Management Review
January-June 2018

July 27, 2018

Index

1 Summary

1.1 Introduction

Highlights for the first six months ended June 30, 2018

- In Distribution, our travel agency air bookings grew 3.4%, to 305.1 million
- In IT Solutions, our passengers boarded increased 18.0%, to 888.8 million
- Revenue grew by 4.1%[1], to €2,477.0 million (high single-digit growth[1], excluding foreign exchange effects)
- EBITDA increased by 8.2%[1], to €1,078.2 million (high single-digit growth[1], excluding foreign exchange and IFRS 16[2] effects)
- Adjusted profit[3] grew 6.1%[1], to €606.8 million
- Free Cash Flow[4] amounted to €461.2 million, representing growth of 2.7%[1]
- Covenant net financial debt[5] was €2,128.6 million at June 30, 2018 (1.10 times covenant EBITDA[5])

In the first six months of 2018, Revenue, EBITDA and Adjusted Profit increased by 4.1%[1], 8.2%[1] and 6.1%[1], respectively, supported by the performances across our Distribution and IT Solutions segments. As in the first quarter, our reported financial performance in the period was distorted by the USD/Euro exchange rate compared to the same period last year, which had an important negative effect on our results. Excluding foreign exchange effects (and also, the IFRS 16[2] impact on EBITDA), in the first half of the year, Revenue and EBITDA both grew at high single-digit growth rates, with a broadly stable EBITDA margin.

In Distribution, we continued to secure and expand content for our subscribers by renewing or signing distribution agreements with 15 carriers in the quarter, including United Airlines, Scandinavian Airlines, Alitalia and Ethiopian Airlines. In the first half of the year, our Distribution air volumes continued to grow steadily, increasing by 3.4%, despite continued weak market share performance in the Western European OTA segment. Excluding Western Europe, our bookings grew 9.2% in the first half of the year (+7.9% in the second quarter). Market share weakness in Western Europe has impacted our global competitive position[6], which slightly decreased by 0.1 p.p in the first six months of 2018 to 43.5% (excluding Western Europe, our competitive position[6] expanded by 1.3 p.p. in the first half of the year and by 0.9 p.p. in the second quarter). Asia and Pacific, as well as North America, were our fastest-growing regions in the first six months of 2018, expanding at high growth rates. Over this period, Distribution revenue grew 2.6%[1], negatively impacted by foreign exchange effects.

IT Solutions revenue grew 6.8%[1] in the first six months of the year, negatively impacted by foreign exchange effects. This evolution was driven by growth in Airline IT solutions and a continued

[1] Compared to H1 2017 figures restated for IFRS 15 and IFRS 9, applied from January 1, 2018. See section 3.1 for further details.

[2] We are early adopters of IFRS 16, which we applied since January 1, 2018. 2017 figures will not be restated for IFRS 16. In the first half of 2018, IFRS 16 had a positive €22.5 million impact on EBITDA. See section 3.1 for further details.

[3] 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.

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

[5] Based on the definition included in the senior credit agreements.

[6] Competitive position as defined in section 3.

expansion in our new businesses. In Airline IT, Passengers Boarded increased by 18.0% in the first half, resulting from 7.8% organic Passengers Boarded growth and 2017 migrations, including Southwest Airlines, Japan Airlines, Malaysia Airlines, Kuwait Airways, Boliviana de Aviación, SmartWings, Germania, Norwegian Air Argentina, Air Algerie and MIAT Mongolian Airlines on Altéa, as well as, GoAir, Viva Air Perú, Andes Líneas Aéreas, JetSMART and flyadeal on New Skies.

Our Airline IT customer base continued to expand. Russia's second largest airline, S7 Airlines, recently signed for the full Altéa suite. S7 Group of Companies, to which S7 Airlines belongs to, carries 14 million passengers per year. S7 Airlines' migration to Altéa is expected to take place before year-end. Royal Jordanian renewed its contract for the full Altéa suite and signed additional products, including Amadeus Altéa NDC. Scandinavian Airlines renewed Altéa and Revenue Management while also signing up for the Amadeus Payment Platform, through which Scandinavian Airlines will simplify its payments, ensuring a more responsive digital experience. Also, LATAM Airlines implemented Altéa Departure Control Flight Management to optimize fuel consumption and maximize operational performance. Additionally, Hawaiian Airlines contracted for Altéa DCS Flight Management, Garuda Indonesia for Amadeus Customer Experience Management and Malaysia Airlines for Amadeus Revenue Accounting, among others.

Amadeus recently received level 3 New Distribution Capability (NDC) certification as an *aggregator* from IATA. This follows Amadeus' existing level 3 NDC certification as an *IT provider*, making Amadeus one of the first providers with *dual* level 3 certification. Level 3 is the highest NDC certification and it is awarded to providers that can demonstrate the ability to execute full Offer and Order Management. This means that Amadeus is able to receive NDC offers from airlines and distribute them to travel sellers.

This certification was achieved through Amadeus' work with a leading online travel agency that joined the Amadeus NDC-X program earlier this year. This program aims to bring together all the NDC efforts across Amadeus - as IT provider and as distributor - under one roof, and is continuation of Amadeus' previous work towards the digitalization of the travel industry. NDC-X is part of the evolution of Amadeus' travel platform which will bring together all relevant content - including air, hotel and other travel content - from any source (EDIFACT, NDC, proprietary APIs and other aggregated content) to be distributed via any user interface or device.

We continued to advance in our Hospitality strategy. We are progressing in the roll-out of the Guest Reservation System with InterContinental Hotels Group, with over half of the InterContinental Hotels Group properties now migrated to the platform. Full deployment is expected for late 2018 to early 2019.

We are very focused on our technology which is key to our success. Our investment in R&D amounted to 16.2%[7] of revenue in the first half of 2018. It was dedicated to support our mid to long-term growth, through product evolution, portfolio expansion, new customer implementations, system performance optimization and our continued shift to next-generation technologies and cloud architecture.

[7] H1 2017 revenue restated for IFRS 15 and IFRS 9. See section 3.1 for further details.

In the first six months of 2018, our Free Cash Flow grew 2.7%[8] to €461.2 million. At the end of the first half, our consolidated covenant net financial debt stood at €2,128.6 million, representing 1.10 times last-twelve-month covenant EBITDA.

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

1.2 Summary of operating and financial information

Summary of KPI (€millions)	Jan-Jun 2018	Jan-Jun 2017[1]	Change
Operating KPI			
TA air competitive position[2]	**43.5%**	**43.6%**	**(0.1p.p.)**
TA air bookings (m)	305.1	295.2	3.4%
Non air bookings (m)	32.5	33.2	(2.0%)
Total bookings (m)	**337.7**	**328.4**	**2.8%**
Passengers boarded (m)	**888.8**	**753.4**	**18.0%**
Financial results			
Distribution revenue	1,563.3	1,523.3	2.6%
IT Solutions revenue	913.7	855.2	6.8%
Revenue	**2,477.0**	**2,378.5**	**4.1%**
Distribution contribution	748.3	729.8	2.5%
IT Solutions contribution	660.5	610.4	8.2%
Contribution	**1,408.8**	**1,340.2**	**5.1%**
EBITDA	**1,078.2**	**996.3**	**8.2%**
EBITDA margin (%)	43.5%	41.9%	1.6 p.p.
Adjusted profit[3]	**606.8**	**572.2**	**6.1%**
Adjusted EPS (euros)[4]	**1.41**	**1.31**	**8.2%**
Cash flow			
Capital expenditure	342.5	290.8	17.8%
Free cash flow[5]	461.2	449.1	2.7%
Indebtedness[6]	Jun 30,2018	Dec 31,2017	Change
Covenant net financial bebt	**2,128.6**	**2,083.3**	**2.2%**
Covenant net financial debt/LTM covenant EBITDA	1.10x	1.12x	

[1] 2017 figures have been restated for IFRS 15 and IFRS 9. Also, 2017 segments' contributions have been restated for building and facilities expense reallocation to indirect costs. See section 3.1 for details on these accounting changes as well as for a reconciliation to the 2017 reported figures.

[2] Competitive position as defined in section 3.

[3] 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.

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

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

[6] Based on the definition included in the senior credit agreement covenants.

2 Operating Review

2.1 Recent business highlights

Airline Distribution

- During the second quarter of 2018, we signed 15 new contracts or renewals of content agreements with airlines. Among the airlines that signed or renewed content agrements during this period were United Airlines, Scandinavian Airlines (SAS), Alitalia and Ethiopian Airlines. Subscribers to Amadeus' inventory can access over 110 low cost carriers (LCCs) and hybrid carriers' content worldwide. LCC and hybrid carriers' bookings grew 9% between January-June period compared to the same period last year.
- Amadeus has received the level 3 New Distribution Capability (NDC) certification as an aggregator from International Air Transport Association (IATA). This comes in addition to Amadeus' existing level 3 NDC certification as an IT provider, making Amadeus one of the first providers with dual level 3 certification. Level 3 is the highest NDC certification and is awarded to companies that can demonstrate the ability to execute full Offer and Order Management. This means that Amadeus is able to receive NDC offers from airlines and distribute them to travel sellers.
- This certification has been achieved through Amadeus' work with a leading online travel agency that joined the NDC-X program earlier this year. This program aims at bringing together all the NDC activities across Amadeus - as an IT provider and distributor - under one roof, and is a continuation of Amadeus' previous work towards the digitalization of the travel industry. It's part of the evolution of Amadeus' travel platform which will bring together all relevant content - including air, hotel, car and insurance - from any source (EDIFACT, NDC, proprietary APIs and other aggregated content) to be distributed via any user interface or device.
- On the airline side, Qantas also joined NDC-X. Thanks to this partnership, Amadeus will connect to the Qantas Distribution Platform (QDP) and deliver NDC content to travel sellers. This will allow Amadeus travel sellers to book NDC content alongside other travel content through the agents' preferred booking channel, while enabling greater personalization for travelers.
- In May, Korean online travel agency HanaTour unveiled its new international website, which thanks to Amadeus Pricer with Instant Search now offers travelers faster online search results and more choices when making bookings. This project is part of a multi-year agreement between HanaTour and Amadeus to power the agency's global expansion and technology innovation.
- Trip.com, a leading online travel agency which is part of the Ctrip Group, also contracted Amadeus Pricer with Instant Search during the second quarter to deliver the ultimate search and shopping experience to its customers.
- Demand from our customers for our merchandizing solutions for the indirect channel remained strong. At the close of June, 145 airlines had signed up for Amadeus Airline Ancillary Services, with six new signatures in the quarter, and 75 had contracted Amadeus Airline Fare Families, with four new customers in the quarter.

Airline IT

- At the close of June, 205 customers had contracted either of the Amadeus Passenger Service Systems (Altéa or New Skies) and 196 had implemented them.

- In July, Russia's second largest airline, S7 Airlines, has signed for the full suite of Amadeus Altéa passenger service system (PSS) solutions. This agreement comes at a key moment in S7's growth trajectory, Amadeus will serve as the airline's strategic partner powering its expansion further into the European market. The implementation is expected to take place before the end of the year. S7 Group of Companies, to which S7 Airlines belongs, carried more than 14 million passengers in 2017.
- In May, Royal Jordanian renewed its contract for the full Altéa Suite, and signed additional products. The innovative solutions signed will make the travel experience seamless by giving passengers more options, like paying for services at the airport or paying a small fee to lock in a fare at a particular price when they book online. Furthermore, during disruption times, passengers will be able to rebook themselves onto flights easily, and use self-service tools to improve their journey. In addition, through Amadeus' Altéa technology Royal Jordanian will have access to the latest NDC capabilities. Together, all these solutions will contribute to the airline strategy aimed at increasing revenues by upselling ancillary services through multiple channels, improving its competitiveness and business performance and helping it better measure its key performance indicators.
- In June, Scandinavian Airlines (SAS) renewed its Altéa contract while also signed up for the Amadeus Payment Platform to simplify its payments, as it accepts virtually any payment method with payment embedded directly within the airline's selling and booking flow, ensuring a more responsive digital experience. SAS will continue using Amadeus Altéa Network Revenue Management, which it contracted in 2015.
- In July, Hawaiian Airlines, the Honolulu-based airline, selected Amadeus Altéa Departure Control Flight Management. The Amadeus solution will help Hawaiian Airlines meet company growth and revenue goals.
- LATAM Airlines implemented Altéa Departure Control Flight Management, which it contracted during the fourth quarter of 2017, to optimize fuel consumption and maximize operational performance.
- Our upselling activity in Airline IT continued during the quarter. Garuda Indonesia contracted Amadeus Customer Experience Management. This solution will help Garuda intimately understand its customers, as it takes data about the traveler from multiple sources, builds a 360-degree, real-time picture of who the traveler is, and integrates it with advanced personalization logic so that the airline can cater to their implicit expectations and demands while travelling. Also, Malaysia Airlines contracted for Amadeus Revenue Accounting.

Airport IT

- Killeen-Fort Hood Regional Airport, located in Texas, contracted Amadeus Extended Airline System Environment (EASE) in May. With this addition, EASE is now available in 51 airports in North America including Los Angeles International Airport, JFK Airport, Charlotte Douglas International Airport in North Carolina and Fort Lauderdale–Hollywood International Airport.
- Copenhagen Airport reached another milestone thanks to Amadeus' technology. The airport, which became the first worldwide to operate fully in the cloud thanks to Amadeus systems in 2016, is now also the first in Europe to exchange data with EUROCONTROL in the most effective

manner, and according to the new web services standards. The new connectivity is part of Amadeus' solutions for airports.

- Pristina International Airport, in Kosovo, has migrated to the next-generation Amadeus Altéa Departure Control for Ground Handlers in April, which allowed it to further improve its operational agility, and to generate an impressive 20% reduction of its costs associated with check-in and airline weight and balance activities, in just two months.

Rail

- Swiss Federal Railways (SBB) selected Amadeus to design and power its new intelligent and flexible booking solution, which will offer travelers an at-a-glance look at all possible travel routes and costs, just by entering a departure and destination station. The new tool will be used acros all SBB's sales channels – online, at stations or even third parties – enabling SBB to sell a more enriched offer from railways in neighbouring countries and popular destinations.
- Since May, Renfe's content and fares are available for corporate travelers using Amadeus cytric Travel & Expense. Thanks to this agreement, business travelers will have access to corporate fares already negotiated between their company and the travel agency, and will be able to book tickets with Renfe in accordance with their company's travel policy.

2.2 Key ongoing R&D projects

As a leading technology provider for the travel industry, Amadeus undertakes significant R&D activities. In the first half of 2018, Amadeus devoted 16.2% of its Group revenue to R&D, which focused on:

- Product evolution and portfolio expansion:
    - Ongoing efforts for NDC industrialization. Investments related to the development of our platform to combine content from different sources (existing technology, NDC and content from aggregators and other sources) ensuring easy adoption in the marketplace with minimal disruption.
    - For airlines: investment in merchandizing and personalization solutions, enhanced shopping and retailing tools and solutions related to revenue optimization and financial suites.
    - For travel agencies, meta-search engines and corporations: efforts linked to our cloud-based new-generation selling platform, search engines and our self-booking and travel expense management tools.
    - For the hospitality industry: investment to develop and implement our new-generation Central Reservation System and developments related to our new-generation Property Management System.
    - Continued development and evolution of our Airport IT, Payments and Rail IT portfolios.
    - Resources devoted to enhance distribution capabilities for Hospitality and Rail.

- Customer implementations and services:
  - Implementation efforts related to upcoming PSS implementations (including Air Canada), as well as to our upselling activity (such as Revenue Management, Revenue Accounting, and Merchandizing, among others).
  - Implementation of Distribution solutions for airlines, travel agencies, and corporations, including, amongst others, the migration of travel agencies to our Amadeus Selling Platform Connect.
  - Implementation of customers to our Hospitality IT, Airport IT and Payments businesses.
- Cross-area technology investment:
  - Continued shift to next-generation technologies and cloud services, which provides a flexible and powerful framework for massive deployment and distributed operations of very large transactional and data traffic.
  - The application of new technologies, such as artificial intelligence and machine learning, to our product portfolio.
  - System performance projects to deliver the highest possible reliability, availability, as well as service and security levels to our customer base.
  - Projects related to our overall infrastructure and processes to improve efficiency and flexibility.

3 Presentation of financial information

The consolidated financial statements of Amadeus IT Group S.A. and subsidiaries are the source to the financial information included in this document. They have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and have been subject to a limited review by the auditors.

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

This document includes unaudited Alternative Performance Measures such as EBITDA, operating income, covenant net financial debt, adjusted profit and their corresponding ratios. These Alternative Performance Measures have been prepared in accordance with the Guidelines issued by the European Securities and Markets Authority for regulated information published on or after July 3, 2017.

- EBITDA corresponds to Operating income less D&A expense. A reconciliation to the financial statements is included in section 6.1.5.
- The reconciliation of the Operating income is included in the Group income statement included in section 6.1.
- Covenant net financial debt is defined as current and non-current debt, less cash and cash equivalents, adjusted for non-debt items (such as deferred financing fees, accrued interest and fair value adjustments to an EIB loan). A reconciliation to the financial statements is included in section 6.2.1.
- Adjusted profit corresponds to reported profit for the period, after adjusting for: (i) accounting effects derived from PPA exercises and impairment losses, (ii) non-operating exchange gains (losses), and (iii) other non-recurring items, as detailed in section 6.1.8.

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

When we refer to our competitive position, we take into account our travel agency air bookings in relation to the travel agency 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 and single country operators (primarily in China, Japan and Russia), which together combined represent an important part of the industry.

3.1 Accounting changes

The following accounting changes have been adopted from January 1, 2018:

IFRS 15

The standard establishes a comprehensive framework for determining whether, how much and when revenue is recognized.

As a consequence of the adoption of this standard, certain Distribution revenues from the provision of IT to travel agencies are recognized as a reduction of operating costs (they were previously recognized within Revenue), with no impact on segment contribution, Group EBITDA or free cash flow.

Other than these effects, there are no significant impacts from the adoption of this standard, given that more than 90% of the revenues of Distribution and IT Solutions are derived from contracts identified as "Software as a Service", compliant with the new IFRS 15 requirements.

The standard has been applied from January 1, 2018 retrospectively and hence 2017 figures shown in this report have been restated accordingly. Consequently, as shown in the next tables, first half 2017 Distribution revenue has been reduced by €112.2 million and operating costs (Cost of revenue and Other operating expenses) by €112.2 million. First half 2017 EBITDA, Operating income, Profit and Free cash flow are not impacted by the adoption of this standard.

IFRS 9

Among other changes, the standard establishes a new impairment model for the recognition of bad debt provisions based on expected credit losses rather than incurred credit losses.

As a consequence of the adoption of this standard, bad debt provisions, recognized within operating costs, have increased, negatively impacting segment contribution and EBITDA (by the same amount) as well as Profit (by the same amount less the associated tax benefit). Free cash flow is not impacted by the adoption of this standard.

There are no significant impacts from the adoption of this standard, other than the effect mentioned above.

For comparison purposes, 2017 figures shown in this report have been restated for the adoption of this standard. Consequently, as shown in the next tables, in the first half of 2017, Other operating expenses has increased by €2.6 million and net financial expense has declined by €2.0 million, resulting in a reduction in both EBITDA and Operating income of €2.6 million and a decline in Profit of €0.4 million.

Allocation of building and facilities expense

Since January 1, 2018, building and facilities expense is recognized within Indirect costs in full (previously these costs were partly allocated to Distribution and IT Solutions). Given the geographic expansion of our businesses and our customer focus, buildings and facilities are often shared by teams from all of our businesses, making segment allocation rules increasingly complex. We believe this reallocation results in a cost structure of the operating segments that provides a more accurate reflection of our segment profitability levels.

As a result of this cost reallocation, the Distribution and IT Solutions contributions have increased, as well as Indirect costs, with no impact on Group EBITDA, profit or free cash flow.

For comparison purposes, 2017 figures shown in this report have been restated for the adoption of this cost reallocation. Consequently, as shown in the next tables, in the first half of 2017 both the Distribution contribution and the IT Solutions contribution have increased by €24.9 million and €21.9 million, respectively, and Net indirect costs has increased by €46.8 million. First half 2017 EBITDA, Operating income, Profit and Free cash flow are not impacted by the adoption of this cost reallocation.

See below a reconciliation between the reported and the restated 2017 figures:

Jan-Jun 2017 (€million)	Reported	IFRS 15	IFRS 9	B&F exp.	Restated	Change
Segment reporting						
Distribution revenue	1,635.5	(112.2)	0.0	0.0	1,523.3	(112.2)
IT Solutions revenue	855.2	0.0	0.0	0.0	855.2	0.0
Group revenue	**2,490.7**	**(112.2)**	**0.0**	**0.0**	**2,378.5**	**(112.2)**
Distribution contrib.	707.5	0.0	(2.6)	24.9	729.8	22.3
IT Solutions contrib.	588.5	0.0	0.0	21.9	610.4	21.9
Contribution	**1,296.0**	**0.0**	**(2.6)**	**46.8**	**1,340.2**	**44.2**
Net indirect costs	(297.1)	0.0	0.0	(46.8)	(343.9)	(46.8)
EBITDA	**998.9**	**0.0**	**(2.6)**	**0.0**	**996.3**	**(2.6)**
Income statement						
Group revenue	**2,490.7**	**(112.2)**	**0.0**	**0.0**	**2,378.5**	**(112.2)**
Cost of revenue	(655.2)	106.9	0.0	0.0	(548.3)	106.9
Personnel expenses	(663.8)	0.0	0.0	0.0	(663.8)	0.0
Other operating expenses	(166.6)	5.3	(2.6)	0.0	(163.9)	2.7
Dep. and amortization	(259.0)	0.0	0.0	0.0	(259.0)	0.0
Operating income	**746.1**	**0.0**	**(2.6)**	**0.0**	**743.5**	**(2.6)**
Net financial expense	(32.5)	0.0	2.0	0.0	(30.5)	2.0
Other income (expense)	(0.7)	0.0	0.0	0.0	(0.7)	0.0
Profit before income taxes	**712.9**	**0.0**	**(0.6)**	**0.0**	**712.3**	**(0.7)**
Income taxes	(185.4)	0.0	0.2	0.0	(185.2)	0.2
Profit after taxes	**527.5**	**0.0**	**(0.4)**	**0.0**	**527.1**	**(0.5)**
Share in profit assoc/JV	2.4	0.0	0.0	0.0	2.4	0.0
Profit for the period	**530.0**	**0.0**	**(0.4)**	**0.0**	**529.5**	**(0.5)**
EPS (€)	**1.21**	**0.0**	**0.0**	**0.0**	**1.21**	**0.00**
Adjusted profit	**574.0**	**0.0**	**(1.9)**	**0.0**	**572.2**	**(1.9)**
Adjusted EPS (€)	**1.31**	**0.0**	**0.0**	**0.0**	**1.31**	**0.00**

Jan-Jun 2017 (€million)	Reported	IFRS 15	IFRS 9	B&F exp.	Restated	Change
Cash flow						
EBITDA	998.9	0.0	(2.6)	0.0	996.3	(2.6)
Change in working cap.	(91.6)	0.0	2.6	0.0	(89.0)	2.6
Capital expenditure	(290.8)	0.0	0.0	0.0	(290.8)	0.0
Taxes paid	(157.3)	0.0	0.0	0.0	(157.3)	0.0
Interest & financial fees	(10.1)	0.0	0.0	0.0	(10.1)	0.0
Free cash flow	**449.1**	**0.0**	**0.0**	**0.0**	**449.1**	**0.0**

Apr-Jun 2017 (€millions)	Reported	IFRS 15	IFRS 9	B&F exp.	Restated	Change
Financial results						
Distribution revenue	798.1	(53.9)	0.0	0.0	744.3	(53.9)
IT Solutions revenue	441.7	0.0	0.0	0.0	441.7	0.0
Group revenue	**1,239.9**	**(53.9)**	**0.0**	**0.0**	**1,186.0**	**(53.9)**
Cost of revenue	(321.1)	50.8	0.0	0.0	(270.3)	50.8
Personnel expenses	(336.0)	0.0	0.0	0.0	(336.0)	0.0
Other operating expenses	(83.6)	2.8	(1.3)	0.0	(82.1)	1.5
Dep. and amortization	(131.5)	0.0	0.0	0.0	(131.5)	0.0
Operating income	**367.7**	**(0.3)**	**(1.3)**	**0.0**	**366.1**	**(1.6)**
Net financial expense	(18.7)	0.0	1.4	0.0	(17.2)	1.4
Other income (expense)	(0.4)	0.0	0.0	0.0	(0.4)	0.0
Profit before income taxes	**348.7**	**(0.3)**	**0.0**	**0.0**	**348.5**	**(0.3)**
Income taxes	(90.7)	0.1	0.0	0.0	(90.6)	0.1
Profit after taxes	**258.0**	**(0.2)**	**0.0**	**0.0**	**257.9**	**(0.2)**
Share in profit assoc/JV	1.3	0.0	0.0	0.0	1.3	0.0
Profit for the period	**259.3**	**(0.2)**	**0.0**	**0.0**	**259.2**	**(0.2)**
EPS (€)	0.59	0.00	0.00	0.00	0.59	0.00
EBITDA	**496.1**	**(0.3)**	**(1.3)**	**0.0**	**494.4**	**(1.6)**
Adjusted profit	**280.4**	**(0.2)**	**(1.0)**	**0.0**	**279.2**	**(1.2)**
Adjusted EPS (€)	**0.64**	**0.00**	**0.00**	**0.00**	**0.64**	**0.00**

Apr-Jun 2017 (€millions)	Reported	IFRS 15	IFRS 9	B&F exp.	Restated	Change
Cash flow						
EBITDA	496.1	(0.3)	(1.3)	0.0	494.4	(1.6)
Change in working cap.	(56.0)	0.3	1.3	0.0	(54.3)	1.6
Capital expenditure	(135.6)	0.0	0.0	0.0	(135.6)	0.0
Taxes paid	(136.8)	0.0	0.0	0.0	(136.8)	0.0
Interest & financial fees	(4.1)	0.0	0.0	0.0	(4.1)	0.0
Free cash flow	163.6	0.0	0.0	0.0	163.6	0.0

The 2017 figures displayed throughout this report and specifically in sections 5 "Operating and financial performance by segment" and 6 "Consolidated financial statements" are restated for IFRS 15, IFRS 9 and the building and facilities expense reallocation.

IFRS 16

We are early adopters of the standard applying it from January 1, 2018[9]. The standard introduces a single, on-balance sheet lease accounting model for right-of-use assets. The main impact from its adoption is that we have recognized new assets and liabilities for our operating leases of building rentals. Also, the nature of expenses related to those leases have changed as the standard replaces the straight-line operating lease expense with a depreciation charge for right-of-use assets and interest expense on lease liabilities. This change has resulted in a reduction in operating costs (and therefore an increase in EBITDA), and higher depreciation and amortization expenses, with limited (positive) impact on Operating income. Also, interest expense increases. As a result, we estimate that Profit is only impacted marginally. Cash generation is not impacted by the adoption of this standard, however Free cash flow is positively impacted by it, given that a large part of the payments done in relation to operating leases is now reported as financial flows (debt payments) whereas it was previously reported as operating flows (within EBITDA).

We estimate that the impact from the adoption of this standard in the first half of 2018 has been:

- A reduction in operating costs of €22.5 million (driving an increase in EBITDA by the same amount), higher D&A expense by €20.8 million (together resulting in an increase in Operating income of €1.7 million) and higher interest expense by €2.2 million. As a result, Profit decreased by €0.4 million in the first half of 2018.
- An increase in right-of-use assets (non-current assets) and financial debt (split between current and non-current liabilities in the balance sheet) of €230.1 million and €230.9 million, respectively, as of June 30, 2018. Financial debt related to operating

[9] Given the method chosen for the application of the standard (modified retrospective approach), 2017 figures will not be restated for IFRS 16.

leases arising from the adoption of this standard does not form part of the covenant financial debt.

- A positive impact of €22.5 million in Free cash flow, as a result of the increase in EBITDA (€22.5 million), as explained above. There is, however, no impact on cash generation as the increase in Free cash flow is offset by higher debt repayments (by the same amount) below the Free cash flow line.

Please note that the impacts from the adoption of the above mentioned accounting changes, and the 2017 restated figures are unaudited.

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. As a consequence, both our results and our cash flows are impacted, either positively or negatively, by foreign exchange fluctuations.

Exposure to foreign currencies

Our revenue is almost entirely generated either in Euro or in US Dollar (the latter representing 30%-40% of our total revenue). Revenue generated in currencies other than the Euro or US Dollar is negligible.

In turn, 50%-60% of our operating costs[10] are denominated in many currencies different from the Euro, including the US Dollar which represents 30%-40% of our operating costs. The rest of the foreign currency operating expenses are denominated in a variety of currencies, GBP, AUD, INR, SGD and THB being the most significant. A number of these currencies may fluctuate vs. the Euro similarly to the US Dollar - Euro fluctuations, and the degree of this correlation may vary with time.

Hedging policy

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

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

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

Given that 20-30% of our net free cash flow is generated in USD or currencies that fluctuate vs. the Euro similarly to the US Dollar-Euro fluctuations, and that our hedging policy targets to reduce cash volatility, our hedging results are generally insufficient to mitigate the impacts from foreign exchange fluctuations on our operating results.

Both in the second quarter and in the first half of 2018, foreign exchange fluctuations had a negative impact on revenue and EBITDA, a positive impact on costs and an expansive impact on EBITDA margin. Excluding foreign exchange effects, revenue and EBITDA grew at high single-digit and low double-digit growth rates, respectively, both in the second quarter and in the first half of the year.

[10] Including Cost of revenue, Personnel expenses and Other operating expenses. Excludes Depreciation and amortization.

If we also exclude the impact from the adoption of IFRS 16, EBITDA grew at a high single-digit rate and EBITDA margin was broadly stable, both in the second quarter and in the first half of the year.

4.2 Interest rate risk

Our target is to reduce volatility in net interest flows. 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 June 30, 2018, 23% of our total covenant financial debt (related to the European Commercial Paper Program) was subject to floating interest rates, indexed to the EURIBOR. As of this date no interest rate hedges were in place.

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 all beneficiaries will receive a number of Amadeus shares which for the outstanding plans amount to (depending on the evolution of certain performance conditions), between a minimum of 252,000 shares and a maximum of 1,976,000 shares, approximately. It is Amadeus' intention to make use of its treasury shares to settle these plans at their maturity.

5 Operating and financial performance by segment

Segment Reporting (€millions)	Jan-Jun 2018	Jan-Jun 2017	Change
Distribution revenue	1,563.3	1,523.3	2.6%
IT Solutions revenue	913.7	855.2	6.8%
Group Revenue	**2,477.0**	**2,378.5**	**4.1%**
Distribution contribution	748.3	729.8	2.5%
IT Solutions contribution	660.5	610.4	8.2%
Total Contribution	**1,408.8**	**1,340.2**	**5.1%**
Net indirect costs	(330.6)	(343.9)	(3.9%)
EBITDA	**1,078.2**	**996.3**	**8.2%**
EBITDA Margin (%)	43.5%	41.9%	1.6 p.p.

In the first half of 2018, revenue increased by 4.1%, negatively impacted by foreign exchange effects. This revenue increase was supported by the positive evolution of our segments:

- In Distribution, revenue grew by 2.6%, driven by booking growth. Distribution revenue per booking remained broadly stable, affected by negative foreign exchange effects.
- In IT Solutions, revenue increased by 6.8%, driven by the positive evolution of Airline IT and our new businesses.

EBITDA expanded 8.2% in the first six months of 2018, as a result of (i) growing contributions in both Distribution (2.5%) and IT Solutions (8.2%), (ii) a decline in net indirect costs (-3.9%), impacted by the adoption of IFRS 16 from January 1, 2018 (see section 3.1 for further details), and (iii) negative foreign exchange effects. EBITDA margin, positively impacted by foreign exchange effects, expanded 1.6 p.p. to 43.5% of revenue.

Excluding foreign exchange effects and the impact from the adoption of IFRS 16, revenue and EBITDA both increased at a high single-digit growth rate, and EBITDA margin was broadly stable.

5.1 Distribution

Distribution (€millions)	Jan-Jun 2018	Jan-Jun 2017	Change
Operating KPI			
TA air competitive position[1]	43.5%	43.6%	(0.1 p.p.)
Total bookings (m)	337.7	328.4	2.8%
Financial results			
Revenue	1,563.3	1,523.3	2.6%
Contribution	748.3	729.8	2.5%
As % of Revenue	47.9%	47.9%	0.0 p.p.

[1] Competitive position as defined in section 3.

Distribution revenue increased 2.6% in the first half of 2018, supported by volume growth and broadly stable revenue per booking. Contribution grew by 2.5%, to €748.3 million. As a percentage of revenue, Distribution contribution was flat at 47.9%.

Both revenue and contribution were negatively impacted by foreign exchange effects in the first half of 2018, whilst contribution margin was positively impacted by foreign exchange effects.

5.1.1 Evolution of Amadeus bookings

Operating KPI	Apr-Jun 2018	Apr-Jun 2017	Change	Jan-Jun 2018	Jan-Jun 2017	Change
TA air booking industry growth	4.7%	1.7%		4.3%	4.3%	
TA air competitive position[1]	43.4%	43.8%	(0.4 p.p.)	43.5%	43.6%	(0.1 p.p.)
TA air bookings (m)	145.1	141.0	2.9%	305.1	295.2	3.4%
Non air bookings (m)	15.4	16.2	(4.8%)	32.5	33.2	(2.0%)
Total bookings (m)	160.5	157.2	2.1%	337.7	328.4	2.8%

[1] Competitive position as defined in section 3.

Travel agency air booking industry

The travel agency air booking industry grew 4.7% in the second quarter of 2018, led by Asia and Pacific as well as by North America, which continued to be the industry's fastest growing regions. Growth was impacted (i) positively, by a higher number of working days in the period, due to the timing of Easter, and (ii) negatively, by the FIFA World Cup (which impacted Central, Eastern and Southern Europe, particularly), as well as, by several strikes impacting airlines in Western Europe, which depressed booking growth in that region. Western Europe was also negatively impacted by the bankruptcy of a GDS airline whose bookings have partially shifted to the airline.com channel.

Total air bookings grew by 4.3% globally in the first six months of 2018. With the exception of Western Europe - where the industry declined impacted by the effects mentioned above - all regions showed a positive evolution. Asia and Pacific reported the fastest growth rate, and North America, Central, Eastern and Southern Europe and Latin America grew moderately. Middle East and Africa had a weak performance over the period.

Amadeus bookings

In the second quarter of 2018, Amadeus travel agency air bookings grew by 2.9%, leading to a 3.4% increase over the first six months of the year. Asia and Pacific, Central and Eastern and Southern Europe and North America were our fastest growing regions over the first six months of 2018, with Middle East and Africa and Latin America reporting more limited growth. Amadeus' bookings in Western Europe showed a contraction over the first half of 2018, impacted by the industry's booking decline and the loss of share at some European mid-size online travel agencies resulting from heightened commercial activity in the market. Excluding Western Europe, Amadeus bookings grew 9.2% in the first half of the year and our competitive position[11] expanded by 1.3 p.p.

Amadeus TA air bookings (millions)	Jan-Jun 2018	% of Total	Jan-Jun 2017	% of Total	Change
Western Europe	102.4	33.6%	109.5	37.1%	(6.5%)
Asia and Pacific	64.2	21.1%	54.7	18.5%	17.4%
North America	56.8	18.6%	52.5	17.8%	8.2%
Middle East and Africa	36.6	12.0%	35.8	12.1%	2.1%
Central, Eastern and Southern Europe	25.6	8.4%	23.7	8.0%	7.8%
Latin America	19.4	6.4%	18.9	6.4%	2.9%
Amadeus TA air bookings	305.1	100.0%	295.2	100.0%	3.4%

Amadeus' non-air bookings decreased by 4.8% in the second quarter of 2018, or 2.0% in the first half of 2018 vs. prior year, due to a decline in rail bookings, mostly driven by strikes impacting a key customer during the period. In turn, Amadeus' hotel bookings continued delivering strong growth in the first six months of the year.

5.1.2 Revenue

Distribution delivered revenue growth of 3.2% in the second quarter of 2018, driving 2.6% first half growth vs. 2017. This first half performance was negatively impacted by foreign exchange effects.

In the first six months of 2018, revenue growth resulted from an increase in bookings of 2.8% and expansive revenue per booking, negatively offset by foreign exchange effects. Excluding foreign exchange effects, average revenue per booking expansion was supported by (i) a

[11] Competitive position as defined in section 3.

positive booking mix, both from an increased weight of global bookings and a declining weight of non-air bookings, with a lower average fee, and (ii) customer renegotiations.

5.1.3 Contribution

Contribution increased by 2.5%, amounting to €748.3 million in the first half of 2018 and representing 47.9% of revenue. Contribution growth was driven by (i) an increase in revenue of 2.6%, as explained in section 5.1.2 above, (ii) 2.7% growth in net operating costs and (iii) negative foreign exchange effects. Growth in net operating costs in the first half of the year resulted from:

- Higher variable costs, due to (i) a 3.4% increase in travel agency air bookings, (ii) a unitary distribution cost expansion, mainly driven by heightened competitive pressure, a negative customer mix impact on incentives paid to travel agencies and a negative country mix (driven by the higher weight over our total volumes of some of the countries where Amadeus operates through local distributors, in particular India and South Korea), and (iii) non-recurring effects related to local taxes.
- A decline in net fixed costs, mainly resulting from a limited expansion of our R&D and commercial teams (coupled with a lower unit personnel cost), offset by (i) an increase in the capitalization ratio, impacted by project mix, and (ii) a reduction in several cost lines, such as bad debt provisions, which by nature may show a more volatile behaviour per quarter.
- Positive foreign exchange effects.

5.2 IT Solutions

IT Solutions (€millions)	Jan-Jun 2018	Jan-Jun 2017	Change
Operating KPI			
Passengers boarded (m)	888.8	753.4	18.0%
Financial results			
Revenue	913.7	855.2	6.8%
Contribution	660.5	610.4	8.2%
As % of Revenue	72.3%	71.4%	0.9 p.p.

IT Solutions revenue grew by 6.8% in the first half of 2018, supported by the performance of our Airline IT business as well as the positive evolution of our new businesses. Contribution amounted to €660.5 million in that period, growing by 8.2%. As a percentage of revenue, contribution represented 72.3%, 0.9 p.p. higher than the same period of previous year.

Both revenue and contribution were negatively impacted by foreign exchange effects in the first half of 2018, whilst contribution margin was positively impacted by foreign exchange effects.

5.2.1 Evolution of Amadeus passengers boarded

Amadeus passengers boarded grew by 14.0% to 471.9 million in the second quarter of 2018, driving first half growth vs. prior year to 18.0%.

This double-digit growth was driven by (i) the impact from the 2017 implementations (including Southwest Airlines, Japan Airlines, Malaysia Airlines, Kuwait Airways, Boliviana de Aviación, SmartWings, Germania, Norwegian Air Argentina, Air Algerie and MIAT Mongolian Airlines on Altéa, as well as, GoAir, Viva Air Perú, Andes Líneas Aéreas, JetSMART and flyadeal on New Skies) and (ii) an organic growth of 7.8%. Passengers boarded growth in the first six months of the year was negatively impacted by the ceasing of operations of Air Berlin and Monarch Airlines during 2017, and by the de-migration of LATAM Airlines Brazil from our platform during the second quarter of 2018.

Passengers boarded (millions)	Apr-Jun 2018	Apr-Jun 2017	Change	Jan-Jun 2018	Jan-Jun 2017	Change
Organic growth[1]	395.8	367.1	7.8%	738.3	684.9	7.8%
Non organic growth	76.0	46.6	63.0%	150.5	68.4	119.9%
Total passengers boarded	**471.9**	**413.7**	**14.0%**	**888.8**	**753.4**	**18.0%**

[1] Calculated based on passengers boarded adjusted to reflect growth of comparable airlines on the Altéa and New Skies platforms during both periods.

In the first half of 2018, 61.9% of our passengers boarded were generated outside of Europe. Our international footprint has continued to expand, particularly in Asia and Pacific and in North America, supported by the implementations of Southwest Airlines, Japan Airlines and Malaysia Airlines, among others, in 2017. Passengers Boarded growth in Western Europe and Latin America in the first half of 2018 were negatively impacted by the ceasing of operations of Air Berlin and Monarch Airlines during 2017, and by the de-migration of LATAM Airlines Brazil from our platform during the second quarter of 2018, respectively.

Passengers boarded (millions)	Jan-Jun 2018	% of Total	Jan-Jun 2017	% of Total	Change
Asia and Pacific	291.4	32.8%	235.8	31.3%	23.5%
Western Europe	290.8	32.7%	286.3	38.0%	1.6%
North America	119.9	13.5%	58.8	7.8%	104.1%
Latin America	72.6	8.2%	71.7	9.5%	1.2%
Middle East and Africa	66.0	7.4%	61.2	8.1%	7.8%
Central, Eastern & Southern Europe	48.0	5.4%	39.5	5.2%	21.8%
Passengers boarded	888.8	100.0%	753.4	100.0%	18.0%

5.2.2 Revenue

IT Solutions revenue increased 8.5% in the second quarter of 2018 vs. prior year, driving growth for the first half of 2018 to 6.8%. Revenue growth was negatively impacted by foreign exchange effects both in the second quarter and in the first half of 2018.

Excluding foreign exchange effects, first-half revenue growth was driven by the positive evolution of both Airline IT and our new businesses:

- Airline IT revenue increase resulted from (i) a 18.0% increase in passengers boarded, (ii) a dilutive average PSS revenue per passenger boarded as a result of an increased weight of low-cost and hybrid carriers in our customer base, and (iii) the positive evolution of other revenue lines, albeit at a slower pace than PBs.
- Our new businesses continued performing well in the first half of 2018, increasing at a double-digit growth rate, supported by organic growth and customer implementations.

5.2.3 Contribution

Contribution expanded by 8.2% in the first six months of 2018, amounting to €660.5 million. This positive performance was the combination of 6.8% revenue growth, as explained in section 5.2.2 above, 3.4% increase in our net operating costs and negative foreign exchange effects. Net operating costs increase resulted from:

- Limited growth in unit personnel cost, together with the reinforcement of our commercial teams to better support the expansion of our product offering and customer base. Also, increased R&D expenditure dedicated to our airline IT portfolio evolution and expansion (including improved merchandizing, personalization and shopping functionalities) and to our new businesses, partly offset by lower resources required to implement new carriers to our core Altéa platform.
- A reduction in several cost lines, which by nature may show a more volatile behavior per quarter.
- A higher capitalization ratio, impacted by project mix.
- Positive foreign exchange effects.

5.3 EBITDA

In the first half of 2018, EBITDA increased by 8.2% to €1,078.2 million, negatively impacted by foreign exchange effects (see section 4.1 for details on the exposure of our operating results to foreign exchange fluctuations).

EBITDA growth resulted from the positive performances of Distribution and IT Solutions and a reduction in net indirect costs as a consequence of the adoption of IFRS 16 in 2018 (based on which operating lease costs are no longer recognized within indirect costs. See section 3.1 for details on accounting changes). Excluding foreign exchange effects and the IFRS 16 impact, EBITDA grew at a high single-digit rate in the period.

In the first six months of 2018, EBITDA margin represented 43.5% of revenue, expanding 1.6 p.p. vs. prior year. EBITDA margin was positively impacted by foreign exchange effects, as well as by the IFRS 16 adoption in 2018. Excluding both, EBITDA margin was broadly stable vs. the first half of 2017.

Net indirect costs declined by 3.9% in the first six months of the year vs. the same period of 2017. Excluding the IFRS 16 impact, net indirect costs increased by 2.6%, resulting from: (i) expansion in R&D investment devoted to cross-area technology, including the shift to next-generation technologies and cloud services, as well as projects related to our overall infrastructure (see section 2.2 for further details), and (ii) increased resources in our corporate functions to support our business expansion, partially offset by (iii) a higher capitalization ratio, impacted by project mix, and (iv) positive foreign exchange effects.

6 Consolidated financial statements

6.1 Group income statement

Income Statement (€millions)	Apr-Jun 2018	Apr-Jun 2017	Change	Jan-Jun 2018	Jan-Jun 2017	Change
Revenue	**1,247.0**	**1,186.0**	**5.1%**	**2,477.0**	**2,378.5**	**4.1%**
Cost of revenue	(292.5)	(270.3)	8.2%	(595.9)	(548.3)	8.7%
Personnel expenses	(343.4)	(336.0)	2.2%	(667.2)	(663.8)	0.5%
Other operating exp.	(69.4)	(82.1)	(15.4%)	(129.8)	(163.9)	(20.8%)
D&A	(150.3)	(131.5)	14.3%	(294.5)	(259.0)	13.7%
Operating income	**391.4**	**366.1**	**6.9%**	**789.6**	**743.5**	**6.2%**
Net financial expense	(9.2)	(17.2)	(46.6%)	(19.3)	(30.5)	(36.7%)
Other expense	(0.1)	(0.4)	n.m.	(0.5)	(0.7)	(28.6%)
Profit before income tax	**382.1**	**348.5**	**9.6%**	**769.8**	**712.3**	**8.1%**
Income taxes	(99.3)	(90.6)	9.6%	(200.1)	(185.2)	8.0%
Profit after taxes	**282.8**	**257.9**	**9.7%**	**569.7**	**527.1**	**8.1%**
Share in profit from associates and JVs	2.6	1.3	n.m.	3.3	2.4	37.5%
Profit for the period	**285.4**	**259.2**	**10.1%**	**573.0**	**529.5**	**8.2%**
EPS (€)	**0.66**	**0.59**	**12.2%**	**1.33**	**1.21**	**10.4%**
Key financial metrics						
EBITDA	**539.2**	**494.4**	**9.1%**	**1,078.2**	**996.3**	**8.2%**
EBITDA margin (%)	43.2%	41.7%	1.6 p.p.	43.5%	41.9%	1.6 p.p.
Adjusted profit[1]	**301.2**	**279.2**	**7.9%**	**606.8**	**572.2**	**6.1%**
Adjusted EPS (€)[2]	**0.70**	**0.64**	**9.9%**	**1.41**	**1.31**	**8.2%**

[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.

6.1.1 Revenue

In the second quarter of 2018, revenue amounted to €1,247.0 million, growing 5.1% vs. prior year. For the first half of 2018, revenue increased by 4.1% to €2,477.0 million.

Growth both in the second quarter and in the first half of 2018 was driven by the positive evolution of Distribution and IT Solutions, negatively impacted by foreign exchange effects. Excluding foreign exchange effects, revenue grew at a high single-digit rate both in the second quarter and in the first half of 2018.

Overall, revenue growth was a combination of:

- An increase of 3.2% in Distribution in the second quarter of 2018, driving 2.6% growth for the first half period.
- An increase of 8.5% in IT Solutions in the second quarter of 2018, or 6.8% in the first half of the year.

See sections 5.1.2. and 5.2.2. for more detail on revenue growth in Distribution and IT Solutions.

Revenue (€millions)	Apr-Jun 2018	Apr-Jun 2017	Change	Jan-Jun 2018	Jan-Jun 2017	Change
Distribution	767.9	744.3	3.2%	1,563.3	1,523.3	2.6%
IT Solutions	479.1	441.7	8.5%	913.7	855.2	6.8%
Revenue	1,247.0	1,186.0	5.1%	2,477.0	2,378.5	4.1%

6.1.2 Cost of revenue

These costs are mainly related to: (i) incentive fees paid to travel agencies, (ii) distribution fees paid to local commercial organisations which act as a local distributor (mainly in the Middle East, North Africa, India, and South Korea), as well as non-reimbursable local taxes, and (iii) data communication expenses related to the maintenance of our computer network, including connection charges.

Cost of revenue grew by 8.2% in the second quarter of 2018 or 8.7% to €595.9 million in the first half of 2018 vs. prior year. The increase in cost of revenue was driven by (i) booking volume expansion, (ii) a higher unitary distribution cost, resulting from heightened competitive pressure, a negative customer mix impact on incentives paid to travel agencies and a negative country mix (driven by the higher weight over our total volumes of some of the countries where Amadeus operates through local distributors, in particular India and South Korea), and (iii) non-recurring effects related to local taxes.

6.1.3 Personnel and related expenses and other operating expenses

A large number of Amadeus' employees are software engineers. Amadeus also hires contractors to support its development activity, complementing permanent staff. The overall ratio of permanent staff vs. contractors devoted to R&D may fluctuate 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, decreased by 1.3% in the second quarter of 2018, or by 3.7% in the first half of 2018, vs. prior year, positively impacted by foreign exchange effects and the adoption of IFRS 16 from January 1, 2018 (see section 3.1 for further details). Excluding foreign exchange effects and the impact from the adoption of IFRS 16, this cost line increased moderately in the first half of the year vs. the same period of previous year, resulting from:

- A 6% increase in average FTEs (permanent staff and contractors), mainly due to higher resources devoted to R&D (see further details in sections 2.2 and 6.2.2), as well as the expansion of our commercial teams and customer support units to support the ongoing customer implementations and commercial activities. An increase in headcount in our corporate function, driven by the geographical and business expansion, also contributed to the FTE growth.
- Limited growth in unit personnel cost, as a result of our global salary increase.
- Growth in non-personnel related expenses, such as computing and consultancy costs.
- These effects were partially offset by (i) an increase in the capitalization ratio, impacted by project mix, and (ii) a reduction in several cost lines, such as bad debt provisions, which by nature may show a more volatile behaviour per quarter.

Personnel + Other op. expenses (€millions)	Apr-Jun 2018	Apr-Jun 2017	Change	Jan-Jun 2018	Jan-Jun 2017	Change
Personnel + Other operating expenses	(412.8)	(418.1)	(1.3%)	(797.0)	(827.7)	(3.7%)

6.1.4 Depreciation and amortization

Depreciation and amortization (including capitalized D&A) was 15.2% higher in the second quarter of 2018 vs. the same period in 2017, driving growth for the first half of 2018 to 14.2%.

Ordinary D&A grew by 18.7% in the second quarter of 2018 vs. prior year and 17.0% over the first six months, partly driven by the adoption of IFRS 16 from January 1, 2018 (see further details in section 3.1). Excluding the impact from the IFRS 16 adoption (€20.8 million), Ordinary D&A grew by 7.1% in the first six months of the year, driven by higher amortization of intangible assets, as capitalized development expenses on our balance sheet started being amortized in parallel with the associated project or contract revenue recognition.

Depreciation & Amort. (€millions)	Apr-Jun 2018	Apr-Jun 2017	Change	Jan-Jun 2018	Jan-Jun 2017	Change
Ordinary D&A	(126.6)	(106.7)	18.7%	(245.4)	(209.8)	17.0%
Amortization derived from PPA	(23.7)	(24.9)	(4.6%)	(49.1)	(49.2)	(0.3%)
D&A	**(150.3)**	**(131.5)**	**14.3%**	**(294.5)**	**(259.0)**	**13.7%**
Capitalized D&A[1]	2.5	3.2	(21.0%)	5.9	6.2	(5.9%)
D&A post-capitalizations	**(147.8)**	**(128.3)**	**15.2%**	**(288.6)**	**(252.8)**	**14.2%**

[1] Included within the Other operating expenses caption in the Group income statement.

6.1.5 EBITDA and Operating income

In the first half of 2018, EBITDA increased by 8.2% to €1,078.2 million, negatively impacted by foreign exchange effects (see section 4.1 for details on the exposure of our operating results to foreign exchange fluctuations).

EBITDA growth resulted from the positive performances of Distribution and IT Solutions and a reduction in net indirect costs as a consequence of the adoption of IFRS 16 in 2018 (based on which operating lease costs are no longer recognized within indirect costs. See section 3.1 for details on accounting changes). Excluding foreign exchange effects and the IFRS 16 impact, EBITDA grew at a high single-digit rate in the period.

In the first six months of 2018, EBITDA margin represented 43.5% of revenue, expanding 1.6 p.p. vs. prior year. EBITDA margin was positively impacted by foreign exchange effects, as well as by the IFRS 16 adoption in 2018. Excluding both, EBITDA margin was broadly stable vs. the first half of 2017.

Operating Income grew by 6.9% in the second quarter of 2018, or 6.2% to €789.6 million in the first half of the year, as a result of EBITDA expansion offset by higher D&A charges.

Operating income – EBITDA (€millions)	Apr-Jun 2018	Apr-Jun 2017	Change	Jan-Jun 2018	Jan-Jun 2017	Change
Operating income	**391.4**	**366.1**	**6.9%**	**789.6**	**743.5**	**6.2%**
Depreciation and amortization	150.3	131.5	14.3%	294.5	259.0	13.7%
Capitalized depreciation and amortization	(2.5)	(3.2)	(21.0%)	(5.9)	(6.2)	(5.9%)
EBITDA	**539.2**	**494.4**	**9.1%**	**1,078.2**	**996.3**	**8.2%**
EBITDA margin (%)	43.2%	41.7%	1.6 p.p.	43.5%	41.9%	1.6 p.p.

6.1.6 Net financial expense

Net financial expense decreased by 46.6% in the second quarter of 2018, or 36.7% in the first six months of the year, vs. prior year. Excluding the impact from the adoption of IFRS 16 (€2.2 million. See section 3.1 for further details), net financial expense declined by 44.0% over the first six months of 2018, mainly as a result of:

- A 7.1% decline in interest expense (excluding the IFRS 16 impact), as a consequence of both a lower average cost of debt and a lower amount of average gross debt outstanding (excluding the liability related to the share repurchase program in the first six months of 2018. See section 6.2.1 for further details).
- Exchange gains amounted to €2.3 million in the first six months of 2018, compared to losses of €9.7 million in the same period of 2017.

Net financial expense (€millions)	Apr-Jun 2018	Apr-Jun 2017	Change	Jan-Jun 2018	Jan-Jun 2017	Change
Financial income	0.4	0.2	n.m.	0.6	0.6	0.0%
Interest expense	(9.9)	(8.4)	17.9%	(17.9)	(16.9)	5.9%
Other financial expenses	(1.4)	(3.6)	n.m.	(4.3)	(4.5)	(4.4%)
Exchange gains (losses)	1.7	(5.4)	n.m.	2.3	(9.7)	n.m.
Net financial expense	(9.2)	(17.2)	(46.6%)	(19.3)	(30.5)	(36.7%)

6.1.7 Income taxes

Income taxes amounted to €200.1 million in the first six months of 2018, a growth of 8.0% vs. the same period of 2017. The income tax rate for the first six months of 2018 was 26.0%, in line with the tax rate reported in the first half of 2017 and higher than the 20.8% rate reported over the full-year 2017. Income tax rate in 2017 was impacted by a number of non-recurring effects, including adjustments to deferred tax liabilities in France and the U.S. due to lower corporate tax rates starting in 2018, in accordance with government regulatory changes, and tax deductions related to non-recurring transactions.

6.1.8 Profit for the period. Adjusted profit

Reported profit grew by 10.1% to €285.4 million in the second quarter of 2018. In the first half of the year, reported profit increased by 8.2% to €573.0 million vs. the same period of 2017. After adjusting for (i) accounting effects derived from PPA exercises and impairment losses, (ii) non-operating exchange gains (losses), and (iii) other non-recurring items, adjusted profit increased by 7.9% in the second quarter of 2018 and by 6.1% to €606.8 million in the first half of 2018 vs. prior year.

Reported-Adj. profit (€millions)	Apr-Jun 2018	Apr-Jun 2017	Change	Jan-Jun 2018	Jan-Jun 2017	Change
Reported profit	285.4	259.2	10.1%	573.0	529.5	8.2%
Adjustments						
Impact of PPA[1]	17.0	17.1	(0.7%)	35.2	34.3	2.7%
Non-operating FX results[2]	(1.3)	2.7	n.m.	(1.8)	5.8	n.m.
Non-recurring items	0.1	0.3	(69.0%)	0.4	2.5	(84.8%)
Adjusted profit	301.2	279.2	7.9%	606.8	572.2	6.1%

[1] After tax impact of accounting effects derived from purchase price allocation exercises.
[2] After tax impact of non-operating exchange gains (losses).

6.1.9 Earnings per share (EPS)

The table below shows EPS for the period, based on the profit attributable to the parent company (after minority interests), both on a reported basis and on an adjusted basis (adjusted profit as detailed above). In the first half of 2018, our reported EPS increased by 10.4% to €1.33 and our adjusted EPS by 8.2% to €1.41.

Earnings per share	Apr-Jun 2018	Apr-Jun 2017	Change	Jan-Jun 2018	Jan-Jun 2017	Change
Weighted average issued shares (m)	438.8	438.8		438.8	438.8	
Weighted average treasury shares (m)	(9.4)	(1.5)		(9.4)	(1.5)	
Outstanding shares (m)	429.5	437.3	(1.8%)	429.5	437.3	(1.8%)
EPS (€)[1]	0.66	0.59	12.2%	1.33	1.21	10.4%
Adjusted EPS (€)[2]	0.70	0.64	9.9%	1.41	1.31	8.2%

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

On December 14, 2017 the Board of Directors of Amadeus agreed to undertake a share repurchase program, in accordance with the authorization granted by the General Shareholders' Meeting held on June 20, 2013. The purpose of the share repurchase program is for the redemption of shares (subject to our General Shareholders' Meeting approval). The maximum investment will be €1,000 million, not exceeding 25,000,000 shares (or 5.69% of share capital), and will be carried out in two tranches.

As of June 30, 2018, the maximum investment under the first (non-cancellable) tranche of the share repurchase program (€500 million) has been recognised in the statement of financial position as a reduction of equity, and the corresponding treasury shares have been included in the weighted average treasury shares shown in the table above, in the first half of 2018. As of June 30, 2018, the Company had acquired 3,558,231 shares under the share repurchase program, for a paid amount of €212.4 million. The future payments under the first, non-cancellable tranche of the program, amounting to €287.6 million, have been included in the "Other current liabilities" caption in the statement of financial position, as well as in covenant net financial debt as of June 30, 2018.

6.2 Statement of financial position (condensed)

Statement of financial position (€millions)	Jun 30, 2018	Dec 31, 2017
Property, plant and equipment[1]	391.8	479.8
Right-of-use assets[1]	328.7	0.0
Intangible assets	3,304.7	3,204.3
Goodwill	2,737.3	2,714.2
Other non-current assets	275.6	256.8
Non-current assets	7,038.1	6,655.1
Current assets	702.2	639.6
Cash and equivalents	539.0	579.5
Total assets	**8,279.3**	**7,874.2**
Equity	2,942.5	2,640.2
Non-current debt	1,417.6	1,755.1
Other non-current liabilities	1,202.6	1,195.4
Non-current liabilities	2,620.2	2,950.5
Current debt	1,188.6	396.1
Other current liabilities	1,528.0	1,887.4
Current liabilities	2,716.6	2,283.5
Total liabilities and equity	**8,279.3**	**7,874.2**
Net financial debt (as per financial statements)	**2,067.2**	**1,571.7**

[1]In compliance with IFRS 16, the "Right-of-use assets" caption includes assets under operating and financial lease agreements, part of which (financial leases) were recognized as Property, plant and equipment at December 31, 2017. See section 3.1 for further details.

6.2.1 Financial indebtedness

Indebtedness (€millions)	Jun 30, 2018	Dec 31, 2017
Covenants definition[1]		
Long term bonds	1,000.0	1,500.0
Short term bonds	500.0	0.0
European Commercial Paper	550.0	300.0
EIB loan	225.0	257.5
Other debt with financial institutions	16.0	13.2
Obligations under finance leases	89.0	92.1
Share repurchase program	287.6	500.0
Covenant financial debt	**2,667.6**	**2,662.8**
Cash and cash equivalents	(539.0)	(579.5)
Covenant net financial debt	**2,128.6**	**2,083.3**
Covenant net financial debt / LTM covenant EBITDA	**1.10x**	**1.12x**
Reconciliation with financial statements		
Net financial debt (as per financial statements)	**2,067.2**	**1,571.7**
Interest payable	(6.4)	(2.1)
Deferred financing fees	8.5	10.3
EIB loan adjustment	2.6	3.4
Share repurchase program	287.6	500.0
Operating lease liabilities	(230.9)	0.0
Covenant net financial debt	**2,128.6**	**2,083.3**

[1] Based on the definition included in the senior credit agreements.

Net financial debt, as per our financial covenants' terms, amounted to €2,128.6 million at June 30, 2018 (representing 1.10 times last-twelve-month covenant EBITDA). The main changes to our covenant net debt in the first six months of 2018 were:

- The use of the Multi-Currency European Commercial Paper (ECP) program by a net amount of €250.0 million.
- A repayment of €32.5 million related to the European Investment Bank loan.
- As explained in section 7.3.2, as of June 30, 2018, the Company had acquired 3,558,231 shares under the share repurchase program, for a paid amount of €212.4 million. The future payments under the first (non-cancellable) tranche of the program, amounting to €287.6 million, have been included in covenant net financial debt.

On April 27, 2018 Amadeus executed a new €1,000 million Single Currency Revolving Loan Facility, with a five-year term (, to be used for working capital requirements and general corporate purposes. Simultaneously, the two undrawn revolving facilities signed in March 2015 (€500 million) and in April

2016 (€500 million), respectively, were cancelled. The new revolving facility remained undrawn at June 30, 2018.

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 (€6.4 million at June 30, 2018) 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 amortized cost, i.e., after deducting the deferred financing fees (that mainly correspond to fees paid upfront in connection with the set-up of new credit agreements and amount to €8.5 million at June 30, 2018), (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 (€2.6 million at June 30, 2018), (iv) includes the outstanding payment of the first tranche of the share repurchase program at June 30, 2018 (€287.6 million), as explained above, which has been included in the "Other current liabilities" caption in the statement of financial position, and (v) does not include debt related to assets under operating lease agreements (which form part of the financial debt in the statement of financial position) amounting to €230.9 million at June 30, 2018.

6.3 Group cash flow

Consolidated Statement of Cash Flows (€millions)	Apr-Jun 2018	Apr-Jun 2017	Change	Jan-Jun 2018	Jan-Jun 2017	Change
EBITDA	539.2	494.4	9.1%	1,078.2	996.3	8.2%
Change in working capital	(108.2)	(54.3)	99.3%	(176.4)	(89.0)	98.4%
Capital expenditure	(179.6)	(135.6)	32.5%	(342.5)	(290.8)	17.8%
Pre-tax operating cash flow	**251.4**	**304.5**	**(17.4%)**	**559.3**	**616.5**	**(9.3%)**
Taxes paid	(91.8)	(136.8)	(32.9%)	(92.3)	(157.3)	(41.3%)
Interest & financial fees paid	(3.5)	(4.1)	(14.5%)	(5.8)	(10.1)	(42.7%)
Free cash flow	**156.1**	**163.6**	**(4.6%)**	**461.2**	**449.1**	**2.7%**
Equity investment	(0.1)	(0.0)	n.m.	(7.1)	(28.8)	(75.3%)
Cash flow from extraordinary items	1.3	(9.6)	n.m.	(14.0)	(54.0)	(74.1%)
Debt payment	142.5	192.5	(25.9%)	172.1	180.6	(4.7%)
Cash to shareholders	(312.1)	(198.5)	57.3%	(653.0)	(374.2)	74.5%
Change in cash	**(12.3)**	**147.9**	**n.m.**	**(40.9)**	**172.8**	**n.m.**
Cash and cash equivalents, net[1]						
Opening balance	550.6	474.5		579.1	449.6	
Closing balance	538.3	622.5		538.3	622.5	

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

6.3.1 Change in working capital

Working capital outflow increased by €87.5 million in the first half of the year, mostly driven by (i) accounting effects from non-cash operating items, such as bad debt provisions and the recognition of previously deferred revenue, (ii) timing differences in some payments and collections, and (iii) lower tax collections.

6.3.2 Capital expenditure, R&D investment

Capital expenditure

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

Capex in the second quarter of 2018 increased by 32.5% vs. prior year, due to higher capex in intangible assets, partly offset by a decline in capex devoted to property, plant and equipment. The increase in capex in intangible assets resulted from growth in software capitalizations in the period, which accelerated vs. previous quarter, driven by higher R&D investment coupled with an increase in the R&D capitalization ratio, impacted by project mix. Also, signing bonuses paid in the second quarter of the year increased vs. previous year.

In the first half of 2018, capex increased by 17.8% vs. 2017, amounting to €342.5 million. As a percentage of revenue, capex represented 13.8%, 1.6 p.p. higher than the same period of previous year. Capex in intangible assets expanded 20.2% in the first half of the year vs. 2017, largely driven by an increase in software capitalizations and, to a lesser extent, higher signing bonuses paid.

It is important to note that a large part of our investments do not have any revenue associated at this stage (particularly in the case of new diversification initiatives), or are investments for projects that will produce revenue during the life of the contracts, on average 10 to 15 years in Airline IT and 3 to 5 in Distribution, thereby affecting the capex as a percentage of revenue ratio. It is also important to note that a large part of our investments 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 (€millions)	Apr-Jun 2018	Apr-Jun 2017	Change	Jan-Jun 2018	Jan-Jun 2017	Change
Capital Expenditure PP&E	29.6	32.0	(7.4%)	58.9	54.9	7.4%
Capital Expenditure in intangible assets	150.0	103.6	44.8%	283.6	236.0	20.2%
Capital Expenditure	**179.6**	**135.6**	**32.5%**	**342.5**	**290.8**	**17.8%**
As % of Revenue	14.4%	11.4%	3.0 p.p.	13.8%	12.2%	1.6 p.p.

R&D investment

R&D expenditure (including both capitalized and non-capitalized expense) increased by 11.9% in the second quarter of 2018. In the first half of 2018, R&D investment amounted to €401.3 million, 11.3% higher than previous year. As a percentage of revenue, R&D investment amounted to 16.2% of revenues in the six-month period, 1.0 p.p. higher than prior year.

Growth in R&D investment in the first half of 2018 resulted from:

- Increased resources to enhance and expand our product portfolio (including projects under the scope of our NDC-X program, merchandizing, shopping and personalization solutions, our revenue optimization portfolio, disruption management tools, IT for corporations, search tools, etc.) and to implement solutions associated with our Airline IT upselling activity, combined with lower efforts devoted to implementing new carriers to our core Altéa platform.
- Investment devoted to our new businesses: Hospitality, Airport IT, Payments, Rail and Travel Intelligence.
- Efforts dedicated to the shift to next-generation technologies and cloud services and continued enhancement of the overall infrastructure and processes to enhance efficiency, flexibility, availability and security.

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

R&D investment (€millions)	Apr-Jun 2018	Apr-Jun 2017	Change	Jan-Jun 2018	Jan-Jun 2017	Change
R&D investment[1]	208.3	186.1	11.9%	401.3	360.6	11.3%
As % of Revenue	16.7%	15.7%	1.0 p.p.	16.2%	15.2%	1.0 p.p.

[1] Net of Research Tax Credit.

6.3.3 Taxes paid

Cash taxes decreased by €65.0 million, or 41.3%, in the first half of the year vs. previous year, mainly due to (i) higher reimbursements from previous years, (ii) regularizations in various regions (due to higher than expected 2016 results) negatively impacting cash taxes in the second quarter of 2017, and (iii) lower prepaid taxes in U.S. resulting from a decrease in the corporate tax rate in 2018, in accordance with government regulatory changes.

7 Investor information

7.1 Capital stock. Share ownership structure

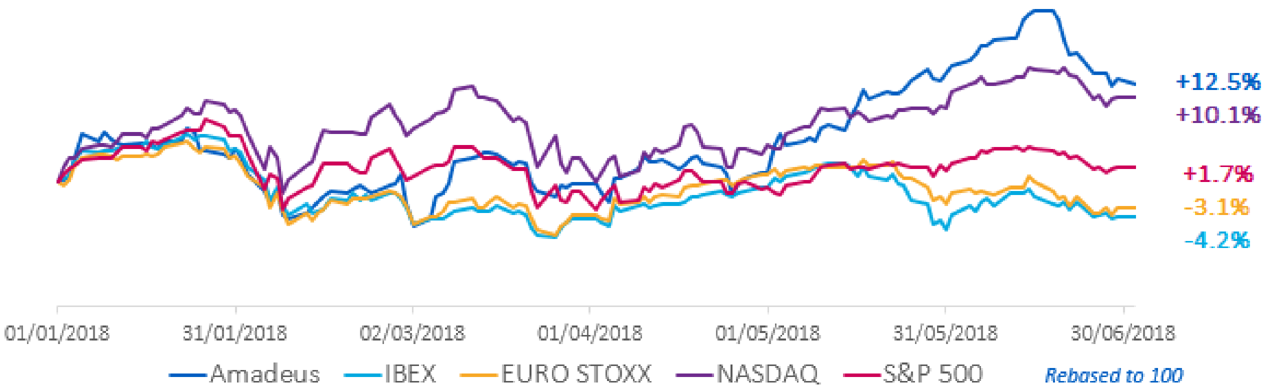
As of June 30, 2018, our capital stock amounts to €4,388,225.06 represented by 438,822,506 shares with a nominal value of €0.01 per share, all belonging to the same class, fully subscribed and paid in.

The shareholding structure as of June 30, 2018 is as described in the table below:

Shareholders	Shares	% Ownership
Free float	433,774,562	98.85%
Treasury shares[1]	4,624,183	1.05%
Board members	423,761	0.10%
Total	**438,822,506**	**100.00%**

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

7.2 Share price performance in 2018



Key trading data	
Number of publicly traded shares (# shares)	438,822,506
Share price at June 30, 2018 (in €)	67.60
Maximum share price in Jan - Jun 2018 (in €) (June 18, 2018)	72.44
Minimum share price in Jan - Jun 2018 (in €) (March 2, 2018)	56.90
Market capitalization at June 30, 2018 (in € million)	29,664
Weighted average share price in Jan - Jun 2018 (in €)[1]	63.00
Average Daily Volume in Jan - Jun 2018 (# shares)	1,374,543

[1] Excluding cross trade

7.3 Shareholder remuneration

7.3.1 Dividend payments

At the General Shareholders' Meeting, held on June 21, 2018, our shareholders approved a final gross dividend of €498.1 million or €1.135 per share, representing a 20.7% increase vs. prior year. An interim dividend of €0.48 per share (gross) was paid on January 31, 2018 and a complementary dividend of €0.655 per share (gross) was paid on June 29, 2018.

7.3.2 Share repurchase program

On December 14, 2017, the Board of Directors of Amadeus agreed to undertake a share repurchase program, in accordance with the authorization granted to it by the General Shareholders' Meeting held on June 20, 2013. The purpose of the share repurchase program is the redemption of shares (subject to our General Shareholders' Meeting approval). The maximum investment will be €1,000 million, not exceeding 25,000,000 shares (or 5.69% of share capital), and will be carried out in two tranches:

- Tranche 1: up to €500 million (non-cancellable), from January 1, 2018 to March 31, 2019.
- Tranche 2: up to €500 million (cancellable at Company's discretion), from April 1, 2019 to March 31, 2020.

As of June 30, 2018, the Company had acquired 3,558,231 shares under the share repurchase program, for a paid amount of €212.4 million. The future payments under the first (non-cancellable) tranche of the program, amounting to €287.6 million, have been included in the "Other current liabilities" caption in the statement of financial position, as well as in covenant net financial debt as of June 30, 2018. Also, as of June 30, 2018, the maximum investment under the first (non-cancellable) tranche of the share repurchase program (€500 million) was recognized in the statement of financial position as a reduction of equity, and the corresponding treasury shares have been included in the weighted average treasury shares shown in section 5.6.2, in the first half of 2018.

8 Key terms

- "B&F": refers to "Building and facilities"
- "CRS": refers to "Computerised Reservation System"
- "D&A": refers to "depreciation and amortization"
- "ECP": refers to "European Commercial Paper"
- "EIB": refers to "European Investment Bank"
- "EPS": refers to "Earnings Per Share"
- "FTE": refers to "Full-Time Equivalent" employee
- "GDS": refers to "Global Distribution System"
- "IATA": refers to "International Air Transport Association"
- "IFRS": refers to "International Financial Reporting Standards"
- "JV": refers to "Joint Venture"
- "KPI": refers to "Key Performance Indicators"
- "LTM": refers to "last twelve months"
- "NDC": refers to "New Distribution Capability"
- "n.m.": refers to "not meaningful"
- "OTA": refers to "Online Travel Agency"
- "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 or Navitaire New Skies
- "p.p.": refers to "percentage point"
- "PPA": refers to "Purchase Price Allocation"
- "PP&E": refers to "Property, Plant and Equipment"
- "PSS": refers to "Passenger Service System"
- "R&D": refers to "Research and Development"
- "TA": refers to "travel agencies"
- "TA air bookings": air bookings processed by travel agencies using our distribution platform
- "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

Contacts

For any other information please contact:

Ana de Pro
Chief Financial Officer
ana.depro@amadeus.com

Cristina Fernandez
Director, Investor Relations
cristina.fernandez@amadeus.com

You can follow us on:
AmadeusITGroup

amadeus.com/investors

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