Full Year 2011 Review

February 24, 2011

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Index

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1 Summary

1.1 Introduction

Full year 2011 highlights (year ended December 31, 2011)

- **Total air travel agency bookings increased by 5.2% vs. 2010, to 402.4 million**
- **In our IT Solutions business line, total Passengers Boarded increased by 17.9% vs. 2010, to 439.1 million**
- **Revenue increased by 4.4%, to €2,707.4 million, or 5.8% on a comparable basis[1]**
- **EBITDA increased by 6.4%[2], to €1,039.0 million; margin has reached 38.4%, up from 37.6% in 2010**
- **Adjusted[3] profit for the year from continuing operations increased to €487.2 million, up 20.7% from €403.5 million in 2010**
- **Total dividend for the year 2011 of €0.37 per share (gross), 23.3% higher than in 2010**

In 2011 Amadeus achieved a 5.8%[1] growth in group revenue, 6.4%[2] growth in EBITDA and 20.7% growth in Adjusted[3] profit for the year.

Despite high levels of uncertainty and against the backdrop of a challenging global macroeconomic and financial situation, 2011 was a successful year for Amadeus. Once again Amadeus has delivered both significant top line growth - driven by the strong performance of the air traffic industry and important market share gains in both businesses - and margin expansion. The resilience of this business model is evidenced by the positive performance into the fourth quarter of the year.

With sustained GDS industry growth and a market share gain of 1.0 p.p., and despite the negative impact from the translation of the USD flows into Euro, we have achieved a 5.2%[1] revenue growth in our Distribution business. We have successfully extended all distribution contracts with airlines due for renewal, notably in the US. We have maintained our growth trend in the IT Solutions business, delivering 7.8%[1] revenue increase, even though there were no significant migrations to our Altéa platform during the period. Also, we have continued to add new clients to the Altéa contracted pipeline, with the signing of three new clients in the final quarter, and a total of 11 in the year. The signing of new significant contracts, both within Distribution and IT Solutions, adds further visibility to the business and reinforces the recurring nature of revenues.

[1] In 2010 we sold our equity stakes in Vacation.com and Hospitality Group. 2011 figures therefore do not include any revenue from these subsidiaries. Also, revenue comparability in Q1 2011 was affected by a change in the treatment of certain bookings within IT Solutions (direct distribution) as explained in the Q1 financial report, based on which the related revenue is recognised net of certain costs. Finally, in Q2 2011 we received a one-time payment from United Airlines in relation to the IT contract resolution which was recognised as revenue, but reclassified as Other income for comparability purposes. The 5.8% group revenue growth, the 5.2% distribution revenue growth and the 7.8% IT Solutions revenue growth exclude these impacts.

[2] Adjusted to exclude extraordinary items related to the IPO and the United Airlines IT contract resolution, as detailed on pages 43 and 44.

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

As part of our long-term strategy to strengthen our financial structure, during the year we successfully refinanced our debt with a new senior unsecured financing and, despite the sovereign debt crisis in Europe, successfully issued a €750 million 5-year Euro Bond. The refinancing exercise brings more flexibility to our financial structure and diversifies Amadeus' funding sources. As of December 31, 2011 our consolidated net financial debt was €1,851.8 million (based on covenants' definition in our senior credit agreement), representing 1.75x net debt / last twelve months' EBITDA, which with the benefit of the net proceeds of the sale of Opodo was down significantly (€719.5 million) vs. December 2010, at €2,571.3 million.

1.2 Key business highlights for the fourth quarter

The management team has continued to focus on strengthening our leadership in all of our segments, at the same time as evolving our business to benefit from recent trends and expanding our reach, particularly in our IT Solutions business.

In addition, we have continued to invest to reinforce our technology leadership position and our competitive edge as a transaction provider for the travel industry, whilst maintaining our levels of profitability.

The following are some selected business highlights for the fourth quarter of 2011:

Distribution

Airlines

- Content agreements with eight airlines were signed during the fourth quarter, including United Airlines and American Airlines. The multi-year agreement with United Airlines guarantees Amadeus' travel agencies access to the full range of content offered by United Airlines and Continental Airlines into 2013. Additionally, Amadeus and United Airlines agreed terms to integrate United's Economy Plus® seating in mid-2012 and will continue to work on technology enhancements to meet the airline's merchandising needs in the travel agency channel. Economy Plus® seating offers more legroom and a seat closer to the front of the economy cabin. The medium-term agreement with American Airlines gives Amadeus travel agencies continued access to the airline's fares and inventory with no change from the previous agreement.
- Also included within the eight content agreements signed, are Eva Air, the Taiwanese carrier and Pluna, a low cost carrier with the biggest growth in Latin America. These agreements guarantee access to a comprehensive range of fares, schedules and availability for Amadeus' travel agents. Airlines with which Amadeus has a content agreement represent around 80% of the total Amadeus bookings worldwide.
- Additionally, easyJet and Amadeus announced the renewal and extension of a distribution agreement which enables all travel agencies connected to Amadeus around the world to book easyJet flights, bags and speedy boarding in the Amadeus global distribution system. An Amadeus commissioned study which timed travel agencies making easyJet bookings found that making the booking in Amadeus was 75% faster and more efficient than booking on the airline's website, principally because of the integration with the agency mid- and back-office, which means that agents can issue customer invoices automatically without re-entering trip details. Travel agencies will be able to book easyJet's allocated seating in the Amadeus GDS when the airline rolls out the new service during spring 2012.

- Low-cost carriers continued to be an area of growth for Amadeus. Low-cost carrier bookings from travel agencies using Amadeus in the fourth quarter increased by 19.6% year-on-year. This growth rate supports the recent trend, with the bookings for the whole of 2011 increasing by 20.0% year-on-year. Currently 70 low-cost carriers are bookable in the Amadeus system.

Hotel, rail and other travel providers

- Amadeus continued to grow its hotel content to enable Amadeus subscribers to benefit from a wider range of hotel properties available. HRS, the worldwide leading hotel portal for corporate customers, announced that Amadeus will become the first ever global distribution system to distribute its hotel content. HRS has a database of around 250,000 hotel properties, including more than 50,000 independent hotel properties which were previously not available through a global distribution system channel. This strategic partnership forms part of Amadeus' 'Multisource' hotel initiative to distribute hotel content from diverse sources.
- Multisource hotel is part of the Amadeus Hotel Optimisation Package, an initiative launched during the quarter. The package is a complete set of services and technologies for large travel agencies and travel management companies (TMCs) to increase competitiveness, grant efficient access to all relevant hotel content and save valuable time for their travel advisers. The portfolio of solutions has two areas: Profit Optimisation, to help large travel agencies and TMCs save time and have more control over global hotel programmes; and Content Optimisation, converting Amadeus into a one-stop-shop for hotel content.
- Travelodge, the UK's long-established and fastest growing budget hotel chain, announced a distribution deal to make its 490 properties in the UK, Ireland and Spain available to Amadeus subscribers, helping Travelodge to attract a wider range of customers including business travellers.

Travel Agencies

- In Asia, Expedia has continued to expand its global footprint and selected Amadeus as its global distribution partner in Thailand, with a target launch date for early in 2012.
- Within Europe Amadeus continued to maintain its position as a market leader with additional new contracts and renewals with key customers. eTRAVELi, which through 10 different brands has a combined market share of about 55% of the Nordic countries, signed a renewal agreement including the incorporation of Travelpartner, which was acquired by eTRAVELi in October 2010. In the UK Cosmos, the country's largest independent tour operator, signed a deal with Amadeus; and Lotus Travel renewed its partnership for a further five years. Opodo (UK) (part of our previously owned subsidiary) and Amadeus launched an Online Cruise Partnership with a customised cruise business-to-consumer application on Opodo.co-uk. This joint initiative will target the rapid growth of cruise sales in the UK market by providing Opodo with direct access and distribution to cruise inventory from all major global cruise lines via the Amadeus System. And the largest online travel company in the Netherlands, Travix, signed a four-year agreement for content distribution and IT services worldwide; Amadeus began providing low fare search and full IT shopping solutions to CheapTickets in 2001 and today Amadeus provides expertise and global reach to all Travix brands.

- Cornerstone Information Systems, a leader in reservation management and business intelligence technology, has partnered with Amadeus to help business travel agents and corporate travel managers worldwide improve their overall operations. In the near future there are plans to extend the partnership and technology to leisure travel agents and online travel agencies. Amadeus will become an official global distributor of two of Cornerstone's most effective solutions: Amadeus iBank (business intelligence reporting) and Amadeus iQCX (reservation management and agency process automation).

IT Solutions

Airline IT

- Airline IT maintained its growth with three new leading airlines contracted to the full Amadeus Altéa Suite, the fully integrated customer management solution for airlines which includes Altéa Inventory, Altéa Reservation and Altéa Departure Control System. Asiana Airlines, winner of Skytrax's 2010 airline of the year, will implement the full Altéa Suite to manage its domestic and international reservations, inventory and departure control operations. Norwegian Air Shuttle ASA (Norwegian), the second largest airline in Scandinavia carrying over 15 million passengers a year, also announced that it has signed up for the full Amadeus Altéa Suite. Pluna also signed up for the full Amadeus Altéa Suite.
- Further contracted airlines also completed the Amadeus Altéa Suite when they contracted Amadeus Altéa Departure Control. These included Air Calin, the international airline of New Caledonia.
- Based on Amadeus' signed contracts, Amadeus estimates that the number of Passengers Boarded (PB) will be more than 735 million by 2014[4], which represents an increase of over 67% vs. the 439 million PB processed in our Altéa platform during 2011.
- Further contracts were also signed for the Stand Alone IT Solutions portfolio. Six airlines signed-up for Amadeus Ticket Changer (ATC), which simplifies the ticket re-issuing process by combining the state-of-the-art Amadeus Fares and Pricing engine with a powerful, multi-channel ticketing functionality. These included leading airlines such as All Nippon Airways, Asiana Airlines, Pluna and Royal Air Brunei. Ten airlines also signed-up for the use of the electronic messaging standard, Electronic Miscellaneous Document (EMD). Included within these were leading airlines such as Middle East Airlines, Pluna, Royal Air Brunei, ASIANA Airlines, TAM Airlines and TAM Linhas Aereas. EMD enhances ticket services and enables airlines to distribute a wide range of products that help customise their journeys, through ancillary services such as excess baggage.
- Altéa Departure Control System for ground handlers was successfully used for the first time for non-Altéa airlines at Nice airport at the beginning of December. As of the end of 2011, ten ground handlers have signed agreements for deployments in approximately 30 airports. Altéa Departure Control System for ground handlers allows all of the handler's airline customers to benefit from the leading-edge technological capabilities of Altéa Customer Management and Altéa Flight Management services, regardless of whether or not the airline uses the Amadeus Altéa Suite.

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

- Finnair, the national flag carrier and largest airline in Finland, in November became the first airline to implement Amadeus Dynamic Website Manager, which is the latest offering from the Amadeus e-Commerce portfolio. The single package, which is fully hosted by Amadeus, is uniquely underlined by airline business rules rather than coding changes. It comprises of a booking engine, content editor, media repository, campaign management, portal administration, template engine and full incorporation of airline business rules - and is designed for business and marketing personnel rather than IT experts to make edits to content. Amadeus provides e-Commerce technology to over 70% of the world's top 25 airlines. During 2010, airlines generated more than €14.5 billion of revenue using the Amadeus' e-Commerce Solutions.

Hotel IT

- In the area of hotel IT, Amadeus launched an enhanced version of Revenue Management, a solution that works to fill hotel rooms at the most profitable price according to demand patterns, which has an additional Market Pricing feature. Hoteliers will now gain unique market intelligence insights through extensive rate information taken from both the Amadeus system and web rate shoppers.

Additional news from the fourth quarter

- Once again Amadeus' commitment to innovation was confirmed by top sector rankings as a European leader for R&D. Amadeus maintained its previous year's top sector rankings in The 2011 EU Industrial R&D Investment Scoreboard, an annual report published by the European Commission. The report examines the largest 1,000 European companies investing in R&D during 2010 and ranks them according to the total amount invested.
- Delivering inspiring market research and insight is central to Amadeus' position as an industry leader and during the quarter two reports were published which generated international debate. In the area of rail travel, an Amadeus survey highlighted how European high-speed rail must evolve to meet changing traveller demands – following a pan-European survey of over 7,000 rail passengers, which was commissioned by Amadeus and conducted by YouGov. Almost 60% of rail travellers want the opportunity to reserve "connecting rail travel and other modes of transport" (e.g. one ticket for a journey involving a flight followed by a train). It also showed that significant opportunities for rail exist, as 77% of rail travellers would prefer an international high speed train journey instead of another mode of transport, if the cost were competitive.
- In the area of airline ancillary revenue, for the second year running Amadeus worked together with IdeaWorks to produce the Amadeus Worldwide Estimate of Ancillary Revenue for 2011[5]. The report estimated that ancillary revenues will soar to $32.5 billion worldwide in 2011, an increase of 43.8% on 2010. This revenue lifted the airline industry from a loss making position and continues to provide a very effective hedge against increasing fuel bills. The report highlights the 'Ancillary Revenue Champs', which are carriers that generate the highest activity as a percentage of operating revenue. Examples include AirAsia, Aer Lingus, easyJet, Ryanair, and Spirit Airlines. The average achieved by this group was 19.8%, which is slightly up from 19.4% for 2010.

[5] Earlier this year, Amadeus and IdeaWorks reported the ancillary revenue disclosed by 47 airlines in 2010, including á la carte, or unbundled, services, commission-based services – such as hotel or car rental bookings – and other ancillary services revenue from co-branded credit cards, loyalty programmes and other activities. These statistics were applied to a larger list of more than 200 airlines to provide a global projection of activity for 2011.

1.3 Key Ongoing R&D Projects

The main R&D investment in 2011 relates to:

- Existing contracts:
  - Migration efforts in relation to Altéa: both some large customers migrating to our Departure Control System (10 airlines implemented in 2011 and over 10 airlines scheduled in 2012), as well as our pipeline of customers scheduled to migrate to our Reservations and Inventory modules in the upcoming years, including the large migrations scheduled for 2012 such as Cathay Pacific, SAS and Singapore Airlines.
  - Amadeus Hotel Platform for our launch clients, standalone IT solutions or e-Commerce solutions.
- Expansion of the airline IT portfolio, including new modules (as we continue to engage with clients), and the evolution of our existing portfolio, including new products, such as ancillary services, payment services or new e-Commerce solutions, or new or improved functionalities such as enhanced shopping solutions.
- Investments in the Distribution business (IT applications) focused on:
  - Travel agencies: e.g. new generation front office, search engines, shopping and booking solutions or ancillary services, in addition to investment in improved content, such as the Multisource hotel initiative, as well as specific tools for Travel Management companies.
  - Airlines: availability, schedules, ancillary services.
  - Rail, with the development of the Amadeus Total Rail platform (improved distribution systems).
  - Corporations: Amadeus e-Travel management, selling interfaces for corporate travellers or mobile tools
  - Regionalisation investment, with the aim to better adapt part of our product portfolio for specific regions.
- Expansion into hotel IT, rail IT and airport IT (including the development of a departure control service for ground handlers), where we continue to work with different industry partners.
- Ongoing TPF decommissioning, which implies the progressive migration of the company's platform to next-generation technologies such as Linux and Unix (today, close to 90% of Amadeus' software is supported by next-generation open systems, which allow for improved efficiency, greater flexibility in terms of the architecture and scalability of the platform), and other cross-area technologies such as the Amadeus Collaborative Technology (a corporate program built to enhance the Amadeus system and which will bring a new technical platform and architecture for a new selling platform, shared by our two businesses).

1.4 Presentation of financial information

Certain figures in this report have been subject to adjustments for comparability purposes. All adjustments are explained in detail in the appropriate footnotes in the tables and in Section 6 "Presentation of financial information". In addition, a reconciliation of the like-for-like revenue and the adjusted profit for the year is shown below.

Like-for-like revenue:

	Distribution			IT Solutions			Group		
Figures in million euros	Full Year 2011	Full Year 2010	% Change	Full Year 2011	Full Year 2010	% Change	Full Year 2011	Full Year 2010	% Change
Reported revenue	2,079.4	1,992.2	4.4%	679.7	601.4	13.0%	2,759.1	2,593.6	6.4%
Revenue from the United Airlines contract resolution[1]	0.0	0.0		(51.7)	0.0		(51.7)	0.0	
Revenue ex. United Airlines contract resolution	2,079.4	1,992.2	4.4%	628.0	601.4	4.4%	2,707.4	2,593.6	4.4%
Sale of Vacation.com[2]	0.0	(14.9)		0.0	0.0		0.0	(14.9)	
Sale of Hospitality[2]	0.0	0.0		0.0	(14.6)		0.0	(14.6)	
Change in treatment of bookings[3]	0.0	0.0		4.6	0.0		4.6	0.0	
Like-for-like Revenue	2,079.4	1,977.4	5.2%	632.6	586.8	7.8%	2,712.0	2,564.2	5.8%
FX impact							12.8	0.0	
Like-for-like Revenue ex. FX impact							2,724.8	2,564.2	6.3%

(1) One-time payment received from United Airlines in relation to the IT contract resolution, which was recognised as revenue. For purposes of comparability, the revenue associated to the resolution of the Altéa contract with United Airlines in 2011, as well as certain costs of migration that were incurred in relation to this contract, have been reclassified from the Revenue and Other operating expenses captions, respectively, to the Other income / (expense) caption.

(2) In 2010 we sold our equity stakes in Vacation.com and Hospitality Group. 2011 figures therefore do not include any revenue from these subsidiaries.

(3) Revenue comparability in Q1 2011 was affected by a change in the treatment of certain bookings within IT Solutions (direct distribution) as explained in the Q1 financial report, based on which the related revenue is recognised net of certain costs.

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Adjusted Profit for the year:

Figures in million euros	Full Year 2011	Full Year 2010	% Change
Reported Profit for the year from continuing operations	**453.7**	**59.9**	**657.1%**
Extraordinary IPO costs	12.3	244.8	
Profit for the year from continuing operations ex. IPO costs	**466.0**	**304.7**	**52.9%**
PPA amortisation and impairments	50.7	118.9	
Changes in fair value of financial instruments and non-operating exchange gains / losses	(19.3)	(18.8)	
Extraordinary items(1)	(10.2)	(1.3)	
Adjusted Profit for the year from continuing operations	**487.2**	**403.5**	**20.8%**

(1) Extraordinary items related to the sale of assets and equity investments, both in 2010 and in 2011, the extraordinary expenses in relation to the debt refinancing that took place in 2011, and a one-time payment from United Airlines in relation to the IT contract resolution in 2011.

1.5 Key operating and financial metrics

Figures in million euros	Q4 2011[(1)]	Q4 2010[(1)]	% Change	Full Year 2011[(1)]	Full Year 2010[(1)]	% Change
KPI						
Air TA Market Share	**39.2%**	**37.9%**	**1.3 p.p.**	**37.7%**	**36.7%**	**1.0 p.p.**
Air TA bookings (m)	94.7	88.8	6.7%	402.4	382.4	5.2%
Non air bookings (m)	15.0	14.3	4.7%	61.4	59.2	3.7%
Total bookings (m)	**109.7**	**103.1**	**6.4%**	**463.8**	**441.6**	**5.0%**
Passengers Boarded (PB) (m)	**111.6**	**101.7**	**9.7%**	**439.1**	**372.3**	**17.9%**
Financial results						
Distribution Revenue	491.0	463.3	6.0%	2,079.4	1,992.2	4.4%
IT Solutions Revenue	156.6	144.2	8.6%	628.0	601.4	4.4%
Revenue	**647.6**	**607.5**	**6.6%**	**2,707.4**	**2,593.6**	**4.4%**
Like-for-like Revenue [(2)]	***647.6***	***605.2***	***7.0%***	***2,712.0***	***2,564.2***	***5.8%***
Distribution contribution	198.6	192.3	3.2%	950.4	926.3	2.6%
IT Solutions contribution	107.7	95.6	12.6%	455.9	409.5	11.3%
Contribution	**306.3**	**288.0**	**6.4%**	**1,406.3**	**1,335.7**	**5.3%**
Net indirect costs	(102.9)	(99.7)	3.2%	(367.3)	(359.4)	2.2%
EBITDA	**203.4**	**188.3**	**8.0%**	**1,039.0**	**976.4**	**6.4%**
EBITDA margin (%)	31.4%	31.0%	0.4 p.p.	38.4%	37.6%	0.7 p.p.
Adjusted profit for the period from continuing operations[(3)]	**86.6**	**68.2**	**27.0%**	**487.2**	**403.5**	**20.7%**
Adjusted EPS from continuing operations (euros)[(4)]	**0.20**	**0.15**	**28.9%**	**1.09**	**0.90**	**20.8%**
Cash flow						
Capital expenditure	81.3	61.0	33.4%	312.7	252.3	23.9%
Pre-tax operating cash flow[(5)]	128.8	169.0	(23.7%)	810.5	829.4	(2.3%)
Cash conversion (%)[(6)]	63.3%	85.2%	(21.9 p.p.)	73.5%	81.7%	(8.3 p.p.)
				Dec 31, 2011[(1)]	**Dec 31, 2010**[(1)]	**% Change**
Indebtedness[(7)]						
Covenant Net Financial Debt				**1,851.8**	**2,571.3**	**(28.0%)**
Covenant Net Financial Debt / LTM Covenant EBITDA				1.75x	2.52x	

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

(2) Figures adjusted to exclude (i) the impact of the sale of Vacation.com and Hospitality Group in 2010, (ii) the impact of the change in the treatment of certain bookings within IT Solutions, based on which the related revenue is recognised net of certain costs, and (iii) the revenue from the United Airlines IT contract resolution.

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

(4) EPS corresponding to the Adjusted profit for the period from continuing operations attributable to the parent company. Both Q4 2011 adjusted EPS and Q4 2010 adjusted EPS calculated based on weighted average outstanding shares of the fourth quarter of 2011 (445.5 million shares). Adjusted EPS for 2011 and for 2010 calculated based on weighted average outstanding shares of 2011 (445.5 million shares).

(5) Calculated as EBITDA (including Opodo and the revenue from the United Airlines IT contract resolution) less capital expenditure plus changes in our operating working capital.

(6) Represents pre-tax operating cash flow for the period expressed as a percentage of EBITDA (including Opodo and the revenue from the United Airlines IT contract resolution) for that same period.

(7) Based on the definition included in each of the credit agreements.

2 Consolidated financial statements

2.1 Group income statement

Figures in million euros	Q4 2011(1)	Q4 2010(1)	% Change	Full Year 2011(1,2)	Full Year 2010(1)	% Change
Revenue	**647.6**	**607.5**	**6.6%**	**2,707.4**	**2,593.6**	**4.4%**
Cost of revenue	(169.2)	(159.7)	5.9%	(678.3)	(653.3)	3.8%
Personnel and related expenses	(191.6)	(169.0)	13.4%	(680.6)	(639.9)	6.4%
Depreciation and amortisation	(64.6)	(92.7)	(30.4%)	(242.2)	(342.2)	(29.2%)
Other operating expenses	(82.6)	(89.7)	(7.9%)	(305.9)	(320.7)	(4.6%)
Operating income	**139.6**	**96.4**	**44.8%**	**800.3**	**637.4**	**25.6%**
Interest income	0.7	1.5	(55.4%)	4.6	3.9	17.3%
Interest expense	(22.6)	(62.6)	(63.8%)	(199.8)	(261.3)	(23.5%)
Changes in fair value of financial instruments	1.2	8.6	(86.2%)	16.9	44.7	(62.3%)
Exchange gains / (losses)	1.4	(0.8)	n.m.	9.9	(5.8)	n.m.
Net financial expense	(19.4)	(53.4)	(63.6%)	(168.5)	(218.5)	(22.9%)
Other income / (expense)	(0.6)	2.4	n.m.	54.6	1.9	n.m.
Profit before income taxes	**119.6**	**45.5**	**162.8%**	**686.4**	**420.9**	**63.1%**
Income taxes	(43.2)	(5.5)	685.3%	(218.9)	(121.9)	79.6%
Profit after taxes	**76.4**	**40.0**	**91.0%**	**467.6**	**299.0**	**56.4%**
Share in profit / (losses) from associates and JVs	(1.0)	2.3	n.m.	(1.6)	5.7	n.m.
Profit for the period from continuing operations	**75.5**	**42.3**	**78.5%**	**466.0**	**304.7**	**52.9%**
Profit for the period from discontinued operations	0.0	60.3	n.m.	276.5	79.0	n.m.
Profit for the period	**75.5**	**102.5**	**(26.4%)**	**742.4**	**383.8**	**93.5%**

(1) Figures adjusted to exclude extraordinary items related to the IPO
(2) For purposes of comparability, the revenue associated to the resolution of the Altéa contract with United Airlines in 2011, as well as certain costs of migration that were incurred in relation to this contract, have been reclassified from the Revenue and Other operating expenses captions, respectively, to the Other income / (expense) caption above.

2.1.1 Revenue

Revenue comparability in 2011 in both our business lines is affected by a change in consolidation perimeter: in 2010 our equity stakes in Vacation.com and Hospitality Group were sold. In addition, revenue in Q1 2011 (and therefore for the full year 2011) is also affected by a change in the treatment of certain bookings within IT Solutions (direct distribution): as explained in detail in the Q1 2011 financial report and in section 3.2 in this report, revenue related to these bookings is now recognised net of certain costs. The impact of these two factors is detailed in Table 1 below.

Table 1

Figures in million euros	Q4 2011	Q4 2010	% Change	Full Year 2011	Full Year 2010	% Change
Distribution Revenue	491.0	463.3	6.0%	2,079.4	1,992.2	4.4%
IT Solutions Revenue	156.6	144.2	8.6%	628.0	601.4	4.4%
Revenue(1)	**647.6**	**607.5**	**6.6%**	**2,707.4**	**2,593.6**	**4.4%**
Like-for-like revenue (2)						
Distribution Revenue	491.0	460.9	6.5%	2,079.4	1,977.4	5.2%
IT Solutions Revenue	156.6	144.2	8.6%	632.6	586.8	7.8%
Like-for-like revenue	**647.6**	**605.2**	**7.0%**	**2,712.0**	**2,564.2**	**5.8%**

(1) Figures adjusted to exclude the revenue from the United Airlines IT contract resolution.
(2) Figures adjusted to exclude (i) the impact of the sale of Vacation.com and Hospitality Group in 2010, (ii) the impact of the change in the treatment of certain bookings within IT Solutions, based on which the related revenue is recognised net of certain costs, and (iii) the revenue from the United Airlines IT contract resolution.

Underlying growth was driven by both our business lines:

- **Growth of €30.1 million, or 6.5%, in our Distribution business in the fourth quarter of 2011**, mainly driven by our booking volume growth and market share gains. Revenue for the full year increased by €102.0 million, or 5.2%, in 2011, as a combination of growth in booking volume and an increase in non booking revenue.
- **An increase of €12.3 million, or 8.6%, in our IT Solutions business in the fourth quarter of 2011**, driven by growth in our IT transactional revenue, as a result of new implementations and organic growth of existing clients, and an increase in non-transactional revenue. In 2011, revenue of our IT Solutions business grew by 7.8%, on a comparable basis, as a combination of increases in IT transactional revenue (from new implementations and organic growth of existing clients) and in non-transactional revenue.

In addition to the above mentioned sale of Vacation.com and Hospitality Group and change in accounting treatment of certain bookings, revenue comparability is also affected by exchange rate movements, which had a significant negative impact resulting in a c.0.5% lower group growth rate in the year. **Adjusting for all three effects, revenue increased by 6.3% in the full year 2011, compared with 5.8% as shown in Table 1.**

Cost of revenue

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

Cost of revenue increased by 5.9% from €159.7 million in the fourth quarter of 2010 to €169.2 million in the fourth quarter of 2011. This increase was mainly driven by the growth in volumes in the period. The increase experienced in unit incentives was partially offset by a decrease in average distribution fees and a reduction in data communication expenses.

For the full year 2011 cost of revenue amounted to €678.3 million, an increase of 3.8% vs. 2010. This increase was mainly driven by the higher booking volumes in the Distribution business in the year (+5.0%), and growth in unit incentives, partially offset by a reduction in costs as a consequence of a change in the treatment of certain bookings within IT Solutions (direct distribution) in the first quarter of 2011, positive FX impact and lower data communication expenses. As a percentage of revenue, cost of revenue in 2011 represented 25.1%, in line with the percentage rate registered in 2010 (25.2%).

Personnel and related expenses

Personnel and related expenses increased by 13.4% to €191.6 million in the fourth quarter of 2011, adjusted for extraordinary IPO expenses. In the full year 2011, personnel and related expenses amounted to €680.6 million, 6.4% higher than in 2010.

The 6.4% growth in personnel and related expenses in 2011 is the result of:

- An increase of 4.2% in average FTEs (excluding contractors) in the year vs. 2010. This increase in FTEs is positively affected by a reduction in personnel as a result of the sale in 2010 of Vacation.com and Hospitality Group. The underlying growth in FTEs is mainly related to the full year impact of certain commercial and development efforts most of which were initiated during the course of 2010, the reinforcement of our commercial support in areas with significant business expansion, as well as increases in headcount in our development area in relation to new R&D projects.
- The inflation-based revision of salary base.
- The accrual of our recurring incentive scheme for management (Performance Share Plan), implemented in July 2010.

Depreciation and Amortisation

D&A decreased by 30.4% in the fourth quarter of 2011, or 29.2% in the full year period. This decrease was driven by the lower amortisation of the purchase price allocation, as shown in the table below, as certain intangible assets included in the PPA reached the end of their useful lives at the end of 2010, as well as lower impairment losses.

Ordinary D&A decreased by 0.8% in 2011, driven by a decline in depreciation of tangible assets, as certain assets reached the end of their useful lives at the end of 2010 and during 2011. This positive effect was partially offset by an increase in amortisation of intangible assets, as certain capitalised expenses in our balance sheet started to become amortised in 2011, once they began generating revenues.

Table 2

Figures in million euros	Q4 2011	Q4 2010	% Change	Full Year 2011	Full Year 2010	% Change
Ordinary depreciation and amortisation	(45.2)	(44.4)	1.8%	(168.7)	(170.0)	(0.8%)
Amortisation derived from PPA	(17.8)	(40.0)	(55.7%)	(71.0)	(161.5)	(56.0%)
Impairments	(1.6)	(8.2)	(80.7%)	(2.5)	(10.7)	(76.3%)
Depreciation and amortisation	**(64.6)**	**(92.7)**	**(30.4%)**	**(242.2)**	**(342.2)**	**(29.2%)**
Depreciation and amortisation capitalised(1)	0.8	0.8	(2.3%)	3.6	3.3	8.4%
Depreciation and amortisation post-capitalisations	**(63.8)**	**(91.9)**	**(30.6%)**	**(238.6)**	**(338.9)**	**(29.6%)**

(1) Included within the caption Other operating expenses in the Group Income Statement

Other Operating Expenses

Other operating expenses decreased by 7.9% to €82.6 million in the fourth quarter of 2011. For the full year period, Other operating expenses declined by €14.8 million or 4.6%.

This decrease was driven by the positive effect of certain cost control measures put in place during the year, a higher rate of full time hirings vs. contractors during the year (slightly reduced externalization rate and therefore lower number of contractors in certain areas), as well as a reduction in costs of operations, mainly driven by the positive impact of the TPF decommissioning. In addition, there was a positive impact from the sale in 2010 of Vacation.com and Hospitality Group. Finally, certain operating costs also benefit from the translational impact of a stronger Euro vs. USD. These positive effects were partially offset by an increase in certain G&A expenses such as building and facilities expenses (driven by growth in FTEs and development activities) and local taxes.

R&D expenditure

As a leading and differentiated technology provider for the travel industry, Amadeus undertakes significant R&D activities, which are the main driver for growth. As described below, our R&D efforts can be classified in various categories, including customer implementations, portfolio expansion / product evolution, diversification into non-air IT and internal technological projects.

In the fourth quarter of 2011, total R&D expenditure (including both capitalised and non-capitalised expenses) decreased by 9.2% vs. the same period in 2010. Total R&D for the year amounted to €344.4 million, 5.7% higher than in 2010. As a percentage of revenue, R&D costs amounted to 12.7% in 2011, in line with the level of 12.6% in 2010.

This increase in R&D expenditure reflects the full year impact of certain initiatives undertaken during 2010 (driving higher growth in the first half of the year) and higher investment carried out during the year as a result of certain new projects.

Table 3

Figures in million euros	Q4 2011[1]	Q4 2010[1]	% Change	Full Year 2011[1]	Full Year 2010[1]	% Change
R&D expenditure[2]	**92.1**	**101.4**	**(9.2%)**	**344.4**	**325.8**	**5.7%**
R&D as a % of Revenue	14.2%	16.7%	(2.5 p.p.)	12.7%	12.6%	0.2 p.p.

(1) Figures adjusted to exclude extraordinary IPO costs
(2) Net of Research Tax Credit

2.1.2 Operating income

Operating Income for the fourth quarter of 2011 increased by 44.8% or €43.2 million, excluding the impact of extraordinary IPO costs (see page 43). Operating Income for 2011 amounted to €800.3 million, €162.9 million or 25.6% higher than €637.4 million in 2010.

The increase for 2011 was driven by revenue growth in our business lines, cost control and the reduction of our depreciation and amortisation expense, as explained above, partially offset by negative FX impact of the translation of the USD flows into Euro.

EBITDA

EBITDA amounted to €203.4 million in the fourth quarter of 2011, representing an 8.0% increase vs. the fourth quarter of 2010. For the full year, EBITDA increased by 6.4% from €976.4 million in 2010 to €1,039.0 million in 2011.

As a percentage of revenue, EBITDA margin continued to improve, reaching 38.4% in 2011 vs. 37.6% in 2010, benefiting mainly from the margin expansion experienced in the IT Solutions business and the operating leverage within our indirect costs.

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

Figures in million euros	Q4 2011[1]	Q4 2010[1]	% Change	Full Year 2011[1,2]	Full Year 2010[1]	% Change
Operating income	**139.6**	**96.4**	**44.8%**	**800.3**	**637.4**	**25.6%**
Depreciation and amortisation	64.6	92.7	(30.4%)	242.2	342.2	(29.2%)
Depreciation and amortisation capitalised	(0.8)	(0.8)	(2.3%)	(3.6)	(3.3)	8.4%
EBITDA	**203.4**	**188.3**	**8.0%**	**1,039.0**	**976.4**	**6.4%**
EBITDA margin (%)	31.4%	31.0%	0.4 p.p.	38.4%	37.6%	0.7 p.p.

(1) Figures adjusted to exclude extraordinary costs related to the IPO
(2) For purposes of comparability, the revenue associated to the resolution of the Altéa contract with United Airlines in 2011, as well as certain costs of migration that were incurred in relation to this contract, have been reclassified from the Revenue and Other operating expenses captions, respectively, to the Other income / (expense) caption

2.1.3 Net financial expense

Net financial expense decreased by 63.6% from €53.4 million in the fourth quarter of 2010 to €19.4 million in the fourth quarter of 2011. For the full year period, Net financial expense declined by 22.9%, or €50.0 million, from €218.5 million in 2010 to €168.5 million in 2011.

This decrease is explained by (i) the lower amount of average gross debt outstanding, after debt repayments in 2010 and 2011 and (ii) a lower average interest paid on the new financing package (unsecured senior credit agreement signed in May 2011 and subsequent bond issuance in July 2011). This significant decrease is additionally explained by the positive result from exchange gains (exchange losses in 2010) but partially offset by a lower income from the change in fair value of financial instruments.

The decline in the interest expenses explained above was partially offset by €37.0 million one-off costs included in 2011: in relation to the debt incurred in 2005 and its subsequent refinancing in 2007 / amendment in 2010, certain deferred financing fees were generated and capitalised; following the cancellation of debt that took place as part of the debt refinancing process finalised by the company in May 2011, these deferred financing fees were expensed in the second quarter of 2011 and are included under the "Net financial expense" caption. Adjusted for these costs, Net financial expense for the year would have amounted to €131.5 million, €87.0 million lower or 39.8% decrease vs. 2010.

Figures in million euros	Q4 2011	Q4 2010	% Change	Full Year 2011	Full Year 2010	% Change
Net financial expense	(19.4)	(53.4)	(63.6%)	(168.5)	(218.5)	(22.9%)
Excluding the impact of extraordinary deferred financing fees in 2011:						
Net financial expense	(19.4)	(53.4)	(63.6%)	(131.5)	(218.5)	(39.8%)

It should also be noted that, in connection with the refinancing exercise undertaken in May 2011 and the bond issuance that took place in July 2011, c.€20 million was paid upfront in fees. These fees have been capitalised and accounted as deferred financing fees in our balance sheet, and will be amortised (and therefore included in our financial expense) as the related debt is paid down.

2.1.4 Other income / (expense)

Other income amounting to €54.6 million in 2011 mainly corresponds to the payment received from United Airlines in the second quarter of 2011, in relation to the cancellation of the IT Services agreement signed between the airline and Amadeus for the airline's migration to the Altéa Suite, as well as the gain related to the sale of a 27% stake in Topas CO Ltd. to Korean Air.

2.1.5 Income taxes

Income taxes for the full year 2011 amounted to €218.9 million (excluding the impact of extraordinary IPO costs). The income tax rate for 2011 was 31.9%.

2.1.6 Share in profit / (losses) from associates and JVs

Share in profit / (losses) from associates and JVs amounted to a loss of €1.6 million in 2011. The positive contribution from certain non-fully owned ACOs (consolidated under the equity method) was offset by the negative impact of the changes in the structure of Moneydirect, a 50% JV with Sabre.

2.1.7 Profit for the period from continuing operations

As a result of the above, profit from continuing operations for the fourth quarter of 2011 (adjusted for extraordinary IPO costs) amounted to €75.5 million, an increase of 78.5% vs. a profit of €42.3 million in the fourth quarter of 2010. For the full year period, profit from continuing operations increased by 52.9% to €466.0 million.

2.1.8 Profit for the period from discontinued operations

On June 30, 2011 the Group completed the sale of Opodo Ltd and its subsidiaries. At December 31, 2011, Opodo is presented as a discontinued operation in our Group income statement.

As a result of this sale the Group booked a gain of c.€270.9 million (net of taxes). This gain, together with the extraordinary costs related to the sale, are presented within "Profit from discontinued operations". As a result, Profit for the period from discontinued operations in the year amounted to €276.5 million vs. €79.0 million in 2010.

2.1.9 Profit for the period

Profit for 2011, adjusted for extraordinary costs related to the IPO, amounted to €742.4 million, an increase of €358.6 million vs. a profit of €383.8 million in 2010.

2.2 Statement of financial position (condensed)

Figures in million euros	Dec 31, 2011	Dec 31, 2010
Tangible assets	*282.3*	*282.8*
Intangible assets	*1,778.4*	*1,641.5*
Goodwill	*2,070.7*	*2,070.7*
Other non-current assets	*76.6*	*132.7*
Non-current assets	4,208.1	4,127.7
Assets held for sale	0.0	273.6
Current assets	443.0	394.9
Cash and equivalents	393.2	535.1
Total assets	**5,044.3**	**5,331.4**
Equity	1,266.2	767.3
Non-current debt	*2,015.1*	*2,893.9*
Other non-current liabilities	*745.0*	*632.5*
Non-current liabilities	2,760.1	3,526.4
Liabilities associated with assets held for sale	0.0	95.1
Current debt	*226.5*	*193.5*
Other current liabilities	*791.6*	*749.1*
Current liabilities	1,018.0	942.6
Total liabilities and equity	**5,044.3**	**5,331.4**
Net financial debt[(1)]	**1,848.4**	**2,536.4**

(1) Includes €15.8 million cash reported within the "Assets held for sale" line at December 31, 2010

2.2.1 Tangible assets

This caption principally includes land and buildings, data processing hardware and software, and other tangible assets such as building installations, furniture and fittings and miscellaneous.

Capital expenditure in tangible assets in 2011 amounted to €44.3 million, as described in table 4 below.

2.2.2 Intangible assets

This caption principally includes (i) the net cost of acquisition or development and (ii) the excess purchase price allocated to the following assets:

- Patents, trademarks and licenses: net cost of acquiring brands and trademarks (either by means of business combinations or in separate acquisitions) as well as the net cost of acquiring software licenses developed outside the Group for Distribution and IT Solutions.
- Technology and content: net cost of acquiring technology software and travel content either by means of acquisitions through business combinations / separate acquisitions or internally generated (software applications developed by the Group, including the

development technology of the IT solutions business). Travel content is obtained by Amadeus through its relationships with travel providers.

- Contractual relationships: net cost of contractual relationships with travel agencies and with users, as acquired through business combinations, as well as costs subject to capitalisations, related to travel agency incentives, that can be recognised as an asset.

Following the acquisition of Amadeus IT Group, S.A. (the former listed company) by Amadeus IT Holding, S.A. (the current listed company, formerly known as WAM Acquisition, S.A.) in 2005, the excess purchase price derived from the business combination between them was partially allocated (purchase price allocation ("PPA") exercise) to intangible assets. The intangible assets identified for the purposes of our PPA exercise in 2005 are amortised on a straight-line basis over the useful life of each asset and the amortisation charge is recorded in our P&L. The amortisation charge attributable to PPA amounted to €17.8 million in the fourth quarter of 2011 and €71.0 million in the full year 2011.

Capital expenditure in intangible assets in 2011 amounted to €268.4 million, as described in table 4 below.

CAPEX

The table below details the capital expenditure in the period, both in tangible and intangible assets. Based on the nature of our investments in tangible assets, the figures may show variations on a quarterly basis, depending on the timing on certain investments. The same applies to our investments in contractual relationships (as described above, included within intangible assets) where payments to travel agencies or other users may take place in different periods, based on the timing of the renegotiations.

Total Capex in the fourth quarter of 2011 amounted to €81.3 million, 33.4% higher than in the same period of 2010. This increase in capex was driven by (i) €6.4 million higher investment in tangible assets in the period, taking the total investment in tangible assets for the year to the levels of 2010, and (ii) a 26.0% increase in investment in intangible assets, driven by an increase in software capitalisations and higher signing bonuses paid to travel agencies in the period vs. the same period in 2010.

For the full year 2011, the growth in capital expenditure is driven by the payment of a signing bonus in relation to the 10 year distribution agreement with the entity resulting from the merger of GoVoyages, eDreams and Opodo, as well as the increased capitalisations during the period (both direct and indirect capitalisations as described elsewhere in this document), as a result of the increased R&D.

Table 4

Figures in million euros	Q4 2011	Q4 2010	% Change	Full Year 2011	Full Year 2010	% Change
Capital expenditure in tangible assets	13.4	7.0	90.0%	44.3	44.1	0.4%
Capital expenditure in intangible assets	68.0	54.0	26.0%	268.4	208.2	28.9%
Capital expenditure	**81.3**	**61.0**	**33.4%**	**312.7**	**252.3**	**23.9%**
As % of Revenue	12.6%	10.0%	2.5 p.p.	11.5%	9.7%	1.8 p.p.

As a % of revenue, total capex represented 11.5% of revenue in 2011, an increase vs. 9.7% in 2010, driven mainly by the payment of a signing bonus to the entity resulting from the merger of GoVoyages, eDreams and Opodo, as explained above. The increase is also related to an increase of capitalised migration efforts, a large part of which are paid by our clients (as described earlier in this report, under the R&D section). However, revenue from payments received from our clients is deferred, therefore impacting negatively the ratio of capex as % of revenue.

2.2.3 Goodwill

Goodwill mainly relates to the unallocated amount of €2,070.7 million of the excess purchase price derived from the business combination between Amadeus IT Holding, S.A. (the current listed company, formerly known as WAM Acquisition, S.A.) and Amadeus IT Group, S.A. (the former listed company), following the acquisition of Amadeus IT Group, S.A. by Amadeus IT Holding, S.A. in 2005.

2.2.4 Equity. Share capital

As of December 31, 2011 the share capital of our Company was represented by 447,581,950 shares with a nominal value of €0.01 per share. This share capital was increased in June 2011 in an amount of €4,028,237.55 (against the Company's additional paid-in capital account), by increasing the nominal value of the shares of €0.001 per share to €0.01 per share.

For information in relation to dividend payments, see section 5.3 "Dividend payment ".

2.2.5 Financial indebtedness

As described in table 5 below, the net financial debt as per the existing financial covenants' terms ("Covenant Net Financial Debt") amounted to €1,851.8 million on December 31, 2011, a reduction of €719.5 million vs. the Covenant Net Financial Debt on December 31, 2010.

On May 16, 2011 the Company reached an agreement to refinance its debt through a new senior unsecured credit facility. Our previous senior credit agreement was fully amortised and replaced by a new financing package of €2.7 billion, structured under the following tranches:

- Tranche A: €900 million loan with a four and a half year maturity. The average duration of the loan is three years when considering the annual amortisations expected. Tranche A is a facility that has been partially drawn in USD.
- Tranche B: €1.2 billion bridge loan with initial maturity of one year, plus two optional extensions of six-months each, at the election of the Company.

  On July 15, 2011, the Tranche B bridge loan was partially amortised with the proceeds from a €750 million fixed rate bond issue, successfully priced on July 4, 2011. The maturity date for this bond issue is July 15, 2016 and it has an annual coupon of 4.875%. After this partial amortisation, the current amount of this bridge loan is €456.4 million.
- Tranche C: €400 million bridge loan of six months plus one optional extension of six months at the election of the Company.

  On July 6, 2011, the Tranche C bridge loan was fully amortised with the proceeds from the sale of Opodo.

- Tranche D: €200 million revolving credit facility with a two year maturity period. The size of the facility is reduced to €100 million in May 2012. As of December 31, 2011, this facility was undrawn.

Hedging arrangements

Under our new debt structure, and after the partial amortisation of the Tranche B with the proceeds from the bond issue and the full amortisation of the Tranche C with the proceeds from the sale of Opodo, 62% of our total covenant financial debt is subject to floating interest rates, indexed to the EURIBOR or the USD LIBOR, while 38% of our debt has a fixed cost and is therefore not subject to interest rate risk. However, we use hedging arrangements to limit our exposure to movements in the underlying interest rates. Under these arrangements, 68% of our euro-denominated gross debt subject to floating interest rates has its base interest rate fixed until June 2014 at an average rate of 1.9%, and 85% of our USD-denominated gross debt subject to floating interest rates has its base interest rate fixed for the same period at an average rate of 1.2%. In total, in the aforementioned period, 84% of our total covenant financial debt will accrue fixed interests.

Split of covenant financial debt	Dec 31, 2011	Dec 31, 2010
Debt under fixed interest rates(1)	84%	88%
Debt under floating interest rates	16%	12%

(1) Includes debt subject to floating interest rates which has been fixed through hedging arrangements

Table 5

Figures in million euros	Dec 31, 2011	Dec 31, 2010
Covenants definition[(1)]		
Senior Loan (EUR)	951.9	2,546.4
Senior Loan (USD)[(2)]	442.3	441.0
Long term bonds	750.0	0.0
Other debt with financial institutions	9.8	5.9
Obligations under finance leases	77.5	75.2
Guarantees	13.6	53.8
Covenant Financial Debt	**2,245.0**	**3,122.2**
Cash and cash equivalents[(3)]	(393.2)	(551.0)
Covenant Net Financial Debt	**1,851.8**	**2,571.3**
Covenant Net Financial Debt / LTM Covenant EBITDA[(4)]	**1.75x**	**2.52x**
Reconciliation with financial statements		
Net financial debt (as per financial statements)[(3)]	**1,848.4**	**2,536.4**
Interest payable	(26.1)	(62.4)
Guarantees	13.6	53.8
Deferred financing fees	16.0	43.5
Covenant Net Financial Debt	**1,851.8**	**2,571.3**

(1) Based on the definition included in each of the credit agreements in place as of the dates indicated (see note Indebtness in this report)
(2) The oustanding balances denominated in USD have been converted into EUR using the USD / EUR exchange rate of 1.2939 and 1.3362 (official rate published by the ECB on Dec 31, 2011 and Dec 31, 2010, respectively)
(3) Includes €15.8 million cash reported within the "Assets held for sale" line in Dec 31, 2010
(4) LTM Covenant EBITDA as defined in each of the credit agreements

Reconciliation with financial statements

Under the covenant terms, Covenant Financial Debt does not include the accrued interest payable (€26.1 million at December 31, 2011) which is treated as debt in our financial statements. On the other hand, Covenant Financial Debt includes guarantees offered to third parties (€13.6 million at December 31, 2011) which are treated as off-balance sheet commitments under IFRS (and are therefore not included as debt in our financial statements). Finally, the Covenant Financial Debt is calculated based on its nominal value, while, for the purposes of IFRS, our financial debt is measured at amortised cost, i.e., after deducting the deferred financing fees (mainly fees paid upfront in connection with the credit agreements).

USD denominated debt

In line with our company policy of minimising our financial risks, part of our financial debt is denominated in USD, in order to hedge our exposure to FX movements in the EUR-USD exchange rate. As of December 31, 2011, we had USD 572 million bank debt, which is serviced with the cash flow generated in USD. Therefore, both the interest and the principal of the USD denominated debt are providing an economic hedge of the operating cash flows generated in that currency.

2.3 Group cash flow – including Opodo

Figures in million euros	Q4 2011(1)	Q4 2010(1)	% Change	Full Year 2011(1)	Full Year 2010(1)	% Change
EBITDA (excluding Opodo)	203.4	188.3	8.0%	1,039.0	976.4	6.4%
EBITDA Opodo and collection from United Airlines(2)	0.0	9.9	n.m.	64.1	38.5	66.5%
Change in working capital	6.8	31.7	(78.6%)	20.0	66.9	(70.0%)
Capital expenditure	(81.3)	(61.0)	33.4%	(312.7)	(252.3)	23.9%
Pre-tax operating cash flow	**128.8**	**169.0**	**(23.7%)**	**810.5**	**829.4**	**(2.3%)**
Taxes	(81.3)	(4.3)	n.m.	(123.3)	(71.5)	72.5%
Equity investments	(7.1)	12.4	n.m.	399.2	24.9	n.m.
Non operating cash flows	1.1	1.7	(35.0%)	(4.3)	8.2	n.m.
Cash flow from extraordinary items	(0.4)	(6.0)	(94.0%)	(19.5)	(377.0)	(94.8%)
Cash flow	**41.2**	**172.8**	**(76.2%)**	**1,062.6**	**414.1**	**156.6%**
Interest and financial fees received / (paid)	(9.0)	(27.0)	(66.6%)	(199.7)	(250.5)	(20.3%)
Debt drawdown / (payment)	(6.7)	(4.3)	56.2%	(886.2)	(1,045.9)	(15.3%)
Cash to/from shareholders	(0.0)	0.0	n.m.	(134.3)	652.8	n.m.
Other financial flows	0.0	0.0	n.m.	0.0	(30.5)	n.m.
Change in cash	**25.5**	**141.6**	**(82.0%)**	**(157.7)**	**(260.0)**	**(39.3%)**
Cash and cash equivalents, net(3)						
Opening balance	367.5	409.1	(10.2%)	550.7	810.7	(32.1%)
Closing balance	393.0	550.7	(28.6%)	393.0	550.7	(28.6%)

(1) Figures adjusted to exclude extraordinary costs related to the IPO
(2) Includes the payment from the United Airlines IT contract resolution
(3) Cash and cash equivalents are presented net of overdraft bank accounts

2.3.1 Change in working capital

Amadeus typically works on negative working capital (i.e. cash inflows), driven by the fact that Amadeus collects payments from most airlines (more than 80% of our group collections) through IATA, ICH and ACH, with an average collection period of just over one month, whilst payments to providers and suppliers are made on average over a significantly longer period.

The cash inflow in 2011 was lower than in 2010, mainly driven by the fact that there was no factoring as of December 2011, different timing of payments (certain payments were delayed in Q4 2010), and higher amount of receivables as a result of the increase in activity in the period.

2.3.2 Capital expenditure

Capital expenditure increased by €60.3 million in 2011, driven by higher investment in tangible and intangible assets during the year. This increase was mainly related to (i) the payment of a signing bonus in relation to the 10 year distribution agreement with the entity resulting from the merger of GoVoyages, eDreams and Opodo, and (ii) the increase in software capitalisations as a result of higher R&D during the year.

2.3.3 Pre-tax operating cash flow

Pre-tax operating cash flow in the fourth quarter of 2011 amounted to €128.8 million (excluding extraordinary IPO costs), or €40.1 million below that of the same period of 2010.

The decrease was driven by the higher capex of the period, together with a lower cash inflow from change in working capital as factoring was not used in December 2011, as explained above. These negative effects were partially offset by an increase in EBITDA.

For the full year, Pre-tax operating cash flow amounted to €810.5 million or €19.0 million lower than that of 2010. The higher cash from EBITDA and the collection from United was offset by a lower cash inflow from change in working capital, as well as the higher capex in the year.

2.3.4 Taxes

Taxes paid in the fourth quarter of 2011 amounted to €81.3 million, compared to €4.3 million in the same period in 2010. This significant increase was mainly driven by (i) a low base of comparison, as tax paid in the fourth quarter of 2010 benefitted from the positive impact of certain extraordinary IPO costs, which were tax deductible, and (ii) a change in the Spanish tax regulation, which requires higher tax prepayments.

Payments for the full year 2011 amounted to €123.3 million, compared to €71.5 million. The increase was mainly due to the low base of comparison in 2010, driven by the tax deductibility of certain extraordinary IPO costs, which only partially benefitted the cash payments in 2011.

2.3.5 Equity investments

Equity investments amounted to €399.2 million in 2011. This cash inflow mainly corresponds to the proceeds from the sale of Opodo and 27% of our equity stake in Topas.

The cash outflow in the fourth quarter of 2011 was mainly driven by the purchase of shares of Amadeus IT Group, S.A. to minority shareholders.

2.3.6 Cash flow from extraordinary items

Extraordinary items in 2011 mainly refer to a partial payment to employees in relation to the Value Sharing Plan incentive scheme. In 2010, extraordinary items mainly referred to payments related to the IPO.

2.3.7 Interest and financial fees received / (paid)

Interest payments under our debt arrangements fell by 66.6% in the fourth quarter of 2011 and by 20.3% in the full year 2011. This significant decrease is due to lower payment of interest expenses, given the lower amount of debt outstanding after debt repayments in 2010 and 2011 and the lower cost of debt after the debt refinancing.

3 Segment reporting

3.1 Distribution

Figures in million euros	Q4 2011[(1)]	Q4 2010[(1)]	% Change	Full Year 2011[(1)]	Full Year 2010[(1)]	% Change
KPI						
GDS Industry change	**2.0%**	**4.4%**		**2.2%**	**7.9%**	
Air TA market share	**39.2%**	**37.9%**	**1.3 p.p.**	**37.7%**	**36.7%**	**1.0 p.p.**
Air TA bookings (m)	94.7	88.8	6.7%	402.4	382.4	5.2%
Non air bookings (m)	15.0	14.3	4.7%	61.4	59.2	3.7%
Total bookings (m)	**109.7**	**103.1**	**6.4%**	**463.8**	**441.6**	**5.0%**
Profit & Loss						
Revenue	**491.0**	**463.3**	**6.0%**	**2,079.4**	**1,992.2**	**4.4%**
Like-for-like Revenue [(2)]	***491.0***	***460.9***	***6.5%***	***2,079.4***	***1,977.4***	***5.2%***
Operating costs	(304.0)	(281.1)	8.1%	(1,173.6)	(1,103.5)	6.3%
Direct capitalisations	11.5	10.1	13.6%	44.6	37.6	18.6%
Net operating costs	**(292.5)**	**(271.0)**	**7.9%**	**(1,129.0)**	**(1,066.0)**	**5.9%**
Contribution	**198.6**	**192.3**	**3.2%**	**950.4**	**926.3**	**2.6%**
As % of Revenue	40.4%	41.5%	(1.1 p.p.)	45.7%	46.5%	(0.8 p.p.)

(1) Figures adjusted to exclude extraordinary IPO costs
(2) Adjusted to exclude the impact of the sale of Vacation.com in 2010

The core offering of our Distribution business is our GDS platform. It provides a global network that connects travel providers, such as full service and low-cost airlines, hotels, rail operators, cruise and ferry operators, car rental companies, tour operators and insurance companies, with online and offline travel agencies, facilitating the distribution of travel products and services (sometimes referred to as the "indirect channel"). We also offer technology solutions, such as desktop and e-commerce platforms and mid- and back-office systems to some of our travel agency customers.

Our Distribution business continued to grow during the fourth quarter of 2011, mainly driven by our market share gains and GDS industry growth, leading to our booking volume growth. Our revenue increased by 6.0% (6.5% adjusted for the sale of Vacation.com) in the fourth quarter of 2011, driving our revenue up by 4.4% in the full year 2011 (5.2% adjusted for the sale of Vacation.com). Our contribution margin in 2011 was 45.7%, a slight decrease vs. 2010.

3.1.1 Evolution of KPI

During the fourth quarter of 2011, the volume of air bookings processed through travel agencies connected to Amadeus increased by 6.7%, as a result of the combined effect of a 2.0% growth in the GDS industry and an increase of 1.3 p.p. in Amadeus' market share. For the full year 2011, our air bookings grew 5.2% and our market share gain was 1.0 p.p.

GDS Industry

Total GDS bookings increased by 2.0% in the fourth quarter of 2011, in line with the 2.2% growth experienced by the GDS industry up to September 2011.

Industry growth in the fourth quarter was mostly driven by the significant outperformance of regions such as CESE and Latin America. Middle East and Africa, while still showing weakness, delivered higher growth than in the first half of the year, somewhat recovering from the political unrest that significantly affected the region's activity during that period.

In 2011, the GDS industry increased a modest 2.2%, due to (i) the higher base of comparison: the GDS industry experienced a strong recovery in 2010 (7.9% growth in 2010), (ii) a negative performance experienced in the US, (iii) the slowdown of the industry in Middle East, as a consequence of the political instability in certain countries in the region and (iv) disintermediation experienced in some countries in Asia as a result of the success of certain low cost carriers. These negative factors were partially offset by a strong performance in Latin America and CESE.

Amadeus

Our air TA bookings increased by 6.7% in the fourth quarter of 2011, driving our air TA bookings up by 5.2% in 2011, compared to 2010. As per table 6 below, bookings from Western Europe continue to have the strongest weight (47.4%) over our total air bookings, with emerging markets making up for a large part of the remainder.

Table 6

Figures in million	Full Year 2011	% of Total Air TA Bookings	Full Year 2010	% of Total Air TA Bookings	% Change
Western Europe	190.6	47.4%	183.2	47.9%	4.0%
Central, Eastern and Southern Europe	40.5	10.1%	38.3	10.0%	5.6%
Middle East and Africa	49.8	12.4%	48.3	12.6%	3.2%
North America	37.1	9.2%	34.7	9.1%	7.1%
Latin America	27.3	6.8%	24.6	6.4%	11.1%
Asia & Pacific	57.1	14.2%	53.3	13.9%	7.1%
Total Air TA Bookings	**402.4**	**100.0%**	**382.4**	**100.0%**	**5.2%**

During the fourth quarter of 2011, our global air TA market share increased by 1.3 p.p. As of December 31, 2011 our global market share was 37.7%, 1.0 p.p. higher than that of 2010.

The slowdown observed in the GDS industry in the year had a reduced impact on our volumes, given our lower exposure to the US, where we had a positive performance, as well as the over performance of some of our key markets in Asia Pacific such as India or Australia.

With regards to non-air distribution, our bookings for 2011 increased by 3.7% to 61.4 million vs. 59.2 million in 2010, mainly driven by the increase in hotel bookings, which continue to display a strong performance, and to a lesser extent car rentals. On a like-for-like basis, rail bookings in the period showed a slight decrease vs. 2010.

3.1.2 Revenue

Our Distribution revenue increased by 6.5% in the fourth quarter of 2011 to €491.0 million, excluding the impact of the sale of Vacation.com in 2010. This increase was primarily driven by the growth in air and non-air bookings, as detailed above, along with a slight improvement in the unit booking revenue in the quarter.

In 2011, total Distribution revenue on a like-for-like basis was 5.2% higher than in 2010. This increase was driven by growth both in booking revenue (+4.7%) and in non-booking revenue (+7.7%):

- **Booking revenue**: 4.7% increase, driven by a 5.0% growth in total bookings. Our unit booking revenue in 2011 was broadly in line with that in 2010, despite a negative FX impact.

- **Non booking revenue:** 7.7% increase or €22.3 million on a like-for-like basis, mainly driven by higher revenue from the sale of data and advertising and from Traveltainment. We also recorded higher gains in 2011 derived from certain of our hedging instruments. On a reported basis, non booking revenue grew 2.4%, negatively impacted by the sale of Vacation.com (€14.9 million revenue in 2010).

Table 7

Distribution - Revenue	FY 2011	FY 2010	% Change
Booking revenue	1,768.6	1,688.8	4.7%
Non booking revenue	310.8	303.4	2.4%
Revenue	**2,079.4**	**1,992.2**	**4.4%**
Average fee per booking (air and non-air)[1]	**3.81**	**3.82**	**(0.3%)**

(1) Represents our booking revenue divided by the total number of air and non-air bookings

Distribution - Like-for-like Revenue	FY 2011	FY 2010	% Change
Booking revenue	1,768.6	1,688.8	4.7%
Non booking revenue	310.8	288.5	7.7%
Like-for-like Revenue	**2,079.4**	**1,977.4**	**5.2%**
Average fee per booking (air and non-air)[1]	**3.81**	**3.82**	**(0.3%)**

(1) Represents our booking revenue divided by the total number of air and non-air bookings

3.1.3 Contribution

The contribution of our Distribution business is calculated after deducting from our revenue those operating costs which can be directly allocated to the business (variable costs, mainly related to distribution fees and incentives, and those product development, marketing and commercial costs which are directly attributable to each business).

The contribution of our Distribution business increased by 3.2% in the fourth quarter of 2011, leading to a total contribution of €950.4 million in 2011 vs. €926.3 million in 2010. As a percentage of revenue, this represents a margin of 45.7%, slightly lower than the 46.5% contribution margin in 2010.

Operating costs in 2011 increased by 6.3%, as a combination of growth in incentive payments to travel agencies and an increase in commercial and R&D expenditure:

- As described in the R&D caption, development activities in the distribution business in the period include: (i) new products and applications for travel agencies, corporations or airlines, mainly around the provision of ancillary services, sophisticated booking and search engines (e.g. Amadeus Extreme Search) and our e-Travel management tool for corporations, (ii) regionalisation efforts, including the development of the Amadeus One product and certain development costs for specific US clients, as well as the launch of the Amadeus Travel Office Manager in Asia, (iii) increased investment in relation to hotel and rail distribution or (iv) increased costs in relation to the Topas distribution agreement.
- Increase in our incentive fees paid to travel agencies driven by the competitive situation and the mix of travel agencies originating our bookings.
- Commercial expenses mainly related to the full year impact of certain commercial initiatives undertaken during the course of 2010.

These effects were partially offset by:

- Certain cost control efforts put in place in light of a slowdown in the economy.
- Favourable impact of the USD depreciation in our cost base.

3.2 IT Solutions

Figures in million euros	Q4 2011(1)	Q4 2010(1)	% Change	Full Year 2011(1)	Full Year 2010(1)	% Change
KPI						
Passengers Boarded (PB) (m)	**111.6**	**101.7**	**9.7%**	**439.1**	**372.3**	**17.9%**
Airlines migrated (as of December 31)				**100**	**94**	
Profit & Loss						
Revenue	**156.6**	**144.2**	**8.6%**	**628.0**	**601.4**	**4.4%**
Like-for-like Revenue (2)	***156.6***	***144.2***	***8.6%***	***632.6***	***586.8***	***7.8%***
Operating costs	(74.2)	(68.1)	9.0%	(263.8)	(272.0)	(3.0%)
Direct capitalisations	25.4	19.5	30.2%	91.8	80.1	14.5%
Net operating costs	**(48.8)**	**(48.6)**	**0.5%**	**(172.1)**	**(191.9)**	**(10.3%)**
Contribution	**107.7**	**95.6**	**12.6%**	**455.9**	**409.5**	**11.3%**
As % of Revenue	68.8%	66.3%	2.5 p.p.	72.6%	68.1%	4.5 p.p.

(1) Figures adjusted to exclude extraordinary IPO costs
(2) Figures adjusted to exclude (i) the impact of the sale of Hospitality Group in 2010, (ii) the impact of the change in the treatment of certain bookings within IT Solutions, based on which the related revenue is recognised net of certain costs, and (iii) the revenue from the United Airlines IT contract resolution.

Through our IT Solutions business we provide a comprehensive portfolio of technology solutions that automate certain mission-critical business processes, such as reservations, inventory management and other operational processes for travel providers (mainly airlines), as well as providing direct distribution technologies.

During the fourth quarter of 2011, revenue from IT Solutions grew by 8.6%. This increase was mostly driven by IT Transactional revenue growth, fuelled by the organic growth in PB volumes, together with an improvement in non-transactional revenue.

On a like-for-like basis, revenue from IT Solutions grew by 7.8% in 2011, compared to 2010. Revenue comparability in 2011 is affected by (i) the sale of Hospitality Group in 2010 and (ii) as described in detail in the Q1 2011 financial report, by a change in the treatment of certain bookings made within airline groups, which negatively affected the reported growth within the direct distribution revenue line during the first quarter of 2011. The numbers for the full year 2011 are also therefore affected by this change (see “Factors that affect comparability of 2010 and 2011 figures” on pages 44 and 45 for further detail).

Contribution margin continues to benefit from operational leverage as well as certain changes in the treatment of certain bookings (as mentioned above). We have continued to invest significantly, in preparation for the migrations of 2012 and future years and in order to continue to enhance our product portfolio and the non-air IT business, while still enhancing margins, reaching 72.6% in 2011.

3.2.1 Evolution of KPI

Total number of passengers boarded in the fourth quarter of 2011 amounted to 111.6 million, or 9.7% higher than in the fourth quarter of 2010, mainly driven by the organic growth of existing clients and the implementation of some new clients. Excluding the impact of new migrations, our PB grew by 7.7% on a like-for-like basis in the quarter.

During the full year 2011, the number of passengers boarded reached 439.1 million, 17.9% higher than in 2010, despite the loss of traffic from Mexicana, which ceased operations in August 2010. On a like-for-like basis, total PB grew by 7.3%, ahead of traffic growth, given the positive mix in our client base.

As of December 31, 2011 52.1% of our total PB were generated by Western European airlines, with the remainder generated in high growth geographies. The number of PB in Latin American carriers processed in the year decreased significantly vs. 2010 due to the Mexicana bankruptcy.

Figures in million	**Full Year 2011**	**% of Total PB**	**Full Year 2010**	**% of Total PB**	**% Change**
Western Europe	228.9	52.1%	180.5	48.5%	26.8%
Central, Eastern and Southern Europe	32.4	7.4%	26.8	7.2%	21.1%
Middle East and Africa	86.8	19.8%	73.0	19.6%	18.9%
Latin America	57.8	13.2%	60.3	16.2%	(4.2%)
Asia & Pacific	33.1	7.5%	31.7	8.5%	4.5%
Total PB	**439.1**	**100.0%**	**372.3**	**100.0%**	**17.9%**

3.2.2 Revenue

Total IT Solutions revenue increased by 8.6% in the fourth quarter of 2011 as a result of the growth experienced in the IT transactional revenue line and, to a lesser extent, in non-transactional revenue.

In 2011, our reported revenue grew by 4.4%. However, on a like-for-like basis revenue growth is 7.8% (excluding the impact of the sale of Hospitality Group in 2010, as well as the impact of the change in the treatment of certain bookings made within airline groups in the direct distribution revenue line that impacted the first quarter 2011 numbers).

Table 8

IT Solutions - Revenue	**FY 2011**	**FY 2010**	**% Change**
IT transactional revenue	*430.3*	*366.6*	*17.4%*
Direct distribution revenue	*133.8*	*164.6*	*(18.7%)*
Transactional revenue	564.1	531.2	6.2%
Non transactional revenue	63.9	70.2	(9.0%)
Revenue	**628.0**	**601.4**	**4.4%**
IT Transactional revenue per PB(1)	**0.98**	**0.98**	**0.0%**

(1) Represents our IT Transactional revenue divided by the total number of PB

IT Solutions - Like-for-like Revenue	FY 2011	FY 2010	% Change
IT transactional revenue	*430.3*	*366.6*	*17.4%*
Direct distribution revenue	*138.4*	*164.6*	*(15.9%)*
Transactional revenue	568.7	531.2	7.1%
Non transactional revenue	63.9	55.6	14.8%
Like-for-like Revenue	**632.6**	**586.8**	**7.8%**
IT Transactional revenue per PB(1)	**0.98**	**0.98**	**0.0%**

(1) Represents our IT Transactional revenue divided by the total number of PB

Transactional Revenue

IT Transactional Revenue

As shown in table 8, IT Transactional revenue increased by 17.4% in 2011 to €430.3 million from €366.6 million in 2010. The growth in IT transactional revenue was supported by very strong growth in all main revenue lines:

- Altéa: strong growth driven by the increase in PB (as described above)
- e-commerce: significant increase in Passenger Name Record volumes, both as a result of organic growth and new implementations
- Stand-alone IT Solutions, mainly automatic ticket changer solutions and additional functionality to the Altéa inventory module (such as Availability Calculator) and to the Altéa departure control system module (such as the Self Service check-in or the Airport link products), given the organic growth in existing customers, additional fees derived from the implementation of new applications and new client cutovers.

Our IT transactional revenue per PB for the year 2010 was €0.98, in line with 2010: the negative effect of the slightly lower growth rates of e-commerce and standalone IT solutions (revenue streams which are not charged on a per PB basis and therefore do not grow in line with PB) and the negative FX effect were offset by the increase in the Altéa average PB fee, driven by the migrations to the Altéa DCS module and the inflation adjustment to the pricing during the year.

Direct Distribution

Revenue from Direct Distribution fell by 15.9% in 2011 compared to 2010. This decrease in revenue was driven by a drop in bookings as a consequence of the full year effect of the migrations of some of our existing users of our Reservations module (notably Air France-KLM and LOT) to, at least, the Inventory module of our Amadeus Altéa Suite in 2010. Once migrated on to the Altéa Inventory module, these clients are charged a fee per PB, and revenue is accounted for under IT Transactional revenue, rather than Direct Distribution. If we do not exclude the impact of the change in the treatment of certain bookings, as explained in the Q1 financial report, based on which the related revenue is recognised net of certain costs in 2011, Direct Distribution revenue declined by 18.7%.

Non Transactional Revenue

Non-transactional revenue increased by 14.8% on a like-for-like basis in 2011, mainly driven by higher revenue from bespoke developments, particularly in the e-Commerce area. On a reported basis, revenue falls given the disposal of our equity stake in Hospitality Group in September 2010.

3.2.3 Contribution

The contribution of our IT Solutions business is calculated after deducting from our revenue those operating costs which can be directly allocated to this business (variable costs, including certain distribution fees, and those product development, marketing and commercial costs which are directly attributable to each business).

The contribution of our IT Solutions business increased by 12.6%, to €107.7 million in the fourth quarter of 2011. As a percentage of revenue, the contribution margin of our IT Solutions business increased from 66.3% in the fourth quarter of 2010 to 68.8% in the fourth quarter of 2011.

For the full year, the contribution of the IT Solutions business grew by 11.3%, or €46.4 million, to €455.9 million in 2011, with a significant margin expansion, which increased from 68.1% in 2010 to 72.6% in 2011.

The 11.3% increase in the contribution of our IT Solutions business in 2011 was driven by the increase in revenues and the significant decrease in operating costs and higher capitalisations during the year. The decrease in operating costs was mainly attributable to:

- Certain cost control efforts put in place in light of a slowdown in the economy
- The impact of the sale of Hospitality Group in 2010
- The reduction in our variable costs from the change in the treatment of certain bookings from "other airline bookings" to "direct distribution bookings", as explained under "Factors that affect comparability of 2010 and 2011 figures" on pages 44 and 45
- The favourable impact of the USD depreciation and other currencies in our cost base

These positive effects were partially offset by:

- An increase in our R&D expenditure associated with the upcoming migrations to the Altéa Inventory and Departure Control System modules, as well as other product implementations (within e-Commerce and Standalone IT solutions - such as Revenue Integrity - as well as in relation to ancillary services) and to new projects for portfolio expansion (mainly related to Revenue Management and Revenue Accounting). We also continue to work in product evolution, adding new functionalities such as code sharing, customer experience, availability control, etc.
- An increase in commercial efforts related to account management and local support for areas of diversification and significant business expansion.

Finally, it should be noted that our margins this year in comparison to previous year are favourably impacted by the sale of the Hospitality Group, which had a smaller contribution margin than our core business, and the above mentioned change in treatment from certain bookings.

3.3 Reconciliation with EBITDA

Figures in million euros	Q4 2011[1]	Q4 2010[1]	% Change	Full Year 2011[1,2]	Full Year 2010[1]	% Change
Contribution	**306.3**	**288.0**	**6.4%**	**1,406.3**	**1,335.7**	**5.3%**
Distribution	198.6	192.3	3.2%	950.4	926.3	2.6%
IT Solutions	107.7	95.6	12.6%	455.9	409.5	11.3%
Indirect costs	(120.4)	(120.5)	(0.1%)	(435.5)	(422.8)	3.0%
Indirect capitalisations & RTCs[3]	17.5	20.8	(16.0%)	68.1	63.5	7.4%
Net indirect costs	**(102.9)**	**(99.7)**	**3.2%**	**(367.3)**	**(359.4)**	**2.2%**
As % of Revenue	15.9%	16.4%	(0.5 p.p.)	13.6%	13.9%	(0.3 p.p.)
EBITDA	**203.4**	**188.3**	**8.0%**	**1,039.0**	**976.4**	**6.4%**
EBITDA Margin (%)	31.4%	31.0%	0.4 p.p.	38.4%	37.6%	0.7 p.p.

(1) Figures adjusted to exclude extraordinary IPO costs
(2) For purposes of comparability, the revenue associated to the resolution of the Altéa contract with United Airlines in 2011, as well as certain costs of migration that were incurred in relation to this contract, have been reclassified from the Revenue and Other operating expenses captions, respectively, to the Other income / (expense) caption
(3) Includes the Research Tax Credit (RTC)

EBITDA increased by 8.0%, to €203.4 million in the fourth quarter of 2011. As a percentage of revenue, EBITDA margin increased from 31.0% in the fourth quarter of 2010 to 31.4% in the fourth quarter of 2011.

For the full year, our EBITDA grew by 6.4%, to €1,039.0 million in 2011, and EBITDA margin expanded from 37.6% in 2010 to 38.4% in 2011.

The growth in EBITDA in 2011 was driven by the increase in the contributions of both Distribution and IT Solutions businesses and operational leverage in the net indirect cost line, which grew by 2.2% in 2011 vs. 2010. This growth in net indirect costs was driven by the combination of increases in indirect costs, which grew by 3.0% vs. 2010, and indirect capitalisations, which grew by 7.4% in 2011. The increase in indirect costs was mainly attributable to:

- The inflation-based revision of salary base
- An increase in certain G&A expenses such as building and facilities expenses (driven by growth in FTEs and development activities)
- Increased efforts in cross-area R&D (mainly related to the TPF decommissioning)
- The accrual of our recurring incentive scheme for management (Performance Share Plan), implemented in July 2010.

4 Other financial information

4.1 Adjusted profit for the period from continuing operations

Figures in million euros	Q4 2011[1]	Q4 2010[1]	% Change	Full Year 2011[1]	Full Year 2010[1]	% Change
Profit for the period from continuing operations	**75.5**	**42.3**	**78.5%**	**466.0**	**304.7**	**52.9%**
Adjustments						
Impact of PPA[2]	12.2	27.6	(55.7%)	49.0	111.4	(56.0%)
Adjustments for mark-to-market[3]	(2.6)	(5.5)	(52.1%)	(19.3)	(18.8)	2.3%
Extraordinary items[4]	0.4	(1.7)	n.m.	(10.2)	(1.3)	n.m.
Impairments	1.1	5.7	(80.7%)	1.8	7.5	(76.5%)
Adjusted profit for the period from continuing operations	**86.6**	**68.2**	**27.0%**	**487.2**	**403.5**	**20.7%**

(1) Figures adjusted to exclude extraordinary costs related to the IPO
(2) After tax impact of amortisation of intangible assets identified in the purchase price allocation exercise undertaken following the leveraged buy-out
(3) After tax impact of changes in fair value of financial instruments and non-operating exchange gains / (losses)
(4) After tax impact of extraordinary items related to the sale of assets and equity investments, the debt refinancing and the United Airlines contract resolution

Profit from continuing operations (adjusted to exclude extraordinary IPO costs) increased by 78.5%, or €33.2 million, in the fourth quarter of 2011. For the full year, profit from continuing operations (adjusted to exclude extraordinary IPO costs) increased by 52.9%, or €161.2 million in 2011.

After adjusting for (i) non-recurring items and (ii) accounting charges related to the PPA (purchase price allocation) amortisation and other mark-to-market items, adjusted profit for the period (from continuing operations) increased by 27.0% in the fourth quarter of 2011 and by 20.7%, to €487.2 million, in 2011.

4.2 Earnings per share from continuing operations (EPS)

	Q4 2011[1]	Q4 2010[1]	% Change	Full Year 2011[1]	Full Year 2010[1]	% Change
Weighted average issued shares (m)	447.6	447.6		447.6	421.1	
Weighted average treasury shares (m)	(2.1)	(2.1)		(2.1)	(2.1)	
Outstanding shares (m)	**445.5**	**445.5**		**445.5**	**419.0**	
EPS from continuing operations (euros)[2]	**0.17**	**0.09**	**82.0%**	**1.04**	**0.73**	**44.0%**
Adjusted EPS from continuing operations (euros)[3]	**0.20**	**0.15**	**28.9%**	**1.09**	**0.96**	**13.6%**
Adjusted EPS from continuing operations (euros)[4] (based on equal number of shares)	**0.20**	**0.15**	**28.9%**	**1.09**	**0.90**	**20.8%**

(1) Figures adjusted to exclude extraordinary costs related to the IPO.
(2) EPS corresponding to the Profit for the period from continuing operations attributable to the parent company (excluding extraordinary costs related to the IPO).
(3) EPS corresponding to the Adjusted profit for the period from continuing operations attributable to the parent company. Calculated based on weighted average outstanding shares of the period. Q4 2011 and Q4 2010 adjusted EPS calculated based both on 445.5 million shares. Adjusted EPS for 2011 and for 2010 calculated based on 445.5 million shares and 419.0 million shares, respectively.
(4) EPS corresponding to the Adjusted profit for the period from continuing operations attributable to the parent company. Both Q4 2011 adjusted EPS and Q4 2010 adjusted EPS calculated based on weighted average outstanding shares of the fourth quarter of 2011 (445.5 million shares). Adjusted EPS for 2011 and for 2010 calculated based on weighted average outstanding shares of 2011 (445.5 million shares).

The table above shows EPS for the period, based on the profit from continuing operations, attributable to the parent company (after minority interests), both on a reported basis (excluding extraordinary IPO costs) and on an adjusted basis (adjusted profit as detailed in section 4.1 above). In addition, given the share capital increase at the time of the IPO in April 2010, the number of shares also needs adjusting in 2010 figures, for comparability purposes. As shown above, in the fourth quarter of 2011, Amadeus delivered adjusted EPS growth of 28.9%. In 2011, adjusted EPS was €1.09, 20.8% higher than in 2010 (based on equal number of shares).

5 Investor information

5.1 Capital stock. Share ownership structure

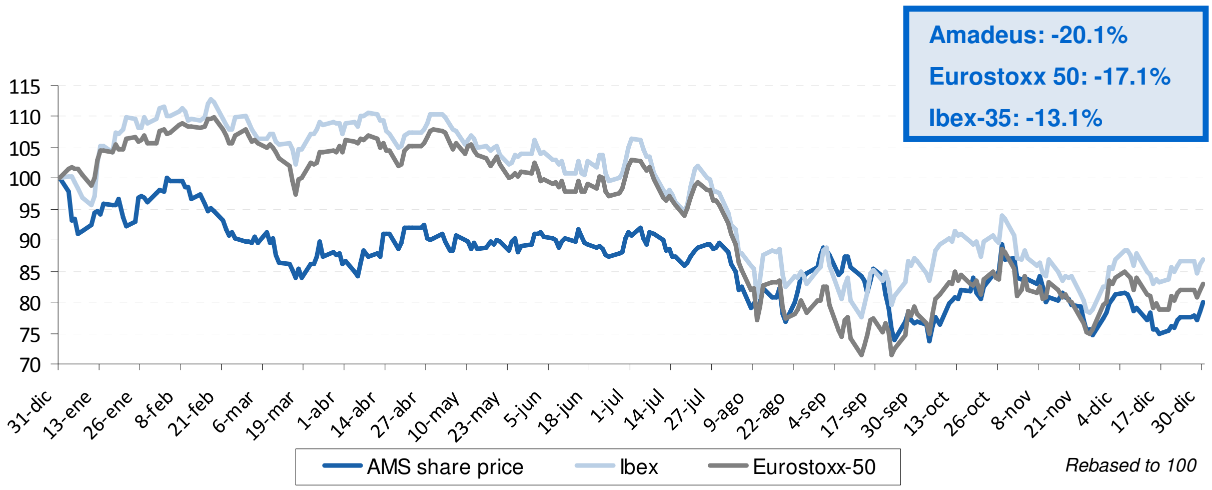
As of December 31, 2011 the capital stock of our company is €4,475,819.5 represented by 447,581,950 shares with a nominal value of €0.01 per share, all belonging to the same class, completely subscribed and paid in.

The shareholding structure as of December 31, 2011 is as described in the table below:

Shareholders	Shares	% Ownership
Société Air France	68,146,869	15.22%
Lufthansa Commercial Holding, GmbH	34,073,439	7.61%
Iberia, Líneas Aéreas de España Sociedad Anónima Operadora, SAU	33,562,331	7.50%
Free float	309,008,039	69.04%
Treasury shares[1]	2,093,760	0.47%
Board of Directors	697,512	0.16%
Total	**447,581,950**	**100.00%**

(1) Voting rights suspended for as long as the shares are held by our company

5.2 Share price performance in 2011



Amadeus	
Number of publicly traded shares	447,581,950
Share price at December 30, 2011 (in €)	12.5
Maximum share price in 2011 (in €)	15.7
Minimum share price in 2011 (in €)	11.5
Market capitalisation (in € million)	5,610
Weighted average share price in 2011 (in €)*	13.6
Average Daily Volume in 2011 (# shares)	3,547,928

*Excluding cross trades

5.3 Dividend payments

At the Shareholders' General Meeting held on June 24, 2011 the shareholders of the company approved the annual dividend for 2010. The total value of the dividend was €134.3 million, representing a pay-out of 35% of the 2010 Reported profit for the year (excluding extraordinary items related to the IPO), or €0.30 per share (gross), and was paid on July 27, 2011.

With regards to the dividend corresponding to the financial year 2011, the company will make a semi-annual payment. On November 30, 2011 the Board of Directors of the company approved the distribution of an interim dividend of €0.175 per share (gross) corresponding to the profit for the financial year 2011. The payment of this interim dividend was made effective on January 30, 2012.

The proposed appropriation of the 2011 results included in our 2011 audited consolidated financial statements of Amadeus IT Holding, S.A. and subsidiaries includes a total amount of €165.6 million corresponding to dividends pertaining to the financial year 2011. The value per share (gross) is €0.37, and represents a pay-out ratio of 36% of the Reported profit for the year from continuing operations (excluding extraordinary items related to the IPO), in line with our current dividend policy of 30% to 40% pay-out ratio. As mentioned above, an interim amount of €0.175 per share (gross) was paid on January 30, 2012 and the final dividend of €0.195 per share (gross) will be paid in July 2012, subject to approval at the 2011 Shareholders' General Meeting, to be held in June 21, 2012.

6 Presentation of financial information

The source for the financial information included in this document is the audited consolidated financial statements of Amadeus IT Holding, S.A. and subsidiaries, which have been prepared in accordance with International Financial Reporting Standard as adopted by the European Union.

Certain monetary amounts and other 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.

Sale of Opodo

On June 30, 2011 the Group completed the sale of Opodo Ltd and its subsidiaries. In 2011, Opodo is presented as a discontinued operation in our Group income statement. Opodo is also presented as discontinued operation in the 2010 figures of our Group income statement to allow for comparison. As a result of this sale the Group booked a gain of €270.9 million. This gain, together with the extraordinary costs related to the sale, are presented within "Profit from discontinued operations". The figure reported for this gain on disposal could be subject to change during 2012 as a result of certain adjustments to the purchase price.

One-time payment from United Airlines in relation to the discontinued Altéa contract

On May 6, 2011 Amadeus announced that it had agreed to dissolve a contract under which United Airlines previously planned to migrate onto the Amadeus Altéa Suite in 2013. United Airlines agreed to make a one-time payment of $75.0 million to Amadeus for the cancellation of the IT services agreement. The payment was made effective in Q2 2011 and recognised (in Euros, in an amount of €51.7 million) under the "Revenue" caption on the consolidated statement of comprehensive income of our financial statements.

For purposes of comparability with previous periods, this revenue, as well as certain costs of migration that were incurred in relation to this contract, have been reclassified from revenue and other operating expenses, respectively, to the Other income / (expense) caption in our Group income statement shown in this report.

Extraordinary costs related to the Initial Public Offering

On April 29, 2010 Amadeus began trading on the Spanish Stock Exchanges. The Company incurred extraordinary costs in relation to the offering that impacted the figures for 2010 and 2011.

For the purposes of comparability with previous periods, the figures for 2010 and 2011 shown in this report have been adjusted to exclude such costs.

The following table details the extraordinary items related to the IPO that have been excluded from the figures in this report:

Figures in million euros	Q4 2011	Q4 2010	Full Year 2011	Full Year 2010
Personnel and related expenses[1]	(5.0)	(6.3)	(19.0)	(312.1)
Other operating expenses[2]	0.0	(0.6)	1.2	(13.5)
Total impact on Operating Income	**(5.0)**	**(6.9)**	**(17.8)**	**(325.6)**
Interest expense[3]	0.0	0.0	0.0	(29.2)
Total impact on Profit before taxes	**(5.0)**	**(6.9)**	**(17.8)**	**(354.8)**
Income taxes	1.6	2.2	5.5	110.0
Total impact on Profit for the period from continuing operations	**(3.5)**	**(4.8)**	**(12.3)**	**(244.8)**
Profit for the period from discontinued operations[4]	0.0	(0.4)	(0.2)	(1.4)
Total impact on Profit for the period	**(3.5)**	**(5.2)**	**(12.5)**	**(246.2)**

(1) Costs included in "Personnel expenses" relate to (i) in 2010, payouts to employees under certain historic employee performance reward schemes linked to the IPO and (ii) in 2011, the cost accrued in relation to the non-recurring incentive scheme (Value Sharing Plan) that became effective upon the admission of our shares to trading on the Spanish Stock Exchanges and which is accrued on a monthly basis over the two years following its implementation. A partial payment to employees corresponding to this scheme was made in the second quarter of 2011, included in the Group cashflow caption "Cashflow from extraordinary items".

(2) Costs included under "Other operating expenses" correspond to (i) in 2010, fees paid to external advisors in relation to the IPO and (ii) in 2011, a positive adjustment in Q1 2011 in relation to an excess of provisions for non-deductible taxes accrued in 2010, based on the final tax forms (closed in Q1 2011).

(3) Costs included in "Interest expense" relate only to 2010, and correspond to deferred financing fees that were generated and capitalised in 2005 and 2007 - in relation to the debt incurred in 2005 and its subsequent refinancing in 2007 - which were partially expensed in Q2 2010 following the cancellation of debt that took place after the listing of the Company.

(4) Costs included in "Profit for the period from discontinued operations" relate to costs accrued under a non-recurring incentive scheme in Opodo, net of taxes.

Factors that affect comparability of 2010 and 2011 figures

IT Solutions revenue comparability in 2011 is affected by (i) the sale of Hospitality Group in 2010 and (ii) as described in detail in the Q1 2011 financial report, by a change in the treatment of certain bookings made within airline groups, which negatively affected the reported growth within the direct distribution revenue line during the first quarter of 2011:

- When an airline, acting as a distributor and using the Altéa technology, sells a booking of another airline, Amadeus charges a fee per booking ("Other Airline Booking") to the airline that owns the booking and pays a distribution fee per booking to the distributor carrier. The revenue that Amadeus generates from the booking fees charged for these bookings is recognised within the direct distribution revenue line, and the distribution fees paid for these bookings are recognised as a cost within the operating costs of the business.

- Separately, the direct distribution bookings (“Own Bookings”) are bookings done by an airline which uses the Altéa reservations module standalone (a System User) through their own direct channel. The revenue generated from these bookings, charged per booking, is also recognised within the direct distribution revenue line, but it is recognised net of the distribution fee generated by the airline. For airlines belonging to certain groups, bookings are considered as Own Bookings, and therefore recognised net of distribution costs.
- In 2011, we registered as Own Bookings certain bookings that were considered as Other Airline Bookings in 2010, and therefore have lower net revenue, which is not comparable to the same period in 2010.

7 Key terms

- "ACH": refers to "Airlines Clearing House"
- "ACO": refers to "Amadeus Commercial Organisation"
- "Air TA bookings": air bookings processed by travel agencies using our distribution platform
- "APAC" refers to "Asia & Pacific"
- "CESE": refers to "Central, Eastern and Southern Europe"
- "EPS": refers to "Earnings Per Share"
- "FTE": refers to "full-time equivalent" employee
- "GDS": refers to a "global distribution system", i.e. a worldwide computerised reservation network used as a single point of access for reserving airline seats, hotel rooms and other travel-related items by travel agencies and large travel management corporations
- "GDS Industry": includes the total volume of air bookings processed by GDSs, excluding (i) air bookings processed by the single country operators (primarily in China, Japan, South Korea and Russia) and (ii) bookings of other types of travel products, such as hotel rooms, car rentals and train tickets
- "HTML": refers to "HyperText Markup Language"
- "IATA": the "International Air Transportation Association"
- "ICH": the "International Clearing House"
- "IFRIC": refers to "International Financial Reporting Interpretation Committee"
- "IPO": refers to "Initial Public Offering"
- "JV": refers to "Joint Venture"
- "KPI": refers to "key performance indicators"
- "LATAM": refers to "Latin America"
- "LTM" refers to "last twelve months"
- "MEA": refers to "Middle East and Africa"
- "MENA": refers to "Middle East and North Africa"
- "n.m.": refers to "not meaningful"
- "PB": refers to "passengers boarded", i.e. actual passengers boarded onto flights operated by airlines using at least our Amadeus Altéa Reservation and Inventory modules
- "p.p.": refers to "percentage point"
- "PPA": refers to "purchase price allocation" (please refer to page 21 for further details)
- "RTC": refers to "Research Tax Credit"
- "TA': refers to "travel agencies"
- "TPF": refers to "Transaction Processing Facility", a software license from IBM

8 Annex. Amadeus CSR

The travel industry comprises diverse and interdependent sectors which together represent 10% of global GDP and 8% of employment worldwide[6]. Thanks to its technology, its network and its relationships with stakeholders in the industry, Amadeus is in a privileged position to promote Corporate Social Responsibility (CSR) activities.

Therefore CSR covers a lot of ground in Amadeus. It begins with our commitment to hold ourselves to the highest standards of integrity and accountability. It evolves through the steadfast integration of social and environment objectives into our business strategy and operations.

Amadeus CSR activities range from local initiatives to global agreements with industry stakeholders; and all actions have in common the goal of enabling sustainable economic, social and environmental progress.

We include below the main areas of CSR initiatives at Amadeus and some selected examples that were undertaken in 2011.

Alliances

When designing a framework to address our CSR goals, we acknowledge we cannot get very far on our own. CSR projects involve a wide range of requirements from specific expertise, infrastructure, resources, etc. In most cases Amadeus cannot satisfy all of these requirements on its own and the efforts in conjunction with other institutions are much more effective.

Some examples of our most relevant CSR alliances include our agreements with the United Nations World Tourism Organisation (UNWTO) to support research about tourism and offer free consultancy services. One of the outcomes of this agreement is the provision of statistics and analysis of tourism related data for analysis by various institutions fostering sustainable tourism.

Another example is the agreement with the International Civil Aviation Organisation (ICAO) to provide, in Amadeus distribution platforms, information on CO2 releases from aircraft. Given the wide variety of carbon calculators in the market, we believe ICAO brings the benefit of an industry standard, since it is the UN body that serves as the forum for cooperation in all fields of civil aviation among its 191 Member States. At the end of 2011 Amadeus Corporate Booking Tool made this CO2 information available to any Amadeus corporate customer, enhancing significantly the reach of the information provided by ICAO.

A number of other alliances have been reached both at global and local levels and more examples can be provided upon request.

Amadeus' environmental management plan

We commit to reducing the environmental impact of our operations. This includes measuring and optimising our resource consumption, including electricity, gas, paper, water, and the reduction of waste and greenhouse gas releases. We have a plan to review the resource consumption of our top 10 sites around the world and provide best practice examples and objectives for all of the 73 local ACOs (Amadeus Commercial Organisations) worldwide.

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[6] Source: World Travel & Tourism Council. February 2009. *Leading the challenge on climate change*. WTTC

As an example, our largest site by far, regarding resource consumption, is our Data Centre in Erding. We have performed an extensive evaluation of our energy efficiency in the site, and as a consequence Amadeus in 2010 was granted the Energy Efficiency certification from TÜV SÜD. The performance optimisation brings both economic savings estimated at about €1 million per year, as well as reduced releases of greenhouse gases. We acknowledge the optimisation is a continuous exercise and in 2012 we expect to renew our certification and implement new measures for improvement.

Reducing the environmental impact of the travel industry

The travel industry, one of the largest contributors to GDP and employment, is also high energy intensive. We intend that Amadeus technology contributes to the reduction of the travel industry's environmental impact.

As an example, in 2011 we cooperated with our airline customer Finnair to estimate the fuel savings achieved through the implementation of Amadeus Altéa Departure Control System (Flight Management). Amadeus Altéa estimates more accurately than legacy systems the weight of the aircraft before the fuel is loaded, and this permits more accuracy in deciding the amount of fuel uplift, which in turn results in fuel, emissions and economic savings for the airline and the environment. Our most prudent measurements estimate that Finnair has reduced its CO_2 emissions by 300 tons. Since the implementation of the same product is planned for many airlines in 2012, we expect the benefits to multiply across various industry players.

Technology Transfer and Donations

Amadeus uses both its proprietary technology and industry expertise to help those who need it most. We take advantage of our presence in various developing regions to contribute to the education of local people in travel technology and promote employability.

Small Hotels Distribution Project

Our Technology Transfer project Small Hotels Distribution promotes tourism by providing technology and travel distribution to small hotels that do not have the economic resources and necessary knowledge to distribute their products themselves.

The project, which is being piloted in Nicaragua, provides small hotels with access to a worldwide distribution system with which to manage and sell their rooms. Hotels will manage just one tool to update and change availability in real time in travel agencies and other points of sale. This system is user-friendly and does not need high technical investment, just an internet connection.

Education

Amadeus education programs include the donation of free computers to set up 'Amadeus Computer Rooms' which provide e-learning or training on IT techniques within communities in need or in risk of exclusion. Education projects can also entail training agreements with universities and educational institutions to teach processes related to global travel distribution or e-learning. Under these agreements, Amadeus is able to offer free technical support and this can be matched by the partner institution offering a scholarship plan for students with no resources. Indeed, education projects are then seamlessly integrated into alliances with either local authorities or educational institutions.

Philippines: The Amadeus Corporate University

Since 2004 Amadeus has been bringing, at its own cost, travel technology closer to students through an innovative partnership with local universities in the Philippines by creating an e-learning module, the so-called "Amadeus Corporate University".

The Amadeus Corporate University provides world-class training for free with access to state-of-the-art technologies directed at students with limited financial resources beginning a career in travel and tourism. Our aim is to bridge the 'knowledge gap' between what students historically learn in academic institutions and the real skills that they will need when embarking on a career in today's travel and tourism industry.

The beneficiaries of this program are selected by expert associations such as La Concordia College, Soroptimist International Makati and the Foundation of Accelerated Students of Travel. The programme has been recognised by the Philippines Management Association as well as becoming a case study used in the prestigious De La Salle University, one of the Philippines' top graduate schools.

At the moment, similar initiatives are being carried out in other countries such as Syria, Egypt and Saudi Arabia.

Volunteer work

At Amadeus we believe that great things can be achieved when our own staff from across the globe go beyond their core daily activities and give up their free time to help those who are less privileged than themselves. To accomplish this, we have developed a corporate volunteer work programme which covers a wide range of activities both non-professional and specialised.

Haiti Earthquake. Amadeus orphanage

On Tuesday, January 10, 2010 Haiti suffered a catastrophic earthquake measuring 7.0 on the Richter scale. The government estimated that more than 300,000 people died and another 1,000,000 were displaced.

As Haiti is just a short two hour plane journey from Amadeus' offices in Miami, our staff there made a concrete plan to help. We provided volunteer work, partnered with industry partners such as the Great Commission Alliance (GCA), doctors, local people and institutions, to make sure we brought sustainability in our efforts and not just sporadic contributions.

In addition to urgent support from the Amadeus volunteers and doctors, the GCA proposed that Amadeus fund the building of an orphanage in Mirebalais. Starting in November 2010 and working throughout all of 2011 through a wide variety of employee and customer fund raising events, Amadeus North America raised over $140,000 to build the orphanage. Throughout 2011 various Amadeus North America employees volunteered in Haiti through the GCA in support of the Amadeus Orphanage.

One of Amadeus key travel industry partners was also keen to support the project and agreed to sponsor the building of a school for the orphans and the local children of Mirebalais. The orphanage is currently receiving its finishing touches and should be ready for its grand opening in June 2012, whilst the school will open later in the year in September.

A summary of the initiative and the spirit of our involvement is included in the video below: Building hope in Haiti. Amadeus Orphanage.

Other recent examples of our CSR include initiatives in countries such as Sri Lanka and Thailand.

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