



Press release

Amadeus publishes results for first half of 2013

Growth maintained in both Distribution and IT Solutions businesses

Year-on-year first half 2013 highlights (six months ended June 30, 2013):

- Revenue rose 5.7% to €1,595.1 million
- EBITDA increased 6.3%¹ to €645.9 million
- Adjusted profit² grew 5.2% to €349.6 million
- Global share of travel agency air bookings³ expanded 1.7 percentage points to 40.0%
- Passengers Boarded⁴ rose by 9.7% to 284.1 million

August 2, 2013 - Amadeus IT Holding, S.A. (Amadeus: "AMS.MC"), parent company of the Amadeus Group, a leading technology partner for the global travel industry, announces year-on-year financial and operating results for the first half of 2013 (six months ended June 30, 2013).

Adjusted profit for the first half increased 5.2% to reach €349.6 million. This was backed by growth in revenue of 5.7% to €1,595.1 million and a 6.3% rise in EBITDA to €645.9 million.

Consolidated net financial debt was further reduced to €1,319.8 million as of June 30, 2013 (based on covenants' definition in our senior credit agreement). This was a reduction of €175.4 million vs. December 31, 2012 and represented 1.15x the last twelve months' covenant EBITDA.

Consistent year-on-year growth continued in both the Distribution and IT Solutions businesses. Revenue in Distribution rose by 5.0%, to €1,215.6 million, with the number of air travel agency bookings increasing by 5.8%, to 233.1 million – backed by a 1.7 percentage points expansion of Amadeus' market share of travel agency air bookings³ to reach 40.0%. Revenue from IT Solutions grew by 8.0%, to €379.5 million, supported by further migrations resulting in 9.7% more Passengers Boarded⁴ (PB), totalling 284.1 million. Based upon existing contracts, Amadeus

¹ Adjusted to exclude extraordinary items related to the IPO, in 2012.

² Excluding after-tax impact of the following items: (i) amortisation of PPA and impairment losses, (ii) changes in fair value and cancellation costs of financial instruments and non-operating exchange gains (losses) and (iii) extraordinary items related to the sale of assets and equity investments and, in 2012, the IPO.

³ Market share figures are based on GDS-processed air bookings and therefore exclude air bookings processed by the single country operators (primarily in China, Japan, South Korea and Russia) and GDS-processed bookings of other types of travel products, such as hotel rooms, car rentals and train tickets.

⁴ 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.

projects over 800 million Passengers Boarded⁵ for 2015, which would be an improvement of 42% vs. the number processed on the platform during 2012.

Strong year-on-year results from both the first and second quarters supported the overall financial performance for the first half. In the second quarter, adjusted profit increased by 5.4%, to €173.4 million, total revenues rose 7.4% to €800.1 million, and EBITDA grew 7.4% to €322.5 million.

Amadeus received upgrades from two credit ratings agencies during the second quarter. Moody's Investors Service rose to 'Baa2' (up from 'Baa3') the long-term issuer and senior unsecured ratings. Standard & Poor's increased its long- and short-term rating to 'BBB/A-2' (up from 'BBB-/A-3'). Both agencies maintained a stable outlook for Amadeus.

Luis Maroto, President & CEO of Amadeus, commented:

"Today's results underline our consistent success in anticipating and developing cost-effective technology that benefits our customers. Despite the sector's considerable technological complexity and economic challenges, our innovation helps customers adapt and compete."

"Once again, Distribution increased market share, this time by 1.7 percentage points – reaching the 40% threshold – and bookings by 4.7%. Once again, IT Solutions grew Passengers Boarded, this time by 9.7%. Revenues rose 5.7%, EBITDA improved 6.3%. Most significantly, we continued our record of consecutive growth in adjusted profit: up 5.2% to €349.6 million."

"Continued investment in product evolution and portfolio expansion was key to our growth record, attracting customers such as Munich and Copenhagen airports recently. Innovative bespoke offerings also drove retention, such as the new American Airlines deal."

"As such, we remain committed to R&D to drive growth. Distribution, where we are pioneering merchandising and next-generation search, still represents real opportunity. For instance in Airline IT, where we are expanding our portfolio both to upsell and attract additional customers with solutions such as Revenue Accounting, Revenue Management and Loyalty. In addition, several other areas also present exciting potential, not least recent examples of IT solutions for airport operations, rail and hotels."

"We are working hard for our customers to ensure that the rest of the year repeats this success."

⁵ 2015 estimated annual Passengers Boarded calculated by applying IATA's regional air traffic growth projections to the latest available annual Passengers Boarded figures, based on public sources or internal information (if already on our platform).

Summary financial information Figures in million euros	Jan-Jun 2013	Jan-Jun 2012 ¹	% change
KPI			
Air TA Market Share	40.0%	38.3%	1.7 p.p.
Air TA bookings (m)	233.1	220.3	5.8%
Non air bookings (m)	31.0	31.9	(2.8%)
Total bookings (m)	264.1	252.2	4.7%
Passengers Boarded (m)	284.1	259.0	9.7%
Financial results			
Distribution Revenue	1,215.6	1,157.4	5.0%
IT Solutions Revenue	379.5	351.4	8.0%
Revenue	1,595.1	1,508.9	5.7%
Distribution Contribution ⁽²⁾	565.3	546.6	3.4%
IT Solutions Contribution ⁽²⁾	266.2	245.2	8.6%
Contribution	831.5	791.8	5.0%
Net Indirect Costs ⁽²⁾	(185.6)	(184.3)	0.7%
EBITDA	645.9	607.5	6.3%
EBITDA margin (%)	40.5%	40.3%	0.2 p.p.
Adjusted profit ⁽³⁾	349.6	332.4	5.2%
Adjusted EPS (euros) ⁽⁴⁾	0.79	0.75	5.2%
Cash flow			
- Capital expenditure	207.1	147.8	40.1%
Pre-tax operating cash flow ⁽⁵⁾	402.2	443.7	(9.4%)
	30/06/2013	31/12/2012	% change
Indebtedness ⁽⁶⁾			
Covenant Net Financial Debt	1,319.8	1,495.2	(11.7%)
Covenant Net Financial Debt / LTM Covenant EBITDA	1.15x	1.34x	

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

² 2013 figures reflect new cost allocation rules amongst the business segments adopted since January 1, 2013 (see note in section 6 on page 24 of the Management Review). For comparability purposes, 2012 figures have been restated accordingly.

³ Excluding after-tax impact of the following items: (i) amortisation of PPA and impairment losses, (ii) changes in fair value and cancellation costs of financial instruments and non-operating exchange gains (losses) and (iii) extraordinary items related to the sale of assets and equity investments and, in 2012, the IPO.

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

⁵ Calculated as EBITDA less capital expenditure plus changes in our operating working capital.

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

– Ends –

Business Highlights Q2, 2013

DISTRIBUTION

Airlines

As part of Amadeus' on-going investment to guarantee access for Amadeus travel agents globally to a comprehensive range of fares, schedules and availability, further content agreements were signed and renewed, including with **American Airlines**, **BQB Lineas Aereas**, **Cyprus Airways**, **Eva Airways** and its domestic and regional subsidiary **UNI Airways**, **Porter Airlines**, **Thai Airways** and its subsidiary **Thai Smile**. Over 80% of Amadeus' airline bookings worldwide are made on airlines with whom Amadeus has a content agreement.

In addition to the above, new global distribution agreements were signed with airlines including **Air Bagan**, **Air Lituanica**, and **StarPerú** – making these airlines accessible globally to travel agencies via the Amadeus system.

Low-cost carrier bookings remained a steady source of significant growth. On a year-on-year basis, total bookings on low-cost carriers by travel agencies using Amadeus increased by 31.3% in the second quarter and by 25.9% during the first half of the year.

Consolidating our leadership status in the growing area of airline merchandising, it was announced that an end-to-end XML API-based connectivity will be developed between Amadeus and American Airline's interface. Once complete, this enhanced XML connectivity will facilitate expanded ancillary product distribution, real-time personalised offers, and improved merchandising, including the ability to book American's Main Cabin Extra premium seating product.

The Amadeus Airline Ancillary Services solution continued its growth with 28 airlines of the airlines contracted having opted for the possibility to implement the solution into the Amadeus system. Of those, 15 airlines are already selling ancillary services using Amadeus technology and currently travel agencies use the solution to sell ancillary solutions across 45 countries. The solution allows airlines to sell any service, to anyone, in the right context, through maximising sales opportunities, optimising choice and value to the customer, and ultimately increasing profits.

Travel Agencies and online travel distribution platforms

CheapAir.com, the United States-based online travel agency, implemented the Amadeus Extreme Search technology to power its popular "Deal Finder" feature which allows users to put in the city they live and instantly see the lowest available, bookable airfares to up to 168 of the most popular domestic and international destinations. Amadeus Extreme Search is a unique and inspirational shopping solution for Online Travel Agencies that revolutionises the way travellers search for air travel online.

In addition, Amadeus continued to deliver a significant number of contract wins with small and medium-sized travel agencies. In particular we would highlight the Asia-Pacific region, which supports our overall market share gain for the period, with wins such as **Destination Specialists (Cebu)** and **Uni-Orient Travel**.

Hotels

Hotel Distribution continued to grow steadily as our 'hotel to air ratio', or 'attachment rate', from business travel agents grew by 7.7% in the year-to-date. This important ratio measures the number of hotel bookings relative to flight bookings and has increased due to recent focused content integration and user adoption programmes by Amadeus. For example we have now implemented additional hotel aggregators and brands to bring our accumulated bookable hotel inventory to over 300,000, with a strong pipeline for additional implementations.

IT SOLUTIONS

Air Dolomiti, the Italian airline part of the Lufthansa Group, contracted for Altéa Reservation and Altéa Inventory, the first two components of the full integrated passenger service system (PSS) for airlines, the Amadeus Altéa Suite.

Based upon existing contracts, Amadeus estimates that by 2015 the number of Passengers Boarded (PB) will be more than 800 million, which would represent an increase of almost 42% vs. the 564 million Passengers Boarded processed on the Altéa platform during 2012 – or a compound annual growth rate (CAGR) of around 12.5%.

A significant number of contracted airlines migrated onto the Altéa Departure Control System (DCS), including **Aigle Azur**, **Air Astana**, **Air Corsica**, **Air France-KLM** and its subsidiaries, **Air Greenland**, **Bulgaria Air**, **Scandinavian Airlines (SAS)** and its subsidiary **Wideroe's Flyveselskap**, **Singapore Airlines** and its subsidiary **SilkAir**, and **Ural Airlines**.

A landmark deal with Scandinavian Airlines (SAS), the region's leading airline and the flag carrier of Denmark, Norway and Sweden, created a long-term, strategic partnership that will see SAS migrate to Amadeus' new Altéa Revenue Management solution. Amadeus Altéa Revenue Management significantly reduces the often extensive data processing that burdens revenue management systems. It offers Altéa hosted airlines a unique advantage with regard to their competitors, providing seamless access to fares, schedules, PNRs, tickets, revenues and departure control system data. Shortly after the announcement, SAS and its subsidiary Wideroe's Flyveselskap became the launch partners for the solution, which now incorporates full origin and destination management capability. The airlines will migrate to Amadeus' new solution by early 2015. Additionally, Amadeus will open a revenue management 'Centre of Competence' in Copenhagen, Denmark, which will see more than 20 SAS employees, many of whom are world-renowned experts in the field, join Amadeus.

Air France-KLM, the leading French-Dutch airline group, signed a long-term e-Commerce agreement which will see the airline group use Amadeus' shopping technology for a further five years across both its domestic and international websites. Further upselling ensured additional customers for the Stand Alone IT solutions portfolio. For example, additional airlines including Air Dolomiti, **Egyptair** and **Norwegian** signed up for the electronic messaging standard Electronic Miscellaneous Document (EMD). Other customers were signed for other solutions, such as Award Shopper, e-Commerce, Revenue Availability, Amadeus Ticket Changer Disruption, and Enhanced Baggage Policy.

Continuing to increase its presence in North America, Amadeus opened a new Airline IT office in Dallas, Texas. Airline customers in the U.S. and Canada, such as Southwest Airlines, will benefit

from increased local focus and expertise in airline IT – offering Amadeus' experience and track-record as the technology partner of choice to airlines worldwide.

Providing IT solutions to airports continued to represent a significant growth opportunity for Amadeus and in June the launch of a new suite of solutions for airport operators was announced. This included two agreements with **Munich Airport** and **Copenhagen Airport**, where Amadeus will jointly work with the airports to develop and implement two new IT solutions: Amadeus Airport Sequence Manager, which optimises the flight departure runway sequencing and provides a common situational awareness for all participants, and Amadeus Airport Fixed Resource Optimiser, which is designed to determine the best possible fixed resource allocation against the flight schedule and attributes based on an airport's and the airlines' business drivers. Amadeus' community approach to technology has improved the way airlines and ground handlers work together and with this launch airports can now be part of an integrated approach to operations.

The portfolio of Altéa Departure Control System (DCS) solutions for ground handlers continued to attract additional customers, with four new ground handler customers signing during the 2nd quarter – bringing the total number to 26. In addition, **Aviator**, the main ground handler in the Scandinavian region, and **Alyzia** in Paris, became the first two ground handling companies to sign-up for Altéa Self-Service Check-in.

Additional news from the quarter

Thought-provoking research on tomorrow's travel industry has become an Amadeus hallmark and during the period two Amadeus-commissioned reports stimulated debate across our sector and beyond (both of which are available from the Amadeus website):

- Authored by Harvard Business School professor Thomas H. Davenport, *At the Big Data Crossroads: turning towards a smarter travel experience* charts the emergence of new technologies and strategies for managing big data. It outlines how big data can be harnessed to focus travel around customer needs and preferences, not industry processes. The report is based on extensive input from Chief Information Officers and big data experts from companies around the world, including Air France-KLM, Cathay Pacific, Eurostar, Facebook, Frontier Airlines, KAYAK, Marriott Hotels and Munich Airport.
- New analysis from *Amadeus Air Traffic Travel Intelligence solution* revealed Asia as the largest, fastest-growing and most competitive market for air travel. The tool, part of the Amadeus' Travel Intelligence portfolio, calculated the most accurate air passenger volume for any Origin and Destination (O&D) worldwide. Among other key findings, the study revealed that 22% of all global air travel is concentrated on just 300 origin and destination 'super routes', each of which carries over one million passengers annually.

Amadeus entered the airline customer loyalty arena with the acquisition of **Hitit Loyalty**, acquiring the CRM and loyalty solutions division of Turkey-based Hitit Computer Services. Hitit Loyalty is the market leader in the airline loyalty space, in terms of customers. The acquisition will result in Hitit Loyalty's operations becoming fully integrated into Amadeus' Altéa platform during 2013. At present more than half of Hitit Loyalty's existing customers are also Altéa users.

Amadeus continued to demonstrate its commitment to CSR activities as it partnered with **UNICEF** to work together to improve children's lives across the world. The partnership will enable travel providers and sellers to raise funds for UNICEF by giving their customers the opportunity to make

a micro donation when paying for travel online, using technology developed and provided by Amadeus. The micro-donation process will be extremely user-friendly, allowing travellers to simply add a donation to UNICEF as they complete the shopping process online.

Meanwhile, the **European Investment Bank (EIB)**, the European Union's long-term financing institution, granted Amadeus a second loan of €150 million, to be used to finance research and development (R&D) activities in its Distribution business line between 2013 and 2015. This loan is in addition to a previous €200 million loan received by Amadeus from the EIB in May last year.

Also during the period, Amadeus paid-down, using existing available cash, the outstanding amount of €106 million of its bridge loan (Tranche B of the senior credit facility signed in May 2011), which matured in May.

At its Shareholders' General Meeting (SGM) held in June all proposals put forward by the Board of Directors were approved following a vote by shareholders. This included the approval of a total dividend for 2012 of €223.8 million. This represented an increase of 35% on 2011 and a payout ratio of 45%, up from 36% in the previous year. The per share (gross) value of the dividend was €0.50, of which an interim dividend of €0.25 was already paid in January 2013, and therefore a complementary dividend for an amount of €0.25 (gross) was paid on July 30, 2013 (ex-coupon date).

As part of our commitment to communicate with all our stakeholders, Amadeus published both its *2012 Annual Report* and *2012 Corporate Sustainability Report*. The latter document, which was granted the Application level A+ by the **Global Reporting Initiative (GRI)**, analyses the economic, environmental and social impacts of Amadeus' business, as well as its contribution to helping meet sustainability objectives. An interactive version of both documents is available via the Amadeus website in both English and Spanish.

Disclaimer

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

Notes to editors

Amadeus is a leading 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 10,000 people worldwide, across central sites in Madrid (corporate headquarters), Nice (development) and Erding (operations), as well as 73 local Amadeus Commercial Organisations globally.

The group operates a **transaction-based business model**. For the year ended December 31, 2012 the company reported revenues of €2,910.3million and EBITDA of €1,107.7 million.

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

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