



## Press release

### Amadeus announces results for first nine months of 2012

Growth record supported by both Distribution and IT Solutions businesses

#### Year-on-year highlights for year-to-date (nine months ended September 30, 2012)

- Revenue grew 8.4%<sup>1</sup> to €2,233.1 million
- EBITDA rose 6.5%<sup>1</sup> to €889.8 million
- Adjusted profit<sup>2</sup> increased 20.2% to €481.3 million
- Net debt reduced further to 1.43x last twelve months' EBITDA
- Global market share of travel agency air bookings expanded by 0.9 percentage point
- Passengers Boarded (PB)<sup>3</sup> grew by 28.4% to 420.4 million

**November 8, 2012** - Amadeus IT Holding, S.A. (Amadeus: "AMS.MC"), parent company of the Amadeus Group, a leading technology partner for the global travel industry, announces year-on-year financial and operating results for the first nine months of 2012 (nine months ended September 30, 2012).

Adjusted profit for the first nine months increased 20.2% to reach €481.3 million. This was backed by growth in revenue of 8.4% to €2,233.1 million and a 6.5% rise in EBITDA to €889.8 million.

This growth record was supported by significant year-on-year growth from both the Distribution and IT Solutions businesses. Revenue in the Distribution business increased by 6.4%, rising to €1,690.5 million whilst the number of total bookings, including both air and non air travel agency bookings, improved by 3.3%, to 365.8 million. Amadeus also expanded its global market share of travel agency air bookings by 0.9 percentage point during the first nine months of 2012 to reach 38.1%, thus further extending its leadership position. In the IT Solutions business revenue increased by 15.1%, rising to €542.6 million, and the Passengers Boarded (PB) figure was lifted by 28.4%, rising to 420.4 million. Currently Amadeus projects over 760 million<sup>4</sup> PB for 2014, based upon existing contracts.

<sup>1</sup> For purposes of comparability, the revenue associated to the IT contract resolution with United Airlines in Q2 2011, as well as certain costs of migration that were incurred in relation to this contract, were reclassified from the Revenue and Other operating expenses captions, respectively, to the Other income (expense) caption in the 2011 figures. The growth rates shown above take into account this reclassification. EBITDA adjusted to exclude extraordinary items related to the IPO.

<sup>2</sup> Excluding after-tax impact of the following items from continuing operations: (i) amortisation of the purchase price allocation (PPA) and impairment losses, (ii) changes in fair value and cancellation costs of financial instruments and non-operating exchange gains (losses) and (iii) extraordinary items related to the sale of assets and equity investments, the debt refinancing, the United Airlines contract resolution and the IPO.

<sup>3</sup> Passengers Boarded (PB): actual passengers boarded onto flights operated by airlines using at least the Amadeus Altéa Reservation and Inventory modules. A PB is the key metric for charging in the Amadeus IT transactional revenue business line.

<sup>4</sup> 2014 estimated annual PB calculated by applying IATA's regional air traffic growth projections to the latest available annual PB figures, based on public sources or internal information (if already on our platform).

The financial performance for the first nine months of the year was also backed by strong year-on-year results in the third quarter. During these three months, Amadeus' adjusted profit increased by 8.8%, to €148.8 million, total revenues were up by 8.0% to €724.2 million, and EBITDA rose by 7.4% to €282.9 million.

The strong cash flow generation in the period drove consolidated net financial debt down to €1,581.1 million as of September 30, 2012 (based on covenants' definition). This was down by €270.7 million vs. December 31, 2011 and represented 1.43x the last twelve months' EBITDA, reaching the higher end of the target leverage ratio of 1.0x to 1.5x Net debt to EBITDA previously established by the company.

In September Amadeus published 'Open for business', which was authored by leading technology expert Professor Jim Norton. The report makes the case for the travel industry to embrace open source software in order to benefit from greater innovation, respond faster to industry change and reduce costs, whilst freeing the industry from its reliance on proprietary software to provide greater competitive advantage.

On October 19 Amadeus announced that the Board of Directors had agreed to a new dividend policy. The dividend pay-out ratio was increased to between 40% and 50%, vs. the previous 30% to 40%, applicable for the year-ended December 31, 2012 and onwards. For the 2012 financial year, the Board of Directors expects to propose to the Shareholders' General Meeting the payment of a total dividend of €0.50 (gross) per ordinary share carrying dividend rights.

Luis Maroto, President & CEO of Amadeus, commented on the year-to-date:

*"In spite of continued global macro-economic challenges, Amadeus has maintained its growth record during the first nine months of the year, including the third quarter.*

*"At the financial level, year-on-year during these nine months we have grown revenues by 8.4% and adjusted profit by 20.2% to €481.3 million.*

*"We have continued to reduce our financial leverage. Amadeus' Board of Directors has agreed to increase our dividend payout ratio to 40%-50% for the year ended December 31, 2012 and onwards, and expects to propose the payment of a total dividend of €0.50 (gross) per ordinary share carrying dividend rights.*

*"Whilst traffic and GDS volumes have shown some weakness this year, driven by the still uncertain economic environment, we nonetheless believe our geographically diverse business model remains resilient. We confidently await the results for the full financial year."*

## Summary financial information:

Summary financial information Figures in million euros	Jan-Sep 2012 <sup>1</sup>	Jan-Sep 2011 <sup>1,2</sup>	YTD % Change
<b>KPI</b>			
<b>Air TA Market Share</b>	<b>38.1%</b>	<b>37.2%</b>	<b>0.9 p.p.</b>
Air TA bookings (m)	319.7	307.7	3.9%
Non air bookings (m)	46.1	46.4	(0.7%)
<b>Total bookings (m)</b>	<b>365.8</b>	<b>354.1</b>	<b>3.3%</b>
<b>Passengers Boarded (PB) (m)</b>	<b>420.4</b>	<b>327.5</b>	<b>28.4%</b>
<b>Airlines migrated (as of September 30)</b>	<b>110</b>	<b>96</b>	
<b>Financial results</b>			
Distribution Revenue	1,690.5	1,588.4	6.4%
IT Solutions Revenue	542.6	471.4	15.1%
<b>Revenue</b>	<b>2,233.1</b>	<b>2,059.8</b>	<b>8.4%</b>
<b>EBITDA</b>	<b>889.8</b>	<b>835.6</b>	<b>6.5%</b>
<b>Adjusted profit from continuing operations<sup>(3)</sup></b>	<b>481.3</b>	<b>400.6</b>	<b>20.2%</b>
<b>Adjusted EPS from continuing operations (euros)<sup>(4)</sup></b>	<b>1.08</b>	<b>0.90</b>	<b>21.1%</b>
<b>Cash flow</b>			
Capital expenditure	236.7	231.3	2.3%
Pre-tax operating cash flow <sup>(5)</sup>	665.6	681.6	(2.4%)
	<b>30/09/2012</b>	<b>31/12/2011</b>	<b>% Change</b>
<b>Indebtedness<sup>(6)</sup></b>			
<b>Covenant Net Financial Debt</b>	<b>1,581.1</b>	<b>1,851.8</b>	<b>(14.6%)</b>
<b>Covenant Net Financial Debt / LTM Covenant EBITDA</b>	<b>1.43x</b>	<b>1.75x</b>	

1 Figures adjusted to exclude extraordinary costs related to the IPO.

2 For purposes of comparability, the revenue associated to the IT contract with United Airlines in Q2 2011, as well as certain costs of migration that were incurred in relation to this contract, have been reclassified from the Revenue and Other operating expenses captions, respectively, to the Other income (expense) caption in the 2011 figures.

3 Excluding after-tax impact of the following items from continuing operations: (i) amortisation of PPA and impairment losses, (ii) changes in fair value and extraordinary cancellation costs of financial instruments and non-operating exchange gains (losses) and (iii) extraordinary items related to the sale of assets and equity investments, the debt refinancing, the United Airlines contract resolution (in 2011) and the IPO.

4 EPS corresponding to the Adjusted profit from continuing operations attributable to the parent company. Calculated based on weighted average outstanding shares of the period.

5 Calculated as EBITDA less capital expenditure plus changes in our operating working capital. 2011 figures include Opodo and the payment from United Airlines for the IT contract resolution.

6 Based on the definition included in the senior credit agreement.

## Business Highlights Q3, 2012

### DISTRIBUTION

#### Airlines

During the third quarter of the year the Amadeus Airline Distribution business continued its growth, renewing content distribution agreements with **AeroSvit – Ukrainian Airlines, Air Bishkek Airline, Air Greenland, Emirates, Nepal Airlines** and **Qantas**, amongst others. An existing agreement with **Delta Air Lines** has expanded to include the sale of Economy Comfort, Delta's premium economy seats, through Amadeus travel agents. Additionally, content agreements were reached with two airlines that were previously not available in the Amadeus system, **Bek Air** and **Nas Air**. Content agreements guarantee access to a comprehensive range of fares, schedules and availability for Amadeus travel agents. Today 80% of Amadeus bookings worldwide are made on airlines with which Amadeus has a content agreement.

Amadeus continues to be a pioneer in the area of ancillary services, with an end-to-end solution which enables airlines to sell additional services via travel agencies, as well as the airline's call centre, ticket offices and website, in full compliance with industry standards. At the end of September, 46 airlines had signed up for Amadeus Ancillary Services for the direct and/or indirect channel, 21 of which had signed up to sell ancillary services using the Amadeus solution in the indirect channel. Ancillary services are being sold through travel agencies in 16 countries for nine of these airlines, including **airberlin, Air Caraïbes, Air France, Corsair, Finnair, Iberia, KLM, NIKI** and Qantas.

Low-cost carriers (LCCs) continue to be an area of growth for Amadeus. LCC bookings from travel agencies using Amadeus increased by 13.2% in the third quarter year-on-year, taking the year-to-date growth rate to 14.5%. The company also continues to invest in solutions that allow Amadeus' travel agency and corporate clients to book on LCCs. One example of this is **SpiceJet**, an Indian LCC which became available to users of Amadeus e-Travel Management (AeTM), Amadeus' self-booking tool for corporate customers. The announcement marked a milestone for Amadeus, with the airline being the first Indian LCC to be made available through AeTM.

#### Travel Agencies and online travel distribution platforms

**FCm Travel Solutions**, the global corporate travel and expense management specialist, renewed its global content agreement for a further five years, meaning Amadeus' content will continue to be available to FCm's partner network via Amadeus Selling Platform and AeTM.

In the Asia-Pacific area, growth continued with **Cleartrip**, one of India's leading online travel companies, announcing a multi-year technology agreement which will see Amadeus provide fare search technologies and access to global travel content. Under the new long-term partnership, Cleartrip will use Amadeus as its primary technology provider for its online air offering and its website will be powered by Amadeus Web Services 2.0. Meanwhile **Lotus Tours Limited**, a leading Hong Kong travel service provider and ticketing wholesaler, announced a 10-year partnership with Amadeus providing customised, end-to-end IT solutions and consultancy services.

A five-year agreement was reached with **CCRA Travel Solutions**, which is a growing network of integrated travel solutions for suppliers and travel professionals in the global travel market. Amadeus will provide access to its extensive travel content as well as its technology to assist CCRA in its expansion plans to build an international consortia of travel agencies worldwide. Agreements have already been reached with CCRA partners in Poland, Ireland, Portugal, Benelux, Singapore, India, Thailand, Venezuela, Colombia, Peru, South Africa and Egypt.

## IT SOLUTIONS

Further growth continued as additional carriers contracted to the full Amadeus Altéa Suite, the fully integrated customer management solution for airlines that includes Altéa Reservation, Altéa Inventory and Altéa Departure Control System. **EVA Airways**, Taiwan's second largest international airline, announced it had selected the full Amadeus Altéa Suite for its passenger management, and also for the international passengers of its subsidiary **UNI Airways**. The airline was recently accepted onto the **Star Alliance**, for which Amadeus is the preferred IT platform provider. The long-term agreement with Amadeus will bring EVA Airways and UNI Airways onto **Star's** Common IT Platform - already used by 64% of Star Alliance members - which offers enhanced customer service functionalities, for both sales and airport environments.

Three further airlines, **AeroSvit – Ukrainian Airlines**, **Egyptair** and its subsidiary **Air Sinai**, also completed the Amadeus Altéa Suite by contracting to use Amadeus Altéa Departure Control.

These recent contracts bring the total number of airlines contracted for both Altéa Reservation and Altéa Inventory to 122 as of the close of the third quarter, of which 102 airlines had contracted to use the full Altéa Suite. Based upon these contracts, Amadeus estimates that by 2014 the number of Passengers Boarded (PB) will be more than 760 million, which would represent an increase of almost 70% vs. the 439 million PB processed on the Altéa platform during 2011 – or a compound annual growth rate (CAGR) of around 20%.

During the third quarter of the year successful migrations were completed with **Singapore Airlines** and its subsidiary **SilkAir**. As of the close of September 30, 2012, 110 airlines had implemented both Altéa Reservations and Altéa Inventory.

Amadeus also continued to expand its IT product portfolio, with the launch of its new Passenger Revenue Accounting solution and the announcement of a contract with **British Airways**, which became the first airline to sign-up for the new solution. British Airways will benefit from Amadeus' user-friendly, web-based system, which is designed to help airlines increase revenue, reduce operational costs, and make revenue decisions faster and more accurately, bringing revenue accounting closer to operational functions. In addition, the new solution transforms revenue accounting from a labour-intensive task to a fast, flexible strategic function. Later in the year, in October, **Saudi Arabian Airlines** also announced that it had signed-up for Amadeus Passenger Revenue Accounting, and will become the first airline to implement it, early in 2013.

The standalone IT solutions portfolio also continued to attract additional customers, as a result of successful upselling. Additional airlines signed-up to use the electronic messaging standard Electronic Miscellaneous Document (EMD), including AeroSvit – Ukrainian Airlines, **Air Astana**, **LOT Polish Airlines** and **Tunisair**. EMD enhances ticket services and enables airlines to distribute a wide range of products that help customise their journeys, through ancillary services such as excess baggage. Egyptair and **EI AI** contracted for Amadeus Ancillary Services. EVA Airways also contracted to adopt Amadeus Ticket Changer (ATC), which simplifies the ticket re-issuing process by combining the state-of-the-art Amadeus Fares and Pricing engine with a powerful, multi-channel ticketing functionality.

In the growing Airport IT business, contracts for Altéa Departure Control for Ground Handlers were signed with several additional ground handlers, including, **Aviation Handling Services**, and **SEA Handling**. Altéa DCS for Ground Handlers allows all of the handler's airline customers to benefit from the leading-edge technological capabilities of Altéa DCS Customer Management and Flight Management services. The company continues to implement more airports to handle non-Altéa DCS airlines, and although it remains a small contributor to revenue, this business line is steadily increasing.

## ADDITIONAL NEWS FROM THE THIRD QUARTER

In China, Amadeus welcomed the publication of the new Civil Aviation Administration of China (CAAC) Computerised Reservation System (CRS) regulations. These are expected to bring enhanced global distribution technologies to the Chinese market that can significantly benefit the travel industry and consumers in China. These regulations started on October 1, 2012 and introduce the option for foreign airlines to use global distribution systems to distribute their air fares to travel agents in China.

On September 24, 2012 Amadeus debuted on the **Dow Jones Sustainability Index (DJSI)**, within both the DJSI-World and DJSI-Europe indexes. Out of the 57 companies invited to participate in the Support Services sector - in which Amadeus is included - only 12 members were ultimately selected and Amadeus was ranked as the leader of the sector with a score of 82 points. Amadeus achieved the highest scores in a number of categories, including the overall Economic and Social Dimension of the business, as well as in Environmental Policy/Management System or social metrics such as Labour Practice Indicators and Human Rights, and Talent Attraction and Retention. Amadeus' ambitions within Corporate Social Responsibility and sustainability are to improve gradually and visibly the company's contribution to society. This is done by engaging the resources that make Amadeus unique: its people and their talent, its technological capabilities and its expertise in the global travel industry, whilst working in partnerships that make a real difference. Being included in the Dow Jones Sustainability Index is a clear indication that the company is making substantial progress in this important area.

In August, Amadeus announced the opening of a new energy annex on the site of its existing global data processing centre in Erding near Munich in Germany. The construction of the new annex, which acts as an extension to the original building, was commissioned by Amadeus in line with the recent commercial growth of the business. This followed a number of significant new customer wins and migrations for the Airline IT business and also the launch of its New Businesses portfolio which covers the travel sectors of rail, hotels and, most recently, airport IT.

Also during this quarter Amadeus announced the opening of Amadeus ARIA™ Templates, one of its core technology frameworks, to the open source community. Amadeus developed ARIA™ Templates to ease the development of web applications that are becoming more and more complex, by offering innovative features to make implementation faster. The launch of this open source framework was an industry first and is set to revolutionise the way the travel industry builds new user interfaces, drastically easing the challenges associated with development of mobile travel apps, and ensuring that Amadeus' customers will benefit from the widest possible range of innovative development.

Publishing enlightened market research and advanced white papers is central to Amadeus' position as a leader in travel technology. Recently, several reports have been produced which continue to stimulate and shape debate across the travel industry globally. The following are highlights of two reports which are available on Amadeus' website:

- 'Open for business' made the case for the travel industry to embrace open source software in order to benefit from greater innovation, respond faster to industry and consumer change and reduce costs. The report outlined how open systems could free the industry from its reliance on proprietary software and provide travel companies with a greater competitive advantage.
- The Amadeus Review of Ancillary Revenue Results for 2011 was produced by Amadeus and the IdeaWorksCompany, the foremost consultancy in the area of airline ancillary revenues. Research was based on the financial filings made by 108 airlines across the world, 50 of which disclose ancillary revenue activity, to identify the ancillary revenue reported by airlines, which grew to €18.2 billion in 2011. This represents ancillary revenue growth of 66% in the two years since 2009.

– Ends –

#### **Disclaimer**

*There may be statements in this financial report which are not purely historical facts, including statements about anticipated or expected future revenue and earnings growth. All forward looking statements in this presentation are based upon information available to Amadeus on the date of this presentation. Any forward looking statements involve risks and uncertainties that could cause actual events or results to differ materially from the events or results described in the forward looking statements. Amadeus undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on forward looking statements.*

## Notes to editors

**Amadeus** is a leading transaction processor and provider of advanced technology solutions for the global travel and tourism industry.

Customer groups include **travel providers** (e.g. airlines, hotels, rail, ferries, etc.), **travel sellers** (travel agencies and websites), and **travel buyers** (corporations and individual travellers).

The group operates a **transaction-based business model** and processed more than 947 million billable travel transactions in 2011.

Amadeus has central sites in Madrid (corporate headquarters), Nice (development) and Erding (operations – data processing centre) and regional offices in Miami, Buenos Aires, Bangkok and Dubai. At a market level, Amadeus maintains customer operations through 73 local Amadeus Commercial Organisations covering 195 countries.

Amadeus is listed on the Madrid, Barcelona, Bilbao and Valencia stock exchanges and trades under the symbol “AMS.MC”. It is a component of the IBEX 35, STOXX Europe 600 Index, and the Dow Jones Sustainability Index (DJSI).

For the year ended December 31, 2011 the company reported like-for-like revenues of €2,712 million and EBITDA of €1,039 million. The Amadeus group employs around 10,000 people worldwide, with 123 nationalities represented at the central offices.

To find out more about Amadeus please visit [www.amadeus.com](http://www.amadeus.com)

To visit the Amadeus Investor Relations centre please [www.investors.amadeus.com](http://www.investors.amadeus.com)

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