of non-realized hedges	–	(41.2)
Investments used in cash management activities	200.0	828.3

As of June 30, 2023, the Group has maintained short-term money market investments with an average yield rate of 3.37 %.

14. SUBSEQUENT EVENTS

The Company has continued performing treasury shares transactions under the share buy-back program disclosed in note 7 and has acquired 909,521 shares between July 1,2023, and the closing of the market on July 27, 2023.

Amadeus IT Group, S.A. and Subsidiaries

Directors' report for the six-month period ended June 30, 2023

This English version is a free translation performed by Amadeus IT Group, S.A., under its sole responsibility, and it should not be considered official or regulated financial information

Index

1. Summary

1.1 Introduction

Highlights for the six months ended June 30, 2023 (relative to prior year).

- Air Distribution bookings increased 17.2%, to 235.5 million.
- Air IT Solutions passengers boarded increased 36.8%, to 903.7 million.
- Air Distribution revenue grew 31.1%, to €1,360.5 million.
- Air IT Solutions revenue increased 26.2%, to €902.4 million.
- Hospitality & Other Solutions revenue grew 23.6%, to €429.2 million.
- Group Revenue increased 28.2%, to €2,692.1 million.
- EBITDA grew 41.3%, to €1,046.1 million.[1]
- Adjusted[2] profit increased 85.0%, to €560.3 million.[1]
- Free Cash Flow[3] increased 57.0%[4] , to €482.4 million.
- Net financial debt[5] was €1,870.1 million at June 30, 2023 (1.0 times last-twelve-month EBITDA[4]).

In the first six months of 2023, our Group Revenue increased by 28.2%, EBITDA grew 41.3%[1] and Adjusted Profit expanded by 85.0%[1] over prior year. This positive financial performance in the period supported a 57.0% increase in Free Cash Flow[3], resulting in Net Financial Debt of €1,870.1 million at June 30, 2023, which represented 1.0 times last-twelve-month EBITDA[5].

Our results in the first half of the year were driven by strong operating performances at each of our reported segments, supported by the continued strengthening of the travel industry through the second quarter.

In Air Distribution, revenue grew by 31.1% relative to prior year, resulting from a 17.2% increase in Air Distribution bookings and an expansionary average revenue per booking. Relative to 2019, Amadeus' bookings in the second quarter improved over first quarter's performance by 3.4 p.p. (to -21.7% vs 2019), resulting in -23.5% vs 2019 for the first half of 2023, outperforming our industry[6] supported by market share gains[6]. Our best performing region remains North America, which grew 4.0% in the first half, relative to 2019, and was Amadeus' largest region, accounting for 28.6% of our bookings.

[1] Excluding (i) in the first half of 2023, impacts from movements in the tax provision, which resulted in an increase in Adjusted profit of €22.6 million, with no impact on EBITDA, and (ii) in the first half of 2022, a non-refundable government grant, which resulted in an increase in EBITDA and Adjusted profit of €51.2 million and €38.9 million, respectively. See section 3.2 for further details.

[2] Excluding after-tax impact of the following items: (i) accounting effects derived from PPA exercises and impairment losses, (ii) non-operating exchange gains (losses), and (iii) other non-operating income (expense).

[3] Defined as EBITDA, minus capital expenditure, plus changes in our operating working capital, minus taxes paid, minus interests and financial fees paid.

[4] Free Cash Flow grew by 56.9% in H1'23, vs. H1'22, if we exclude the following non-recurring effects: (i) in H1'23, a collection of €42.8 million from the Indian tax authorities, (ii) in H1'22, a non-refundable government grant of €51.2 million, and (iii) also in H1'22, €24.0 million cost saving program implementation costs paid. See section 3.2 for further details.

[5] Based on our credit facility agreements' definition

[6] Industry and market share as defined in section 3.1.

In Air Distribution, we signed 16 new contracts or renewals of distribution agreements during the second quarter, taking the total number up to 36 for the first half of the year. We also continued to expand our customer base and to upsell technology to a number of our airline, travel agency and corporate customers.

In the first six months of 2023, our Air IT Solutions revenue grew by 26.2%, supported by our passengers boarded evolution, which increased by 36.8% over the same period of 2022, driven by continued progress in the travel industry and new customer implementations. Relative to 2019, Amadeus' passengers boarded were at -4.6% for the first six months of the year. North America remains our best performing region in the first half of 2023, delivering 28.2% growth over 2019, and Western Europe was our largest region, representing 32.4% of Amadeus' passengers boarded.

In Air IT solutions, we signed a new Altéa PSS contract with an undisclosed airline carrying 25 million passengers annually. Also, several airline customers signed for additional solutions or implemented new solutions, such as Tunisair, Vistara, Air Corsica and KLM Royal Dutch Airlines.

Finally, Hospitality & Other Solutions revenue was 23.6% higher in the first half of 2023, than in the first half of 2022. Both Hospitality, which generates the majority of the revenues in this segment, and Payments, delivered strong growth vs. prior year, supported by new customer implementations and volume expansion.

1.2 Summary of operating and financial information

Summary of KPI	Apr-Jun 2023[1]	Apr-Jun 2022[1]	Change	Jan-Jun 2023[1]	Jan-Jun 2022[1]	Change
Operating KPI (millions)						
Bookings	113.7	109.2	4.2%	235.5	200.9	17.2%
Passengers boarded	494.2	396.7	24.6%	903.7	660.7	36.8%
Financial results (€millions)						
Air Distribution revenue	681.6	591.8	15.2%	1,360.5	1,037.8	31.1%
Air IT Solutions revenue	477.5	401.7	18.9%	902.4	714.8	26.2%
Hospitality & Other Sol. revenue	221.7	189.1	17.3%	429.2	347.1	23.6%
Revenue	1,380.7	1,182.6	16.8%	2,692.1	2,099.7	28.2%
EBITDA	536.3	444.6	20.6%	1,046.1	740.4	41.3%
EBITDA margin (%)	38.8%	37.6%	1.2 p.p.	38.9%	35.3%	3.6 p.p.
Profit for the period	278.3	198.2	40.4%	540.7	279.5	93.4%
Adjusted profit[2]	287.2	208.0	38.1%	560.3	302.9	85.0%
Adjusted EPS (€)[3]	0.64	0.46	38.1%	1.25	0.67	84.8%
Cash flow (€millions)						
Capital expenditure	(160.6)	(139.2)	15.4%	(309.7)	(256.9)	20.6%
Free Cash Flow[4]	209.8	182.0	15.3%	482.4	307.4	57.0%
Indebtedness (€millions) – At month end [5]				Jun2023	Dec2022	Change
Net financial debt				1,870.1	2,284.5	(414.4)
Net financial debt/LTM EBITDA				1.0x	1.4x	

[1] EBITDA, Profit, Adjusted profit and Adjusted EPS have been adjusted to exclude: (i) in Q2'23, impacts from movements in the tax provision, which resulted in an increase in both Profit and Adjusted profit of €22.6 million, with no impact on EBITDA, and (ii) in Q2'22, a non-refundable government grant, which resulted in an increase in EBITDA of €51.2 million, and in Profit and Adjusted profit of €38.9 million. See section 3.2 for further details.

[2] Excluding after-tax impact of the following items: (i) accounting effects derived from PPA exercises and impairment losses, (ii) non-operating exchange gains (losses) and (iii) other non-operating income (expense).

[3] EPS corresponding to the Adjusted profit attributable to the parent company.

[4] Defined as EBITDA, minus capital expenditure, plus changes in our operating working capital, minus taxes paid, minus interests and financial fees paid. Free Cash Flow grew by 56.9% in H1'23, vs. H1'22 (and by 22.0% in Q2'23, vs. Q2'22), if we exclude the following non-recurring effects: (i) in Q2'23, a collection of €42.8 million from the Indian tax authorities, (ii) in Q2'22, a non-refundable government grant of €51.2 million, and (iii) in H1'22, €24.0 million cost saving program implementation costs paid (€6.1 million in Q2'22). See section 3.2 for further details.

[5] Based on our credit facility agreements' definition.

2. Business highlights

Air Distribution

- During the first half of 2023, we signed 36 new contracts or renewals of distribution agreements with airlines, like Zambia Airways and Air Cairo.
- We expanded our strategic partnerships with Air Canada, SAS and Virgin Atlantic regarding NDC content. In the case of Air Canada and SAS , the airline's NDC-sourced content will be integrated through the Amadeus Travel Platform. And for, Virgin Atlantic, we renewed and expanded its distribution agreement to further enable travel retailing, including the future distribution of the airline's NDC-based offering.
- Ryanair was activated in the Amadeus Travel Platform. Amadeus travel sellers can search and book in their preferred channel all of Ryanair's fare types, including ancillaries such as bags, seats, speedy boarding, fast track and baby equipment.
- AERTiCKET, the largest independent airline ticket wholesaler in Europe, has selected Amadeus as its preferred technology partner to access NDC-sourced content. In addition, AERTiCKET will use a jointly developed solution based on Amadeus Search technology
- American Express Global Business Travel announced some customer pilots to make Air France-KLM NDC content accessible to its customers. The new content will be enabled through the Amadeus Travel Platform, meeting the requirements of corporate clients.
- We renewed our partnership with travel management company House of Travel Bahrain with the signing of a new multi-year agreement, thanks to which, Amadeus will become the company's preferred technology partner and they will benefit from the most modern optimization and digitalization tools.
- Our Corporations team signed a number of deals. Air-France KLM became the first airline partner to add the Amadeus Cytric portfolio (Cytric Travel, Cytric Expense, Cytric Easy and Cytric Care) to its offering for corporate customers. The deal will mean Air France-KLM will use Amadeus technology for its online corporate solution named 'BlueConnect', allowing Air France-KLM customers of any size to adopt Cytric solutions, and giving access to more dynamic and personalized booking options for its direct corporate customers.
- Additionally, through our partnership with BCD Travel, Abanca, a Spanish bank, signed for Cytric Travel, and Soltec, a solar tracker manufacturer, signed for Cytric Travel and Cytric Easy.

Air IT Solutions

Airline IT

- At the close of June, 213 customers had contracted either of the Amadeus Passenger Service Systems (Altéa or New Skies) and 201 customers had implemented either of them.
- During the second quarter, we signed a new Altéa PSS contract with an undisclosed airline carrying 25 million passengers annually.
- Etihad Airways and ITA Airways migrated to Altéa during the quarter. Both airlines implemented the full Altéa suite, and in the case of ITA Airways, the carrier also implemented the Digital Experience suite, along with other Amadeus merchandizing, NDC and data solutions. In April, Hawaiian Airlines also migrated to Altéa.

- We had important upselling wins in Airline IT. Southwest Airlines contracted our Network Revenue Management solution. This solution adapts machine learning to the revenue management discipline to efficiently produce forecasts and gain valuable insights of passenger demand and fare elasticity.
- In April, Spirit Airlines has adopted Amadeus SkySYM, which applies artificial intelligence to simulate and optimize performance of flight schedules and maximize reliability.
- Following the signature of the new agreement with SAS, the flag-carrier will benefit from Amadeus Altéa NDC for the distribution of advanced merchandizing offers via NDC.
- Tunisair, an Altéa customer already deploying multiple Amadeus solutions, deployed three new solutions to improve the retailing experience for its passengers and agents: Amadeus Revenue Management, Amadeus Group Manager, and the Loyalty Community Platform.
- Navitaire, an Amadeus company, and 15below, a software development company provider specialized in passenger communications, announced a strategic partnership. This collaboration will allow both companies to offer airlines the benefit of joint product development and deeper API integrations, resulting in enhanced operational efficiencies and an improved customer experience.

Airport IT

- Pristina Airport in Kosovo, signed up for ACUS and Airport Management Solutions.
- Delhi Noida International Airport, in Uttar Pradesh, India, has chosen Amadeus to provide a world-class passenger processing system (PPS) including common use check-in, boarding, baggage reconciliation, and DigiYatra enabled biometric capabilities. DigiYatra is an app launched by the Government of India and DigiYatra Foundation that uses facial recognition technology in order to produce biometric-enabled seamless travel.
- Amadeus and JFKIAT – the operator of Terminal 4 at JFK Airport – announced that T4 is deploying Amadeus' Auto Bag Drop and Next Generation Kiosk self-service technology to deliver a smooth and efficient passenger flow through the airport. All kiosks and bag drops will be equipped with a biometric function.
- Additionally, Spokane International Airport, in the state of Washington, US, will also be implementing ACUS and Common Use Self Service (CUSS) kiosks.

Hospitality & Other Solutions

Hospitality

- Hilton renewed and expanded its Sales & Catering agreement with Amadeus. Delphi Sales & Catering is employed across the portfolio as a brand standard, allowing Hilton to seamlessly manage its sales and event processes from lead to execution, best positioning the hotel group to secure strategic group business. Additionally, Hilton continues to use Amadeus' MeetingBroker solution, to effectively manage incoming group RFPs. With this new agreement, Hilton also adds Amadeus' API connectivity to enable direct booking of events on Hilton's sales channels.
- French hotel brand Oceania Hotels, building on their current use of iHotelier Central Reservations System and Guest Management Solutions (GMS), is adding Digital Media, Web Solutions and the expanded GMS solution package with Guest Portal.

- German hotel group H-Hotels.com signed an agreement with Amadeus to expand their reach to travelers on digital channels, including display and social media marketing, adding to its existing Amadeus Business Intelligence and Travel Seller Media contracts. Leveraging Amadeus' proprietary data along with insights from our partner network, H-Hotels.com can drive better marketing campaign results and increased performance.
- Iberostar Hotels & Resorts, a Spain-based hotel chain, signed to deploy Delphi Sales & Catering, Amadeus' leading sales and event management software, to 66 beachfront properties, to centrally manage it's group business.
- Additionally, Houston First Corporation, Houston's Destination Marketing Organization, has signed for travel seller media.
- DiDi Enterprise Solutions, the travel management subsidiary of DiDi Global, a leading mobility technology platform headquartered in Beijing, signed with Amadeus to shop and book hospitality content via the Amadeus Travel Platform.
- We signed a deal with MeetingPackage, thanks to which, we will include Venue Sales Management solution into our offering. This is an additional offering on top of Amadeus' current industry-leading Sales & Catering software suite. The Venue Sales Management solution fills a gap, especially for hotels that have less than 5 meeting spaces and no dedicated sales staff.
- Amadeus deepened its partnership with the Knowland Group, a global provider of data-as-a-service insights on meetings and events for hospitality. By combining event data from Knowland with hotel booking data from Amadeus, the two companies presented the Hospitality Group & Business Performance Index, showing an overview of industry activity in the United States, comparing figures on a quarterly basis to same time performance from 2019.

Corporate

- Amadeus has acquired a minority stake in CAPHENIA, a future producer of synthesis gas, the feedstock of sustainable aviation fuel (SAF). The German-based company has developed an innovative approach to produce SAF in a more affordable and scalable way. This is Amadeus' first investment outside of the software space, and the decision is part of a wider commitment on behalf of Amadeus to support the industry on its journey toward sustainable travel.

3. Presentation of financial information

The Amadeus Consolidated and Condensed Interim Financial Statements for the six-month period ended June 30, 2023 are the source to the financial information included in this document. They have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and have been subject to a limited review by the auditors.

Certain amounts and figures included in this report have been subject to rounding adjustments. Any discrepancies in any tables between the totals and the sums of the amounts listed are due to rounding.

3.1 Alternative Performance Measures

This document includes unaudited Alternative Performance Measures, such as EBITDA, operating income, net financial debt as defined by our credit facility agreements, adjusted profit, Free Cash Flow, R&D investment and their corresponding ratios. These Alternative Performance Measures have been prepared in accordance with the Guidelines issued by the European Securities and Markets Authority for regulated information published on or after July 3, 2016.

- Segment contribution is defined as the segment revenue less operating direct costs plus direct capitalizations. A reconciliation to EBITDA is included in section 5.
- Segments' net operating costs comprise cost of revenues, personnel and related expenses and other operating expenses that are directly attributable to the operating segments and that form part of the segments' contributions.
- Net indirect costs comprise costs shared among the operating segments, such as: (i) costs associated with Amadeus shared technology systems, including processing of multiple transactions, and (ii) corporate support, including various corporate functions, such as finance, legal, human resources and internal information systems. Additionally, it includes capitalization of expenses and incentives, mainly received from the French government, in respect of certain product development activities, which have not been allocated to an operating segment.
- EBITDA corresponds to Operating income plus D&A expense. A reconciliation of EBITDA to Operating income is included in section 6.3. The Operating income calculation is displayed in section 6.
- EBITDA margin is the percentage resulting from dividing EBITDA by Revenue.
- Adjusted profit corresponds to Profit for the period, after adjusting for the after tax impact of: (i) accounting effects derived from PPA exercises and impairment losses, (ii) non-operating exchange gains (losses), and (iii) other non-operating income (expense), as detailed in section 6.6.1.
- Net financial debt as defined by our credit facility agreements is calculated as current and non-current debt (as per the financial statements), less cash and cash equivalents and short term investments considered cash equivalent assets under our credit facility agreements' definition, adjusted for operating lease liabilities (as defined by the previous Lease accounting standard IAS 17, and now considered lease liabilities under IFRS 16), and non-debt items (such as deferred financing fees and accrued interest). A reconciliation to the financial statements is included in section 7.1.
- R&D investment corresponds to the amounts incurred in the research and development of software and internal IT projects.
- Free cash flow is defined as EBITDA, minus capital expenditure, plus changes in our operating working capital, minus taxes paid, minus interests and financial fees paid. A reconciliation to the financial statements is included in section 7.2.
- Non-operating cash flows in the Cash Flow statement include payments to acquire financial assets, net loans to third parties, net cash proceeds collected/(paid) from derivatives agreements, proceeds on sale of financial assets, dividends received, proceeds obtained from the disposal of non-current assets and the effect of exchange rate changes on cash and cash equivalents.
- Short term financial flows in the Cash Flow statement relates to cash management activities, and includes the acquisition and disposals of securities and fund investments, and associated net cash from derivative agreements linked to them.

We believe that these Alternative Performance Measures provide useful and relevant information to facilitate a better understanding of the performance of Amadeus and its economic position. These measures are not standard and therefore may not be comparable to those presented by other companies.

When we refer to our market share, we take into account our air bookings in relation to the air booking industry, defined as the total volume of travel agency air bookings processed by the three major global reservation systems (Amadeus, Sabre and Travelport). It excludes air bookings made directly through airlines' direct distribution channels (airline offices and websites), single country operators (primarily in China, Japan, Russia and Turkey), other content aggregators and direct connect applications between airline systems, travel agencies, corporations and meta-bookers, which together combined represent an important part of the industry.

3.2 Non-recurring effects

For purposes of comparability of 2023 with 2022, figures shown in sections 5 (Operating and financial performance by segment) and 6 (Group income statement) have been adjusted to exclude the non-recurring effects described below. A reconciliation of these figures to the financial statements is also provided below.

Q2 2023 - Tax provision movements

In the second quarter of 2023, Amadeus changed its tax provision, as a result of changes in estimates of tax contingencies, fundamentally due to the positive resolution of proceedings with the Indian tax authorities regarding the tax treatment of our distribution activity in India. The change of this provision has impacted several captions in the Income Statement, as described below. Also in the second quarter, linked to the resolution of these proceedings, Amadeus collected €42.8 million from the Indian tax authorities, which was recognized in the Change in working capital (€38.8 million) and Interests paid and received (€4.0 million) captions of the Cash flow statement.

The following effects have been recognized in the Income Statement in the second quarter of 2023:

- €29.2 million income, recognized within the Income taxes caption, largely driven by the positive resolution of the proceeding in India.
- €21.1 million income, recognized in the Other financial income (expense) line within the Net financial expense caption, mainly caused by the recognition of interests on late payment.
- €27.7 million exchange losses, recognized within the Net financial expense caption, linked to non-Euro denominated amounts, collected in Indian rupees.

As a result of these effects, both Profit and Adjusted profit for the quarter, and for the first six-months of the year, increased by €22.6 million.

The impact on the effective tax rate of the year from these effects is a reduction of 2.2 p.p. The effective tax rate expected for the year is 20.0%, which is equivalent to 22.2% if these effects are excluded. This 22.2% underlying effective tax rate is 0.8 p.p. lower than the effective tax rate of 23.0% reported in the first quarter of 2023, due to a reassessment of permanent differences expected for the year carried out in the second quarter of 2023.

See note 10 of the Amadeus Consolidated and Condensed Interim Financial Statements for the six-month period ended June 30, 2023 for further details.

Q2 2022 - Non-refundable government grant

In the second quarter of 2022, Amadeus received and collected a non-refundable grant from the German government, amounting to €51.2 million pre-tax (€38.9 million post tax), as a compensation for costs incurred as a consequence of the COVID-19 pandemic. This grant was recognized as a reduction of Other operating expenses, impacting positively EBITDA, Profit and Adjusted profit, and was collected in the second quarter of 2022.

See the 2022 interim Directors' Report for the six-month period ended June 30, 2022, for further details.

2022 – Cost saving program implementation costs paid

In 2021, we completed the implementation of a cost saving program, announced in 2020, as part of an extraordinary set of measures adopted in light of the COVID-19 pandemic. In 2022, we paid €29.1 million implementation costs related to this cost saving program (€24.0 million in the first half, €6.1 million in the second quarter), impacting the Change in working capital caption in the Cash Flow Statement. These cost saving program implementations costs did not have any impact on the Income Statement in 2022. 2023 figures are not impacted by cost saving program implementation costs.

See the 2022 interim Directors' Report for the six-month period ended June 30, 2022, for further details.

	Apr-Jun 2023			Jan-Jun 2023		
Income statement (€millions)	Ex. effects from tax provision	Effects from tax provision	As reported	Ex. effects from tax provision	Effects from tax provision	As reported
Group revenue	1,380.7	—	1,380.7	2,692.1	—	2,692.1
Cost of revenue	(359.5)	—	(359.5)	(684.8)	—	(684.8)
Personnel expenses	(419.1)	—	(419.1)	(818.1)	—	(818.1)
Other op. expenses	(65.9)	—	(65.9)	(143.1)	—	(143.1)
EBITDA	536.3	—	536.3	1,046.1	—	1,046.1
Dep. and amortization	(156.0)	—	(156.0)	(311.4)	—	(311.4)
Operating income	380.3	—	380.3	734.7	—	734.7
Interest expense	(20.1)	—	(20.1)	(42.5)	—	(42.5)
Interest income	10.2	—	10.2	18.0	—	18.0
Other financial income (expenses)	(2.5)	21.1	18.6	(4.5)	21.1	16.6
Non-op. FX gains (losses)	3.1	(27.7)	(24.6)	5.1	(27.7)	(22.6)
Net financial expense	(9.3)	(6.6)	(15.9)	(23.9)	(6.6)	(30.5)
Other income	2.4	—	2.4	2.4	—	2.4
Profit before taxes	373.4	(6.6)	366.8	713.3	(6.6)	706.6
Income taxes	(92.4)	29.2	(63.2)	(170.5)	29.2	(141.3)
Profit after taxes	281.0	22.6	303.6	542.8	22.6	565.3
Share in profit assoc/JV	(2.7)	—	(2.7)	(2.1)	—	(2.1)
Profit for the period	278.3	22.6	300.9	540.7	22.6	563.2
EPS (€)	0.62	0.05	0.67	1.20	0.05	1.25
Adjusted profit	287.2	22.6	309.8	560.3	22.6	582.9
Adjusted EPS (€)	0.64	0.05	0.69	1.25	0.05	1.30

	Apr-Jun 2022			Jan-Jun 2022		
Income statement (€millions)	Ex. grant	Grant	As reported	Ex. grant	Grant	As reported
Group revenue	1,182.6	—	1,182.6	2,099.7	—	2,099.7
Cost of revenue	(302.6)	—	(302.6)	(506.3)	—	(506.3)
Personnel expenses	(377.0)	—	(377.0)	(724.8)	—	(724.8)
Other op. expenses	(58.3)	51.2	(7.1)	(128.2)	51.2	(77.0)
EBITDA	444.6	51.2	495.8	740.4	51.2	791.6
Dep. and amortization	(161.3)	—	(161.3)	(318.4)	—	(318.4)
Operating income	283.3	51.2	334.5	422.0	51.2	473.2
Net financial expense	(22.5)	—	(22.5)	(53.5)	—	(53.5)
Other income	0.5	—	0.5	0.5	—	0.5
Profit before taxes	261.3	51.2	312.5	368.9	51.2	420.2
Income taxes	(62.7)	(12.3)	(75.0)	(88.5)	(12.3)	(100.9)
Profit after taxes	198.6	38.9	237.5	280.4	38.9	319.3
Share in profit assoc/JV	(0.4)	—	(0.4)	(0.9)	—	(0.9)
Profit for the period	198.2	38.9	237.1	279.5	38.9	318.4
EPS (€)	0.44	0.09	0.53	0.62	0.09	0.71
Adjusted profit	208.0	38.9	246.9	302.9	38.9	341.8
Adjusted EPS (€)	0.46	0.09	0.55	0.67	0.09	0.76

4. Main financial risks and hedging policy

4.1 Foreign exchange rate risk

Our reporting currency is the Euro. However, as a result of Amadeus' global activity and presence, part of our results are generated in currencies different from the Euro. Similarly, part of our cash inflows and outflows are denominated in non-Euro currencies. As a consequence, both our results and our cash flows are impacted, either positively or negatively, by foreign exchange fluctuations.

Exposure to foreign currencies

Our revenue is almost entirely generated in either Euro or US Dollar (the latter representing 40%-50% of our total revenue). Revenue generated in currencies other than the Euro or US Dollar is negligible.

In turn, 50%-60% of our operating costs[7] are denominated in many currencies different from the Euro, including the US Dollar, which represents 35%-45% of our operating costs. The rest of the foreign currency operating expenses are denominated in a variety of currencies, GBP, AUD, INR and SGD being the most significant. A number of these currencies may fluctuate vs. the Euro similarly to the US Dollar - Euro fluctuations, and the degree of this correlation may vary with time.

[7] Including Cost of revenue, Personnel expenses, Other operating expenses and depreciation and amortization expense.

Hedging policy

Amadeus' target is to reduce the volatility generated by foreign exchange fluctuations on its non-Euro denominated net cash flows. Our hedging strategy is as follows:

- To manage our exposure to the US Dollar, we have a natural hedge to our net operating cash flows generated in US Dollar or US Dollar-correlated currencies through, among others, payments of USD-denominated debt (when applicable), as well as investments and taxes paid in the U.S. We may enter into derivative arrangements when this natural hedge is not sufficient to cover our outstanding exposure.
- We also hedge a number of currencies, including the GBP, AUD, INR, BRL and SEK, for which we may enter into foreign exchange derivatives with banks.

When the hedges in place covering operating flows qualify for hedge accounting under IFRS, profits and losses are recognized within EBITDA. Our hedging arrangements typically qualify for hedge accounting under IFRS.

In the first half of 2023, foreign exchange fluctuations had a small positive impact on revenue and a positive impact on costs and EBITDA, relative to 2022. In the second quarter, foreign exchange fluctuations had a negative impact on revenue and a positive impact on costs and EBITDA, vs. 2022.

4.2 Interest rate risk

At June 30,2023, 100% of our financial debt[8] was subject to fixed interest rates. In the first quarter of 2023, Amadeus contracted an interest rate swap, amounting to €250 million, to make 50% of the outstanding Eurobond issue, maturing in September 2028, subject to floating interest rates. This interest rate swap is effective from September 2023, and is accounted for as a fair value hedge. Changes in the fair value of this hedge and in the hedged cash flows of the underlying bond are accounted for in the Other financial income/ expense caption of the Income Statement.

4.3 Treasury shares price evolution risk

Amadeus has three different staff remuneration schemes which are settled with Amadeus shares. According to the rules of these plans, when they mature, all beneficiaries receive a number of Amadeus shares, which for the outstanding plans amount to (depending on the evolution of certain performance conditions), between a minimum of 860,000 shares and a maximum of 1,867,000 shares, approximately. It is Amadeus' intention to make use of its treasury shares to settle these plans at their maturity.

[8] Based on our credit facility agreements' definition.

5. Operating and financial performance by segment

For ease of comparison of the 2023 and 2022 figures shown in section 5 (Operating and financial performance by segment), 2022 figures have been adjusted to exclude a non-refundable government grant (€51.2 million), received in the second quarter of 2022, accounted for as a reduction of Net indirect costs. See section 3.2 for further details.

Segment reporting (€millions)	Jan-Jun 2023	Jan-Jun 2022 [1]	Change
Air Distribution revenue	1,360.5	1,037.8	31.1%
Air IT Solutions revenue	902.4	714.8	26.2%
Hospitality & Other Solutions revenue	429.2	347.1	23.6%
Group Revenue	2,692.1	2,099.7	28.2%
Air Distribution contribution	644.4	483.8	33.2%
Air IT Solutions contribution	642.3	499.8	28.5%
Hospitality & Other Solutions contribution	145.8	102.5	42.3%
Group Contribution	1,432.5	1,086.1	31.9%
Net indirect costs	(386.4)	(345.6)	11.8%
EBITDA	1,046.1	740.4	41.3%
EBITDA Margin (%)	38.9%	35.3%	3.6 p.p.

[1] Excluding a non-refundable government grant, amounting to €51.2 million, which was received in the second quarter of 2022, and was accounted for as a reduction of Net indirect costs

5.1 Air Distribution

Air Distribution (€millions)	Jan-Jun 2023	Jan-Jun 2022	Change
Operating KPI			
Bookings (m)	235.5	200.9	17.2%
Financial results			
Revenue	1,360.5	1,037.8	31.1%
Net operating costs	(716.1)	(554.0)	29.3%
Contribution	644.4	483.8	33.2%
Contribution margin	47.4%	46.6%	0.7 p.p.

5.1.1 Evolution of Amadeus bookings.

H1 Bookings (millions)	Jan-Jun 2023	Jan-Jun 2022	Change vs. H1'22	Change vs. H1'19
Amadeus bookings	235.5	200.9	17.2%	(23.5%)

Q2 Bookings (millions)	Apr-Jun 2023	Apr-Jun 2022	Change vs. Q2'22	Change vs. Q2'19
Amadeus bookings	113.7	109.2	4.2%	(21.7%)

In the first half of 2023, Amadeus' bookings were 17.2% higher than in the first half of 2022. In the second quarter of 2023, vs. 2022, Amadeus' bookings increased by 4.2%. The recovery experienced by the travel industry throughout 2022 impacts our booking growth rates in 2023. There was some degree of volatility quarterly in 2022, where the first quarter of 2022 was strongly impacted by Omicron, followed by a rebound in bookings during the second quarter of 2022.

Vs. 2019, Amadeus' bookings performance in the second quarter of 2023 improved by 3.4 p.p. over prior quarter's performance, to -21.7%. This resulted in booking performance for the first half of -23.5%, outperforming the industry[9], supported by market share gains[9]. Our best performing region (vs. 2019) was North America, which grew 4.0% and was Amadeus' largest region, representing 28.6% of bookings. Asia-Pacific has been the region in the first half of the year reporting the strongest improvement in growth, relative to 2019.

H1 Bookings (millions)	Jan-Jun 2023	% of Total	Change vs. H1'22	Change vs. H1'19
North America	67.4	28.6%	0.2%	4.0%
Western Europe	66.9	28.4%	19.4%	(35.9%)
Asia-Pacific	40.6	17.2%	89.4%	(25.8%)
Middle East and Africa	29.1	12.4%	11.8%	(19.8%)
Central, Eastern and Southern Europe	16.1	6.9%	7.5%	(39.9%)
Latin America	15.4	6.5%	2.1%	(26.0%)
Amadeus bookings	235.5	100.0%	17.2%	(23.5%)

5.1.2 Revenue

In the first half of 2023, Air Distribution revenue amounted to €1,360.5 million, 31.1% higher than the first half of 2022. Air Distribution revenue evolution was driven by higher booking volumes than in 2022, as described above, and an 11.8% increase in the Air Distribution revenue per booking. This increase in the revenue per booking primarily resulted from (i) a lower weight of local bookings in the first half of 2023, compared to the first half of 2022, and (ii) pricing effects (including inflation and other yearly adjustments).

In the second quarter of 2023, relative to the same period of 2022, Air Distribution revenue grew by 15.2%, supported by enhanced volumes and a 10.6% higher revenue per booking, mainly resulting from (i) better booking mix, and (ii) pricing effects (including inflation and other yearly adjustments).

Air Distribution revenue	Apr-Jun 2023	Apr-Jun 2022	Change	Jan-Jun 2023	Jan-Jun 2022	Change
Air Distribution revenue (€millions)	681.6	591.8	15.2%	1,360.5	1,037.8	31.1%
Air Distribution revenue/booking (€)	5.99	5.42	10.6%	5.78	5.17	11.8%

[9] Industry and market share as defined in section 3.1.

5.1.3 Contribution

In the first half of 2023, relative to the first six months of 2022, the Air Distribution contribution increased by 33.2%, amounting to €644.4 million, and representing 47.4% of revenue, an expansion of 0.7 p.p. Contribution growth resulted from an increase in revenue of 31.1%, as explained in section 5.1.2, and a 29.3% growth in net operating costs. Growth in net operating costs in the six-month period, relative to the same period of 2022, resulted from (i) an increase in variable costs, due to volume growth and several factors, including customer and country mix, and (ii) fixed cost growth, at a softer rate than bookings, mainly resulting from increased R&D investment, mostly focused on NDC distribution technology customer implementations and solutions for travel sellers and corporations, and a higher unitary personnel cost.

5.2 Air IT Solutions

Air IT Solutions (€millions)	Jan-Jun 2023	Jan-Jun 2022	Change
Operating KPI			
Passengers Boarded (m)	903.7	660.7	36.8%
Financial results			
Revenue	902.4	714.8	26.2%
Net operating costs	(260.1)	(215.1)	21.0%
Contribution	642.3	499.8	28.5%
Contribution margin	71.2%	69.9%	1.3 p.p.

5.2.1 Evolution of Amadeus Passengers boarded

H1 Passengers boarded (millions)	Jan-Jun 2023	Jan-Jun 2022	Change vs. H1'22	Change vs. H1'19
Organic growth[10]	874.9	639.6	36.8%	(6.2%)
Non organic growth[11]	28.8	21.1	36.3%	15.0%
Amadeus Passengers boarded	903.7	660.7	36.8%	(4.6%)

Q2 Passengers boarded (millions)	Apr-Jun 2023	Apr-Jun 2022	Change vs. Q2'22	Change vs. Q2'19
Organic growth[10]	476.6	385.8	23.5%	(4.8%)
Non organic growth[11]	17.6	10.9	62.0%	15.0%
Amadeus Passengers boarded	494.2	396.7	24.6%	(3.3%)

In the first half of 2023, Amadeus passengers boarded (PB) increased by 36.8% over the same period of 2022, driven by the continued progress in the travel industry and new customer implementations (most notably, Etihad Airways, ITA Airways and Hawaiian Airlines, in 2023, and Air India, in 2022), partly offset by the de-migration of Russian carriers in 2022. The recovery experienced by the travel industry throughout 2022 impacts our booking growth rates in 2023.

[10] Calculated based on passengers boarded adjusted to reflect growth of comparable airlines on our PSS platforms during both periods.

[11] Includes (i) the impact from airline customer migrations, partially offset by (ii) the effects from airline customers ceasing or suspending operations and de-migrations.

Vs. 2019, first half of 2023's PB performance was -4.6%, resulting from:

- Organic growth[10] of -6.2%, supported by enhanced performances of both our Altéa customers and our Navitaire customers, the latter reporting strong growth vs. 2019.
- Net positive non organic effects, resulting from (i) customer implementations (the main ones being Etihad Airways, ITA Airways and Hawaiian Airlines, in 2023, Air India, in 2022, Jeju Air, in 2021, and Air Canada, in 2019), partly offset by (ii) airline customers ceasing or suspending operations, or de-migrating from our platform, including the de-migration of Russian carriers during 2022.

In the first half of 2023, North America was our best performing region, delivering 28.2% growth (vs. 2019), and Western Europe was our largest region, representing 32.4% of Amadeus' passengers boarded. During the period, North America and Asia-Pacific were the regions reporting the strongest improvements in PB growth, relative to 2019.

H1 Amadeus PB (millions)	Jan-Jun 2023	% of Total	Change vs. H1'22	Change vs. H1'19
Western Europe	292.4	32.4%	27.9%	(5.8%)
Asia-Pacific	271.5	30.0%	84.7%	(12.8%)
North America	164.4	18.2%	20.2%	28.2%
Middle East and Africa	77.8	8.6%	43.7%	9.0%
Latin America	49.5	5.5%	10.8%	(23.5%)
Central, Eastern and Southern Europe	48.1	5.3%	(2.9%)	(21.4%)
Amadeus PB	903.7	100.0%	36.8%	(4.6%)

5.2.2 Revenue

In the first half of 2023, Air IT Solutions revenue amounted to €902.4 million, 26.2% above the same period of 2022. This revenue performance was driven by higher airline passengers boarded volumes, as described above. Average revenue per PB was 7.7% below the same period of prior year, as expected, resulting from several revenue lines not linked to the PB evolution (such as Airport IT and airline services, among others) growing at softer rates than our PB. This effect more than offset a positive pricing impact from Altéa/ Navitaire New Skies improving PB mix, inflation and other yearly adjustments, as well as, from upselling of solutions (such as, revenue management, revenue accounting, disruption management and retailing and personalization solutions). In the second quarter of 2023, Air IT Solutions revenue was 18.9% above the second quarter of 2022, driven by higher PB volumes and a 4.6% lower revenue per PB, resulting from (i) revenue lines not linked to PB, growing less than PB, more than offsetting (ii) positive pricing impacts from Altéa/Navitaire New Skies improving PB mix, inflation and other yearly adjustments, as well as, from upselling of solutions.

Air IT Solutions revenue	Apr-Jun	Apr-Jun	Change	Jan-Jun	Jan-Jun	Change
Air IT Solutions revenue (€millions)	477.5	401.7	18.9%	902.4	714.8	26.2%
Air IT Solutions revenue/PB (€)	0.97	1.01	(4.6%)	1.00	1.08	(7.7%)

5.2.3 Contribution

Air IT Solutions contribution expanded by 28.5% in the first six months of 2023, relative to 2022, amounting to €642.3 million. As a percentage of revenue, contribution was 71.2%, 1.3 p.p. higher than in the same period of prior year. Contribution growth resulted from a 26.2% higher revenue, as explained in section 5.2.2, and a 21.0% increase in our net operating costs. Growth in net operating costs in the six-month period, vs. 2022, was mainly driven by increased R&D teams, dedicated to our airline IT portfolio evolution and expansion, customer implementations and airline consulting and bespoke services, coupled with growth in unitary personnel cost.

5.3 Hospitality & Other Solutions

HOS (€millions)	Jan-Jun 2023	Jan-Jun 2022	Change
Revenue	429.2	347.1	23.6%
Net operating costs	(283.4)	(244.7)	15.8%
Contribution	145.8	102.5	42.3%
Contribution margin	34.0%	29.5%	4.4 p.p.

5.3.1 Revenue

HOS revenue (€millions	Apr-Jun 2023	Apr-Jun 2022	Change	Jan-Jun 2023	Jan-Jun 2022	Change
HOS revenue	221.7	189.1	17.3%	429.2	347.1	23.6%

In the first half of 2023, Hospitality & Other Solutions revenue was 23.6% higher than in the same period of 2022. Both Hospitality, which generates the majority of the revenues in this segment, and Payments, delivered strong growth vs. the first half of 2022. Within Hospitality: (i) Hospitality IT reported healthy growth, mainly driven by Sales & Event Management, Service Optimization and Amadeus central reservation system revenues, supported by new customer implementations and higher reservation volumes. (ii) Media and Distribution revenues increased notably, backed by an increase in media transactions and bookings. (iii) Business Intelligence revenue also expanded in the period, driven by customer implementations. Within Payments, all its revenue lines reported strong growth rates in the first half of 2023, compared to the first half of 2022, supported by higher payment transactions and customer implementations.

In the second quarter of 2023, Hospitality & Other Solutions revenue was 17.3% above the same period of 2022, driven by healthy growth at both Hospitality and Payments, albeit softer than growth reported in the first quarter, due to the recovery experienced by the industry throughout 2022, with a first quarter in 2022 impacted by Omicron.

5.3.2 Contribution

Hospitality & Other Solutions contribution expanded by 42.3%, to €145.8 million, in the first half of 2023, vs. 2022. As a percentage of revenue, contribution expanded by 4.4 p.p., to 34.0%. Contribution growth resulted from a 23.6% higher revenue, as explained in section 5.3.1, and a 15.8% increase in our net operating costs.

Growth in net operating costs in the six-month period, vs. 2022, resulted from (i) an increase in variable costs, largely due to the strong performance of our B2B Wallet solution, within our Payments business, and the expansion of media and distribution and central reservation businesses, within Hospitality, supported by volume growth, and (ii) fixed cost growth, mainly resulting from an increase in our R&D teams, dedicated to the evolution of our Hospitality and Payments solutions portfolio and to customer implementations, coupled with a higher unitary personnel cost.

5.4 EBITDA

In the first half of 2023, EBITDA amounted to €1,046.1 million, a 41.3% increase vs. the first half of 2022. EBITDA growth was driven by an increase in the contributions of all of our segments, as described above, and an increase in net indirect costs of 11.8%. EBITDA margin was 38.9% in the period, 3.6 p.p. higher than in the first half of last year.

Net indirect costs increase of 11.8% in the first six months of the year vs. the same period of 2022, mainly resulted from an increase in transaction processing and cloud costs, driven by the volume expansion and our progressive migration to the public cloud, and, to a lesser extent, a higher unit personnel cost, as a result of our global salary increase.

6. Group income statement

For ease of comparison between the 2023 and 2022 figures shown in section 6 (Group income statement), figures have been adjusted to exclude non-recurring effects (i) in 2023, from movements in the tax provision in the second quarter of 2023, impacting net financial expense and income taxes, and resulting in an increase of €22.6 million in both Profit and Adjusted profit, and (ii) in 2022, from a non-refundable government grant (€51.2 million pre-tax, €38.9 million post tax), received in the second quarter of 2022, which was accounted for as a reduction of Other operating expenses and impacted positively EBITDA, Profit, Adjusted profit, EPS and Adjusted EPS. See section 3.2 for further details.

Income statement (€millions)	Apr-Jun 2023[1]	Apr-Jun 2022[1]	Change	Jan-Jun 2023[1]	Jan-Jun 2022[1]	Change
Revenue	1,380.7	1,182.6	16.8%	2,692.1	2,099.7	28.2%
Cost of revenue	(359.5)	(302.6)	18.8%	(684.8)	(506.3)	35.3%
Personnel expenses	(419.1)	(377.0)	11.2%	(818.1)	(724.8)	12.9%
Other operating expenses	(65.9)	(58.3)	12.9%	(143.1)	(128.2)	11.7%
EBITDA	536.3	444.6	20.6%	1,046.1	740.4	41.3%
D&A expense	(156.0)	(161.3)	(3.3%)	(311.4)	(318.4)	(2.2%)
Operating income	380.3	283.3	34.3%	734.7	422.0	74.1%
Net financial expense	(9.3)	(22.5)	(58.4%)	(23.9)	(53.5)	(55.3%)
Other income	2.4	0.5	382.1%	2.5	0.5	447.5%
Profit before income tax	373.4	261.3	42.9%	713.3	368.9	93.4%
Income taxes	(92.4)	(62.7)	47.3%	(170.5)	(88.5)	92.6%
Profit after taxes	281.0	198.6	41.5%	542.8	280.4	93.6%
Share in profit assoc./JVs	(2.7)	(0.4)	595.6%	(2.1)	(0.9)	138.5%
Profit for the period	278.3	198.2	40.4%	540.7	279.5	93.4%
EPS (€)	0.62	0.44	40.4%	1.20	0.62	93.3%
Adjusted profit[2]	287.2	208.0	38.1%	560.3	302.9	85.0%
Adjusted EPS (€)[3]	0.64	0.46	38.1%	1.25	0.67	84.8%

[1] Excluding: (i) in Q2'23, impacts from movements in the tax provision, which resulted in an increase in both Profit and Adjusted profit of €22.6 million, with no impact on EBITDA, and (ii) in Q2'22, a non-refundable government grant of €51.2 million pre-tax (€38.9 million post tax), which was accounted for as a reduction of Other operating expenses, impacting positively EBITDA, Profit and Adjusted profit. See section 3.2 for further details.

[2] Excluding after-tax impact of the following items: (i) accounting effects derived from PPA exercises and impairment losses, (ii) non-operating exchange gains (losses) and (iii) other non-operating, income (expense).

[3] EPS corresponding to the Adjusted profit attributable to the parent company. Calculated based on weighted average outstanding shares of the period.

6.1 Revenue

In the first half of 2023, Group revenue amounted to €2,692.1 million, 28.2% higher than the same period of 2022, resulting from:

- An increase of 31.1% in Air Distribution revenue, as detailed in section 5.1.1.
- Air IT Solutions revenue growth of 26.2%, as detailed in section 5.2.1.
- Hospitality & Other Solutions revenue growth of 23.6%, as detailed in section 5.3.1.

In the second quarter of 2023, Group revenue increased by 16.8%, relative to 2022's second quarter, supported by double-digit growth rates across segments.

Revenue (€millions)	Apr-Jun 2023	Apr-Jun 2022	Change	Jan-Jun 2023	Jan-Jun 2022	Change
Air Distribution revenue	681.6	591.8	15.2%	1,360.5	1,037.8	31.1%
Air IT Solutions revenue	477.5	401.7	18.9%	902.4	714.8	26.2%
Hosp. & Other S. revenue	221.7	189.1	17.3%	429.2	347.1	23.6%
Revenue	1,380.7	1,182.6	16.8%	2,692.1	2,099.7	28.2%

6.2 Group operating costs

6.2.1 Cost of revenue

Cost of revenue fundamentally includes:

- Variable costs linked to (i) incentive fees paid to travel sellers for bookings done through our air distribution and hospitality reservation platforms, (ii) fees paid to local distributors (mainly in the Middle East, North Africa, India and South Korea), (iii) fees paid in relation to advertizing and data analytics activities in Hospitality, and (iv) commissions paid to travel agencies for the use of the Amadeus B2B Wallet payment solution.
- Data communication expenses related to the maintenance of our computer network.

In the first half of 2023, cost of revenue amounted to €684.8 million, a 35.3% % increase vs. the same period of 2022. Cost of revenue growth resulted from variable costs growth across our segments. In Air Distribution, variable costs increased, driven by volume expansion and several factors, including customer and country mix (impacted by the higher weight, over our total volumes, of some of the countries where Amadeus has a higher unitary distribution cost). In Hospitality & Other Solutions, variable costs growth was mostly due to (i) the strong performance of our B2B Wallet solution, within our Payments business, underpinned by an important payment transactions volume increase, and (ii) the expansion of our media, distribution and central reservation businesses, within Hospitality, supported by higher transactions. In the second quarter, cost of revenue was 18.8% ahead of prior year, a softer increase relative to the first quarter, largely caused by the slow down in volumes performance, quarter-over-quarter, relative to prior year, as described in section 5.

6.2.2 Personnel and related expenses and Other operating expenses

In the first half of 2023, our combined Personnel and Other operating expenses cost line amounted to €961.2 million, 12.7% higher than the first half of 2022. For the second quarter, Personnel and Other operating expenses costs combined increased by 11.4%. This growth mainly resulted from (i) increased resources, particularly in the development activity (R&D investment increased by 20.2% in the first six months, or 14.7% in the second quarter, vs. prior year), coupled with a higher unit personnel cost, as a result of our global salary increase, (ii) growth in non-personnel related expenses, to support the overall business expansion, such as, in travel and training, and (iii) higher transaction processing and cloud costs, driven by volumes expansion and the progressive migration of our solutions to the public cloud.

Personnel and Other op. expenses (€millions)	Apr-Jun 2023	Apr-Jun 2022	Change	Jan-Jun 2023	Jan-Jun 2022	Change
Personnel+Other op. exp.[1]	(485.0)	(435.4)	11.4%	(961.2)	(853.0)	12.7%

[1]Excluding a non-refundable government grant, amounting to €51.2 million, received in the second quarter of 2022, which was accounted for as a reduction of Other operating expenses. See section 3.2 for further details.

6.2.3 Depreciation and amortization expense

In the first half of 2023, depreciation and amortization expense amounted to €311.4 million, 2.2%, lower than in the same period of 2022. Ordinary D&A expense declined by 4.1%, resulting from a contraction in depreciation expense, mostly driven by a reduction in hardware at our data center in Erding. In the second quarter of 2023, D&A expense was 3.3% lower than the same period of 2022, mostly driven by the reduction in ordinary D&A.

Depreciation & Amort. expense (€millions)	Apr-Jun 2023	Apr-Jun 2022	Change	Jan-Jun 2023	Jan-Jun 2022	Change
Ordinary D&A	(138.5)	(146.2)	(5.2%)	(277.5)	(289.3)	(4.1%)
PPA amortization	(17.5)	(14.7)	19.0%	(33.8)	(28.6)	18.5%
Impairments	—	(0.5)	—	—	(0.6)	—
D&A expense	(156.0)	(161.3)	(3.3%)	(311.4)	(318.4)	(2.2%)

6.3 EBITDA and Operating income

In the first half of 2023, Operating income amounted to €734.7 million, €312.7 million, or 74.1%, higher than the same period of 2022. This increase was driven by the EBITDA evolution and, to a lesser extent, a lower D&A expense, compared to prior year. In the first half of 2023, EBITDA amounted to €1,046.1 million, which is €305.6 million, or 41.3%, higher than the same period of 2022, driven by (i) a 28.2% higher revenue, as described in section 6.1, (ii) 35.3% cost of revenue growth, as described in section 6.2.1, and (iii) an increase in our combined Personnel and Other operating expenses cost line of 12.7%, as described in section 6.2.2. In the six-month period, EBITDA margin was 38.9%, a 3.6 p.p. expansion relative to 2022. In the second quarter of 2023, Operating income and EBITDA increased by 34.3% and 20.6%, respectively, and EBITDA margin expanded by 1.2 p.p., vs. the second quarter of 2022.

Operating income - EBITDA (€millions)	Apr-Jun 2023	Apr-Jun 20221	Change	Jan-Jun 2023	Jan-Jun 2022[1]	Change
Operating income	380.3	283.3	34.3%	734.7	422.0	74.1%
D&A expense	156.0	161.3	(3.3%)	311.4	318.4	(2.2%)
EBITDA	536.3	444.6	20.6%	1,046.1	740.4	41.3%
EBITDA margin (%)	38.8%	37.6%	1.2 p.p.	38.9%	35.3%	3.6 p.p.

[1] Excluding a non-refundable government grant, amounting to €51.2 million, received in the second quarter of 2022, which was accounted for as a reduction of Other operating expenses. See section 3.2 for further details.

6.4 Net financial expense

In the first half of 2023, net financial expense amounted to €23.9 million, lower by €29.6 million, or 55.3%, than in the same period of 2022. This reduction mainly resulted from an interest income increase of €14.9 million, driven by the rise in interest rates over our cash, cash equivalents and short term financial investments, and, to a lesser extent, exchange gains of €5.1 million (vs. €2.5 million exchange losses in the first half of 2022). In the six-month period, interest expense was in line with the first half of 2022, as a consequence of a higher average cost of debt over the period, offset by a lower average gross debt. In the second quarter of 2023, relative to the second quarter of 2022, Net financial expense was 58.4% lower, largely due to an increase in interest income of €8.3 million, driven by higher interest rates on our cash, cash equivalents and short term financial investments.

Net financial expense (€millions)	Apr-Jun 2023 [1]	Apr-Jun 2022	Change	Jan-Jun 2023 [1]	Jan-Jun 2022	Change
Interest expense	(20.1)	(21.3)	(5.6%)	(42.5)	(42.5)	0.1%
Financial income	10.2	1.9	444.5 %	18.0	3.0	481.8 %
Other financial expenses	(2.5)	(4.7)	(45.6) %	(4.5)	(11.6)	(60.9) %
Non-operating exchange gains (losses)	3.1	1.7	87.5%	5.1	(2.5)	n.m.
Net financial expense	(9.3)	(22.5)	(58.4%)	(23.9)	(53.5)	(55.3%)

[1]Excluding, in Q2'23, impacts from movements in the tax provision. See section 3.2 for further details.

6.5 Income taxes

In the first half of 2023, income taxes amounted to €170.5 million, an increase of 92.6% vs. the first half of 2022, largely due to higher taxable results.

As described in section 3.2, the expected effective tax rate for the full year 2023 is 20.0%, which is equivalent to 22.2%, if we exclude the non-recurring impact from movements in the tax provision in the second quarter of 2023. This 22.2% underlying effective tax rate is 0.8 p.p. lower than the effective tax rate of 23.0% reported in the first quarter of 2023, due to a reassessment of permanent differences expected for the year carried out in the second quarter of 2023. In the first half of 2023, excluding the non-recurring effects from the tax provision, the effective tax rate was 23.9%, higher than the 22.2% expected for the year, due to different impacts by quarter of permanent differences.

6.6 Profit for the period. Adjusted profit

6.6.1 Profit and Adjusted profit

In the first half of 2023, Profit amounted to €540.7 million, 93.4% higher than in the first half of 2022. In turn, Adjusted profit amounted to €560.3 million, 85.0% higher than Adjusted profit reported in the first half of 2022. In the second quarter of 2023, Profit and Adjusted profit grew by 40.4% and 38.1%, respectively.

Profit-Adj profit (€millions)	Apr-Jun 2023[1]	Apr-Jun 2022[1]	Change	Jan-Jun 2023[1]	Jan-Jun 2022[1]	Change
Profit	278.3	198.2	40.4%	540.7	279.5	93.4%
Adjustments						
PPA amortization[2]	13.1	11	19.1%	25.4	21.5	18.4%
Impairments[2]	0.0	0.4	(100.0%)	0.0	0.4	(100.0%)
Non-op. FX gains (losses)[2]	(2.4)	(1.3)	86.3%	(3.9)	1.9	n.m.
Other non-op. items[2]	(1.8)	(0.4)	382.4%	(1.9)	(0.4)	448.2%
Adjusted profit	287.2	208.0	38.1%	560.3	302.9	85.0%

[1]Excluding: (i) in Q2'23, impacts from movements in the tax provision, which resulted in an increase in both Profit and Adjusted profit of €22.6 million, and (ii) in Q2'22, a non-refundable government grant of €38.9 million post tax, which resulted in an increase in both Profit and Adjusted profit. See section 3.2 for further details.

[2]After tax impact of (i) accounting effects derived from purchase price allocation exercises and impairment losses, (ii) non-operating exchange gains (losses), and (iii) other non-operating income (expense).

(millions of euros)

6.6.2 Earning (loss) per share (EPS)

The table below shows EPS for the period, based on the profit attributable to the parent company (after minority interests), both on a reported basis and on an adjusted basis (Adjusted profit as detailed in section 6.6.1). In the first half of 2023, EPS was €1.20 and adjusted EPS was €1.25, 93.3% and 84.8% higher than the same period in 2022, respectively. In the second quarter, EPS and Adjusted EPS grew by 40.4% and 38.1% vs. 2022, respectively.

Earnings per share	Apr-Jun 2023[1]	Apr-Jun 2022[1]	Change	Jan-Jun 2023[1]	Jan-Jun 2022[1]	Change
Weighted average issued shares (m)	450.5	450.5	0.0%	450.5	450.5	0.0%
Weighted av. treasury shares (m)	(0.5)	(0.6)	(17.5) %	(0.5)	(0.6)	(20.0) %
Outstanding shares (m)	450.0	449.9	0.0%	450.0	449.9	0.0%
EPS (€)[2]	0.62	0.44	40.4%	1.20	0.62	93.3%
Adjusted EPS (€)[3]	0.64	0.46	38.1%	1.25	0.67	84.8%
Diluted out. shares (m)[4]	465.4	465.1	0.1%	465.3	465.1	0.0%
Diluted EPS (€)[2]	0.60	0.43	40.0%	1.17	0.61	92.0%
Diluted adjusted EPS (€)[3]	0.62	0.45	37.7%	1.21	0.66	83.8%

[1]Excluding: (i) in Q2'23, impacts from movements in the tax provision, which resulted in an increase in both EPS and Adjusted EPS of €0.05 million, and (ii) in Q2'22, a non-refundable government grant, which resulted in an increase in both EPS and Adjusted EPS of €0.09. See section 3.2 for further details.

[2]EPS and diluted EPS (dilution effect related to the potential conversion of the convertible bonds into ordinary shares) corresponding to the Profit attributable to the parent company. EPS is calculated based on weighted average outstanding shares of the period.

[3]Adjusted EPS and diluted adjusted EPS (dilution effect related to the potential conversion of the convertible bonds into ordinary shares) corresponding to the Adjusted profit attributable to the parent company. Adjusted EPS is calculated based on weighted average outstanding shares of the period

[4]Includes the dilution effect related to the potential conversion of the convertible bonds into ordinary shares.

7. Other financial information

7.1 Statement of financial position (condensed)

Statement of financial position (€millions)	Jun 30,2023	Dec 31,2022	Change
Intangible assets	3,960.3	3,952.6	7.8
Goodwill	3,736.7	3,766.7	(30.1)
Property, plant and equipment	196.7	220.9	(24.4)
Rest of non-current assets	657	708.4	(51.4)
Non-current assets	8,550.7	8,648.6	(97.9)
Cash and equivalents	1,464.2	1,434.8	29.4
Rest of current assets[1]	1,360.0	1,631.1	(271.1)
Current assets	2,824.2	3,065.9	(241.7)
Total assets	11,374.9	11,714.5	(339.6)
Equity	4,738.6	4,585.5	153.1
Non-current debt	2,587.4	3,086.4	(499.0)
Other non-current liabilities	1,041.5	1,074.1	(32.6)
Non-current liabilities	3,628.9	4,160.5	(531.6)
Current debt	1,068.1	1,324.8	(256.7)
Rest of current liabilities	1,939.3	1,643.7	295.6
Current liabilities	3,007.4	2,968.5	38.9
Total liabilities and equity	11,374.9	11,714.5	(339.6)
Net financial debt (as per financial statements).[1]	1,991.3	2,406.5	(415.1)

[1]Other current assets include short term investments (and fair value adjustments to hedging contracts linked to them), amounting to €200.0 million at June 30, 2023 and €569.9 million at December 31, 2022, that have been included in Net financial debt as per financial statements as they are considered cash equivalent assets under our credit facility agreements´ definition.

Reconciliation with net financial debt as per our credit facility agreements

€millions	Jun 30, 2023	Dec 31, 2022	Change
Net financial debt (as per financial statements)	1,991.3	2,406.5	(415.1)
Operating lease liabilities	(131.6)	(130.9)	(0.6)
Interest payable	(23.4)	(29.2)	5.7
Convertible bonds	14.9	18.9	(4.0)
Deferred financing fees	15.3	19.3	(4.0)
Fair value adjustments to debt	3.6	0.0	3.6
Net financial debt (as per credit facility agreements)	1,870.1	2,284.5	(414.4)

Under our credit facility agreements' terms, financial debt (i) does not include debt related to assets under operating lease agreements (as defined by the previous Lease accounting standard IAS 17, and now considered lease liabilities under IFRS 16, forming part of the financial debt in the statement of financial position) amounting to €131.6 million at June 30, 2023, (ii) does not include the accrued interest payable (€23.4 million at June 30, 2023) which is treated as financial debt in our financial statements, (iii) includes the part of the convertible bond that has been accounted for as equity in our financial statements (€40.1 million) and does not include the accrued implicit interest of the convertible bonds (€25.3 million), which has been accounted for as financial debt in our financial statements, (iv) is calculated based on its nominal value, while in our financial statements our financial debt is measured at amortized cost, i.e. after deducting the deferred financing fees (that mainly correspond to fees paid upfront in connection with the convertible bond issued in April 2020, and amount to €15.3 million at June 30, 2023) and (v) includes adjustments to fair value of hedged debt, amounting to €3.6 million at June 30, 2023.

7.1.1 Financial indebtedness

Indebtedness[1] (€millions)	Jun 30, 2023	Dec 31, 2022	Change
Long term bonds	1,500.0	2,000.0	(500.0)
Short term bonds	1,000.0	1,250.0	(250.0)
Convertible bonds	750.0	750.0	0.0
European Investment Bank loan	200.0	200.0	0.0
Obligations under finance leases	78.9	82.1	(3.2)
Other debt with financial institutions	5.4	7.2	(1.8)
Financial debt	3,534.3	4,289.3	(755.0)
Cash and cash equivalents	(1,464.2)	(1,434.8)	(29.4)
Other current financial assets[2]	(200.0)	(569.9)	369.9
Net financial debt	1,870.1	2,284.5	(414.4)
Net financial debt / LTM EBITDA	1.0x	1.4x	

[1]Based on our credit facility agreements' definition

[2] Short term investments (and fair value adjustments to hedging contracts linked to them) that are considered cash equivalent assets under our credit facility agreements´ definition.

Net financial debt, as per our credit facility agreements' terms, amounted to €1,870.1 million at June 30, 2023 (representing 1.0 times last-twelve-month EBITDA).

On February 2, 2023, Amadeus redeemed €750 million outstanding notes, issued partly on February 18, 2022 (€500 million) and partly on April 1, 2022 (€250 million), with maturity date January 25, 2024.

On April 27, 2018 Amadeus executed a €1,000 million Euro Revolving Loan Facility, with maturity in April 2025, to be used for working capital requirements and general corporate purposes. On January 17, 2023 its maturity was extended to January 2028 (plus two annual extensions at maturity, subject to lenders' agreement). This facility remained undrawn at June 30, 2023.

On June 19, 2023 the European Investment Bank granted Amadeus an unsecured senior loan of €250 million, with different maturity dates (from four to twelve years) depending on how it is repaid, at Amadeus' choice. The proceeds from this loan will be used to finance R&D investment. The loan can be disbursed in up to five tranches, at a fixed or floating interest rate, at Amadeus' choice. This facility was undrawn at June 30, 2023.

7.2 Group cash flow

Consolidated Cash Flow (€millions)	Apr-Jun 2023	Apr-Jun 2022	Change	Jan-Jun 2023	Jan-Jun 2022	Change
EBITDA	536.3	495.8	8.2%	1,046.1	791.6	32.1%
Change in working capital	(80.4)	(135.1)	(40.5%)	(161.0)	(199.5)	(19.3%)
Capital expenditure	(160.6)	(139.2)	15.4%	(309.7)	(256.9)	20.6%
Taxes refunded (paid)	(64.2)	(6.3)	923.3%	(69.3)	9.6	n.m.
Interests paid and received	(21.2)	(33.3)	(36.2%)	(23.7)	(37.6)	(36.8%)
Free Cash Flow	209.8	182.0	15.3%	482.4	307.4	57.0%
Equity investments	(6.2)	(2.0)	204.9%	(6.2)	(14.3)	(56.7%)
Non-operating cash flows	(3.3)	4.5	n.m.	(5.9)	(0.8)	673.5%
Debt payment	(11.9)	219.6	n.m.	(773.7)	(296.9)	160.6%
Cash to shareholders	(32.5)	(3.8)	757.8%	(32.5)	(3.8)	757.8%
Short term financial flows[1]	87.2	(152.3)	n.m.	366.2	(155.5)	n.m.
Change in cash	243.2	247.9	(1.9%)	30.4	(163.9)	n.m.
Cash and cash equivalents, net[2]						
Opening balance	1,220.6	715.7	70.5%	1,433.4	1,127.5	27.1%
Closing balance	1,463.8	963.6	51.9%	1,463.8	963.6	51.9%

[1]Mainly related to short-term investments, as well as hedge results from USD-denominated short term investments, which are 100% hedged.

[2]Cash and cash equivalents are presented net of overdraft bank accounts.

In the second quarter and the first half of 2023, Amadeus Group Free Cash Flow amounted to €209.8 million and €482.4 million, respectively.

Free Cash Flow, both in 2023 and in 2022, were impacted by non-recurring cash flows: (i) in the second quarter of 2023, a collection of €42.8 million from the Indian tax authorities (of which, €38.8 million impacted Change in working capital, and €4.0 million impacted Interests paid and received), (ii) in the second quarter of 2022, a collection of a non-refundable government grant of €51.2 million (which impacted the EBITDA caption), and (iii) in the first half of 2022, €24.0 million cost saving program implementation costs paid (€6.1 million in the second quarter), which impacted the Change in working capital caption (see further details in section 3.2). Excluding these effects from 2023 and 2022, Free Cash Flow amounted to €167.0 million and €439.6 million in the second quarter and in the first half of 2023, respectively, growing by 22.0% and 56.9%, respectively, vs. 2022.

7.2.1 Change in working capital

In the first half of 2023, Change in working capital amounted to an outflow of €161.0 million. Change in working capital was positively impacted by a non-recurring collection of €38.8 million from the Indian tax authorities (see section 3.2 for further details), excluding which, Change in working capital amounted to an outflow of €199.8 million, mainly driven by timing differences in collections and payments, including, among others, personnel related payments, accrued for in 2022 and paid in the second quarter of 2023, as scheduled.

In the second quarter of 2023, Change in working capital amounted to an outflow of €80.4 million, or of €119.2 million if we exclude the €38.8 million non-recurring collection, mentioned above. This outflow was mainly driven by timing differences in collections and payments, including, among others, personnel related payments, accrued for in 2022 and paid in the second quarter of 2023, as scheduled.

7.2.2 Capital expenditure, R&D investment

Capital expenditure

The table below details the capital expenditure, both in relation to property, plant and equipment ("PP&E") and to intangible assets. Based on the nature of our investments in PP&E, the figures may show variations on a quarterly basis, depending on the timing of certain investments. In turn, our capitalized R&D investment may fluctuate depending on the level of the capitalization ratio, which is impacted by the intensity of the development activity, the mix of projects under way and the different stages of the various projects

Capital expenditure (€millions)	Apr-Jun 2023	Apr-Jun 2022	Change	Jan-Jun 2023	Jan-Jun 2022	Change
Capital Exp. intangible assets	151.5	131.8	15.0%	291.3	243.1	19.8%
Capital Expenditure in PP&E	9.1	7.4	23.1%	18.3	13.7	33.8%
Capital Expenditure	160.6	139.2	15.4%	309.7	256.9	20.6%
As a % of Revenue	11.6%	11.8%	(0.1 p.p.)	11.5%	12.2%	(0.7 p.p.)

In the first half of 2023, capital expenditure increased by €52.8 million, or 20.6%, compared to the same period of 2022, mainly due to higher capitalizations from software development, driven by a 20.2% increase in R&D investment. Capital expenditure in property, plant and equipment increased by €4.6 million, mostly as a result of investments in new office space and refurbishments. In the second quarter of 2023, vs. 2022, capital expenditure increased by €21.4 million, or 15.4%, largely due to higher capitalizations from software development.

R&D Investment (€millions)	Apr-Jun 2023	Apr-Jun 2022	Change	Jan-Jun 2023	Jan-Jun 2022	Change
R&D investment[1]	276.1	240.7	14.7%	548.1	455.9	20.2%

[1]R&D investment is reported net of Research Tax Credit (RTC).

R&D investment amounted to €548.1 million in the first half of 2023, an increase of 20.2% vs. prior year. Our larger projects in the period included:

- The evolution of our hospitality platform to integrate our offering, including, among others, our modular and combined Central Reservation and Property Management Systems and our Sales & Event Management solutions, as well as, further enhancements to our solutions.
- Our partnership with Microsoft, including our shift to cloud services, the application of artificial intelligence and machine learning to our product portfolio and our co-innovation program.
- Developments related to bespoke and consulting services provided to our customers.
- Efforts related to customer implementations across our businesses, including, among others: (i) within Airline IT, PSS signatures (such as, Etihad Airways, ITA Airways, Hawaiian Airlines, All Nippon Airways and Allegiant Air), and new signatures across our portfolio of solutions, from upselling activity, (ii) NDC content distribution technology to our airline and travel seller customers, (iii) solutions across our portfolio of Hospitality to our hospitality customers, such as, Marriott for ACRS, (iv) expansion of our customer bases at our Airport IT and Payments businesses, as well as, for our solutions for corporations

(millions of euros)

- The enhancement of our portfolio for airlines, travel sellers and corporations to drive NDC forward, delivering a full end-to-end integration of content via NDC connectivity. This includes our partnership with Finnair to build the next-generation airline retail offering, bringing personalization and real-time insights through the adoption of Offers and Orders.
- Investments in Airline IT digitalization and enhanced shopping, retailing and merchandizing tools, and the evolution of our portfolio of payment solutions, and solutions for travel sellers, corporations and airports.

7.2.3 Taxes refunded (paid)

In the first half of 2023, taxes paid amounted to €69.3 million, vs. taxes refunded of €9.6 million in the same period of 2022, and mostly resulted from (i) an increase in prepaid taxes, driven by higher results in 2023 than in 2022, as well as (ii) no refunds received in the first half of 2023 from taxes paid in previous years, compared to refunds received in the first half of 2022 from previous years' taxes.

8. Investor information

8.1 Capital stock. Share ownership structure

At June 30, 2023, Amadeus' capital stock amounted to €4,504,992.05, represented by 450,499,205 shares with a nominal value of €0.01 per share, all belonging to the same class, fully subscribed and paid in.

The shareholding structure as of June 30, 2023, is as described in the table below:

Shareholders	Shares	% Ownership
Free float	449,655,575	99.81%
Treasury shares[1]	740,447	0.17%
Board members	103,183	0.02%
Total	450,499,205	100.00%

[1] Voting rights suspended for as long as the shares are held by the company. Includes treasury shares acquired to cover the exchange ratio related to the merger of Amadeus IT Holding, S.A. and Amadeus IT Group, S.A. not yet delivered.

8.2 Shareholder remuneration

8.2.1 Dividend payments

At the General Shareholders' Meeting held on June 21, 2023, our shareholders approved the annual gross dividend from the 2022 profit. The total value of the dividend was €333.4 million, representing a pay-out of 50% of the 2022 Profit for the year, or €0.74 per share (gross). The dividend was paid in full on July 13, 2023.

8.2.2 Share repurchase program

On June 6, 2023, Amadeus launched a share repurchase program with a maximum investment of €433.3 million, not exceeding 6,120,000 shares (1.358% of Amadeus' share capital). The share repurchase program is split in two programs, with the following purposes and conditions:

- Program 1: Conversion at maturity, or early redemption, of convertible bonds, at Amadeus' option.
  - A maximum investment of €350.0 million.

- Shares acquired under this program will not exceed 4,930,000 shares (1.094% of Amadeus' share capital), with a maximum share price of €71, which represents the share price at which, if sustained over a specified period of time, Amadeus has the option to redeem all of the outstanding convertible bonds (€750 million convertible bonds, issued in April 2020).

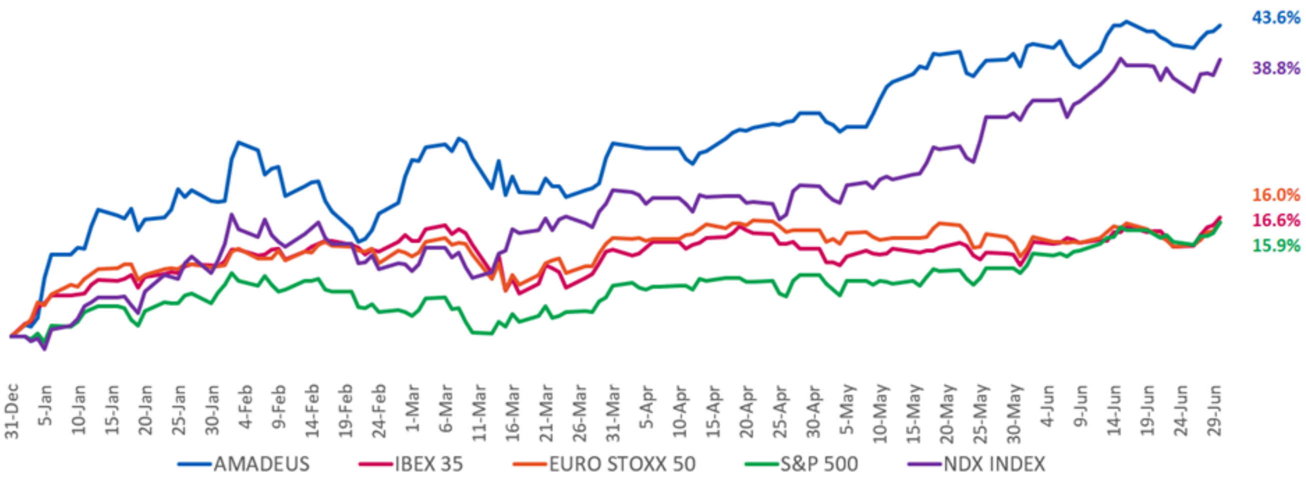
– Program 2: The allocation of shares to comply with share-based employee remuneration schemes, for the years 2023, 2024 and 2025

  - A maximum investment of €83.3 million.
  - Shares acquired under this program will not exceed 1,190,000 shares (0.264% of Amadeus' share capital), with no limit to share price.

Program 2 will only start once Program 1 has ended, either by reaching the maximum number of shares or maximum investment allocated to Program 1, or by the cancellation of Program 1. The share repurchase program has a 6-month maximum term, with a compulsory minimum purchase period of 3 months.

As of June 30, 2023, the Company had acquired 373,547 shares under the share repurchase program (Program 1).

8.2 Share price performance in 2023



Key trading data (as of June 30, 2023)

Number of publicly traded shares (# shares)	450,499,205
Share price at June 30, 2023 (in €)	69.70
Maximum share price in 2023 (in €) (June 16, 2023)	69.92
Minimum share price in 2023 (in €) (January 3, 2023)	49.20
Market capitalization at June 30, 2023 (in € million)	31,399.8
Volume weighted average share price in 2023 (in €)[1]	61.65
Average daily volume in 2023 (# shares)	799,652.8

[1] Excluding cross trade.

9. Other additional information

9.1 Key risk factors and uncertainties

There are a number of risks and uncertainties of diverse nature, both related to our business and the industry in which we operate, as well as to the financial markets, which could affect our financial condition and results in the second half of 2023. The most significant are described below.

In addition to a number of hedging instruments to manage our interest rate and exchange rate related risks (as described in section 4), Amadeus regularly evaluates and puts in place a number of processes towards the identification, control and management of potential risks, and designs specific systems in order to manage and mitigate such risks.

Risk of disruptions to travel

There are events and situations which may arise, external to Amadeus, which can have a detrimental impact on travel volumes and thus on our operations and performance. These situations include health pandemics or crises, terrorist attacks, geopolitical events and natural disasters, among others. The disruptions to travel provoked by these situations may be of a larger or smaller regional scale and may be sustained over shorter or longer periods of time.

Risks related to the current macro-economic environment

Amadeus is a leading technology provider to the travel industry. Amadeus connects the travel ecosystem - travel providers, travel sellers and travelers - at every stage of the journey. Our technology allows travel players to manage their operations with greater efficiency and serve their customers better. We operate transaction-based business models linked to global travel volumes (mainly bookings made by travel agencies connected to the Amadeus system, or passengers boarded by airlines using our IT solutions). Our businesses and operations are largely dependent on the global travel and tourism industry, which is sensitive to general economic conditions and trends.

In April 2023, the IMF reported that the global economy in 2022 grew 3.4% (as reported in the World Economic Outlook Update – April 2023), but estimated a slowdown in global growth to 2.8% for 2023 driven by new financial stability concerns overlaying the continuing forces that affected the world in 2022 (tight monetary policies, historically high debt levels, commodity price spikes and Russia's war in Ukraine).

Execution risk related to the migration of new customers

Part of our future growth is linked to contracts within the Air IT and Hospitality segments. Under these contracts, we have to undertake complex work in order to migrate these clients onto our platforms. Successful execution of these migration processes is key. We have a strong implementation track record in Airline IT and significant in-house expertise in Hotel IT. However, failure to deliver or to seamlessly implement our clients in Airline IT and in other IT verticals (such as Hospitality IT and Airport IT) could impact our future growth.

9.2 Environmental sustainability

In the last years the travel industry has reinforced its commitment to sustainability. We acknowledge our responsibility to minimize Amadeus' environmental impact and to contribute to the sustainability of the travel industry.

Travel industry sustainability and climate change are global challenges, and we need to work in cooperation with industry stakeholders to provide global solutions. In this context, Amadeus has reinforced its strategy to address environmental concerns, both internally and in collaboration with industry stakeholders. Accordingly, our environmental strategy is rooted in three pillars:

9.2.1 Environmental efficiency of Amadeus' operations

Amadeus' operations involve relatively low environmental risks and impacts compared with other industries. We address the impact of our operations and the concerns of travel industry stakeholders, including customers, providers, employees, partners, regulatory bodies and the society in general.

We believe our foremost responsibility is to manage the environmental impact of our operations. The fact that economic and environmental interests sometimes go hand-in-hand facilitates action in reducing negative impacts.

The Amadeus Environmental Management System (EMS) is the principal tool we use to address our environmental impact. The Amadeus EMS includes a systematic approach by which we:

1. Measure resource consumption,
2. Identify best practices,
3. Implement actions for improvement, and
4. Follow up regarding results and next steps

The elements covered by the EMS include energy use, CO2 emissions, paper consumption, water use and waste generated. The EMS scope includes direct measurements in 14 of Amadeus largest sites, which represent approximately 70% of the total Amadeus workforce worldwide. The impact of the remaining 30% is estimated based on average consumption factors of the 14 sites for which we have direct measurements. This methodology, which broadens the reporting scope to 100% of our impact, was implemented in 2018 and has been externally validated.

The Amadeus Data Center in Germany is the principal source of energy use at Amadeus and is included in the direct reporting of the EMS.

Energy efficiency is a priority particularly in this facility, as it accounts for more than half of Amadeus' total energy consumption worldwide. In 2019 we took a significant step forward by using Guarantees of Origin of renewable energy, thanks to which the Data Center is now a carbon-neutral facility. The energy efficiency measures implemented at our sites, in conjunction with the use of Guarantees of Origin of renewable energy, are steps toward achieving our zero emissions target, in alignment with the objectives of the Paris climate change Agreement.

9.2.2 Environmental sustainability value proposition

A principal component of Amadeus' value proposition is to increase operational efficiencies for our customers through our IT solutions. Often, the increased efficiencies mean more productivity, reduced costs, better use of infrastructure and reduced environmental impact.

In the following paragraphs we describe five examples of Amadeus solutions that contribute to improving the environmental performance of our customers.

i) Reducing fuel use and emissions with Amadeus Altéa Departure Control Flight Management

Thanks to the use of optimization tools, Amadeus Altéa Departure Control-Flight Management (DC-FM) helps airlines to save a significant amount of fuel and reduce greenhouse gas emissions, compared with less sophisticated technologies currently on the market.

In order to quantify the savings described above, we have worked with customers to analyze the environmental benefits of the solution in terms of fuel and emissions. The analysis demonstrated a higher precision of Altéa DC-FM when estimating the zero-fuel weight of the aircraft (EZFW), which translates into improvements in the estimation of the fuel needed for each flight, resulting in significant savings in economic costs, fuel and emissions.

ii) Amadeus Airport Sequence Manager

Amadeus Airport Sequence Manager helps airports to optimize the flight departure process. The solution relies on sophisticated sequencing algorithms to calculate the Target Start-Up Approval Time (TSAT) for each departing flight. This allows the aircraft to leave the stand at the last possible moment, reducing the amount of time the aircraft spends on the runway, consequently reducing fuel burn, economic costs and environmental impact (including not only greenhouse gas emissions but also local air pollution and noise) and enabling better allocation of resources. Runway capacity can therefore be optimized at times of congestion or during deicing processes in the winter season. As a collaborative tool, Amadeus Airport Sequence Manager creates a shared situational awareness among all airport partners.

Amadeus launched Airport Sequence Manager in collaboration with Munich Airport – one of the busiest European airports.

iii) Amadeus Airport Common Use Service (ACUS)

With ACUS, airports can transfer hosting and development responsibilities to Amadeus. Our full, thin client solution and application virtualization approach reduce the requirement for costly on-site hardware equipment, servers and local data centers, as well as IT maintenance. This generates substantial operational savings for the airport and reduces the overall environmental footprint. Energy consumption is substantially lower compared to traditional solutions.

iv) Managing disruptions with Amadeus Schedule Recovery

Amadeus Schedule Recovery minimizes disruptions to airline operations caused by external events such as bad weather or air traffic congestion. The solution, among other features, helps to accommodate to the new situation, minimizing operational costs and environmental impact.

v) Amadeus Sky Suite

Thanks to Amadeus Sky Suite, airlines can improve performance and profitability. Sky Suite offers a whole new approach to determining where to fly, when to fly or what aircraft to use. Using sophisticated algorithms and large amounts of data, including factors like the probability of disruptions, Amadeus Sky Suite helps airlines to make fundamental decisions related to airline networks, flight frequencies and equipment, reducing the use of resources (fuel, aircraft, airport infrastructure, etc.) per passenger carried.

9.2.3 Cooperation in industry environmental initiatives

Sustainability is a global challenge and responsibility for all stakeholders and cannot be tackled alone. Therefore, Amadeus is committed to helping drive sustainability within the entire travel industry. That is why collaboration with industry stakeholders presents a key element of our ESG ambition.

We offer our data management capabilities, technology, expertise and network to make our contribution towards industry sustainability. Below are some examples of our engagement with industry stakeholders:

i) Industry standards for carbon calculation

The calculation of emissions per passenger in aviation is complicated for various reasons related to data availability, scientific uncertainties about the effect of emissions at altitude and the methodology used to allocating aircraft emissions to passengers. Consequently, different calculation methodologies offer considerably different emissions estimations for the same itinerary. It is important that a standard calculation methodology complies with requirements related to commercial neutrality, global acceptance and reach and legitimacy to represent the industry.

The UN International Civil Aviation Organization (ICAO) and Amadeus reached an agreement by which Amadeus uses ICAO's carbon calculator to display in our distribution platforms the CO2 emissions estimations per passenger. Thanks to this cooperation, we contribute to raising environmental awareness among travelers.

In addition, in October 2022 Amadeus joined the Travalyst Coalition to further help the industry align on global core challenges such as carbon calculation methodologies. Here, Travalyst is actively engaged in working groups on the aviation side but also on the hospitality side, working with the network partners on aligning more and more on industry wide sustainability frameworks so that both travel providers and consumers can make more sustainable choices. More about Travalyst, a not-for-profit organization made up of some of the biggest travel and technology companies globally, can be found on their website.

ii) Participation in forums and research projects

We further help accelerate and scale the needed change in the industry through the collaboration with important partners such as the International Air Transport Association (IATA), the International Civil Aviation Organization (ICAO); national governments; industry associations like the World Travel & Tourism Council (WTTC); supra-national bodies such as the European Union (e.g. EUROSTAT), the Organization for Economic Co-operation and Development (OECD), the World Economic Council (WEF) and the United Nations World Tourism Organization (UNWTO), among others.

We are actively engaged as member of the World Travel & Tourism Council's Sustainability Task Force, through which we participate in industry discussions on pressing issues, support industry advocacy initiatives, participate at events and help with reviews and interviews for research papers.

We are also a participating member of the UN Global Compact, the world's largest corporate initiative, that aims to advance broader societal goals, such as the UN Sustainable Development Goals. Here, collaboration includes joint communication efforts, participation at events, contribution to research pieces and being an active member of the tourism working group.

Amadeus in sustainability indices

Regarding our sustainability efforts, it is important for us to receive feedback from external sustainability indices in order to understand how we perform as compared to other companies, to identify areas of focus for the future and to improve the quality and transparency of our non-financial reporting.

Amadeus is included in the FTSE4Good index. The FTSE4Good Index Series includes companies that reflect strong ESG risk management practices.

Our latest score in CDP Climate Change is B. CDP (formerly the Carbon Disclosure Project) scores companies and cities based on their journey through disclosure and toward environmental leadership.

Our sustainability efforts have also been recognized by EcoVadis with a Silver medal in January 2023, placing us among the top 25 percent of companies assessed.

The Financial Times, in its issue of April 20, 2023, has included Amadeus in its list of Europe's Climate Leaders 2023. The list is made up of 500 European companies that have achieved the greatest reduction in their greenhouse gas (GHG) emissions intensity and made further climate-related commitments.

We have also been recognized as a 2023 Top-Rated ESG performer by Sustainalytics, out of more than 5,000 companies in Sustainalytics' ratings universe.

Climate change-related risks and opportunities

Amadeus conducts an analysis on climate change-related risks and opportunities on an annual basis. On the one hand, this analysis identifies physical and transition risks, further categorized as policy and legal, reputational, technology and market risks related to the impact of climate change in our operations and assesses them according to impact and probability.

On the other hand, the opportunities for Amadeus' business related to climate change are mainly linked to the possibility of launching new products and services that help our customers to address climate change impacts and to reduce their environmental footprint, as well as to improve our competitive positioning.

We are a Task Force on Climate-Related Financial Disclosures (TCFD) supporter since 2021 and produce climate-related disclosures through our Global Report following its reporting recommendations.

9.3 Treasury Shares

The movement of the carrying amounts for the six-month period ended June 30, 2023, of the treasury shares is set forth in the table below:

	Treasury Shares	Millions of euros
Carrying amount as of December 31, 2022	475,397	25.3
Acquisitions	499,047	33.7
Retirements	(233,997)	(13.8)
Carrying amount as of June 30, 2023	740,447	45.2

9.4 Subsequent events

The Company has continued performing treasury shares transactions under the share buy-back program disclosed in section 8 and has acquired 909,521 shares between July 1,2023, and the closing of the market on July 27, 2023.

10. Key terms

- "API": stands for Application Programming Interface
- "D&A": stands for "depreciation and amortization"
- "GDS": stands for "Global Distribution System"
- "EPS": stands for "Earnings Per Share"
- "IFRS": stands for "International Financial Reporting Standards"
- "JV": stands for "Joint Venture"
- "KPI": stands for "Key Performance Indicators"
- "LTM": stands for "last twelve months"
- "NDC": stands for "New Distribution Capability". NDC is a travel industry-supported program launched by IATA for the development and market adoption of a new, XML-based data transmission standard
- "n.m.": stands for "not meaningful"
- "PB": stands for "passengers boarded", i.e. actual passengers boarded onto flights operated by airlines using at least our Amadeus Altéa Reservation and Inventory modules or Navitaire New Skies
- "p.p.": stands for "percentage point"
- "PPA": stands for "Purchase Price Allocation"
- "PP&E": stands for "Property, Plant and Equipment"
- "PSS": stands for "Passenger Services System"
- "R&D": stands for "Research and Development"

amadeus

BOARD OF DIRECTORS

Members of the Board of Directors on the date when the consolidated interim financial statements and the interim consolidated Directors' Report were prepared.

CHAIRMAN

William Connelly

VICE-CHAIRMAN

Stephan Gemkow

EXECUTIVE DIRECTOR

Luis Maroto Camino

DIRECTORS

Amanda Mesler

David Vegara Figueras

Eriikka Söderström

Frits van Paasschen

Janna Eggers

Peter Kürpick

Pilar García Ceballos-Zúñiga

Xiaoqun Clever

SECRETARY (non-Director)

Jacinto Esclapés Díaz

VICE-SECRETARY (non-Director)

Ana Gómez Ruiz

Madrid, July 28, 2023