



Amadeus Jan-Sep 2017 Results

Nov 3, 2017

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- _ This presentation has to be accompanied by a verbal explanation. A simple reading of this presentation without the appropriate verbal explanation could give rise to a partial or incorrect understanding.



Operating Review

Luis Maroto
President and CEO

Profitable expansion through September 2017

Revenue +8.9%

- Strong operating performance
- Navitaire acquisition effect (late Jan. '16)
- Small positive FX impact

EBITDA +10.1%

- Small positive FX impact
- Excluding FX: high single-digit revenue/EBITDA growth rate and expansive EBITDA margin

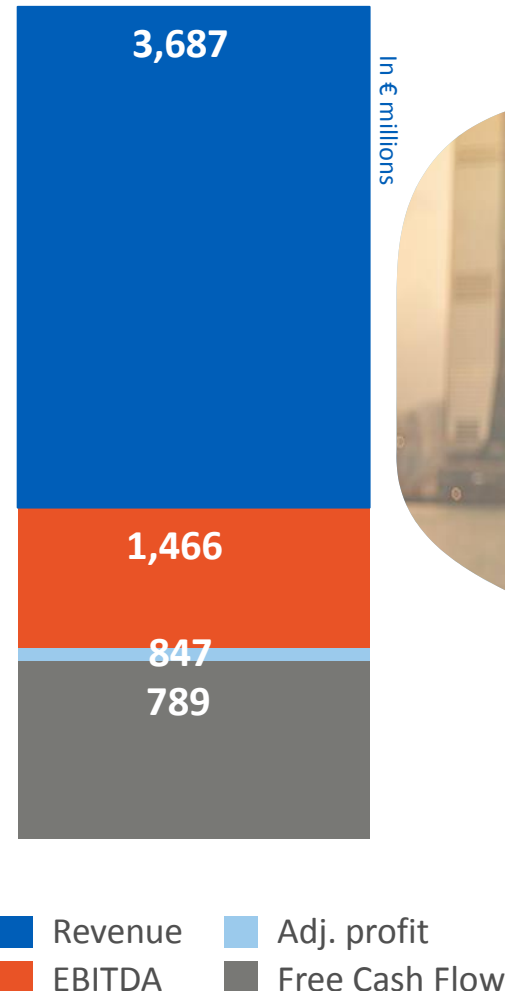
Adjusted profit +14.7%

- Adjusted EPS +14.5%

Free Cash Flow +14.5%

Leverage 0.92x

9M 2017



At the heart of travel – progressing on strategies

Recent business highlights

Airline Distribution

- Renewed/signed 8 **content agreements**, including Air Canada and Avianca Argentina - total of 29 in 2017
- Eurowings implemented **Amadeus Light Ticketing** – XML connectivity allows Amadeus travel agencies to book all published Eurowings fares and to add ancillaries
- Expanded airlines' **merchandising** capabilities in indirect channel
 - 70% of bookings through Amadeus can carry ancillary services
 - Amadeus Ancillary Services - 136 contracted carriers
 - Amadeus' Fare Families – 62 contracted carriers

NDC

- Amadeus active contribution to maturity of IATA NDC
- Expertise and **capabilities to deploy NDC at industrial scale**
- Amadeus is supportive assuming industry follows **IATA NDC** and its **standard implementation** to ensure efficiencies for all parties
- In the short term, Amadeus to become **NDC Level 3 certified as aggregator** in 2018
- Amadeus will continue **beyond NDC** to deliver unique capabilities

Airline IT

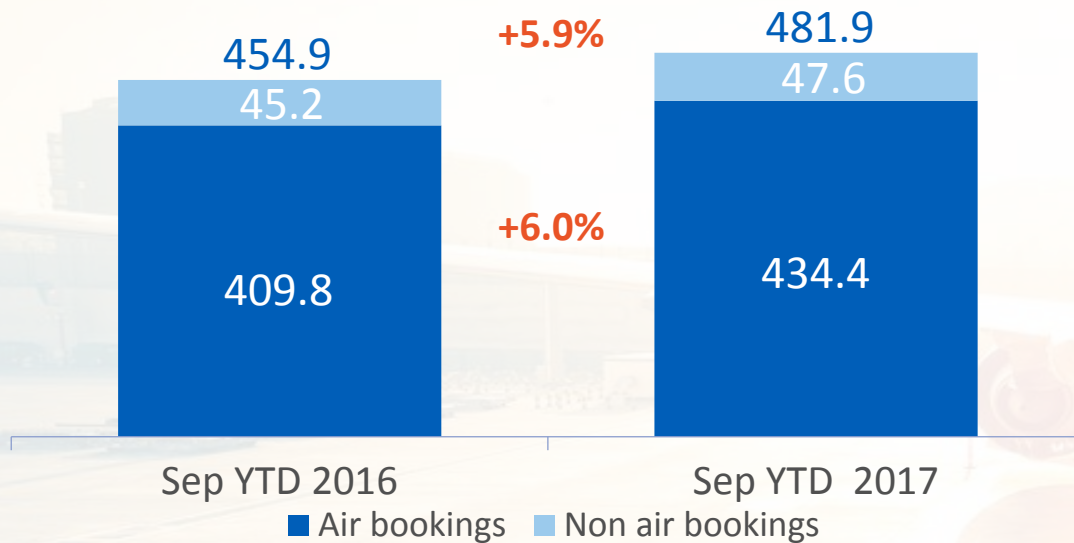
- Landmark technology partnership to support **Air Canada's** digital transformation - full Amadeus Altéa suite and other airline IT and payments solutions (Amadeus Anytime Merchandising, Customer Experience Management, Revenue Integrity, Group Management, Passenger Recovery)
- Other new full Amadeus Altéa suite signings : **MIAT Mongolian Airlines** and **Avianca Argentina**.
- **Swoop**, a newly created ultra-low-cost carrier backed by WestJet, contracted New Skies.

New businesses

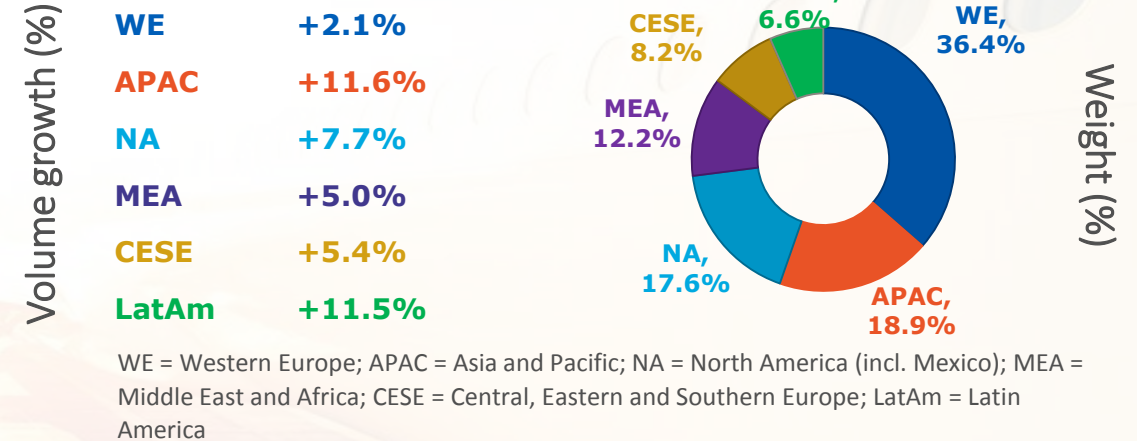
- Important milestone in Hospitality IT - **Premier Inn**, UK-based hotel chain
 - Contracted for our natively integrated and cloud-based **Central Reservation System** and **Property Management System**
 - Roll-out to 765 properties
 - Also to adopt the **Amadeus Payments Platform**
- Continued to advance with **InterContinental Hotels Group** - initiated the planned Guest Reservation System roll-out in the fourth quarter of 2017, with full deployment expected by late 2018 / early 2019
- Airport IT – multiple signings including **Calgary, Pittsburgh, Fort Lauderdale-Hollywood** and **Louis Armstrong New Orleans** International Airports in North America, **Hong Kong** International Airport in Greater China and **Heydar Aliyev** International Airport in Azerbaijan

Distribution

Amadeus TA Bookings (in millions)



Amadeus TA Air Bookings by region



TA Air Booking Industry Growth¹



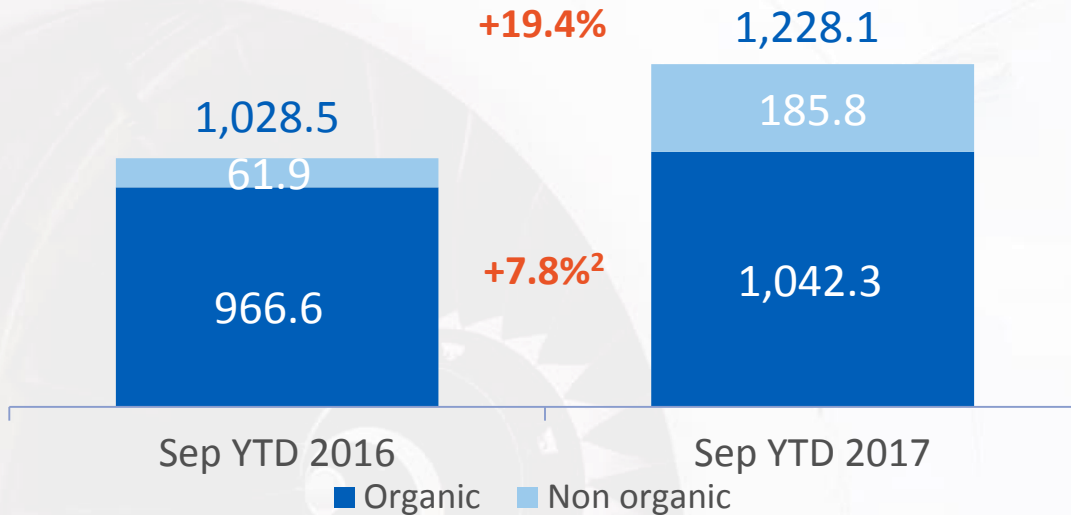
Competitive position enhancement¹



1. When we refer to our competitive position, we are taking into account our TA air bookings in relation to the TA air booking industry, defined as the total volume of travel agency air bookings processed by the global CRS. It excludes air bookings made directly through in-house airline systems or single country operators, the latter primarily in China, Japan and Russia, which together combined represent an important part of the industry.

IT Solutions

Passengers Boarded¹ (in millions)



As of September 30, 2017, 201³ customers had contracted for Altéa or New Skies, of which 192 had been migrated

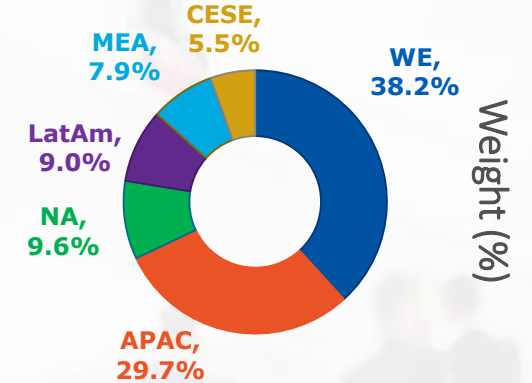
PB growth of 19.4%, driven by:

- Organic growth of 7.8%²
- Impact from new carrier implementations (including Southwest Airlines, Malaysia Airlines, Kuwait Airways, Viva Air Peru, Andes Líneas Aéreas, JetSMART, Boliviana de Aviación, SmartWings and flyadeal, in 2017, and Swiss International Air Lines, Brussels Airlines, China Airlines, Ukraine International Airlines and Viva Group, in 2016)
- The consolidation of Navitaire from late January 2016

Amadeus PB¹ by region

Volume growth (%)

WE	+10.5%
APAC	+16.4%
NA	+150.3%
LatAm	+12.6%
MEA	+6.9%
CESE	+26.1%



WE = Western Europe; APAC = Asia and Pacific; NA = North America (incl. Mexico); MEA = Middle East and Africa; CESE = Central, Eastern and Southern Europe; LatAm = Latin America

1. Passengers Boarded ("PB") refers to actual passengers boarded onto flights operated by our Altéa and New Skies migrated customers.
 2. Calculated based on passengers boarded adjusted to reflect growth of comparable airlines on the Altéa and New Skies platforms during both periods, excluding Air Berlin and January 2016 and 2017 Navitaire New Skies passengers boarded.
 3. Customers that have contracted at least the Altéa Inventory module, in addition to the Reservations module, or Navitaire's New Skies solution.

Financial highlights

Ana de Pro
CFO



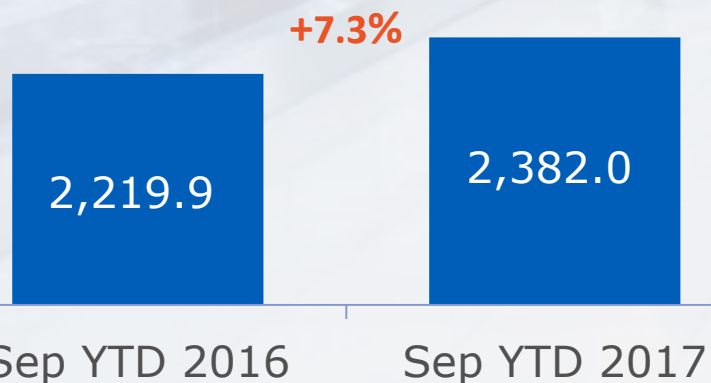
Solid revenue growth

Group Revenue (in € millions)

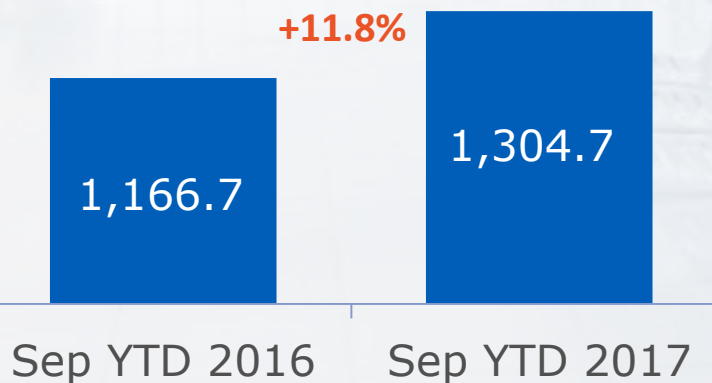


Segment Revenue (in € millions)

Distribution



IT Solutions



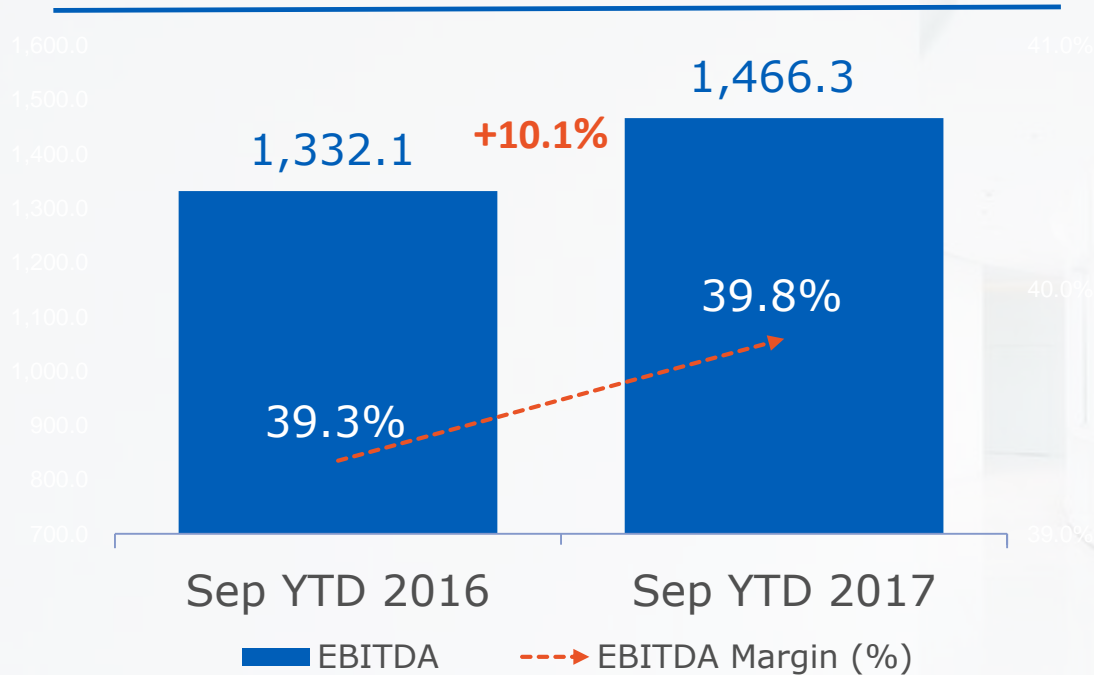
Group revenue expanded by 8.9%, resulting from the positive evolution of Distribution and IT Solutions, the consolidation of Navitaire and a small positive FX impact

Distribution: volume growth, expansionary average revenue per booking (positive booking mix from higher weight of global bookings) and higher revenue from search solutions, tools for corporations and advertising solutions, as well as from our payment portfolio for travel agencies

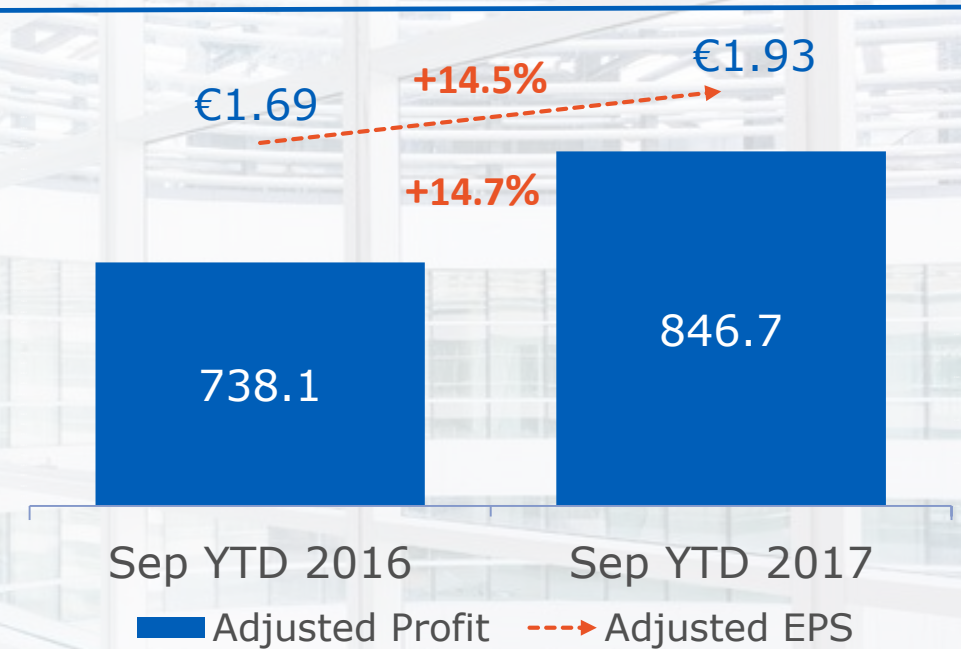
IT Solutions: (i) higher PB volumes, coupled with a dilutive airline IT average pricing (higher weight of LCC and hybrid carriers, partly mitigated by a successful upselling activity), and (ii) growing revenue from new businesses

Double-digit EBITDA and Adjusted EPS growth

EBITDA (in € millions)



Adj. Profit¹ (in € millions) & Adj. EPS² (€)



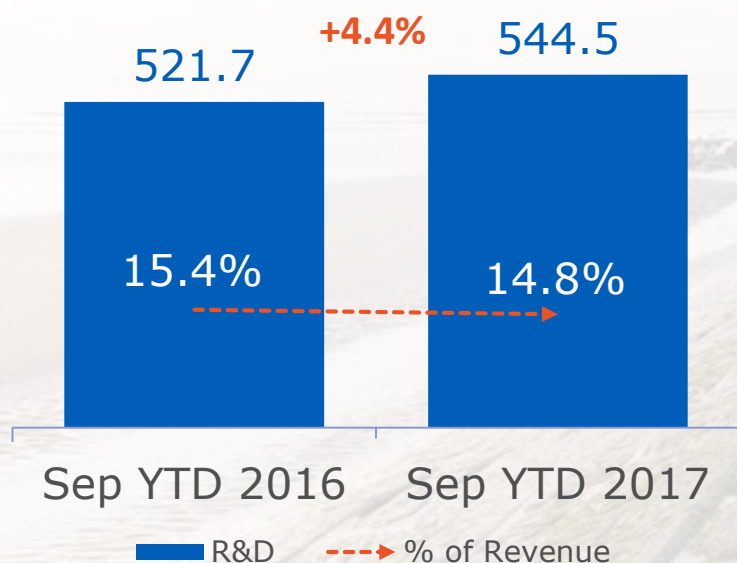
- Expansive margin
- EBITDA growth supported by the positive performance of both Distribution and IT Solutions, the consolidation of Navitaire and a positive FX impact
- Excluding FX, high single-digit EBITDA growth rate and margin expansion

- Adjusted profit increase as a result of :
 - EBITDA growth, lower financial expenses and a corporate tax rate reduction
 - Partially offset by an increase in D&A

1. 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-recurring items.
 2. EPS corresponding to the Adjusted profit attributable to the parent company. Calculated based on weighted average outstanding shares of the period.

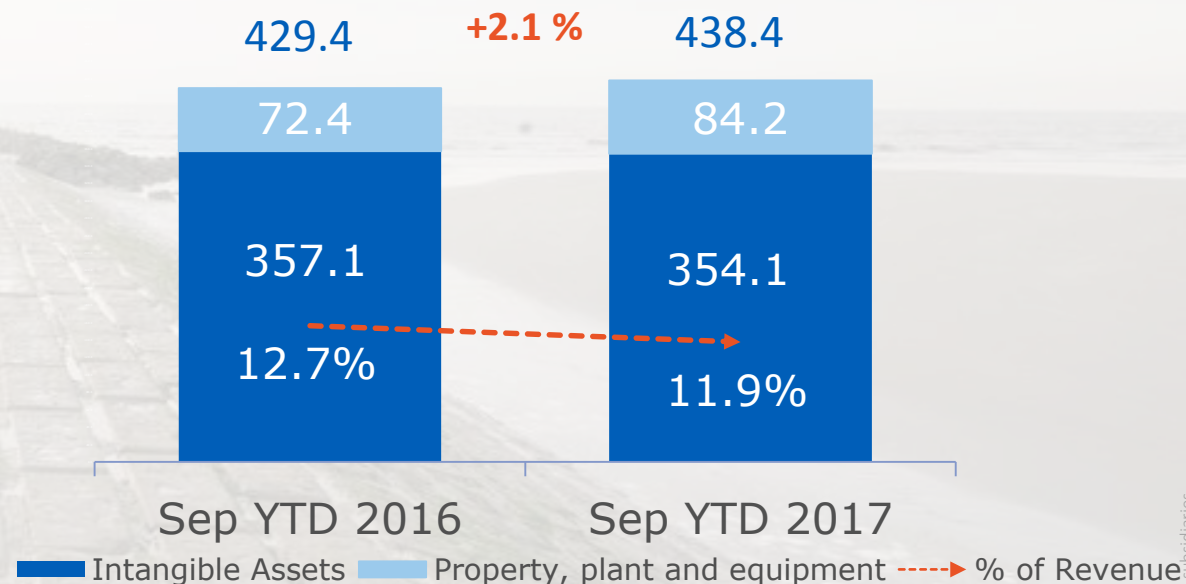
Investment in R&D and Capex

R&D investment¹ (in € millions)



- R&D investment related to: (i) product portfolio expansion and evolution, (ii) customer implementations, and (iii) cross-area technological projects
- R&D investment represented 14.8% of revenue

Capex (in € millions)

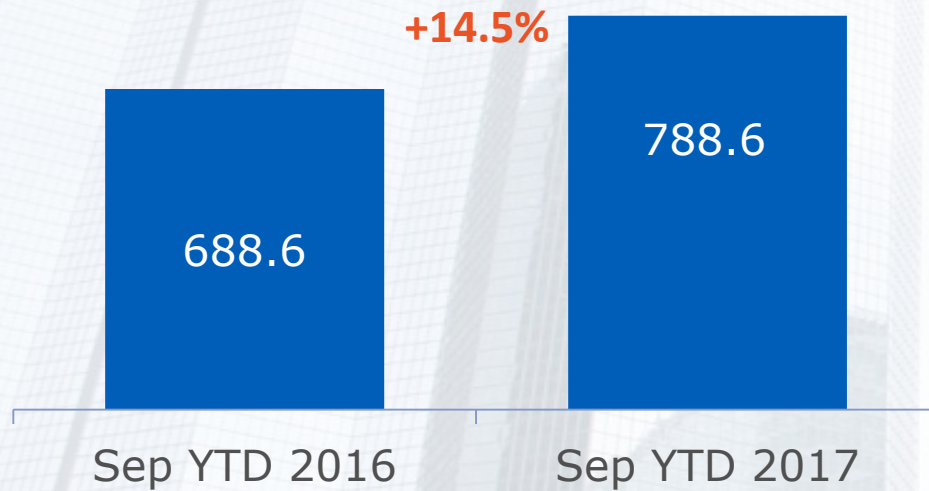


- Small decline in capex in intangible assets driven by lower signing bonuses, partly offset by higher software capitalisations
- Increase in capex in PP&E, due to higher hardware and software purchases, as well as equipment for new offices
- Capex represented 11.9% of revenue

1. Net of Research Tax Credit

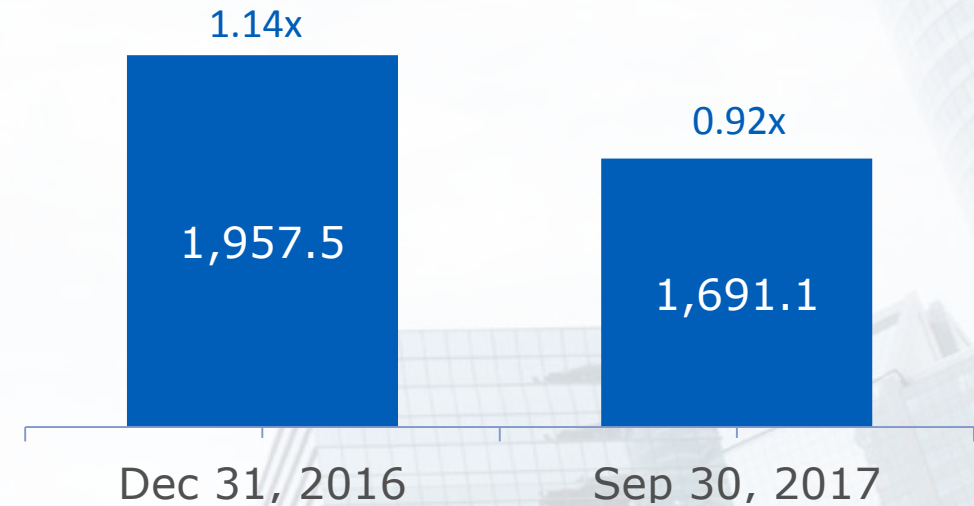
Free Cash Flow generation and leverage

Free Cash Flow¹ (in € millions)



— Increased Free Cash Flow generation, as a result of higher EBITDA and lower interest paid, partly offset by increased capex, higher taxes paid, and working capital requirements

Net Debt (in € millions) and Leverage (x)²



— Net debt reduction from free cash-flow generation, partly offset by the 2016 dividend payment and the acquisition of i:FAO shares

1. Free Cash Flow defined as EBITDA, less capex, plus changes in our operating working capital, less taxes paid, less interests and financial fees paid.

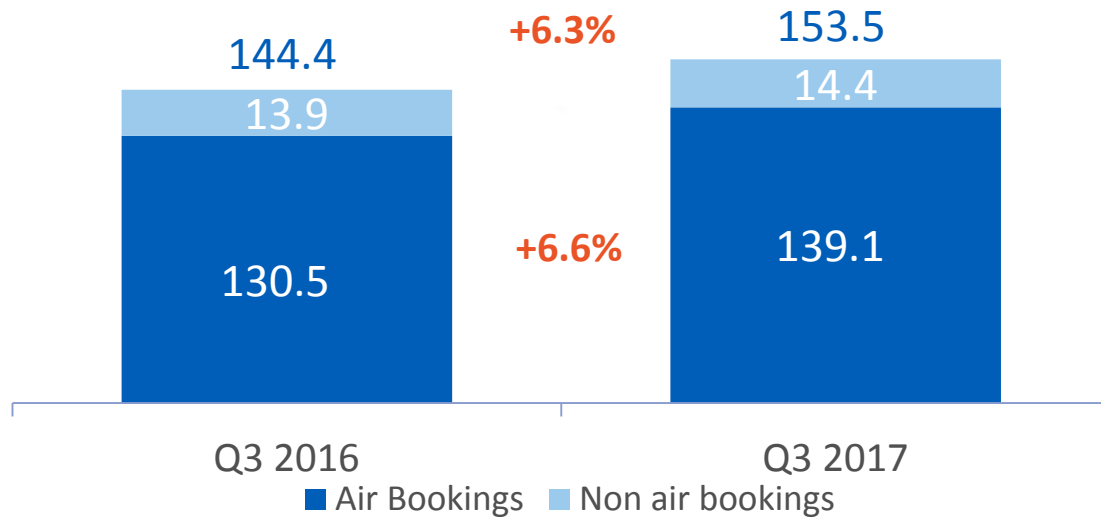
2. Covenant net financial debt and leverage based on the definition included in the senior credit agreement covenants. Leverage calculated as covenant net financial debt divided by LTM covenant EBITDA.

Q3 2017 Highlights

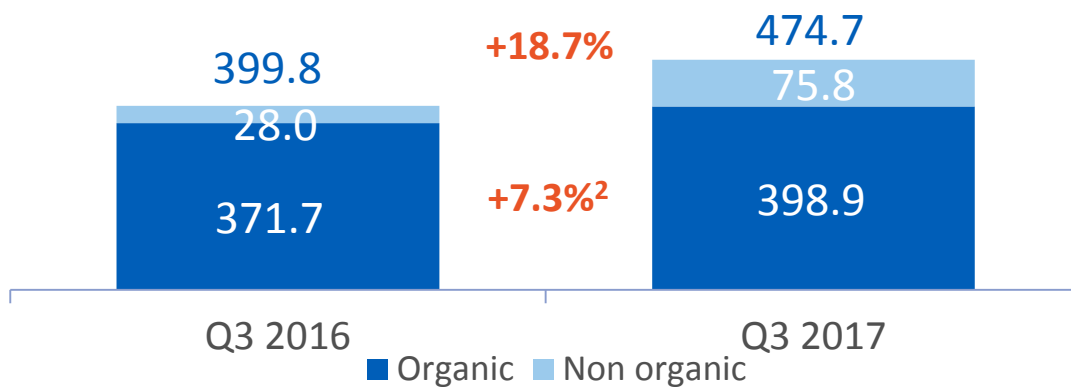


Q3 Volumes

Amadeus TA Bookings (in millions)

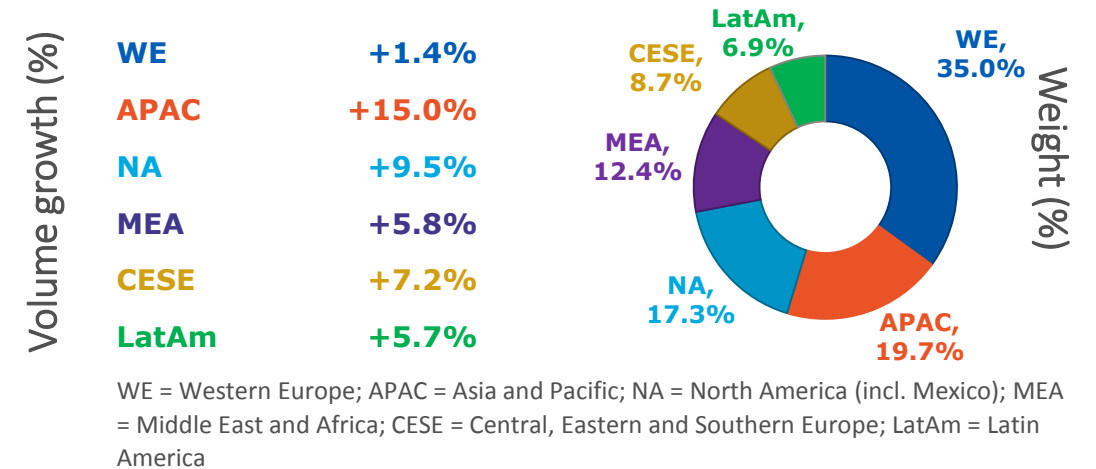


Passengers Boarded¹ (in millions)

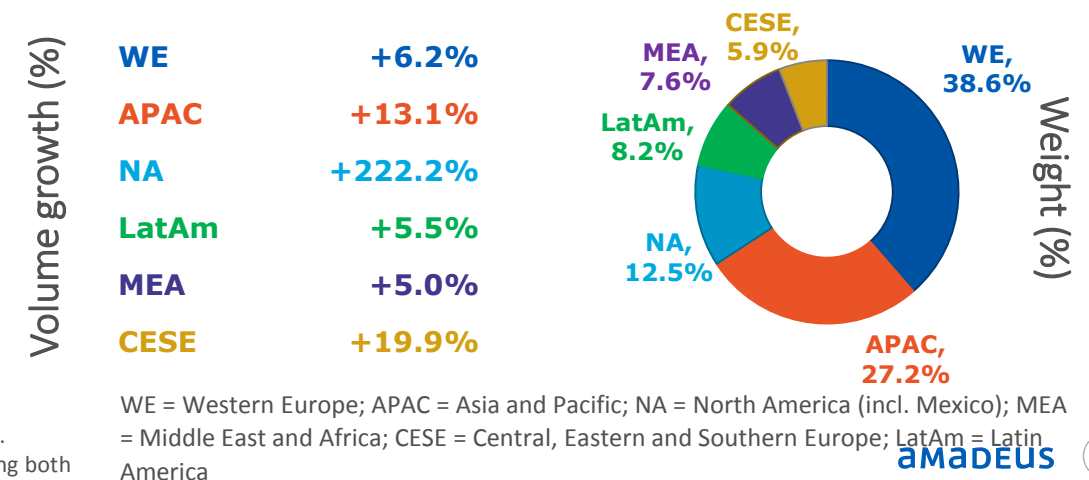


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Amadeus TA Air Bookings by region

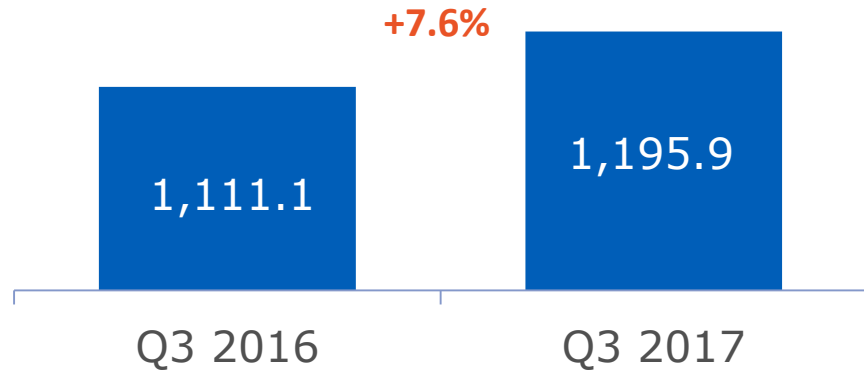


Amadeus PB¹ by region



Q3 revenue by segment

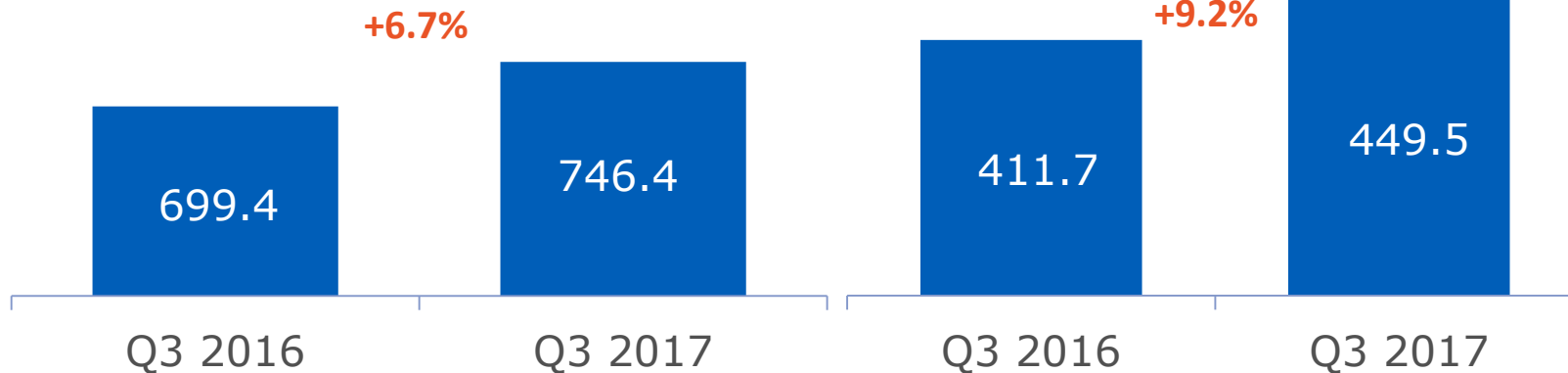
Group Revenue (in € millions)



Segment Revenue (in € millions)

Distribution

IT Solutions



– **Group revenue** expanded by 7.6%, impacted by negative foreign exchange effects. Excluding FX, revenue grew at a high single-digit rate.

– **Distribution** revenue increase driven by higher volumes and expansive average pricing, together with non-booking revenue growth.

– **IT Solutions:** double-digit revenue growth rate excluding negative FX effects. Underlying growth driven by airline IT (volume increase coupled with dilutive average pricing, due to the growing weight of low-cost and hybrid carriers) and growth delivered by the new businesses.

Support materials



Key Performance Indicators

	Sept YTD 2017	Sept YTD 2016	% Change
Amadeus TA Air Bookings (m)	434.4	409.8	6.0%
Passengers Boarded (m)	1,228.1	1,028.5	19.4%
Revenue (€m)	3,686.6	3,386.5	8.9%
EBITDA (€m)	1,466.3	1,332.1	10.1%
Adjusted profit (€m)	846.7	738.1	14.7%
Adjusted EPS (€)	1.93	1.69	14.5%
R&D investment (€m)	544.5	521.7	4.4%
CAPEX as % of Revenue	11.9%	12.7%	(0.8 p.p.)
Free Cash Flow (€m)	788.6	688.6	14.5%

Thank you!

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