

# Press Release

## Amadeus maintains consistent growth with strong first quarter

### Both Distribution and IT Solutions improve financial and operational performance

### Growth driven by market share gains, with additional support from organic growth and impact of acquisitions

#### First quarter highlights (three months ended March 31, 2015)

- Revenue increased 14.0%, to €989.4 million.
- EBITDA grew 10.9%, to €389.6 million.
- In the Distribution business, total air travel agency bookings increased 11.4%, to 139.9 million.
- In the IT Solutions business, Passengers Boarded<sup>1</sup> increased 8.4%, to 165.3 million.

May, 7: Amadeus IT Holding, S.A., a leading technology partner for the global travel industry, reports year-on-year financial and operating results for the first quarter of 2015 (three months ended March 31, 2015). Adjusted profit for the period grew 9.7% to €209.9 million. This was driven by an increase in revenue of 14.0%, to €989.4 million, and EBITDA growth of 10.9%, to €389.6 million.

#### Luis Maroto, President & CEO of Amadeus, commented:

"Our consistent market share growth and successful entry into new areas, combined with organic growth and contributions from recent successful acquisitions, has allowed us to report further increases in revenue and profitability.

"Distribution remained a reliable source of strong growth with revenue rising 10.7%, thanks to a 2.4 p.p. expansion in global market share coming from increased US and South Korean bookings. IT Solutions fulfilled its strong growth potential with a significant increase in revenue of 24%, largely driven by Asia-Pacific with additional rises in Passengers Boarded and contracts such as China Airlines. Our geographical diversification beyond Western Europe has improved significantly, with the weighting of bookings and PBs from Western Europe now accounting for 40.7% and 40.5% respectively.

"In the New Businesses area, our ambition to build a hotel community model took a significant step forward as it was announced we are working with InterContinental Hotels Group (IHG) to build its Guest Reservation System; and Airport IT has expanded further in the key North American market by acquiring Air-Transport IT Services, whose solutions are used by 30 of the busiest 50 US airports.

"We remain confident that our portfolio of innovative travel solutions and strong customer relationships will allow steady growth across our business throughout the remainder of 2015."

## Financial highlights for the first quarter

Consolidated net financial debt stood at €1,683.5 million at March 31, 2015, representing 1.25x the ratio of covenant net debt to the last twelve months' covenant EBITDA.

An appreciation of the US dollar versus the Euro relative to 2014 contributed a positive foreign exchange impact on the Revenue and EBITDA of Amadeus during the first quarter of 2015; conversely, the same impact reduced the EBITDA margin (which was otherwise stable, relative to the same quarter last year).

As of March 31, 2015, we have invested €240.5 million in share repurchases through our announced share buy-back programme, initiated in December 2014. This followed the agreement of the Board of Directors of Amadeus, at the meeting of December 11, 2014, to undertake a share buy-back programme. The programme will remain in force until May 29, 2015 and the maximum investment will be €320 million, not exceeding 2.79% of the share capital of the Company (or 12,500,000 shares).

During the period Amadeus also paid an interim dividend of a total amount of €141.3 million in respect of the 2014 profit. In June 2015, the Board of Directors will submit for approval at the General Shareholders Meeting a final gross dividend of €0.70 per share, representing an increase of 12% vs. the dividend paid on the profits for 2013. Based on this, the proposed appropriation of the 2014 results included in our 2014 audited consolidated financial statements of Amadeus IT Holding, S.A. and subsidiaries includes a total amount of €313.3 million, corresponding to dividends pertaining to the financial year 2014.

## Business highlights during the first quarter

### Distribution

- Revenue increased 10.7%, to €721.6 million
- Air travel agency bookings rose 11.4%, to 139.9 million
- Market share expanded by 2.4 percentage points, reaching 42.3%

Amadeus outperformed the industry during the first quarter, increasing global air travel agency bookings by 11.4% against an industry increase of 5.0%. This performance was driven by a market share gain of 2.4 p.p. in global air travel agency bookings. This expansion was largely supported by the migration to the Amadeus platform of the travel agencies previously connected to Topas in South Korea, as well as continued market share gains in North America.

Amadeus Air TA Bookings Figures in million	Jan-Mar 2015	% of Total	Jan-Mar 2014	% of Total	% Change
Western Europe	56.9	40.7%	55.7	44.4%	2.1%
Asia and Pacific	24.9	17.8%	16.7	13.3%	49.0%

North America	22.6	16.1%	17.3	13.8%	30.1%
Middle East and Africa	15.8	11.3%	16.0	12.8%	(1.4%)
Central, Eastern and Southern Europe	11.7	8.3%	11.8	9.4%	(0.9%)
Latin America	8.1	5.8%	8.0	6.4%	1.5%
<b>Total Air TA Bookings</b>	<b>139.9</b>	<b>100.0%</b>	<b>125.5</b>	<b>100.0%</b>	<b>11.4%</b>

Airlines with which Amadeus has a content agreement represent over 80% of the airline bookings made through the Amadeus system worldwide. During the quarter, renewals or new signings of such content agreements were reached with ten full-service carriers. Low-cost carrier bookings through travel agencies using Amadeus increased 19% year-on-year during the first quarter. Already over 80 low-cost carriers, including Ryanair and EasyJet, have become Amadeus distribution partners.

Merchandising solutions continued to attract customers during the first quarter. Currently a total of 117 airlines have agreements in place for Amadeus Airline Ancillary Services, which is supporting airlines to deploy ancillary services in 105 markets worldwide. Amadeus Fare Family Solution also attracted further airline customers to sign for the solution, which allows airlines to distribute branded fares, taking the total to 19.

**Southwest Airlines** further extended its partnership with Amadeus via a multi-year global agreement allowing access to the airline's fares and inventory for users of Amadeus' e-Travel Management and i:FAO's cytric corporate booking tools. More than 6,000 corporations worldwide use Amadeus e-Travel Management and i:FAO's cytric, offered by i:FAO Group (which Amadeus acquired in 2014), is used by 2,600 corporations. Additionally the two companies are exploring how to work together to deliver an improved experience and capabilities to Southwest customers.

Amadeus announced its partnership with **Blacklane**, a provider of pre-booked fixed-price transfers in over 50 countries. Blacklane will become the first fully integrated provider in the Amadeus Taxi & Transfer solution, which allows travellers to book transfers just as they book flights, hotel accommodation or car rental today.

## IT Solutions

- Revenue grew 24.0%, to €267.7 million.
- Passengers Boarded rose 8.4% to total 165.3 million.
- Higher revenue driven by all lines: Altéa migrations and organic growth, plus Airline IT upselling activity and implementation fees; growing contribution from Airport IT and Payments; and contributions from the recently acquired Newmarket and UFIS.
- Growth in PBs largely came from the impact of airlines migrated during 2014, particularly **Korean Air**, as well as 2.6% organic growth.

## Airline IT:

**China Airlines**, the largest airline and flag carrier of the Republic of China (Taiwan), along with its subsidiary, **Mandarin Airlines**, will adopt the full Amadeus Altéa suite of solutions. The deal is the first Amadeus offering of a Chinese language airline IT service and will make Altéa the leading passenger service system in Taiwan.

**Jet Asia Airways**, a Thai airline based at Suvarnabhumi Airport, completed a successful implementation of the full Amadeus Altéa Suite in just three months to become the fastest Amadeus migration yet for an Asia-Pacific carrier.

As of 31 March this year, 133 airlines globally were contracted for both Altéa Reservation and Altéa Inventory, 118 of which were contracted to use the full Altéa Suite. Of the airlines contracted, 124 were already migrated to both Altéa Reservation and Altéa Inventory, and 95 of those were using the full Altéa Suite. The service facilitates closer integration between partner airlines that need to share availability, fares, customer and booking information, enabling a seamless customer experience across alliance members.

**Lufthansa** became the first airline to select Altéa Corporate Recognition, which allows airlines to identify corporate bookings at the moment of reservation. By providing tailor-made offers across all stages of the journey and enhancing both total spend and improved travel experience, airlines can actively focus on the needs of corporates and offer services such as additional baggage and preferential seat options. This service is complemented by Amadeus' existing loyalty and personalisation solutions, Loyalty Management Suite and Altéa Awards Suite.

Amadeus PB <i>Figures in million</i>	Jan-Mar 2015	% of Total	Jan-Mar 2014	% of Total	% Change
Western Europe	67.0	40.5%	66.6	43.7%	0.6%
Asia and Pacific	47.0	28.5%	38.2	25.1%	23.0%
Middle East and Africa	24.7	14.9%	23.9	15.7%	3.3%
Latin America	19.1	11.6%	16.5	10.8%	15.6%
Central, Eastern and Southern Europe	6.6	4.0%	7.2	4.7%	(7.5%)
North America	0.8	0.5%	0.0	0.0%	n.m.
<b>Total PB</b>	<b>165.3</b>	<b>100.0%</b>	<b>152.5</b>	<b>100.0%</b>	<b>8.4%</b>

## Airport IT:

Amadeus contributed to **Munich Airport** reducing runway waiting time by 50% and inbound delays by 24%, whilst improving flight slot adherence by 22%, through the adoption of Amadeus Airport Sequence Manager. The solution is part of the Amadeus cloud-based Airport-Collaborative Decision Making Portal (A-CDM) launched last year; it improves flight departure planning and runway capacity to reduce environmental impact and bring benefits to the whole airport ecosystem.

Our Airport IT business accelerated its expansion through the acquisition of Florida-based **AirIT**, as announced on April 23, 2015, establishing itself in the largest airport IT market globally, North America. AirIT solutions are used by 30 of the top 50 busiest airports in the US and have a strong customer base of more than 115 airlines and 120 airports in the US, Canada, and the Caribbean. Outside of North America Amadeus will be able to complement its existing offering with the AirIT PROPworks® portfolio, a highly configurable, scalable

property and revenue management solution for airports of all sizes. In the United States, AirIT PROPworks® is used by four of the five busiest airports.

## Hotel IT:

On April 29 **InterContinental Hotels Group PLC (“IHG”)** announced that it will partner with Amadeus to develop a next-generation Guest Reservation System (GRS). Together IHG and Amadeus will revolutionise the technological foundations of the global hospitality industry using a new cloud-based ‘Community Model’, a first in the hotel sector and similar to the model Amadeus developed for the global airline industry. This follows the successful completion of an engineering study by IHG and Amadeus that scoped out potential technologies and solutions to drive innovation in the industry for the long-term benefit of owners and guests.

## Payments:

**Elavon**, a leading global payments provider that works with more than 50 of the world’s leading airlines and the top global acquirer for the global airline industry, will integrate its payment processing solutions into the Amadeus Payments Platform (APP). More than 300 airlines use the platform, which ensures a fast and easy payment process to all its travel provider users as authorization is integrated into the ticketing and selling process.

## Summary of operating and financial information

Summary of KPI <i>Figures in million euros</i>	Jan-Mar 2015	Jan-Mar 2014	% Change
<b><u>Operating KPI</u></b>			
<b>Air TA Market Share</b>	<b>42.3%</b>	<b>39.9%</b>	<b>2.4 p.p.</b>
Air TA bookings (m)	139.9	125.5	11.4%
Non air bookings (m)	16.5	15.4	6.9%
<b>Total bookings (m)</b>	<b>156.4</b>	<b>141.0</b>	<b>10.9%</b>
<b>Passengers Boarded (m)</b>	<b>165.3</b>	<b>152.5</b>	<b>8.4%</b>
<b><u>Financial results</u></b>			
Distribution Revenue	721.6	651.7	10.7%
IT Solutions Revenue	267.7	215.9	24.0%
<b>Revenue</b>	<b>989.4</b>	<b>867.6</b>	<b>14.0%</b>
<b>EBITDA</b>	<b>389.6</b>	<b>351.4</b>	<b>10.9%</b>
EBITDA margin (%)	39.4%	40.5%	(1.1 p.p.)
<b>Adjusted profit<sup>1</sup></b>	<b>209.9</b>	<b>191.3</b>	<b>9.7%</b>
<b>Adjusted EPS (euros)<sup>2</sup></b>	<b>0.48</b>	<b>0.43</b>	<b>11.6%</b>
<b><u>Cash flow</u></b>			
Capital expenditure	137.0	102.5	33.6%
Free cash-flow <sup>3</sup>	224.3	205.0	9.4%
	<b>31/03/2015</b>	<b>31/12/2014</b>	<b>% Change</b>
<b><u>Indebtedness<sup>4</sup></u></b>			
<b>Covenant Net Financial Debt</b>	<b>1,683.5</b>	<b>1,738.5</b>	<b>(3.2%)</b>
Covenant Net Financial Debt / LTM Covenant EBITDA	1.25x	1.32x	

1. Excluding after-tax impact of the following items: (i) accounting effects derived from PPA exercises and impairment losses, (ii) changes in fair value of interest rate hedging agreements and non-operating exchange gains (losses) and (iii) other non-recurring items.
2. EPS corresponding to the Adjusted profit attributable to the parent company. Calculated based on weighted average outstanding shares of the period.
3. Calculated as EBITDA less capital expenditure plus changes in our operating working capital less taxes paid less interests and financial fees paid.
4. Based on the definition included in the senior credit agreement covenants. Covenant net financial debt includes debt relating to the share buy-back programme announced on December 11, 2014 amounting to €89.7 million and €288.8 million at March 31, 2015 and December 31, 2014, respectively.

### Notes to the editors:

Amadeus is a leading provider of advanced technology solutions for the global travel industry. Customer groups include travel providers (e.g. airlines, hotels, rail and ferry operators, etc.), travel sellers (travel agencies and websites), and travel buyers (corporations and travel management companies).

The Amadeus group employs around 12,000 people worldwide, across central sites in Madrid (corporate headquarters), Nice (development) and Erding (operations), as well as 71 local Amadeus Commercial Organisations globally.

The group operates a transaction-based business model.

Amadeus is listed on the Spanish Stock Exchange under the symbol "AMS.MC" and is a component of the IBEX 35 index.

To find out more about Amadeus please visit [www.amadeus.com](http://www.amadeus.com), and [www.amadeus.com/blog](http://www.amadeus.com/blog) for more on the travel industry.

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