

Amadeus FY 2013 Results

February 28, 2014



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

The year 2013 in review

President & CEO,
Mr. Luis Maroto



Record 2013 results

- 6.6% revenue growth, supported by:
 - Increased market shares, and
 - Successful execution of client migrations
- EBITDA growth of 7.2% to €1,188.7 million
 - EBITDA margin expansion to 38.3%
- Adjusted profit increase of 7.8% to €619.5 million
 - Adjusted EPS growth of 7.6% to €1.39
- Free cash flow generation of more than €540 million
- Further deleveraging to 1.01x net debt/EBITDA
 - €150 million senior loan granted by EIB to finance investment R&D
 - Total repayment of existing bridge loan
 - €490.9 million in cash and cash equivalents, after the payment of the 2012 dividend
- Gross dividend of €0.625 per share, 25% higher than in 2012
 - Representing a 50% dividend pay-out ratio

... supported by the solid performance of our two segments

Distribution

- Strong market share gains (+1.5 p.p.), reaching 40.1% market share in 2013
 - Supported by growth in most regions, notably in the US thanks to recent contract wins
- Renewed all contracts and added new providers securing the relevant content for our travel agency subscribers
 - 21% growth in low cost carrier bookings, driven by the addition of 10 new low cost carriers

IT Solutions

- Successful implementation of migrations scheduled for the year, representing additional 40 million passengers on yearly basis
 - Namely EVA Airways, Garuda Indonesia, Thai Airways, Asiana Airlines and Sri Lankan Airlines
- Significant expansion of our airport IT business:
 - New contracts with our launch partners Copenhagen and Munich airports to develop new airport IT modules, as well as increased base of ground handlers contracted in our DCS solution, with 55 contracts at the end of 2013
 - Acquisition of UFIS in early 2014, a small-size airport IT provider⁽¹⁾
- Remarkable progress in hotel, with the acquisition of Newmarket, a leading IT provider to the hotel sector⁽¹⁾

Business Highlights

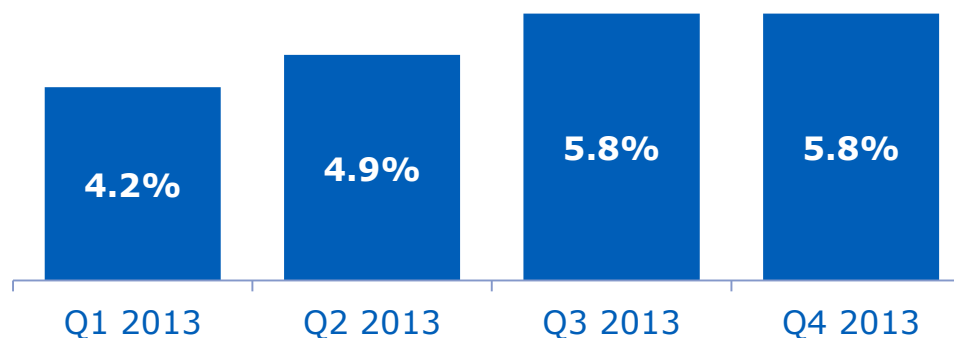
President & CEO,
Mr. Luis Maroto



Amadeus' success is backed by a resilient industry, despite the challenging macro environment ...

Air Traffic ⁽¹⁾ (% Change, year-on-year)

FY: 5.2%



— Sustained air traffic growth at 5.2%, stable vs. 2012

— Positive trend observed throughout the year, driven by the macroeconomic environment

— Emerging markets remain the highest-growth regions:

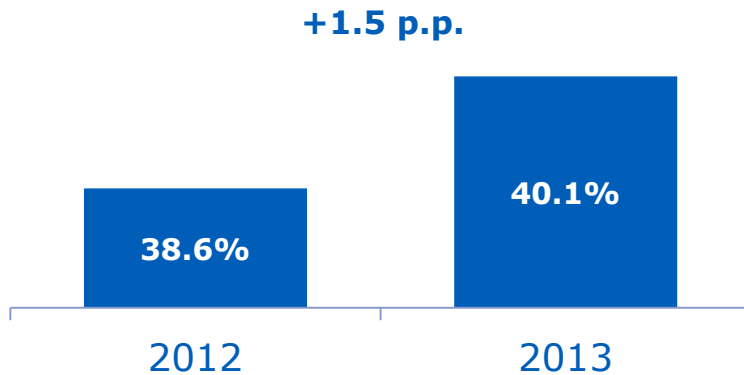
- In international traffic (5.4%), the strongest performances were registered by airlines from the Middle East and Latin America
- Domestic traffic increased at a lower pace (4.9%), negatively affected by a weak Brazil and US, and despite traffic volume expansion in China and Russia

— Air travel agency booking industry growth of 2.0%, recovering from 1.2% in 2012

- Soft recovery observed in the second half of the year (+4.3% in Q4 2013)
- Negatively impacted by working day differences, the weakness in corporate travel and the poor performance of some countries with strong weight in the industry (in particular, WE and NA, where volumes declined, and in MEA, due to political unrest)
- Asia negatively impacted by the growth of low cost carriers in the region

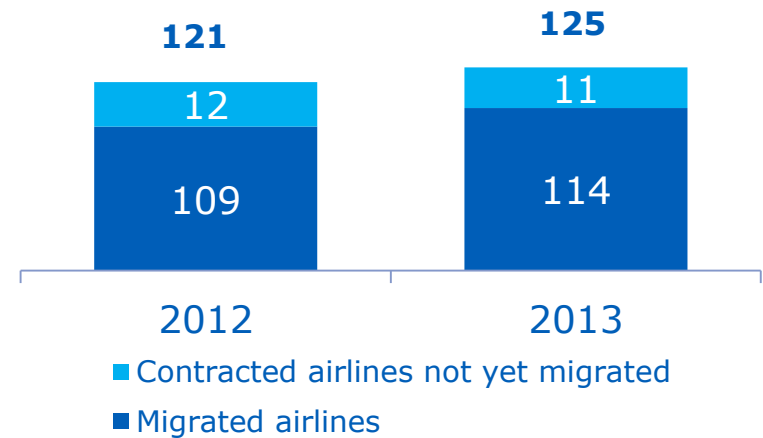
... and Amadeus' consistent delivery and successful execution both in Distribution and in IT Solutions

Market share⁽¹⁾ in Distribution



- Sustained market share gains in most regions, notably in North America

Number of Altéa⁽²⁾ clients in IT Solutions

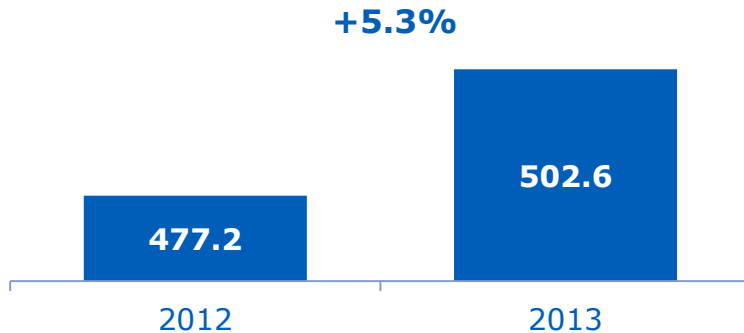


- Continued expansion of our customer base
- Successful implementation of scheduled migrations

1. Our share of the total volume of travel agency air bookings processed by the global or regional CRS. Excludes air bookings made through in-house or single country operators, primarily in China, Japan, South Korea and Russia
2. Airlines that have contracted at least the Altéa Inventory module, in addition to the Reservations module

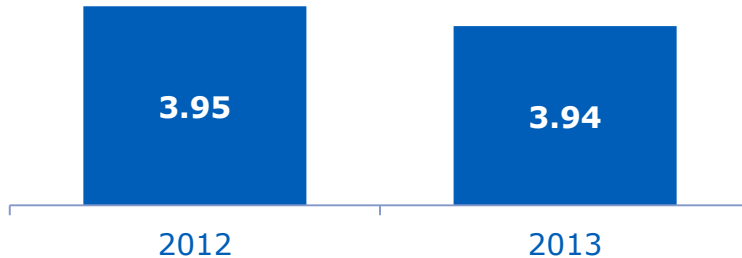
Distribution business: volume growth and sustained pricing lead to revenue growth

Amadeus TA Bookings (in million)



Healthy **booking growth**, driven by market share gains in a context of limited industry growth

Average Booking Fee (€)



Sustained underlying pricing (excluding FX). The decline shown above is driven by negative FX impact, partially offset by positive product mix

Amadeus air TA Bookings by region

Volume growth (%)

LaTam +12.5%

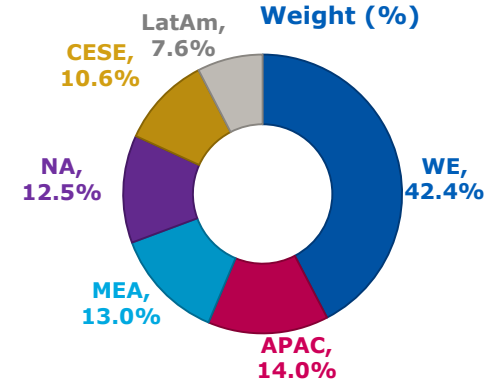
CESE +7.7%

WE -0.4%

NA +38.1%

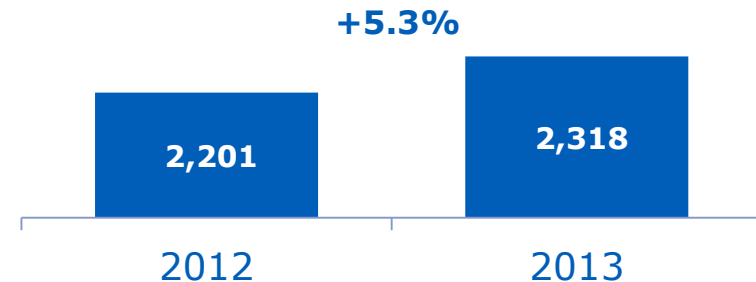
MEA +2.4%

APAC +7.0%



Increasing weight of high-growth regions (LatAm, CESE and APAC) and North America. MEA negatively impacted by country mix

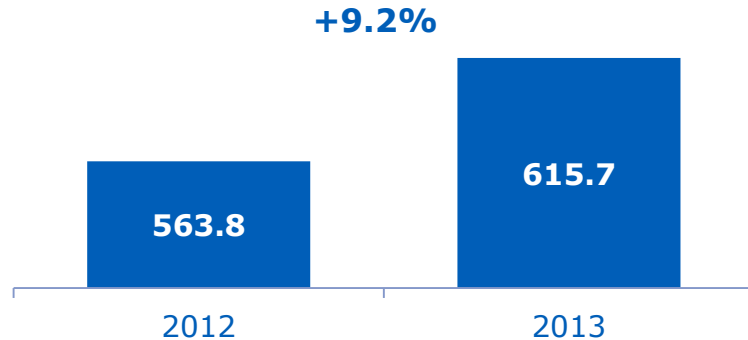
Revenue (in € million)



Driving **revenue growth**

Outperformance by IT Solutions, fuelled by migrations and pricing increase

Passengers Boarded⁽¹⁾ (in million)



— **Solid growth in PB volumes**, as we continue to migrate customers to our Altéa platform

Altéa PB by region⁽²⁾ (%)

Volume growth

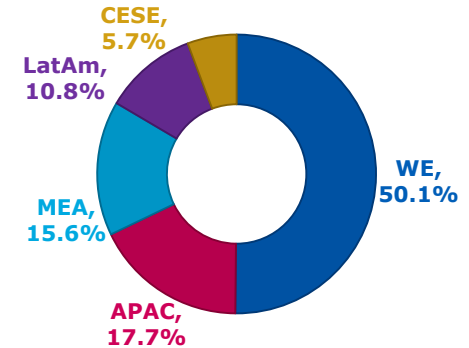
CESE +12.4%

LatAm -0.2%

WE +4.3%

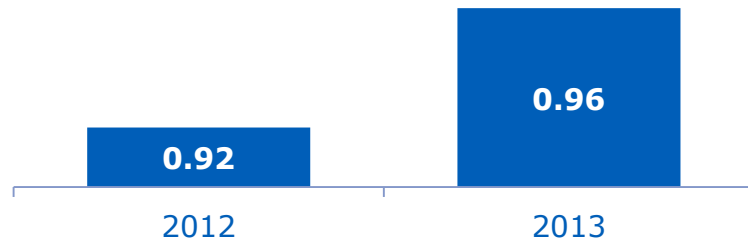
MEA -4.4%

APAC +57.6%



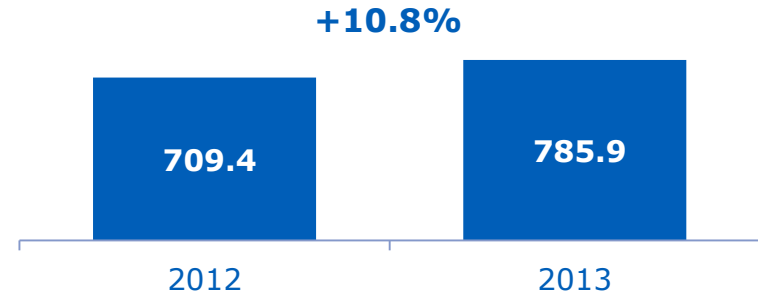
— **APAC represents the main area of growth**, based on the recent migrations

IT transactional revenue per PB (€)



— **Increase in implied average pricing**, mainly driven by the migrations to DCS completed in 2013

Revenue (in € million)

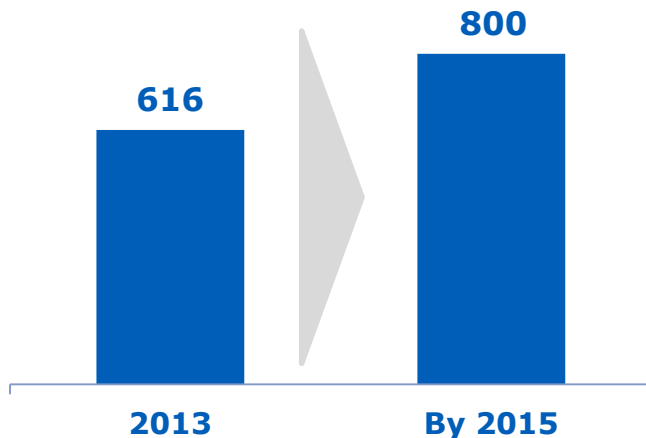


— Leading to **strong IT Solutions revenue increase**

... and with growth accelerating in 2014

Contracted Passengers Boarded ⁽¹⁾ (in million)

CAGR (2013-2015): +14.0%



Contracted migration pipeline 2013 - 2015

- Southwest Airlines (International part): H1 2014
- Korean Air: H2 2014
- All Nippon Airways (International part): H1 2015
- Alitalia: H1 2015

**Total Full Year estimated PB c.60 million
(as of 2013)**

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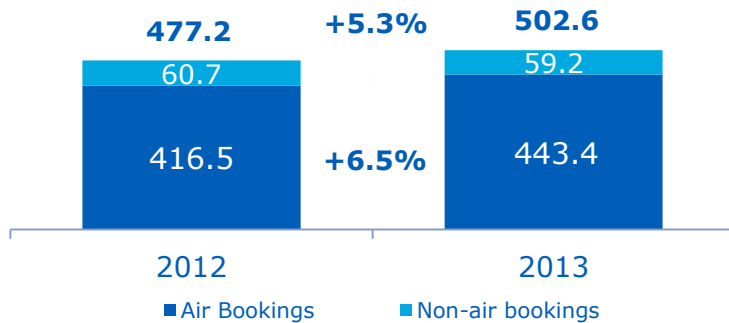
Financial Highlights

CFO, Mrs. Ana de Pro

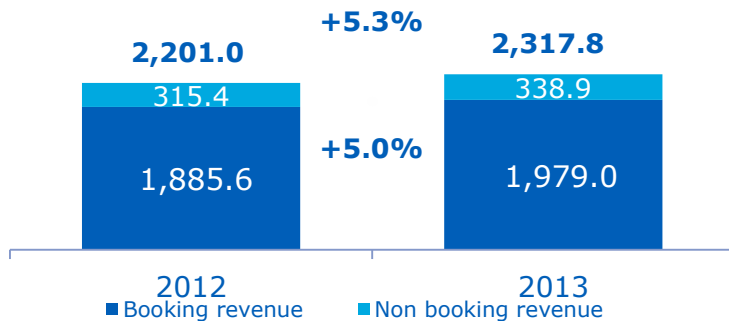
Both Distribution and IT Solutions performed strongly, delivering significant volume and revenue growth

Distribution

Bookings (in million)

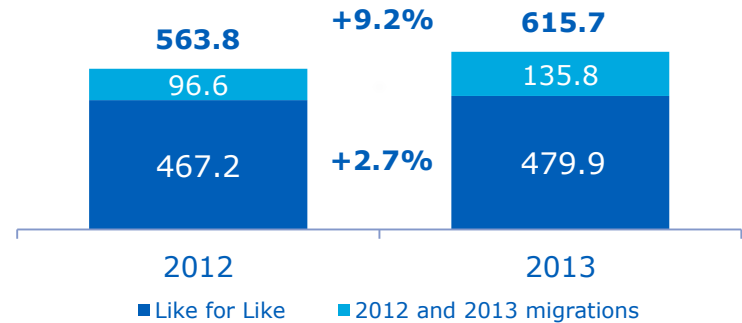


Revenue (€ mm)

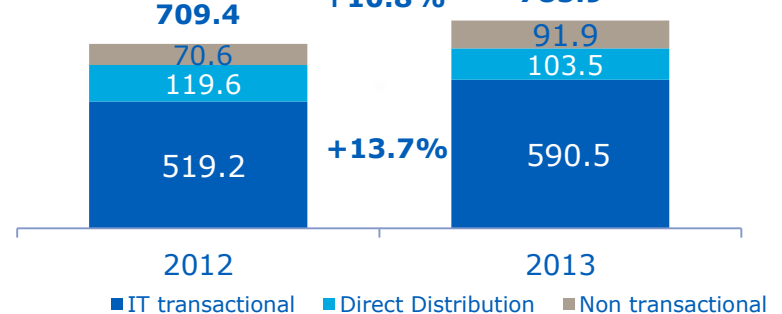


IT Solutions

PB (in million)



Revenue (€ mm)



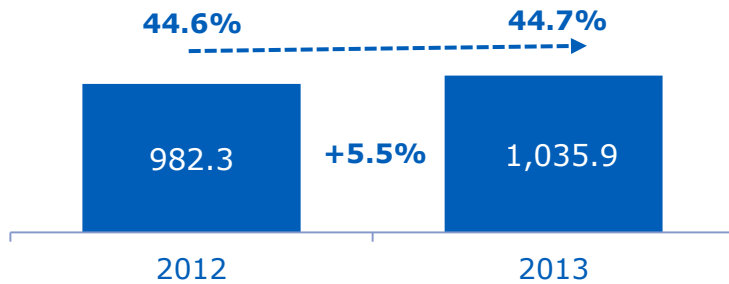
- 6.5% growth in air TA bookings, fuelled by market share gains and underlying growth. Non-air volume impacted by declining rail bookings
- 5.0% increase in booking revenue, driven by higher volumes and underlying pricing improvement (excluding negative FX impact)
- 7.5% growth in non-booking revenue

- 9.2% growth achieved in PB, mainly driven by migrations
- Revenue growth supported by the strong increase in IT Transactional revenue, fuelled by PB growth, and non transactional revenue (and despite the expected lower revenue from direct distribution)

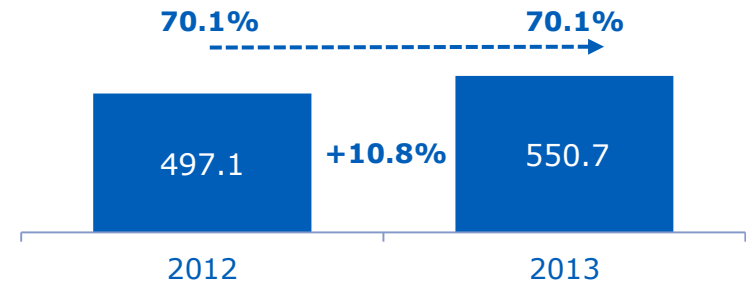
5.3% and 10.8% growth in Distribution and IT Solutions revenue, respectively; group revenue growth of 6.6%

Continued growth in both businesses, with sustained margins

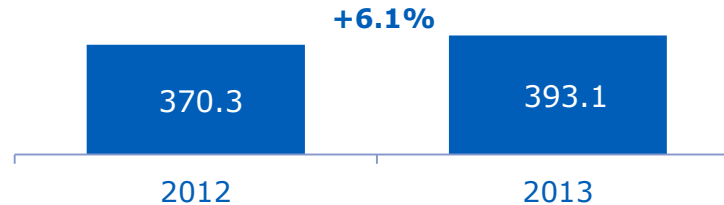
Distribution contribution (in € million), contribution margin (%)



IT Solutions contribution (in € million), contribution margin (%)⁽¹⁾



Net Indirect fixed costs⁽²⁾ (in € million)

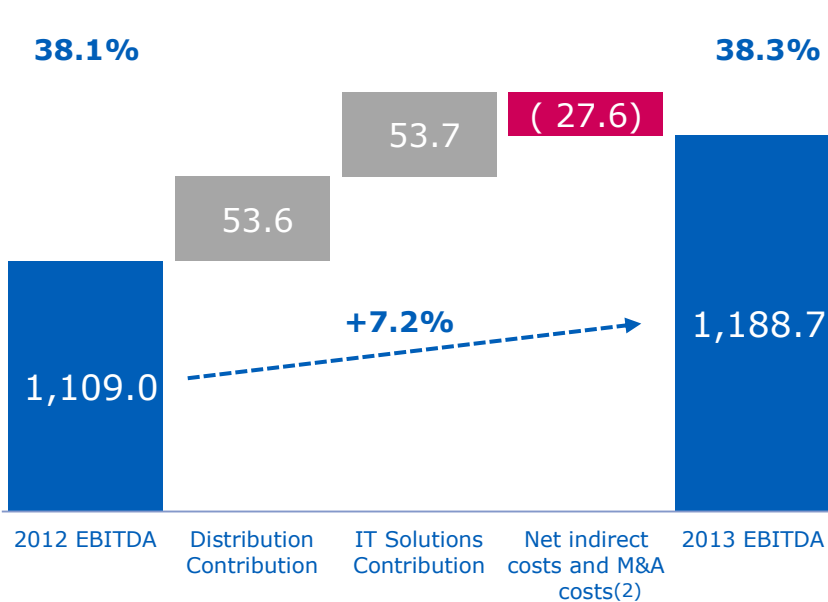


- Distribution margin broadly stable, despite R&D increase and limited average unit incentive growth, offset by certain cost efficiencies
- Stable margin in IT Solutions, where operating leverage has been used to invest in future growth opportunities
- Net indirect costs growth driven by investment in our data centre, continued efforts to demigrate from TPF and to support our overall group expansion

Strong growth at EBITDA and Profit level

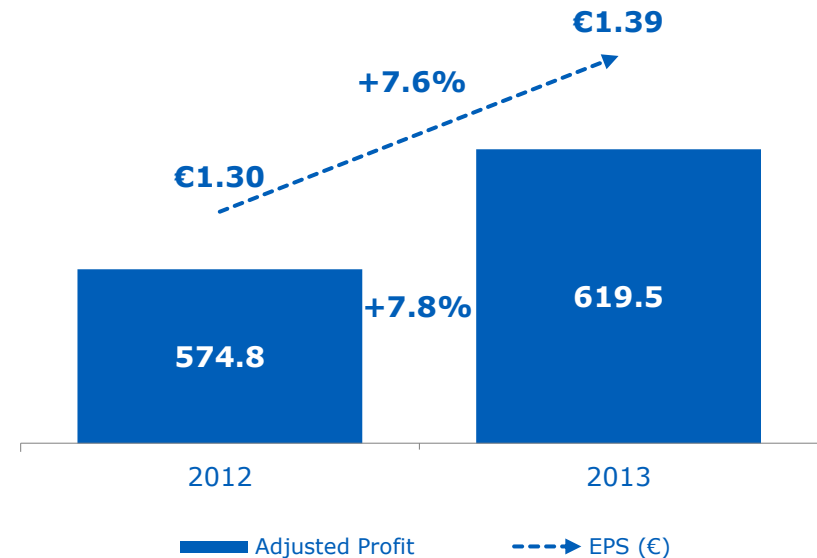
Breakdown of EBITDA⁽¹⁾ growth (€ mm)

% of Revenue



- Significant growth in EBITDA based on the positive performance of our business lines
- Contribution from Distribution and IT Solutions increased vs. last year
- Slight margin expansion as a result of the increasing weight of our IT solutions business

Adjusted Profit⁽³⁾ (€ mm) and EPS⁽⁴⁾ (€)

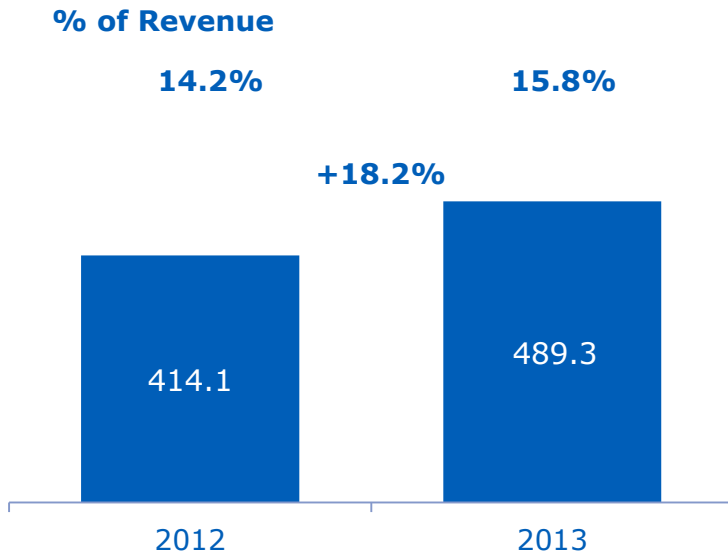


- Significant Adjusted profit and EPS growth in 2013, mainly driven by EBITDA growth and a remarkable reduction in interest expenses

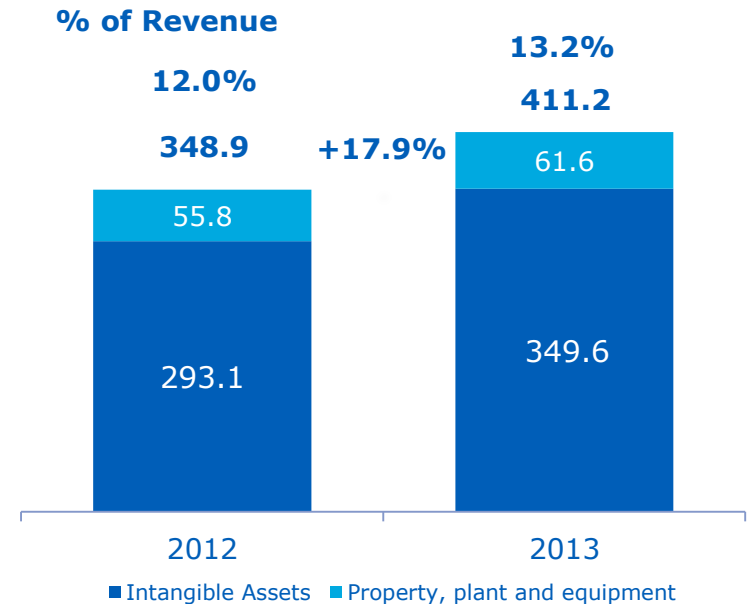
1. Figures adjusted to exclude extraordinary costs related to the IPO, in 2012
2. Includes extraordinary costs of €4.9 million associated to the acquisition of Newmarket, in Q4 2013
3. Excluding after-tax impact of the following items: (i) amortisation of PPA and impairment losses, (ii) changes in fair 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 and, in 2012, the IPO
4. EPS corresponding to the Adjusted profit attributable to the parent company. Calculated based on weighted average outstanding shares of the period

Sustained investment in R&D and Capex

R&D investment (in € million)



Capex (in € million)



Consistent commitment to Research & Development as a core part of our long term strategy: R&D as % of revenue at 15.8% in 2013, above 2012

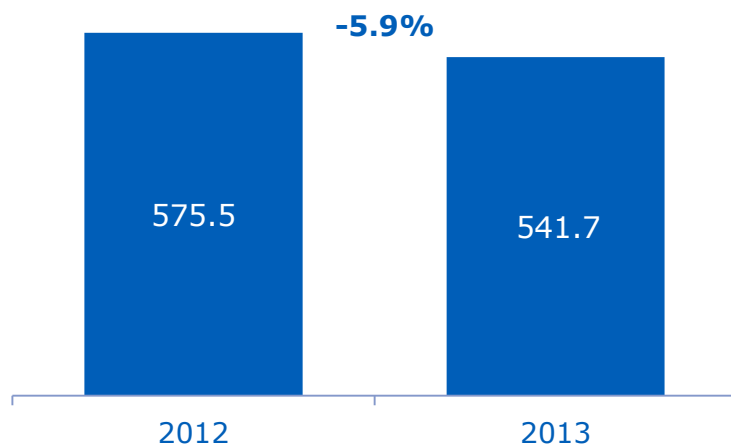
Main projects undertaken in the year are: (i) intense Altéa migration activity, (ii) progress in the new businesses, in particular airports, (iii) airline IT portfolio expansion (e.g. revenue management), (iv) preparation work to migrate Korean travel agencies today connected to Topas, (v) advanced solutions for travel agencies, and (vi) ongoing TPF decommissioning and platform enhancements

Capex increase both in tangible and intangible assets:

- Investment in intangible assets increase driven by higher R&D activity levels; higher investment in new businesses and recent contract wins
- Investment in tangible assets linked to overall company expansion (additional hardware and licenses required for operation)

Free cash flow generation and deleveraging

Free cash flow⁽¹⁾ (€ mm)



Net Debt (€ mm) and Leverage (x) ⁽²⁾



- Free cash flow generation of €541.7 million in 2013, slightly lower than in 2012, mainly due to:
 - Higher levels of capex and paid taxes
 - Lower contribution of working capital, mainly due to no factoring done in 2013 as opposed to 2012
 - Partly offset by lower interests paid

- Debt reduction of more than €284 million in 2013
- Fast deleveraging to 1.01x net debt / EBITDA

1. Defined as: EBITDA less capex, plus change in working capital, less tax cash, less interest and financial fees. EBITDA excludes IPO costs in 2012

2. Covenant net financial debt and leverage as defined in the Senior Credit Agreement. Leverage calculated as covenant net financial debt divided by LTM covenant EBITDA. Excludes the new credit facility to finance the acquisition of Newmarket, proforma of it our net debt to EBITDA ratio as of December 31, 2013 would be 1.3x.

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2014 Outlook

President & CEO, Mr.
Luis Maroto



The macro outlook is improving but is still fragile...

World GDP Growth

	2013	2014	Change
World Output	3.0%	3.7%	0.7 p.p.
Advanced economies	1.3%	2.2%	0.9 p.p.
US	1.9%	2.8%	0.9 p.p.
Euro Area	(0.4%)	1.0%	1.4 p.p.
Emerging & developing economies	4.7%	5.1%	0.4 p.p.
Central and Eastern Europe	2.5%	2.8%	0.3 p.p.
Commonwealth of Independent States	2.1%	2.6%	0.5 p.p.
Developing Asia ⁽¹⁾	6.5%	6.7%	0.2 p.p.
China	7.7%	7.5%	(0.2p.p.)
India	4.4%	5.4%	1.0 p.p.
Latin America ⁽²⁾	2.6%	3.0%	0.4 p.p.
Brazil	2.3%	2.3%	0.0 p.p.
Sub-Saharan Africa	5.1%	6.1%	1.0 p.p.
MENA	2.4%	3.3%	0.9 p.p.

“Activity is expected to improve further in 2014 and 2015 on account of recovery in the advanced economies”

- “Global growth is now projected to be slightly higher in 2014, at around 3.7%, but downward revisions to growth forecasts in some economies highlight continued fragilities, and downside risk remain”
- “Financial conditions in advanced economies have eased since the release of the October 2013 WEO with little change since the announcement by the US Federal Reserve on December 18th that it will begin tapering its quantitative easing measures. (...) In emerging market economies, however, financial conditions have remained tighter following the US announcement notwithstanding fairly resilient capital flows”
- “The euro area is turning the corner from recession to recovery. Growth is expected to strengthen but the recovery will be uneven. The pick up will generally be more modest in economies under stress”

Source:

IMF World Economic Outlook Update, January 2014

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Amadeus will deliver further growth, taking advantage of improving traffic conditions

Expectations for 2014⁽¹⁾

Distribution

- _ Revenue growth
- _ Contribution growth
 - Lower contribution margin



Low single-digit growth rate

IT Solutions

- _ Revenue growth
- _ Contribution growth
 - Stable contribution margin



Low double-digit growth rate

Group Level

- _ Strong level of investment
- _ Sustained FCF generation

- _ Capex = 12-15% of revenue with current level of activity
- _ FCF => €550 million

Capital structure

- _ Maintain net debt / EBITDA ratio within target: 1.0 - 1.5x

Dividend pay-out proposal

- _ Maintain the dividend pay-out ratio at 40 - 50% profit⁽²⁾
- _ In 2014, proposed pay-out ratio of 50% of 2013 profit
 - An interim dividend of €0.30 per share (gross), paid in January 2014 and a complementary final gross of €0.325 subject to approval from Shareholder General Meeting

1.Excludes the impact of the consolidation of our recently announced acquisition of Newmarket

Key Themes in 2014 - Distribution

- _ **Strong air traffic growth** (6.0% IATA's estimate)
- _ **Disintermediation** softening with the economic recovery



- _ **Acceleration of air TA booking industry growth**

- _ Continued **market share gains**
- _ Driven by contribution from Topas migration on the second half of the year and new contracts signed in 2013
- _ Despite the significant **competitive pressure**



- _ **Market share gains**

- _ **Negative booking mix** from growth in domestic markets and in the low cost carrier segment
- _ **Pressure** from content agreement renewals



- _ **Dilution on average booking fee**

- _ **Low single-digit revenue and contribution growth** based on a stronger industry and market share gains
- _ **Dilution in contribution margin** driven by growth in low profit segments

Key Themes in 2014 – IT Solutions⁽¹⁾

Increasing growth in PB and revenue driven by airline migration activity:

- 7 scheduled migrations to Altéa in 2014
 - 20-25m PB impact in the year
- In addition, full year impact of 2013 migrations: c. 40 million PB⁽²⁾
- 9 scheduled migrations to Altéa DCS



10-15% PB Growth

Minimal dilution on pricing (average IT transactional revenue / PB)

- Driven by revenue mix (Altéa vs. e-Commerce and Standalone IT Solutions)
- Partially offset by positive effect of upselling

Sustained R&D investment

- Intense migration activity
- Airline IT portfolio expansion
- Increasing resources devoted to new businesses
- Extension of services portfolio



Significant investment in future revenue opportunities and revenue diversification

Low double-digit revenue growth, with stable contribution margin based on continued investments to seed future growth

1.Excludes the impact of the consolidation of our recently announced acquisition of Newmarket

Key Themes in 2014 – Newmarket

— Amadeus announced the **acquisition of Newmarket**, a leading provider of cloud-based IT solutions for the hotel industry, in December 2013

— **Transaction rationale:**

- Clear fit in our hotel strategy
- Accelerates go-to-market and brings strong customer base
- Complementary product portfolio with no overlap
- Proven and highly regarded management

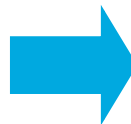
— **Successful business model and financial profile:**

- Recurring software-as-a-service revenue base
- Track record of growth, profitability and cash-flow conversion

— **Transaction details:**

- Total enterprise value of USD 500 million
- To be financed with debt
 - New bank credit facility with maturity in December 2018
- Transaction closed in February 2014

— **2013 revenue and EBITDA of \$109 million and \$35 million, respectively**



— Expected revenue and EBITDA growth at **high single digit** in 2014

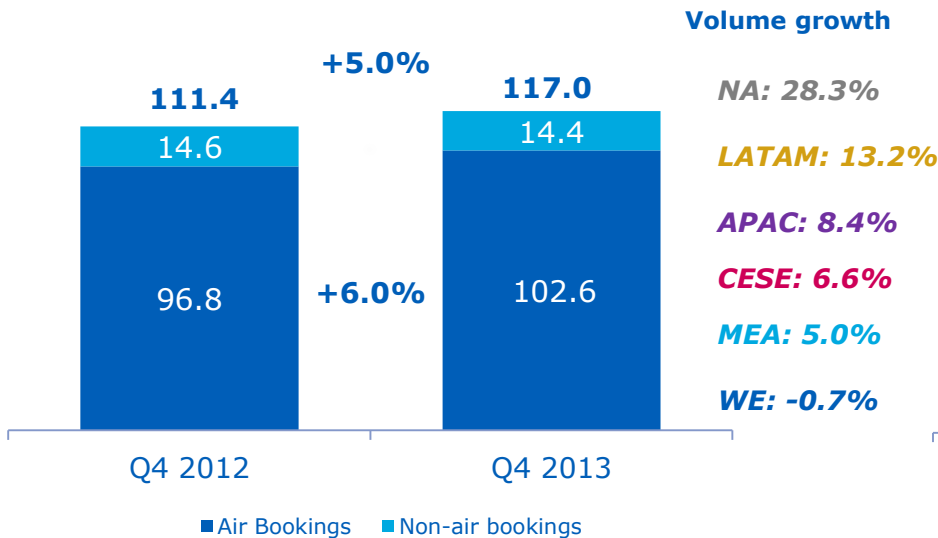
Q4 2013 Highlights

President & CEO, Mr.
Luis Maroto

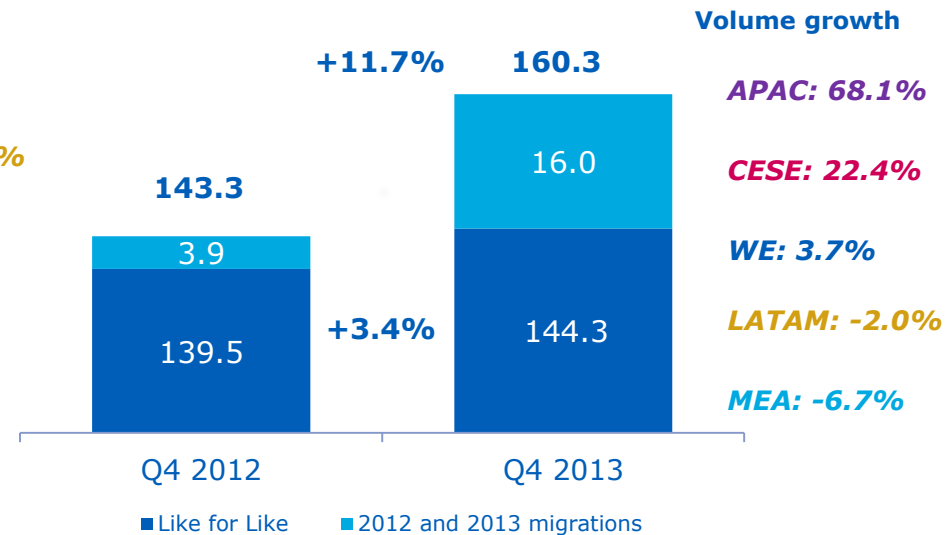


Q4 2013 Highlights: Volumes

Distribution bookings (in million)



IT Solutions PB (in million)

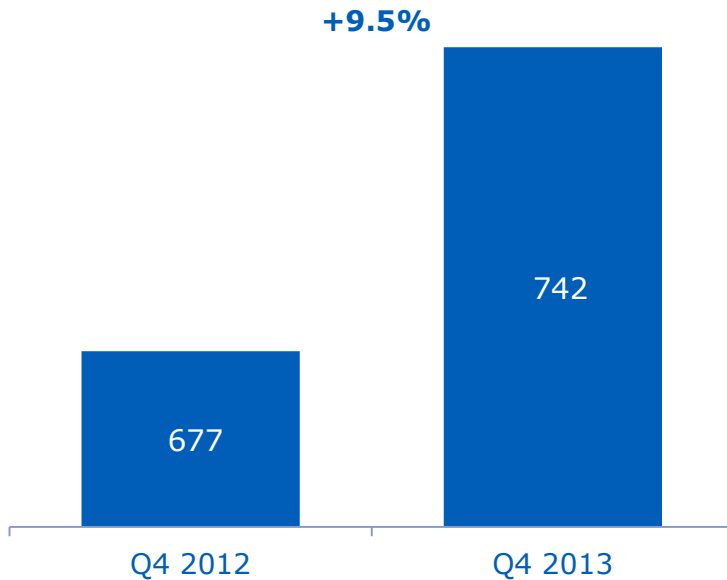


- Air travel agency bookings rose 5.0%, outperforming by 0.7 p.p. the air TA booking industry growth (+4.3%)
 - Amadeus market share gains of 0.4 p.p., to 40.6%
- Healthy booking growth in all regions, except Western Europe
 - Remarkable growth in LatAm, CESE and MEA, although the latter impacted by the low performance of certain countries under political instability
 - Growth in North America driven by our contract wins
- Western Europe negatively impacted by the weak industry performance and negative country mix

- PB volume increase of 11.7% in the fourth quarter of 2013
 - APAC and CESE greatly impacted by migrations
 - LatAm and MEA negatively impacted by airlines no longer using the platform
- **3.4%** organic growth in the quarter
 - Slowdown in air traffic observed in some countries in MEA (due to political instability) and LatAm (particularly in Brazil)

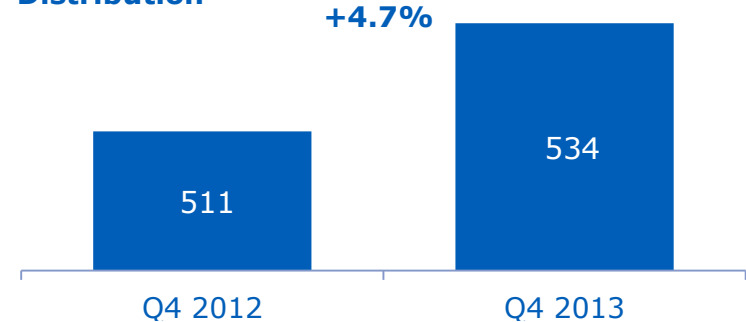
Q4 2013 Highlights: Revenue

Group Revenue (€ mm)

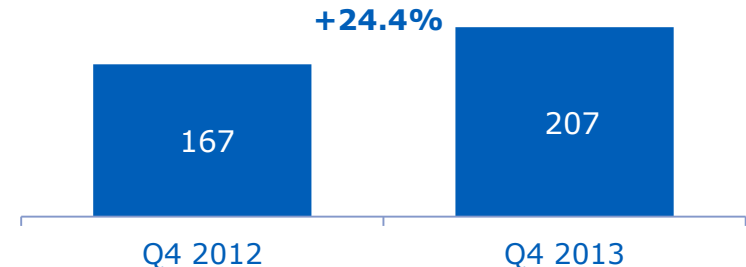


Distribution / IT Solutions Revenue (€ mm)

Distribution



IT Solutions

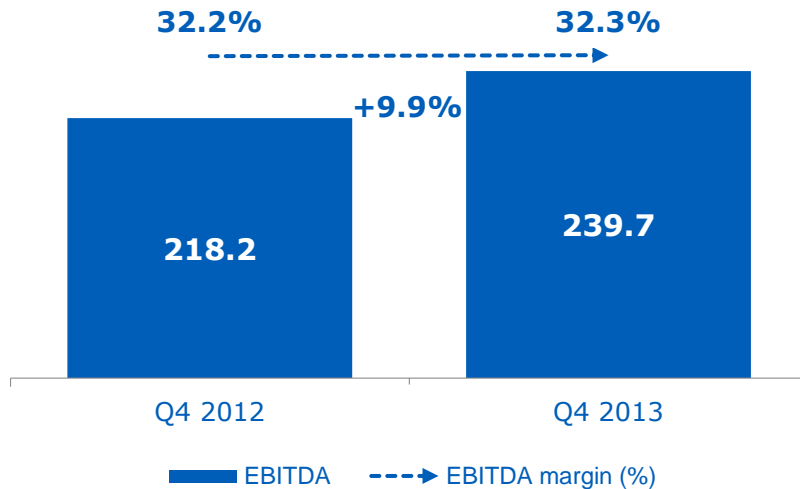


Group revenue growth of 9.5%, with strong performance of our two businesses:

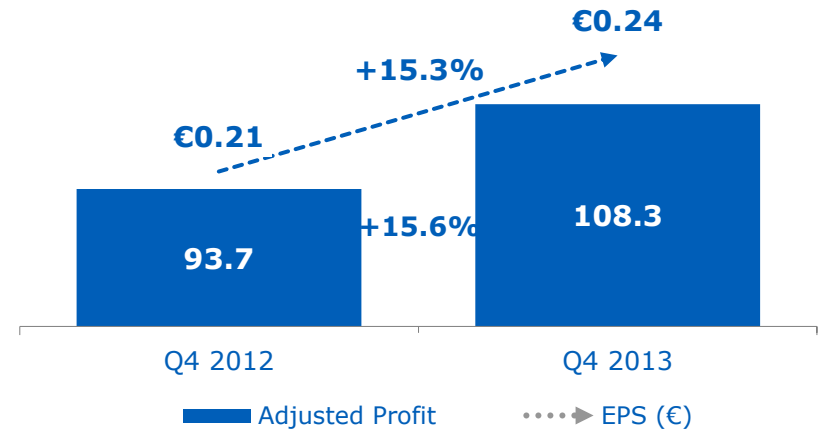
- **4.7% distribution revenue growth**, as a result of higher volumes and higher non-booking revenue, partly offset by lower pricing
- **24.4% IT solution revenue increase**, driven by intense migration activity (main migrations of the year concentrated in Q4), higher unit fee and an increase in both direct distribution and non-transactional revenue

Q4 2013 Highlights: EBITDA and Adjusted Profit, EPS

EBITDA (€ mm)



Adjusted Profit⁽¹⁾ (€ mm) and EPS ⁽²⁾ (€)



- Significant growth in our Group EBITDA, based on the positive performance of our business lines.
- EBITDA margin positively impacted by the increasing weight of IT Solutions, with higher margins

- Adjusted profit and EPS growth mainly driven by the strong operating performance (9.9% EBITDA growth) and lower interest expense
- EPS of €0.24 in the period, representing a 15.3% increase

1. Excluding after-tax impact of the following items: (i) amortisation of 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 and, in 2012, the IPO
2. EPS corresponding to the Adjusted profit attributable to the parent company. Calculated based on weighted average outstanding shares of the period

Support materials _____



Reconciliation of segment reporting

Reconciliation of Contribution and Operating income (€ million)

Reconciliation EBITDA Figures in million euros	Full year 2013	Full year 2012 ¹	% Change
Distribution	1,035.9	982.3	5.5%
IT Solutions ⁽²⁾	550.7	497.1	10.8%
Contribution	1,586.6	1,479.4	7.2%
Indirect costs	(495.6)	(447.8)	10.5%
Indirect capitalisations & RTCs ⁽²⁾	102.5	77.5	32.3%
Net indirect costs	(393.1)	(370.3)	5.9%
Extraordinary costs associated to M&A ⁽³⁾	(4.9)	0.0	
EBITDA	1,188.7	1,109.0	7.2%
EBITDA Margin (%)	38.3%	38.1%	0.2 p.p.

1. Figures adjusted to exclude extraordinary costs related to the IPO, in 2012
2. Includes the Research Tax Credit (RTC)
3. For purposes of comparability, the IT Solutions contribution in 2013 has been adjusted to exclude extraordinary costs of €4.9 million associated with the acquisition of Newmarket in Q4 2013. These costs have been reported in a separate cost line in the table above. Group EBITDA and EBITDA margin in 2013 include such costs, and are therefore not impacted by the reclassification of these costs as explained above

Key Performance Indicators

	2013	2012 ⁽¹⁾	% Growth
Volumes			
Air TA Booking Industry Growth (%)	2.0%	1.2%	
Amadeus Air TA Bookings (m)	443.4	416.5	6.5%
Passengers Boarded (PB) (m)	615.7	563.8	9.2%
Financial Results (€ mm)			
Revenue	3,103.7	2,910.3	6.6%
EBITDA	1,188.7	1,109.0	7.2%
Adjusted ⁽²⁾ profit	619.5	574.8	7.8%
Investment (€ mm)			
R&D	489.3	414.1	18.2%
Capex	411.2	348.9	17.9%

1. Figures exclude extraordinary costs related to the IPO, in 2012

2. Excluding after-tax impact of the following items: (i) amortisation of 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 and, in 2012, the IPO

_____ Thank you

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