Management Review
Jan - Sep 2015

November 6, 2015

Index

1 Summary

1.1 Introduction

Highlights for the first nine months, ended September 30, 2015

- **In Distribution, our travel agency air bookings increased 9.4%, to 389.7 million**
- **In IT Solutions, our total Passengers Boarded increased 8.2%, to 562.3 million**
- **Revenue increased by 14.7%, to €2,964.8 million**
- **EBITDA[1] increased by 10.3%, to €1,144.5 million**
- **Adjusted profit[2] increased by 9.2%, to €608.4 million**
- **Covenant net financial debt was €1,693.6 million (1.20 times to covenant last twelve months' EBITDA) at September 30, 2015**

We have closed our first nine months of 2015 with continued positive results. In the first nine months of the year, Revenue and EBITDA[1] grew by 14.7% and 10.3% respectively, driving Adjusted Profit[2] growth of 9.2%. These results were supported by the solid performances of our Distribution and IT Solutions businesses, by the contribution from our 2014/15 acquisitions and by a sustained positive foreign exchange impact, in line in the quarter, with what we had experienced during the year.

In Distribution, we successfully renewed or signed content agreements with 9 full-service carriers during the third quarter, securing comprehensive content for our travel agency subscribers. Our air volumes continued to grow driven by a 1.8 p.p. improvement of our competitive position[3] in the quarter, further widening our reach. As in past quarters, we continued to benefit from the enlargement of our addressable market in Asia through our expansion in South Korea in 2014. Additionally, North America was again our fastest-growing region, growing at a double-digit rate. Our air TA bookings grew 9.4% and Distribution Revenue increased by 12.1%, driven by a 1.9 p.p. enhancement of our competitive position during the nine month period.

The airline Distribution industry continues to evolve and Amadeus is committed to supporting its airline partners in realising their full revenue potential. Merchandising solutions represent a key area of focus for airlines. Our Amadeus Ancillary Services solution continues to expand and is enabling airlines to deploy ancillary services today in almost all markets worldwide. Our customer base for Amadeus' leading merchandising technology also continues to grow, now including 129 contracted airlines of which close to 80 have been implemented. Additionally, Amadeus' Fare Families Solution, which allows airlines to distribute branded fares, has attracted to date 25 airline customers of which 18 have been implemented. In the quarter, Lufthansa and Austrian implemented Amadeus' Fare Families solution, joining Swiss International Air Lines and Brussels Airlines within the Lufthansa Group. Air Canada and Aeromexico have also contracted for both Amadeus Ancillary Services and Fare Families solutions to be implemented in the indirect channel. In addition, Etihad will become the first Middle-Eastern carrier to implement our Fare Families solution in the indirect channel.

In IT Solutions, our revenue expanded by 21.3% in the first nine months of the year. This growth was supported by PB growth of 8.2%, positively impacted by Korean Air's migration in the latter part of 2014 and the migration of All Nippon Airways (international business) in the second quarter of 2015. A number of large contracted migrations such as Southwest (domestic), Japan Airlines, Thomas Cook, China Airlines and Swiss

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1. EBITDA is negatively impacted by extraordinary costs associated with the acquisition of Navitaire in 2015 (€5.1 million) and with the acquisition of i:FAO in 2014 (€1.6 million). Excluding these costs, EBITDA grew by 10.6%, to €1,149.6 million.
2. Excluding after-tax impact of the following items: (i) accounting effects derived from PPA exercises and impairment losses, (ii) changes in fair value of interest rate hedging agreements and non-operating exchange gains (losses) and (iii) other non-recurring items. Adjusted profit is negatively impacted by extraordinary costs associated with the acquisition of Navitaire in 2015 and i:FAO in 2014. Excluding these impacts, Adjusted profit increased by 9.6% to €611.9 million.
3. Competitive position as defined in section 3.

International Air Lines will continue to support growth. All our activities within Airline IT had a positive evolution in the quarter, supported by successful upselling activity with new customers for DCS, e-commerce and standalone solutions as well as by overall organic growth. In the quarter, Copa Airlines, one of Latin America's leading carriers, launched its new loyalty programme enabled by IT solutions from the Amadeus Loyalty Suite. Virgin Australia contracted for our DCS Flight management module, as a standalone component. Lastly, our diversification efforts into other verticals (Airport IT) or into additional transversal areas (Payments), also continue to deliver growth.

We have continued to make progress in our Hotel IT strategy. We are steadily advancing, together with InterContinental Hotels Group, the development of a new-generation Guest Reservation System. We were also pleased to announce our Itesso and Hotel SystemsPro acquisitions post-closing of the second quarter. With its new cloud-native Itesso Enterprise Lodging System, Itesso is leading the industry towards a new generation of property management systems, equally a key piece of our strategy. Additionally, Hotel SystemsPro in turn allows Amadeus to expand its offering to the hotel industry in the sales and catering space.

In other areas, such as Airport IT, we continued to see positive traction in the market. Perth Airport became Amadeus' first airport customer in Australia. Perth Airport is forecast to reduce passenger processing costs by 26% through the implementation of ACUS (Amadeus Common User Service).

Investing in technology is key to our success and is our fundamental focus. Our investment in R&D reached 15.8% of our revenue in the first nine months of 2015. It was dedicated to supporting Amadeus' growth potential in the long-term, primarily through new customer implementations, product evolution, portfolio expansion, investment in new business areas and further TPF decommissioning.

During the first nine months of 2015, our free cash flow grew 22.2% and consolidated covenant net financial debt as of September 30, 2015 was €1,693.6 million, representing 1.20 times last twelve months' EBITDA.

In June 2015, our shareholders approved a gross dividend of €0.70 per share for the results pertaining to year 2014, representing a 50% pay-out ratio, and growth of 12% over prior year. An interim dividend of €0.32 per share was paid on January 30, 2015 and the complementary dividend of €0.38 per share was paid on July 30, 2015.

On May 12, 2015, we completed our share repurchase programme initiated in December 2014. We invested a total amount of €320 million (including fees) and repurchased 8,759,444 shares (1.957% of share capital). The share capital reduction through the amortization of the repurchased shares was approved by the General Shareholders Meeting on June 25, 2015 and registered in the Commercial Registry of Madrid on August 4, 2015.

1.2 Summary of operating and financial information

Summary of KPI *Figures in million euros*	**Jan-Sep 2015**	**Jan-Sep 2014**	**% Change**
Operating KPI			
Air TA competitive position[1]			**1.9 p.p.**
Air TA bookings (m)	389.7	356.2	9.4%
Non air bookings (m)	46.3	44.5	4.2%
Total bookings (m)	**436.0**	**400.7**	**8.8%**
Passengers Boarded (m)	**562.3**	**519.7**	**8.2%**
Financial results			
Distribution Revenue	2,087.5	1,861.5	12.1%
IT Solutions Revenue	877.3	723.5	21.3%
Revenue	**2,964.8**	**2,585.0**	**14.7%**
EBITDA[2]	**1,144.5**	**1,037.5**	**10.3%**
EBITDA margin (%)	38.6%	40.1%	(1.5 p.p.)
EBITDA excl. acquisition costs[3]	**1,149.6**	**1,039.1**	**10.6%**
EBITDA excl. acquisition costs margin (%)	38.8%	40.2%	(1.4 p.p.)
Adjusted profit[4]	**608.4**	**557.2**	**9.2%**
Adjusted EPS (euros)[5]	**1.39**	**1.25**	**11.0%**
Adjusted profit[6] excl. acquisition costs	**611.9**	**558.3**	**9.6%**
Adjusted EPS[6] excl. acquisition costs	**1.40**	**1.25**	**11.4%**
Cash flow			
Capital expenditure	393.2	314.0	25.2%
Free cash-flow[7]	582.8	476.8	22.2%
	30/09/2015	**31/12/2014**	**% Change**
Indebtedness[8]			
Covenant Net Financial Debt	**1,693.6**	**1,738.5**	**(2.6%)**
Covenant Net Financial Debt / LTM Covenant EBITDA	1.20x	1.32x	

1. Competitive position as defined in section 3.
2. EBITDA is negatively impacted by extraordinary costs associated with the acquisition of Navitaire in 2015 (€5.1 million) and with the acquisition of i:FAO in 2014 (€1.6 million).
3. EBITDA excluding the extraordinary costs associated with the acquisition of Navitaire in 2015 (€5.1 million) and with the acquisition of i:FAO in 2014 (€1.6 million).
4. Excluding after-tax impact of the following items: (i) accounting effects derived from PPA exercises and impairment losses, (ii) changes in fair value of interest rate hedging agreements and non-operating exchange gains (losses) and (iii) other non-recurring items.
5. EPS corresponding to the Adjusted profit attributable to the parent company. Calculated based on weighted average outstanding shares of the period.
6. Adjusted profit and Adjusted EPS excluding the extraordinary costs associated with the acquisition of Navitaire in 2015 and i:FAO in 2014.
7. Calculated as EBITDA less capital expenditure plus changes in our operating working capital less taxes paid less interests and financial fees paid.
8. Based on the definition included in the senior credit agreement covenants. Covenant net financial debt includes debt relating to the share buy-back programme announced on December 11, 2014 amounting to €288.8 million at December 31, 2014.

2 Operating Review

2.1 Key business highlights for the third quarter

The following include selected business highlights for the third quarter of 2015:

Distribution

- Over 80% of the airline bookings made through the Amadeus system worldwide are made with airlines that have a content agreement. During the third quarter new signings, or renewals of existing content agreements, were reached with 9 full-service carriers including Air Canada, which serves 38 million passengers a year, and Aeromexico, the largest airline in Mexico.
- The trend for customers contracting merchandising solutions continued and currently 129 airlines have signed for Amadeus Airline Ancillary Services, which supports airlines to deploy ancillary services now in almost all markets worldwide. Additionally Amadeus Fare Families Solution, which allows airlines to distribute branded fares, now has 25 contracts in place and already 18 airline customers have implemented the solution.
- Included within these is Air Canada, which will take advantage of both Amadeus Fare Families and Amadeus Ancillary Services, providing travel agency customers with access to the airline's complete range of merchandising content via XML. This will enable full access to the airline's products with seamless integration to the efficiency and transparency offered by the GDS. Additionally Amadeus will also work together with Air Canada to leverage existing features of the Amadeus point-of-sale retailing platform.
- Further signings included Aeromexico for both Amadeus Airline Fare Families and Amadeus Airline Ancillary Services; and Etihad Airways, the national airline of the United Arab Emirates, will become the first Middle Eastern carrier to implement Amadeus Fare Families in the indirect channel.
- Meanwhile both Lufthansa and Austrian have now implemented Amadeus Fare Families. They join other LH Group airlines Swiss International Air Lines and Brussels Airlines as the first airlines to go live with ATPCo Branded Fares – a technology which Amadeus is the first provider to support. Amadeus subscribers can book Lufthansa and Austrian's new branded fares, Light, Classic and Flex, across the direct and indirect channels through all Amadeus retailing interfaces, across worldwide points of sale, and for all customer segments to provide a consistent offer to both intermediaries and travellers.
- Within the subscriber part of the Amadeus business, a multi-year agreement was reached with Shijie99, China's leading travel e-commerce aggregator, to support its growth in international markets. The multi-year agreement will include the provision of extensive air content via Amadeus' advanced Master Pricer search technology for points of sale outside of mainland China. Catering to inbound tourism and Chinese travellers in overseas markets, the agreement will enable expansion and diversification of the product portfolio by adopting the same technology used by leading global online travel agents. Additionally, prepaid and postpaid hotel and car rental, as well as rail content, will be available for customers in all markets, including China.
- Our Travel Intelligence business launched the Amadeus Agency Insight suite during the summer, for which customers already include leading players such as Costamar, Makemytrip, Despegar, Tije, Asiana Global Travel Service, Delfos, Travelfast and Nuevo Mundo. The Travel Intelligence suite helps travel agents to leverage Big Data technologies by transforming market and traveller data into unique and actionable insights. This data enables strategic decision-making in areas such as assessing profitable routes and markets to promote, travellers' search behaviour, and performance against competitors. At the core of this offer is the Amadeus Travel Intelligence Engine, a cloud-based and scalable platform designed to deliver total flexibility and speed with no data limit.

IT Solutions

Airline IT

- As of the close of the third quarter, 135 airlines globally were contracted for both Altéa Reservation and Altéa Inventory, 121 of which were contracted to use the full Altéa Suite. Of the 135 airlines contracted, 125 were already migrated to both Altéa Reservation and Altéa Inventory, with 102 of those using the full Altéa Suite. The Altéa Suite facilitates closer integration between partner airlines that need to share availability, fares, customer and booking information, thus enabling a seamless customer experience across alliance members.
- Caribbean Airlines, which operates more than 600 weekly flights, selected Amadeus to upgrade its existing passenger service system to the full Altéa Suite plus e-Commerce as part of the overall customer-centric strategy of the airline – with the first phase to be finished by the end of November 2015 and the full migration completed by March 2016.
- Additional contracts included Linhas Aéreas de Moçambique for the full Altéa Suite and BMI Regional for both the Altéa Reservation and Altéa Inventory modules – with both airlines migrating to the Altéa Inventory module during the quarter.
- In early October Virgin Australia adopted the Amadeus Altéa Departure Control Flight Management module to automate aircraft load control and optimise flight departures. The solution will integrate with its current passenger service system and marks the first time Departure Control is used as a standalone component, without adopting the full Amadeus Altéa Suite.
- Copa Airlines, one of Latin America's leading carriers, launched its new customer loyalty programme – ConnectMiles – enabled by a variety of IT solutions from the Amadeus Loyalty Suite to help improve communications, launch targeted promotions to create strong relationships and enhance personalisation capabilities. In addition, it will also take advantage of the Amadeus Partner Management Service, which facilitates the data exchange between the loyalty programme itself and Copa Airlines' partners, including those within the Star Alliance.

Hotel IT

- Amadeus expanded its technology offering to the hotel industry with the acquisition of Netherlands-based Itesso BV, a provider of cloud-native property management systems (PMS). With its new cloud-native Itesso Enterprise Lodging System (Itesso ELS), the company is leading the industry towards a new generation of property management solutions and also currently provides PMS technology to 1,800 properties worldwide. Characterised by an award-winning customer service and an "easy-to-do-business-with" mentality, Itesso is a strong addition to the Hotel IT portfolio.
- Amadeus also expanded its sales and catering offering to the hotel industry with the acquisition of Hotel SystemsPro by Newmarket, an Amadeus company. Hotel SystemsPro is a U.S.-based provider of sales, catering and maintenance software to the hotel and hospitality industry, and delivers high-performance, ASP-based enterprise and property solutions to more than 4,500 hotels in North America and beyond.
- Together, these two deals brought Amadeus closer to its vision of uniting systems known today as Central Reservation Systems, Property Management Systems, Revenue Management Systems, Sales & Catering and others, into a cloud-based platform which is fully centered around the guest experience.

Airport IT

- Perth Airport, the fourth busiest airport in Australia by passenger traffic with over 14 million passengers annually, is forecast to cut passenger processing costs by 26 per cent and help reduce carbon dioxide emissions through the implementation of the Amadeus Airport Common Use Service (ACUS) platform. ACUS is a next-generation common use solution which enables passenger processing systems to be accessed and deployed anywhere on demand. Perth Airport becomes the first Airport IT customer in Australia and marks the continued expansion of Amadeus in Asia-Pacific.

Additional news from the third quarter

- For the fourth consecutive year Amadeus has been included in the Dow Jones Sustainability Indices (DJSI), listed within the IT & Internet Software and Services sector. The DJSI are composed of global sustainability leaders identified based on economic, environmental, and social criteria. Considered amongst the most renowned standards available to investors for evaluating sustainability and environmental performance, only those companies among the top 10% of scorers enter the DJSI.
- Amadeus joined forces with the World Tourism Organization (UNWTO) to advance the use of innovative technology in tourism in areas such as education and multi-modality. Amadeus has been a UNWTO Affiliate Member since 2007 and additionally has now signed a Memorandum of Understanding to consolidate the partnership in several areas. This includes the development of a UNWTO Prototype on multi-modality – the door-to-door planning and ticketing of trips involving all possible transport options – to further integrate different means of transport between destinations around the world.
- Streamlining Airline Financial Processes, an Amadeus commissioned report written by Frost & Sullivan, highlighted lessons learned from industries such as retail and banking for airlines to boost profitability by integrating financial processes, increasing automation and exploiting predictive analytics. This included exploring the revolutionary potential impact of Blockchain technology on accounting and how improved interline settlements could save the industry US$500 million annually.
- Amadeus announced the appointment of Albert Pozo as the new President of Amadeus Asia Pacific to direct the corporate strategy for Asia-Pacific – where Amadeus has more than 2,200 people across 35 markets, including two regional offices in Bangkok and Singapore, and R&D centres in Bangalore and Sydney.

2.2 Key ongoing R&D projects

R&D investment in the first nine months of 2015 relates primarily to:

- Customer implementation efforts:
  - Migration development work relating to Altéa implementations in 2015: All Nippon Airways (the international passengers business) migrated in the second quarter and Thomas Cook Group scheduled for year-end, as well as in the coming years (such as Swiss International Air Lines, China Airlines, Southwest –the domestic passengers business-, and Japan Airlines). Additionally, implementation costs in relation to new customers adopting Altéa Departure Control System (Altéa carriers migrating to the full suite as well as Virgin Australia who recently contracted the Departure Control-Flight Management module as a standalone component), e-commerce and standalone solutions.
  - Implementation and development related to our new Revenue Accounting module in our launch customer British Airways and in South African Airways.
  - Implementation efforts in relation to our DCS solution for ground handlers.
  - Implementation of customers to our portfolio of solutions for airlines, travel agencies, and corporations, including the expansion of our customer base in merchandising solutions, the migration

of corporations to our self-booking tool, as well as the implementation of low cost carriers to ticketless access.

- Product portfolio expansion:
  - For airlines, solutions related to XML connectivity, availability and e-retail, as well as the Altéa Revenue Management Suite (implemented with our launch partner Scandinavian Airlines in 2015).
  - For travel agencies, travel management companies and corporations, efforts linked to a new generation selling platform, search engines, front-office customisation and mobile tools.
  - Investment in our Global Merchandising Platform, including the expansion of merchandising capabilities, ancillary services and fare families, as well as enhanced shopping and booking solutions.
  - Regionalisation investment, with the aim to better adapt part of our product portfolio to specific regions.
- Increased resources dedicated to our new initiatives (Hotel, Rail, Airport IT, Payments and Travel Intelligence) to expand our current portfolio of solutions:
  - Development costs to build the next-generation Guest Reservation System under our agreement with IHG in Hotel IT.
  - Continued development and evolution of our Airport IT portfolio.
  - Enhanced distribution capabilities for Hotel and Rail.
  - Efforts dedicated to our partnership with Bene Rail and investment in Payments and Travel Intelligence, where we continue to work with different industry partners.
- Ongoing TPF decommissioning, which involves the progressive migration of the company's platform to next-generation technologies and open systems, system performance projects aiming to optimise service levels and system reliability and performance, as well as other cross-area technologies such as the Amadeus Collaborative Technology (a corporate program aiming at building a new software components architecture that improves efficiency and provides greater flexibility).

3 Presentation of financial information

The consolidated financial information included in this document has been prepared in accordance with International Financial Reporting Standards (IFRS).

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.

This document includes unaudited non-IFRS financial measures, including EBITDA and Adjusted profit, and the ratios based on these financial measures. We present non-IFRS measures when we believe it provides useful information about our performance. These measures are not standard and therefore may not be comparable to those presented by other companies.

When we refer to our competitive position, we consider only our air TA bookings in relation to the air TA booking industry, defined as the total volume of travel agency air bookings processed by the global or regional CRS. It excludes air bookings made directly through in-house airline systems or single country operators, the latter primarily in China, Japan and Russia. It also excludes bookings of other types of travel products, such as hotel rooms, car rentals and train tickets. Since the end of the third quarter of 2014, it includes the bookings processed by the travel agencies connected to the Amadeus platform, which were previously connected to the local CRS Topas in South Korea.

3.1 Acquisitions completed in 2014

- ### Acquisition of Newmarket

On February 5, 2014 Amadeus acquired, 100% of the voting rights of NMTI Holdings, Inc. and its group of companies ("Newmarket"). The cash paid was €333.2 million. The transaction was fully financed by a new bank loan facility (this facility was refinanced in December 2014 with a Euro denominated bond issuance). The Newmarket results were consolidated into Amadeus' books from February 5, 2014.

A purchase price allocation exercise in relation to the consolidation of Newmarket into Amadeus' books was carried out in the fourth quarter of 2014.

- ### Acquisition of i:FAO

On June 23, 2014 Amadeus acquired 69.07% of the voting rights of i:FAO AG and its group of companies ("i:FAO") through a public takeover offer, for a total consideration paid in cash of €55.8 million. The transaction was fully financed with cash. The i:FAO results were consolidated in our income statement from July 1, 2014.

The purchase price allocation exercise in relation to the consolidation of i:FAO into Amadeus' books was carried out in the first quarter of 2015. The extraordinary costs of €1.6 million associated with the acquisition prior to the transaction were reported as indirect costs as of year-end 2014.

- ### Acquisition of UFIS

In addition, Amadeus acquired 100% of the voting rights of UFIS Airport Solutions AS, and its group of companies ("UFIS") on January 24, 2014. The purchase consideration paid in cash was €18.8 million. The transaction was fully financed with cash. The UFIS results were consolidated into Amadeus' books from February 1, 2014.

A purchase price allocation exercise in relation to the consolidation of UFIS into Amadeus' books was carried out in the fourth quarter of 2014.

3.2 Acquisitions completed in 2015

- ### Acquisition of AirIT

On April 21, 2015, Amadeus acquired 100% of the voting rights of Air-Transport IT Services, Inc (AirIT). The purchase consideration paid in cash was US$13.9 million. The transaction was fully financed with cash. The AirIT results were consolidated into Amadeus' books from May 1, 2015.

A purchase price allocation exercise in relation to the consolidation of AirIT into Amadeus' books will be carried out in the last quarter of 2015.

- ### Itesso

On July 21, 2015, Amadeus acquired 100% of the voting rights of Itesso B.V. and subsidiaries, a provider of cloud-based property management systems, to expand its technology offering to the hotel industry. The transaction was fully financed with cash. The results of Itesso were consolidated into Amadeus' books from August 1, 2015.

A purchase price allocation exercise in relation to the consolidation of Itesso into Amadeus' books will be carried out in the coming quarters.

- ### Hotel SystemsPro

On July 31, 2015, Amadeus acquired through Newmarket the business (assets acquired and liabilities assumed) of Hotel SystemsPro LLC, a leading provider of sales, catering and maintenance software to the hospitality industry. The transaction was fully financed with cash. The results of the business of Hotel SystemsPro were consolidated into Amadeus' books from August 1, 2015.

A purchase price allocation exercise in relation to the consolidation of Hotel SystemsPro into Amadeus' books will be carried out in the coming quarters.

- ### Pyton

On August 21, 2015, Amadeus acquired 100% of the voting rights of Pyton Communication Services B.V. and subsidiaries, a Netherlands-based leisure travel technology specialist. The transaction was fully financed with cash. The results of Pyton will be consolidated into Amadeus' books in the fourth quarter.

A purchase price allocation exercise in relation to the consolidation of Pyton into Amadeus' books will be carried out in the coming quarters.

3.3 Navitaire

On July 1, 2015, Amadeus announced its agreement to acquire Navitaire, a U.S-based provider of technology and business solutions to the airline industry, from Accenture for US$830 million. The transaction is subject to customary regulatory approvals. The acquisition will be partially financed with a new bank loan facility of €500 million, structured as a "club deal" financing entered into with twelve banks. The facility has a five year term (July 3, 2020) with maturity dates in 2019 and 2020.

The extraordinary costs of €5.1 million associated with the acquisition were reported as indirect costs in September YTD 2015 figures.

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 and therefore are impacted by foreign exchange fluctuations. Similarly, part of our cash inflows and outflows are denominated in non-Euro currencies.

Our revenue is mostly generated either in Euro or in US Dollar (the latter representing 25%-30% of our total revenue). Revenue generated in currencies other than Euro or US Dollar is negligible.

In turn, 35%-45% of our operating costs[4] are denominated in many currencies different from the Euro, including the USD which represents 20%-25% of our operating costs. The rest of the foreign currency operating expenses are denominated in a variety of currencies, GBP, AUD, SEK, THB and INR being the most significant. A number of the currencies in this basket (e.g. HKD, ZAR and THB) tend to fluctuate vs. the Euro similarly to the US Dollar - Euro fluctuations, although the degree of this correlation may vary with time.

Amadeus' target is to reduce the volatility of the non-Euro denominated net cash flows due to foreign exchange fluctuations. Our hedge strategy is as follows:

(i) The strategy for our exposure to the US Dollar is based on the use of a natural hedge of our net operating cash flow generated in this currency with the payments of our USD-denominated debt and taxes. We enter into derivative arrangements when the natural hedge is not sufficient to cover the outstanding exposure.
(ii) We also hedge a number of currencies, including the GBP, AUD and SEK, for which we enter into foreign exchange derivatives with banks.

When the hedges in place qualify for hedge accounting under IFRS, profit and losses are recognised within the revenue caption (under the non-booking revenue line of Distribution). Our hedging arrangements typically qualify for hedge accounting under IFRS.

4.2 Interest rate risk

Our target is to reduce the volatility of the net interest flows payable. In order to achieve this objective, Amadeus may enter into interest rate hedging agreements (interest rate swaps, Caps, Collars) to cover the floating rate debt.

At September 30, 2015, 23%[5] of our total covenant financial debt was subject to floating interest rates, indexed to the EURIBOR or the USD LIBOR. With our hedging arrangements in place, this percentage is reduced to 19%.

4.3 Own 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 their beneficiaries will receive a number of Amadeus shares which for the outstanding plans will be (depending on the evolution of certain performance conditions) between a maximum of 2,271,000 shares and a minimum of 313,000 shares, approximately. It is Amadeus' intention to make use of its treasury shares to settle these plans at their maturity.

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4. Including Cost of revenue, Personnel expenses and Other operating expenses. Excludes Depreciation and amortisation.
5. This percentage includes the short term financing that we obtain under our European Commercial Paper (ECP) Programme. The interest rate of this commercial paper is fixed, however, given that it has to be refinanced very frequently, we deem that this type of financing is subject to interest rate risk and therefore for risk management purposes we include it under the floating rate debt category.

5 Consolidated financial statements

Group income statement

Income Statement *Figures in million euros*	Jul-Sep 2015	Jul-Sep 2014	% Change	Jan-Sep 2015	Jan-Sep 2014	% Change
Revenue	**988.0**	**854.1**	**15.7%**	**2,964.8**	**2,585.0**	**14.7%**
Cost of revenue	(264.3)	(219.2)	20.6%	(790.9)	(665.2)	18.9%
Personnel and related expenses	(285.1)	(241.1)	18.3%	(834.8)	(705.2)	18.4%
Other operating expenses[1]	(70.5)	(57.5)	22.7%	(187.1)	(172.7)	8.3%
Depreciation and amortisation	(98.5)	(91.1)	8.2%	(291.4)	(245.5)	18.7%
Operating income	**269.6**	**245.3**	**9.9%**	**860.6**	**796.4**	**8.1%**
Net financial expense	(18.2)	(8.0)	128.3%	(43.6)	(40.5)	7.7%
Other income (expense)	0.2	(0.6)	n.m.	0.4	(1.1)	n.m.
Profit before income taxes	**251.6**	**236.7**	**6.3%**	**817.4**	**754.9**	**8.3%**
Income taxes	(78.0)	(74.6)	4.6%	(253.4)	(237.8)	6.6%
Profit after taxes	**173.6**	**162.2**	**7.0%**	**564.0**	**517.1**	**9.1%**
Share in profit from associates and JVs	0.4	0.5	(15.0%)	1.5	1.9	(20.4%)
Profit for the period	**174.0**	**162.7**	**7.0%**	**565.5**	**519.0**	**9.0%**
Key financial metrics						
EBITDA	**365.8**	**334.9**	**9.2%**	**1,144.5**	**1,037.5**	**10.3%**
EBITDA margin (%)	37.0%	39.2%	(2.2p.p.)	38.6%	40.1%	(1.5 p.p.)
Adjusted profit[2]	**188.8**	**176.7**	**6.8%**	**608.4**	**557.2**	**9.2%**
Adjusted EPS (euros)[3]	**0.43**	**0.40**	**8.6%**	**1.39**	**1.25**	**11.0%**

1. Other operating expenses include extraordinary costs associated with the acquisition of Navitaire in 2015 (€5.1 million) and with the acquisition of i:FAO in 2014 (€1.6 million)
2. Excluding after-tax impact of the following items: (i) accounting effects derived from PPA exercises and impairment losses, (ii) changes in fair value of interest rate hedging agreements and non-operating exchange gains (losses) and (iii) other non-recurring items.
3. EPS corresponding to the Adjusted profit attributable to the parent company. Calculated based on weighted average outstanding shares of the period.

In the third quarter of 2015, Revenue reached €988.0 million, accelerating its growth to 15.7%, supported by solid performances in both our businesses. Volume growth in Distribution resulted from an improvement in our competitive position and higher fees from some customers due to contract renegotiations also had a positive impact on yield. In IT solutions, yield expansion was driven by upselling activity in Airline IT and high growth in new areas such as Airport IT and Payments. In addition, our revenue growth benefited from positive foreign exchange effects, consolidation of recent M&A activity and a specific positive effect in the quarter, in Distribution, from a relatively lower comparison base in Q3 2014.

As such, Revenue increased 14.7% to €2,964.8 million, in the first nine months of 2015. This increase was driven by solid performances throughout the year in our Distribution business, with revenue reaching €2,087.5 million or growing 12.1% and in IT Solutions, increasing by 21.3% to €877.3 million in revenue. Our growth in the first nine months also benefited from a positive foreign exchange impact and the consolidation of our acquisitions.

Our cost base was very negatively impacted by foreign exchange effects and specific extraordinary items in both the quarter and the nine month period such as acquisition costs linked to our M&A activity, some provision for the receivables in countries at risk, as well as provisions for potential local tax payments.

For the first nine months, reported EBITDA amounted to €1,144.5 million, representing an increase of 10.3% with respect to prior year. Our EBITDA margin represented 38.6% of revenue for the first nine months of 2015. Excluding the impact of foreign exchange effects and the above extraordinary cost items, our EBITDA margin remained broadly stable with respect to 2014.

5.1 Revenue

Revenue *Figures in million euros*	Jul-Sep 2015	Jul-Sep 2014	% Change	Jan-Sep 2015	Jan-Sep 2014	% Change
Distribution	672.5	590.0	14.0%	2,087.5	1,861.5	12.1%
IT Solutions	315.6	264.1	19.5%	877.3	723.5	21.3%
Revenue	**988.0**	**854.1**	**15.7%**	**2,964.8**	**2,585.0**	**14.7%**

5.1.1 Distribution

Revenue in the Distribution business grew 14.0% in the third quarter, leading to a 12.1% growth in the first nine months of 2015. This increase was mainly driven by growth in booking revenue. Booking revenue growth was in turn due to a combination of higher volume (8.8% year-to-date increase in total bookings) and a positive pricing impact, supported by the foreign exchange impact from the appreciation of the USD vs. the Euro, and positive effects in the third quarter of 2015 (higher yield from certain customers due to renegotiations and a relatively low base of comparison in 2014). In turn, our growth in North America and South Korea, where the weight of local bookings is higher than average, continues to result in dilution of our underlying average booking fee.

Evolution of operating KPI

During the third quarter of 2015, Amadeus air bookings increased by 8.2% and our competitive position improved by 1.8 p.p., supported by the migration of the travel agencies previously connected to Topas in South Korea to the Amadeus platform in September 2014, as well as our continued expansion in North America. The air TA booking industry[6], in turn, grew by 3.7% in the quarter.

For the first nine months of 2015, our air bookings increased by 9.4%, ahead of the industry growth of 4.5%, driven by a 1.9 p.p. enhancement of our competitive position.

6. The air TA booking industry is defined as the total volume of travel agency air bookings processed by the global or regional CRS. It excludes air bookings made directly through in-house airline systems or single country operators, the latter primarily in China, Japan and Russia. It also excludes bookings of other types of travel products, such as hotel rooms, car rentals and train tickets. Since the end of the third quarter of 2014, it includes the bookings processed by the travel agencies connected to the Amadeus platform, which were previously connected to the local CRS Topas in South Korea. Our competitive position is calculated as our air TA bookings over the air TA booking industry, as defined in this note.

Operating KPI	Jul-Sep 2015	Jul-Sep 2014	% Change	Jan-Sep 2015	Jan-Sep 2014	% Change
Air TA booking industry growth[6]	**3.7%**	**4.0%**		**4.5%**	**3.1%**	
Air TA competitive position[6]			**1.8 p.p.**			**1.9 p.p.**
Air TA bookings (m)	123.8	114.3	8.2%	389.7	356.2	9.4%
Non air bookings (m)	14.1	14.2	(0.7%)	46.3	44.5	4.2%
Total bookings (m)	**137.9**	**128.5**	**7.3%**	**436.0**	**400.7**	**8.8%**

Air TA booking Industry

Air travel agency bookings grew by 3.7% in the third quarter of 2015, driving growth in the first nine months to 4.5%. The slowdown in the third quarter vs. the first half is mainly due to specific countries in Latin America (Brazil, Colombia) and Central, Eastern and Southern Europe (Russia, Greece). Asia and Pacific remains the highest growing region, supported by the migration of travel agencies from Topas in South Korea to Amadeus at the end of the third quarter of 2014 and as well by positive underlying evolution. All regions have performed positively in the nine month period, except for Middle East and Africa due to geopolitical issues, though modestly recovering in the third quarter in spite of the negative timing impact of the Feast of Sacrifice.

Amadeus bookings

Our air TA bookings increased by 8.2% in the third quarter of 2015, reaching 9.4% in the first nine months, supported by industry growth and a strong 1.9 p.p. enhancement of our competitive position in the January-September 2015 period.

As in previous quarters, Amadeus bookings have significantly increased in North America and in Asia and Pacific driven by customer wins and the migration of Topas in South Korea to our platform. Both regions have thus gained relative weight, representing 17.0% and 16.3% respectively in the first nine months of 2015. The third quarter industry decline in Latin America and Central, Eastern and Southern Europe has impacted our bookings performance though all regions have grown in the first nine months of 2015, for the exception of Middle East and Africa in line with the industry and negatively impacted in the third quarter by the timing of the Feast of Sacrifice.

Amadeus Air TA Bookings ***Figures in million***	Jan-Sep 2015	% of Total	Jan-Sep 2014	% of Total	% Change
Western Europe	151.5	38.9%	147.9	41.5%	2.4%
North America	66.4	17.0%	49.2	13.8%	35.1%
Asia and Pacific	63.7	16.3%	51.2	14.4%	24.3%
Middle East and Africa	47.3	12.2%	47.8	13.4%	(1.0%)
Central, Eastern and Southern Europe	35.4	9.1%	35.1	9.9%	0.6%
Latin America	25.4	6.5%	24.9	7.0%	2.1%
Total Air TA Bookings	**389.7**	**100.0%**	**356.2**	**100.0%**	**9.4%**

Regarding non-air distribution, despite a slight decrease in the third quarter of 2015, bookings grew by 4.2% in the first nine months of 2015, mainly driven by the positive performance of rail bookings.

5.1.2 IT Solutions

Our IT Solutions business continued its robust revenue growth trend, reaching €315.6 million and growing 19.5% in the third quarter of 2015, resulting in €877.3 million and a 21.3% increase, in the first nine months of the year.

The underlying growth in IT Solutions has been the result of the positive performance of all revenue lines, in particular

- Altéa revenue increase, driven by an increase in Passengers Boarded (8.2% in the January-September period) resulting from customer migrations carried out since last year and the organic growth of our existing customer base, as well as a higher yield from upselling activity which resulted in the implementations of new modules and solutions.
- Revenue growth from Airport IT and Payments new businesses.
- Growth in revenue from Services.
- Increase in revenue from implementation fees, mostly driven by deferred revenues which start to be recognised after the customer implementation takes place.

Revenue increase was also supported by the contribution from recent M&A activity and foreign exchange impacts.

Evolution of operating KPI

Total number of passengers boarded increased by 8.9% to 208.1 million in the third quarter of 2015 vs. the third quarter of 2014, driven by the full year impact of the Altéa migrations implemented in 2014 (mainly Korean Air) as well as All Nippon Airways (the international passengers business) migrated in the second quarter of 2015 and organic growth.

During the first nine months of 2015, the volume of passengers boarded reached 562.3 million, 8.2% higher than the first nine months of 2014, fuelled by the above mentioned Altéa migrations and a 2.4% organic growth.

Operating KPI	Jul-Sep 2015	Jul-Sep 2014	% Change	Jan-Sep 2015	Jan-Sep 2014	% Change
Passengers Boarded (PB) (m)	208.1	191.2	8.9%	562.3	519.7	8.2%
Airlines migrated (as of Sep 30)[1]				125	121	

1. Airlines migrated to at least the Altéa Inventory module, in addition to the Reservations module.

Confirming the trend of past quarters, the weighting of Asia and Pacific over our total PBs increased significantly (+3.6 p.p. in the first nine months of 2015 vs. the same period in 2014), supported by the contribution of new airlines migrating to the Altéa platform (mainly Korean Air and All Nippon Airways - the international passengers business). The implementations of Southwest (the international passengers business), Seaport and Cape Air last year have also led to an increasing -though still limited- weighting of North America. Both regions will continue raising their weighting in the coming years with the migration of Japan Airlines and Southwest (the domestic passengers business). Latin America has performed well due to the combination of new migrations and organic growth. Middle East and Africa has recovered in the third quarter from the Ramadan timing negative impact which affected the second quarter while political instability remains a concern for many regional carriers. Finally, strikes affected our PB performance in Western Europe while the absorption of a specific airline by a non-Altéa customer in 2014 negatively impacted Eastern Europe.

Amadeus PB *Figures in million*	Jan-Sep 2015	% of Total	Jan-Sep 2014	% of Total	% Change
Western Europe	245.9	43.7%	242.8	46.7%	1.3%
Asia and Pacific	149.0	26.5%	119.0	22.9%	25.1%
Middle East and Africa	78.3	13.9%	76.4	14.7%	2.5%
Latin America	57.8	10.3%	53.5	10.3%	8.0%
Central, Eastern and Southern Europe	28.6	5.1%	27.7	5.3%	3.5%
North America	2.7	0.5%	0.2	0.0%	n.m.
Total PB	**562.3**	**100.0%**	**519.7**	**100.0%**	**8.2%**

5.2 Group operating costs

5.2.1 Cost of revenue

These costs are mainly related to: (i) incentive fees per booking paid to travel agencies, (ii) distribution fees per booking paid to those local commercial organisations which are not majority owned by Amadeus, (iii) distribution fees paid to Amadeus Altéa customers for certain types of air bookings made through their direct sales channels, and (iv) data communication expenses relating to the maintenance of our computer network, including connection charges.

Cost of revenue reached €264.3 million in the third quarter of 2015, increasing by 20.6% vs. the same period of 2014 and leading to a 18.9% increase in the nine month period, highly negatively impacted by foreign exchange effects. The growing cost was also a result of (i) higher air TA bookings (+9.4% in the January-September period), (ii) an increase in our average unit incentive driven by client mix and competitive pressure, as well as a non-recurring advanced incentive payment to a large customer and (iii) higher distribution fees due to growth in countries where Amadeus has non-fully owned ACOs (third party distribution), in particular South Korea and India.

5.2.2 Personnel and related expenses and other operating expenses

A large proportion of Amadeus' employees are software developers. Amadeus also hires contractors to support its development activity, complementing the permanent staff. The overall ratio of permanent staff vs. contractors devoted to R&D fluctuates depending on business needs and project mix, therefore impacting the evolution of both "Personnel expenses" and "Other operating expenses" captions in our income statement.

Our combined operating expenses cost line, including both Personnel expenses and Other operating expenses, grew by 19.1% in the third quarter of 2015 vs. the same quarter of 2014, reaching €355.6 million. For the first nine months period, the combined operating expenses amounted to €1,021.9 million, an increase of 16.4% vs. the same period of 2014.

Personnel expenses + Other operating expenses *Figures in million euros*	Jul-Sep 2015	Jul-Sep 2014	% Change	Jan-Sep 2015	Jan-Sep 2014	% Change
Personnel expenses + Other operating expenses[1]	**(355.6)**	**(298.5)**	**19.1%**	**(1,021.9)**	**(877.9)**	**16.4%**

1. Other operating expenses include extraordinary costs associated with the acquisition of Navitaire in 2015 (€5.1 million) and with the acquisition of i:FAO in 2014 (€1.6 million)

This growth for the first nine months was mainly driven by:

_ An increase of 8% in average FTEs (permanent staff and contractors), impacted by the consolidation of the 2014 and 2015 acquisitions.
_ The annual salary and variable remuneration reviews.
_ Higher computing expenses from our data centre in Erding to optimize levels of system performance and adapt to the growing transaction levels processed on a daily basis.
_ Increase in travel costs driven by the business and geographical expansion.
_ A negative foreign exchange impact and certain extraordinary impacts including (i) acquisition costs related to our M&A activity, including Navitaire, and (ii) certain provisions to cover risks related to receivables' collection in countries in difficulties and potential tax payments. Excluding these impacts, our personnel and other operating expenses would have grown above, although very much in line with our increase in FTEs.

The increase in average FTEs was mainly driven by:

_ Higher resources in R&D, dedicated to customer implementations, ongoing portfolio expansion and product evolution, and services. Growing investment in the new initiatives and system performance projects also contributed to this increase. (see further detail in sections 2.2 and 6.1).
_ Strengthening of our commercial, technical and corporate support to tackle the expansion of our customer base, geographical reach (such as Asia and Pacific and North America) and product portfolio (including the new initiatives)
_ The consolidation of the acquisitions made in 2014 and 2015

5.2.3 Depreciation and Amortisation

Depreciation and amortisation post-capitalisations increased by 17.8% in the first nine months of 2015 vs. the same period of 2014. The growth in the third quarter of 2015 is significantly lower, reaching 7.4%, mainly due to impairments reported in the third quarter of 2014.

Ordinary depreciation and amortisation grew by 19.7% in the third quarter, leading to a 22.2% increase in the nine month period, driven by:

_ Higher amortisation of intangible assets, in turn mostly linked to the amortisation of capitalised development expenses on our balance sheet, as the associated product / contract started generating revenues (for example, previously capitalised costs related to migration of customers which have been recently implemented, as well as to certain projects related to product development).
_ Increase in depreciation expense related to (i) additions to PP&E, including data processing hardware and software acquired for our data processing centre in Erding (Germany), (ii) finance lease agreements for office buildings in Nice (France) signed in March 2014 and Bad Homburg (Germany) in April 2015 as well as their associated new equipment.
_ The consolidation of our 2014-2015 acquisitions.

Amortisation derived from PPA also increased in the first nine months (+26.1%) as a consequence of the consolidation of Newmarket, UFIS and i:FAO. (See further explanation on the PPA exercises in section 3).

In compliance with IFRS, impairment tests are carried out every year (and, in the absence of any impairment indicator, we generally concentrate them in the second half of the year). During the third quarter of 2014 we reported certain impairment losses in relation to products that we estimated would not deliver the expected economic benefits, due to either unforeseen efforts required to deliver the customer's needs, or a reassessment downwards of the expected demand.

Depreciation and Amortisation *Figures in million euros*	Jul-Sep 2015	Jul-Sep 2014	% Change	Jan-Sep 2015	Jan-Sep 2014	% Change
Ordinary depreciation and amortisation	(76.2)	(63.7)	19.7%	(221.8)	(181.6)	22.2%
Amortisation derived from PPA	(22.3)	(18.5)	20.3%	(69.4)	(55.1)	26.1%
Impairments	0.0	(8.9)	n.m.	(0.1)	(8.8)	(99.1%)
Depreciation and amortisation	**(98.5)**	**(91.1)**	**8.2%**	**(291.4)**	**(245.5)**	**18.7%**
Capitalised depreciation and amortisation[1]	2.3	1.5	56.9%	7.5	4.4	68.9%
Depreciation and amortisation post-capitalisations	**(96.2)**	**(89.6)**	**7.4%**	**(283.9)**	**(241.1)**	**17.8%**

1. Included within the other operating expenses caption in the Group Income Statement.

5.3 EBITDA and Operating income

During the third quarter of 2015, EBITDA grew 9.2% driving 10.3% EBITDA growth in the first nine months of the year. This growth was driven by the positive underlying performances of our Distribution and IT Solutions businesses. The consolidation of our M&A activity as well as positive foreign exchange impacts have also contributed to this growth (see section 4.1 for details on the exposure of our operating results to foreign exchange fluctuations).

EBITDA margin in the first nine months of 2015 represented 38.6% of revenues. EBITDA margin dilution was mainly driven by foreign exchange impacts and extraordinary items impacting our cost base in the period, such as acquisition costs linked to our M&A activity, some provision for the receivables in countries at risk, as well as provisions for potential tax payments. Excluding these effects, our EBITDA margin remained broadly stable with respect to 2014.

Operating Income for the third quarter of 2015 increased by 9.9%, driving our Operating Income in the first nine months to €860.6 million, 8.1% higher than in 2014. The increase is a result of EBITDA growth offset by higher D&A charges.

The table below shows the reconciliation between Operating income and EBITDA.

EBITDA *Figures in million euros*	Jul-Sep 2015	Jul-Sep 2014	% Change	Jan-Sep 2015	Jan-Sep 2014	% Change
Operating income[1]	**269.6**	**245.3**	**9.9%**	**860.6**	**796.4**	**8.1%**
Depreciation and amortisation	98.5	91.1	8.2%	291.4	245.5	18.7%
Capitalised depreciation and amortisation	(2.3)	(1.5)	56.9%	(7.5)	(4.4)	68.9%
EBITDA[1]	**365.8**	**334.9**	**9.2%**	**1,144.5**	**1,037.5**	**10.3%**
EBITDA margin (%)	37.0%	39.2%	(2.2 p.p.)	38.6%	40.1%	(1.5 p.p.)

1. Operating income and EBITDA are negatively impacted by extraordinary costs associated with the acquisition of Navitaire in 2015 (€5.1 million) and with the acquisition of i:FAO in 2014 (€1.6 million).

5.4 Net financial expense

Net financial expense ***Figures in million euros***	**Jul-Sep 2015**	**Jul-Sep 2014**	**% Change**	**Jan-Sep 2015**	**Jan-Sep 2014**	**% Change**
Financial income	1.4	1.1	30.0%	2.2	2.1	3.9%
Interest expense	(15.3)	(15.9)	(3.3%)	(47.1)	(49.3)	(4.4%)
Other financial expenses	(4.7)	(0.6)	n.m.	(6.4)	(2.1)	n.m.
Exchange gains (losses)	0.4	7.4	(94.1%)	7.8	8.8	(11.6%)
Net financial expense	**(18.2)**	**(8.0)**	**128.3%**	**(43.6)**	**(40.5)**	**7.7%**

Net financial expense reached €18.2 million in the third quarter of 2015, and €43.6 million in the first nine months of 2015, representing an increase of 7.7% vs. the first nine months of 2014.

Interest expense in the first nine months declined by 4.4%, driven by a lower average cost of debt. However, due to the refinancing we undertook in the first quarter of 2015, extending the maturity of the previous revolving credit facility and expanding its notional amount of €300 million to €1,000 million (see appendix 9.2 for further information), we recognised outstanding deferred financing fees amounting to €1.6 million linked to the previous facility, cancelled in March 2015. Excluding this impact, interest expense in the first nine months of 2015 declined by 7.7% vs. 2014.

Other financial expenses increased in the nine month period vs. 2014 mainly due to interest expense associated with tax provisions included in the third quarter of 2015.

Exchange gains in the first nine months of both 2014 and 2015 were mainly a consequence of the appreciation of the US Dollar vs. the Euro in the respective periods, impacting our USD-denominated assets and liabilities on our balance sheet which are not linked to the operating activity of the company.

5.5 Income taxes

Income taxes for the first nine months of 2015 amounted to €253.4 million vs. €237.8 million for the first nine months of 2014, representing a 6.6% increase. The income tax rate for the first nine months of 2015 was 31.0%, lower than the 31.5% income tax rate in the same period of 2014. The reduction in the income tax rate was mainly due to the new (lower) corporate tax rate in Spain.

5.6 Profit for the period. Adjusted profit

As a result of the above, reported profit in the first nine months of 2015 amounted to €565.5 million, an increase of 9.0% vs. the reported profit of €519.0 million in the first nine months of 2014.

5.6.1 Adjusted profit

Adjusted profit ***Figures in million euros***	**Jul-Sep 2015**	**Jul-Sep 2014**	**% Change**	**Jan-Sep 2015**	**Jan-Sep 2014**	**% Change**
Reported profit[1]	**174.0**	**162.7**	**7.0%**	**565.5**	**519.0**	**9.0%**
Adjustments						
Impact of PPA[2]	15.2	12.7	19.4%	47.3	37.6	25.6%
Non-operating FX results and mark-to-market[3]	(0.3)	(5.1)	(94.1%)	(5.3)	(6.2)	(13.1%)
Non-recurring items	(0.1)	0.4	n.m.	0.8	0.7	14.5%
Impairments	(0.0)	6.0	n.m.	0.1	6.1	(99.1%)
Adjusted profit[1]	**188.8**	**176.7**	**6.8%**	**608.4**	**557.2**	**9.2%**

1. Reported and Adjusted profit are negatively impacted by extraordinary costs associated with the acquisition of Navitaire in 2015 and i:FAO in 2014. Excluding these impacts, Adjusted profit increased by 9.6% to €611.9 million in the January-September 2015 period.
2. After tax impact of accounting effects derived from purchase price allocation exercises.
3. After tax impact of changes in fair value of interest rate hedging agreements and non-operating exchange gains (losses).

After adjusting for (i) non-recurring items and (ii) accounting effects related to the purchase price exercises and other non-operating mark-to-market items, adjusted profit increased by 6.8% in the third quarter of 2015 and by 9.2%, to €608.4 million, in the first nine months 2015.

5.6.2 Earnings per share (EPS)

Earnings per share	**Jul-Sep 2015**	**Jul-Sep 2014**	**% Change**	**Jan-Sep 2015**	**Jan-Sep 2014**	**% Change**
Weighted average issued shares (m)	442.2	447.6		445.8	447.6	
Weighted average treasury shares (m)	(5.6)	(2.3)		(9.2)	(2.7)	
Outstanding shares (m)	**436.6**	**445.3**		**436.6**	**444.9**	
EPS (euros)[1,2]	**0.40**	**0.36**	**8.7%**	**1.29**	**1.17**	**10.7%**
Adjusted EPS (euros)[1,3]	**0.43**	**0.40**	**8.6%**	**1.39**	**1.25**	**11.0%**

1. EPS and Adjusted EPS are negatively impacted by extraordinary costs associated with the acquisition of Navitaire in 2015 and i:FAO in 2014. Excluding these impacts, Adjusted EPS increased by 11.4% to €1.40 in the January-September 2015 period.
2. EPS corresponding to the Profit attributable to the parent company. Calculated based on weighted average outstanding shares of the period.
3. EPS corresponding to the Adjusted profit attributable to the parent company. Calculated based on weighted average outstanding shares of the period.

The table above 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 above). In the first nine months of 2015, our reported EPS grew by 10.7% and our adjusted EPS by 11.0%.

On December 11, 2014 the Board of Directors agreed to undertake a share buy-back programme. The programme was completed on May 12, 2015 as the maximum planned investment of €320 million was reached. A total of 8,759,444 own shares were acquired, representing 1.957% of share capital. The share capital reduction through the amortization of the repurchased shares was approved by the General Shareholders Meeting on June 25, 2015 and was registered in the Commercial Registry of Madrid on August 4, 2015.

The maximum investment under the share buy-back programme (€320 million) was recognised in the statement of financial position as a reduction of equity, as if it had already been carried out on the date of the announcement of the programme, as well as the corresponding treasury shares under the programme.

6 Other financial information

6.1 R&D investment

R&D investment (including both capitalised and non-capitalised expenses) increased by 22.1% in the third quarter of 2015 vs. the same period in 2014, and by 19.5% in the first nine months, impacted by negative foreign exchange effects as well as by reduced R&D subsidies. As a percentage of revenue, R&D investment amounted to 15.8% in the first nine months of 2015.

The increase in R&D is explained by:

- Higher investment in ongoing portfolio expansion and product evolution initiatives (such as merchandising, availability, XML connectivity and NDC compliance, improved conversion rate), customer implementation efforts related to the contracted pipeline, and services (for example bespoke services related to e-commerce).
- Increased resources devoted to the new initiatives, in particular (i) Hotel, including resources dedicated to our Guest Reservation System developed in coordination with IHG, (ii) Rail, with teams dedicated to our partners, such as Bene Rail, (iii) and Travel Intelligence, as well as (iv) additional R&D investment from the consolidation of our acquisitions, mainly related to Hotel IT.
- Growing investment in system performance projects to enhance the availability, service and security levels to our client base as well as the ongoing investment in TPF decommissioning, which implies the progressive migration of the company's platform to open systems through next-generation technologies.

It should be noted that a significant part of our research and development costs are linked to activities which are subject to capitalisation. The intensity of the development activity and the different stages of the ongoing projects have an effect on the capitalisation ratio in any given quarter, therefore impacting the level of operating expenses that are capitalised on our balance sheet.

R&D investment *Figures in million euros*	**Jul-Sep 2015**	**Jul-Sep 2014**	**% Change**	**Jan-Sep 2015**	**Jan-Sep 2014**	**% Change**
R&D investment[1]	**160.9**	**131.8**	**22.1%**	**469.7**	**393.0**	**19.5%**
R&D as of % of Revenue	16.3%	15.4%	0.9 p.p.	15.8%	15.2%	0.6 p.p.

1. Net of Research Tax Credit.

6.2 Capital expenditure

The table below details the capital expenditure in the period, both in property, plant and equipment ("PP&E") and 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. The same applies to our investments in contractual relationships where payments to travel agencies may take place in different periods, based on the timing of the negotiations. In turn, our capitalised R&D investment may fluctuate depending on the level of capitalisation ratio, which is impacted by the intensity of the development activity, the mix of projects undertaken and the different stages in which the ongoing projects are.

Capex in the third quarter of 2015 amounted to €141.5 million, increasing 22.4% vs. the same period of 2014. For the first nine months of 2015, capex increased 25.2% vs. prior year driven by growth in both capex in PP&E and intangible assets:

- Capex in PP&E grew by €23.8 million or 43.0%, to €79.1 million, in the first nine months mainly driven by (i) hardware purchases to enhance and optimize our data centre's performance and to support a higher transaction processing activity, as well as (ii) purchase of equipment required for our new buildings in Nice (France) and Bad Homburg (Germany).

- The €55.5 million increase in the nine month period for capex in intangible assets was a result of (i) higher software capitalisations, due to higher R&D investment (as detailed in section 6.1), (ii) higher signing bonuses, and (iii) the consolidation of our latest acquisitions. Capex in intangible assets over revenue reached 10.6% in the January-September period of 2015, slightly higher than prior year (10.0% in the same period of 2014).

It is important to note that most of our investments do not have any revenue associated at this stage (particularly for our new diversification initiatives), or are investments for projects that will produce the revenues during the life of the contracts, on average 10 to 15 years in airline IT and 3 to 5 in Distribution, therefore affecting the capex as a percentage of revenue ratio in the short term. More importantly, a large part of our investments (those related to the migration of our clients) is paid by the customer, although not recognised as revenue but deferred in the balance sheet. It is therefore capex which does not have a negative cash impact and where revenue does not get recognised as such, making the ratio of capex to revenue less relevant.

Capital Expenditure ***Figures in million euros***	**Jul-Sep 2015**	**Jul-Sep 2014**	**% Change**	**Jan-Sep 2015**	**Jan-Sep 2014**	**% Change**
Capital Expenditure in PP&E	24.3	24.7	(1.5%)	79.1	55.4	43.0%
Capital Expenditure in intangible assets	117.2	90.9	28.9%	314.1	258.6	21.5%
Capital Expenditure	**141.5**	**115.6**	**22.4%**	**393.2**	**314.0**	**25.2%**
As % of Revenue	14.3%	13.5%	0.8 p.p.	13.3%	12.1%	1.1 p.p.

7 Investor information

7.1 Capital stock. Share ownership structure

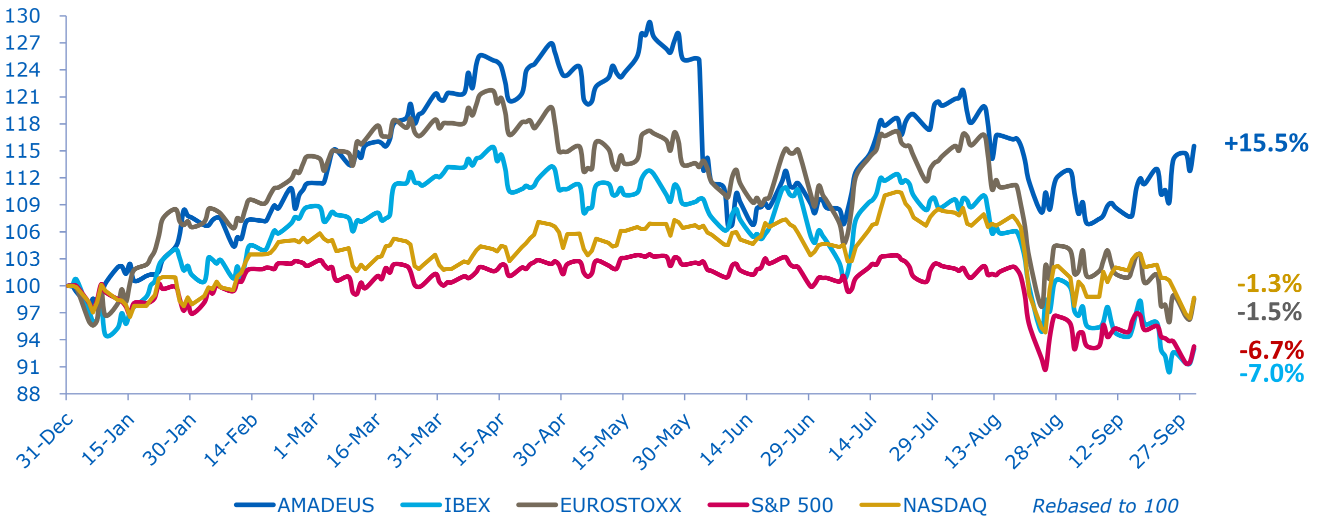
Following the capital reduction of 8,759,444 shares on August 4, 2015 (see section 7.3.2. for more details on the share buy-back programme), the capital stock of our company as of September 30, 2015 is €4,388,225.06 represented by 438,822,506 shares with a nominal value of €0.01 per share, all belonging to the same class, fully subscribed and paid in.

The shareholding structure as of September 30, 2015 is as described in the table below:

Shareholders	Shares	% Ownership
Free float	436,201,647	99.40%
Treasury shares[1]	2,215,605	0.50%
Board members	405,254	0.09%
Total	**438,822,506**	**100%**

1. Voting rights suspended for as long as the shares are held by the company.

7.2 Share price performance in 2015



Amadeus	
Number of publicly traded shares (# shares)	438,822,506
Share price at September 30, 2015 (in €)	38.23
Maximum share price in Jan - Sep 2015 (in €) (May 21, 2015)	42.79
Minimum share price in Jan - Sep 2015 (in €) (Jan 5, 2015)	32.36
Market capitalisation at September 30, 2015 (in € million)	16,774
Weighted average share price in Jan – Sep 2015 (in €)[1]	37.69
Average Daily Volume in Jan - Sep 2015 (# shares)	3,041,542

1. Excluding cross trades.

7.3 Shareholder Remuneration

7.3.1 Dividend payments

At the Shareholders' General Meeting held on June 25, 2015 our shareholders approved the annual gross dividend from the profit of the year 2014. The total value of the dividend was €313.3 million, representing a pay-out of 50% of the 2014 reported profit for the year, or €0.70 per share (gross), a 12% increase over prior year. Regarding the payment, an interim amount of €0.32 per share (gross) was paid on January 30, 2015 and the complementary dividend of €0.38 per share (gross) was paid on July 30, 2015.

7.3.2 Share buy-back programme

The Board of Directors of Amadeus at the meeting of December 11, 2014 agreed to undertake a share buy-back programme, in accordance with the authorisation granted to it by the General Shareholders Meeting held on June 20, 2013, to reduce the share capital of the Company (subject to approval granted at the General Shareholders Meeting on June 25, 2015).

The programme was completed on May 12, 2015 as the maximum planned investment of €320 million was reached. A total of 8,759,444 own shares were acquired, representing 1.957% of share capital. All own share acquisitions under the share buy-back programme were regularly disclosed in accordance with Article 4.4 of Regulation 2273/2003 and were carried out in accordance with the terms and conditions thereof.

The share capital reduction through the amortization of the repurchased shares was approved by the General Shareholders Meeting on June 25, 2015 and registered in the Commercial Registry of Madrid on August 4, 2015.

The share repurchase programme constituted an extraordinary shareholder remuneration event which together with the annual ordinary dividend brought substantial shareholder remuneration growth. Since our IPO, Amadeus' shareholder remuneration has grown consistently, evidencing its importance within the Amadeus capital allocation process.

8 Key terms

_ "ACO": refers to "Amadeus Commercial Organisation"
_ "ACUS": refers to "Amadeus Airport Common Use Service"
_ "Air TA bookings": air bookings processed by travel agencies using our distribution platform
_ "ASP": refers to "Application Server Provider"
_ "ATPCo": "Airline Tariff Publishing Company"
_ "CRS" : refers to "Computerised Reservation System"
_ "DCS": refers to "Departure Control System"
_ "Distribution industry": includes the total volume of air bookings processed by GDSs, excluding (i) air bookings processed by the single country operators (primarily in China, Japan and Russia) and (ii) bookings of other types of travel products, such as hotel rooms, car rentals and train tickets
_ "DJSI": refers to "Dow Jones Sustainability Indices"
_ "EIB": refers to "European Investment Bank"
_ "EPS": refers to "Earnings Per Share"
_ "FTE": refers to "full-time equivalent" employee
_ "GDS": refers to a "global distribution system", i.e. a worldwide computerised reservation system (CRS) used as a single point of access for reserving airline seats, hotel rooms and other travel-related items by travel agencies and large travel management corporations
_ "IFRS": refers to "International Financial Reporting Standards"
_ "IHG": refers to "InterContinental Hotels Group"
_ "IPO": refers to "Initial Public Offering"
_ "JV": refers to "Joint Venture"
_ "KPI": refers to "key performance indicators"
_ "LTM": refers to "last twelve months"
_ "n.a.": refers to "not available"
_ "NDC": refers to "New Distribution Capability" as defined by IATA
_ "n.m.": refers to "not meaningful"
_ "PB": refers to "passengers boarded", i.e. actual passengers boarded onto flights operated by airlines using at least our Amadeus Altéa Reservation and Inventory modules
_ "PMS": refers to "Property Management System"
_ "p.p.": refers to "percentage point"
_ "PPA": refers to "purchase price allocation"
_ "PP&E": refers to "Property, Plant and Equipment"
_ "RTC": refers to "Research Tax Credit"
_ "TA": refers to "travel agencies"
_ "TPF": refers to "Transaction Processing Facility", a software license from IBM
_ "UNWTO": refers to "United Nations World Tourism Organization"
_ "XML": refers to "eXtensible Markup Language"

9 Appendix: Financial tables

9.1 Statement of financial position (condensed)

Statement of Financial Position *Figures in million euros*	**30/09/2015**	**31/12/2014**
Property, plant and equipment	429.8	359.0
Intangible assets	2,529.9	2,352.9
Goodwill	2,504.2	2,379.1
Other non-current assets	134.4	150.7
Non-current assets	5,598.2	5,241.7
Current assets	642.5	550.7
Cash and equivalents	436.9	373.0
Total assets	**6,677.6**	**6,165.4**
Equity	2,278.7	1,867.4
Non-current debt	815.1	1,528.9
Other non-current liabilities	1,204.7	1,105.7
Non-current liabilities	2,019.8	2,634.6
Current debt	1,311.7	294.7
Other current liabilities	1,067.5	1,368.6
Current liabilities	2,379.2	1,663.4
Total liabilities and equity	**6,677.6**	**6,165.4**
Net financial debt (as per financial statements)	**1,689.8**	**1,450.6**

9.2 Financial indebtedness

Indebtedness ***Figures in million euros***	**30/09/2015**	**31/12/2014**
Covenants definition[1]		
Senior Loan (EUR)	0.0	74.4
Senior Loan (USD)[2]	85.1	157.1
European Commercial Paper	408.8	0.0
Short term bonds	750.0	0.0
Long term bonds	400.0	1,150.0
EIB loan	350.0	350.0
Other debt with financial institutions	40.1	46.5
Obligations under finance leases	96.5	44.8
Share buy-back programme	0.0	288.8
Covenant Financial Debt	**2,130.6**	**2,111.6**
Cash and cash equivalents	(436.9)	(373.0)
Covenant Net Financial Debt	**1,693.6**	**1,738.5**
Covenant Net Financial Debt / LTM Covenant EBITDA[3]	**1.20x**	**1.32x**
Reconciliation with financial statements		
Net financial debt (as per financial statements)	**1,689.8**	**1,450.6**
Interest payable	(11.5)	(18.7)
Deferred financing fees	7.5	8.3
EIB loan adjustment	7.9	9.6
Share buy-back programme	0.0	288.8
Covenant Net Financial Debt	**1,693.6**	**1,738.5**

1. Based on the definition included in the senior credit agreement.
2. The outstanding balances denominated in USD have been translated into EUR using the USD / EUR exchange rate of 1.1203 and 1.2141 (official rate published by the ECB September 30, 2015 and Dec 31, 2014, respectively).
3. LTM covenant EBITDA as defined in the senior credit agreement.

Amadeus delevered in the first nine months of 2015, from 1.32x net debt / LTM EBITDA as of December 31, 2014 to 1.20x as of September 30, 2015.

During the first nine months of 2015, we made several issuances and drawings:

(i) On March 5, 2015, we agreed a new €1,000 million Dual Tranche (each tranche amounting to €500 million) revolving credit facility, substituting the previous €300 million revolving credit facility which was cancelled simultaneously. The new revolving facility will be used as (i) a back-stop facility for the refinancing of the €750 million notes maturing on July 15, 2016, and (ii) working capital requirements and general corporate purposes. As of September 30, 2015 this facility was unused.

(ii) We have used the Multi-Currency European Commercial Paper (ECP) programme, set up in December 2014, by an amount of €408.8 million as of September 30, 2015.

(iii) In July 2015 we agreed a new €500 million credit facility for the acquisition of Navitaire. This new facility has a five year maturity from the signature date. As of September 30, 2015 this facility was unused.

In addition to the above, the following effects also had a significant impact on our covenant financial debt in the period:

- Amadeus made a voluntary repayment of €41.3 million from the EUR-denominated loan facility, and repaid €94.6 million from the USD-denominated loan facility (adding voluntary and scheduled repayments). Due to the USD/EUR exchange rate evolution and in accordance with the conditions agreed in the senior credit agreement, Amadeus also paid €22.4 million in the period.
- The increase in the Euro value in the USD-denominated tranche of the senior loan was due to the appreciation of the USD vs. the Euro at September 30, 2015 vs. December 31, 2014.
- A €56.7 million finance lease agreement for a new office building in Bad Homburg (Germany) started in April 2015.

Reconciliation with net financial debt as per our financial statements

Under the covenant terms, Covenant Financial Debt (i) does not include the accrued interest payable (€11.5 million at September 30, 2015) which is treated as debt in our financial statements, (ii) is calculated based on its nominal value, while in our financial statements our financial debt is measured at amortised cost, i.e., after deducting the deferred financing fees (that correspond mainly to fees paid upfront in connection with the set-up of new credit agreements and amount to €7.5 million at September 30, 2015), and (iii) does not include an adjustment for the difference between the nominal value of the loan granted by the EIB at below-market interest rate and its fair value (€7.9 million at September 30, 2015).

9.3 Group cash flow

Consolidated Statement of Cash Flows ***Figures in million euros***	**Jul-Sep 2015**	**Jul-Sep 2014**	**% Change**	**Jan-Sep 2015**	**Jan-Sep 2014**	**% Change**
EBITDA	365.8	334.9	9.2%	1,144.5	1,037.5	10.3%
Change in working capital	79.9	23.5	n.m.	3.2	(34.2)	n.m.
Capital expenditure	(141.5)	(115.6)	22.4%	(393.2)	(314.0)	25.2%
Pre-tax operating cash-flow	**304.1**	**242.7**	**25.3%**	**754.4**	**689.3**	**9.5%**
Taxes	(19.6)	(35.0)	(43.9%)	(120.5)	(156.7)	(23.1%)
Interest and financial fees paid	(40.4)	(43.3)	(6.8%)	(51.2)	(55.8)	(8.3%)
Free cash-flow	**244.1**	**164.4**	**48.5%**	**582.8**	**476.8**	**22.2%**
Equity investment	(104.7)	0.2	n.m.	(117.5)	(386.1)	(69.6%)
Cash-flow from extraordinary items	(17.5)	5.8	n.m.	(16.7)	(4.0)	n.m.
Debt payment	88.6	(25.6)	n.m.	214.0	131.9	62.2%
Cash to shareholders	(167.2)	(145.2)	15.2%	(598.5)	(285.7)	109.5%
Change in cash	**43.3**	**(0.4)**	**n.m.**	**64.0**	**(67.1)**	**n.m.**
Cash and cash equivalents, net[1]						
Opening balance	393.4	423.9		372.8	490.6	
Closing balance	436.8	423.5		436.8	423.5	

1. Cash and cash equivalents are presented net of overdraft bank accounts.

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