



# Amadeus Q1 2012 Results

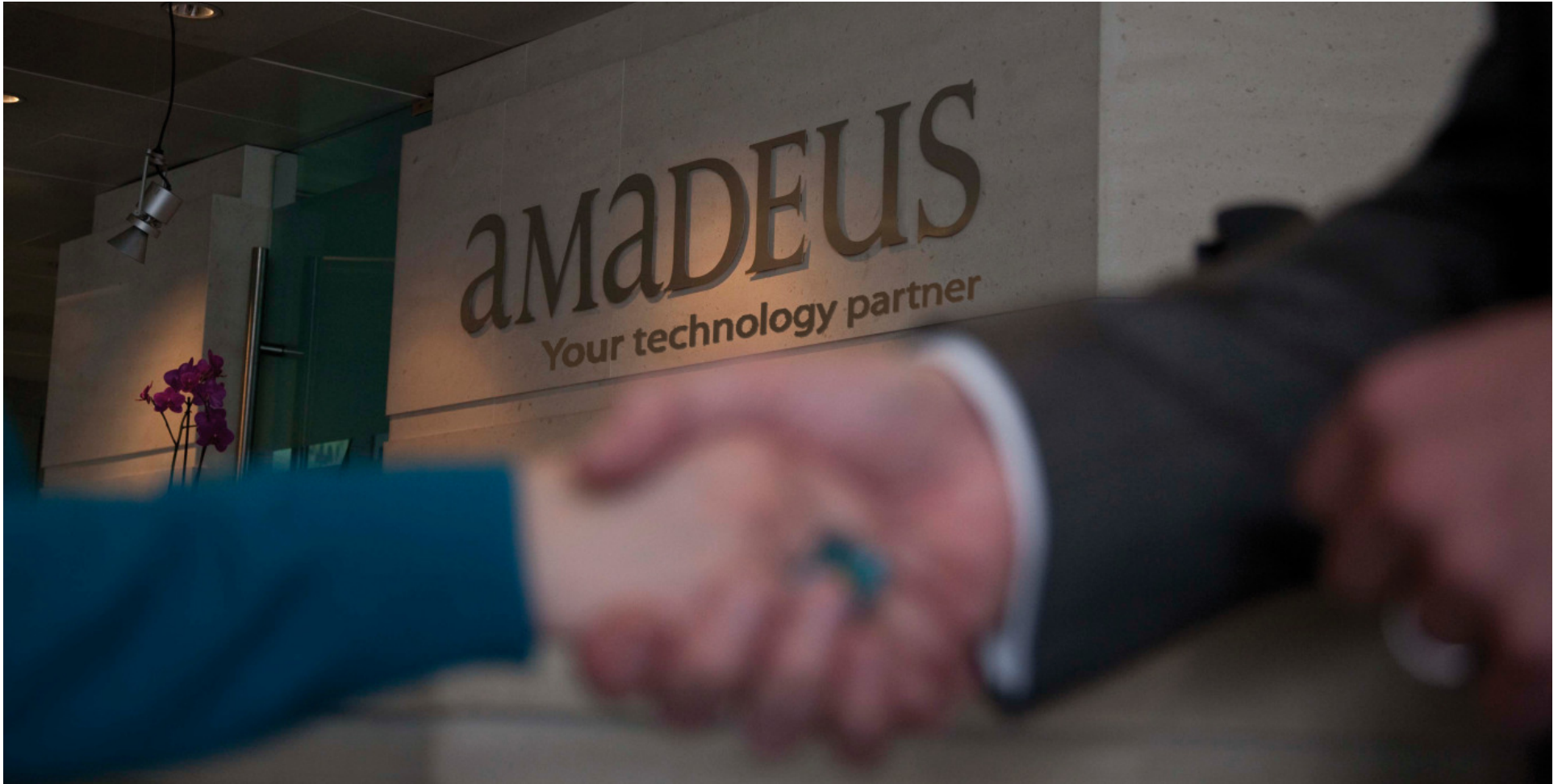
May 9, 2012

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## Q1 2012 Review

President & CEO, Mr. Luis Maroto

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# Summary financial results

- ▶ 8.5% revenue growth driven by:
  - ▶ Industry growth
  - ▶ Increased market shares, and
  - ▶ Successful execution of recent migrations

▶ EBITDA growth of 5.4% to €307.2 million

▶ Adjusted profit from continuing operations increased to €167.9 million, up 22.1% from Q1 2011

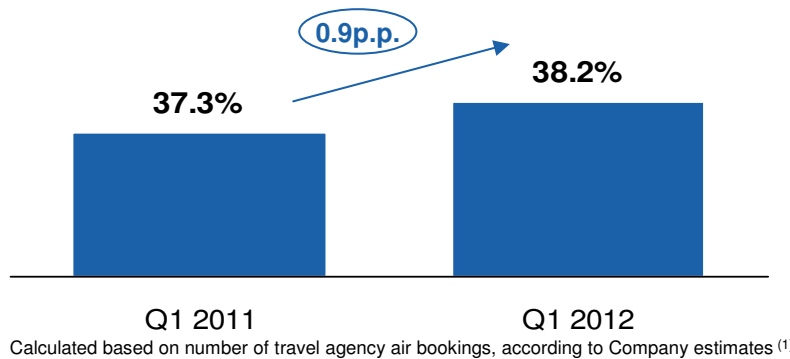
- ▶ Adjusted EPS increased by 21.6% to € 0.38

▶ Further deleveraging to 1.65x net debt/EBITDA at March 31, 2012

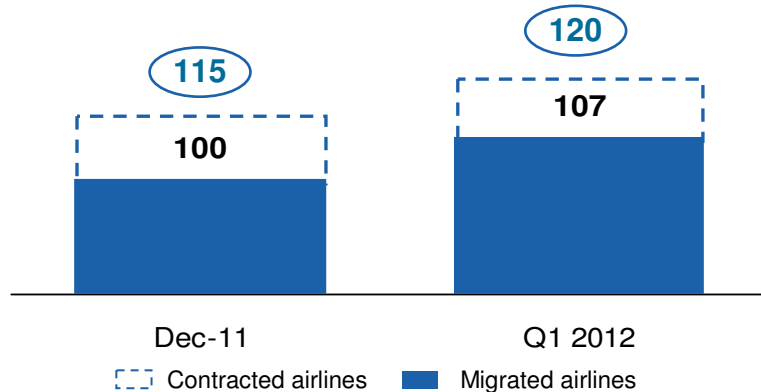
- ▶ €434 million in cash and cash equivalents after the payment of the interim dividend amounting €78.1 million
- ▶ €300 million in available financing (undrawn credit revolving lines) secured

# Financial results backed by consistent execution both in Distribution and in IT Solutions...

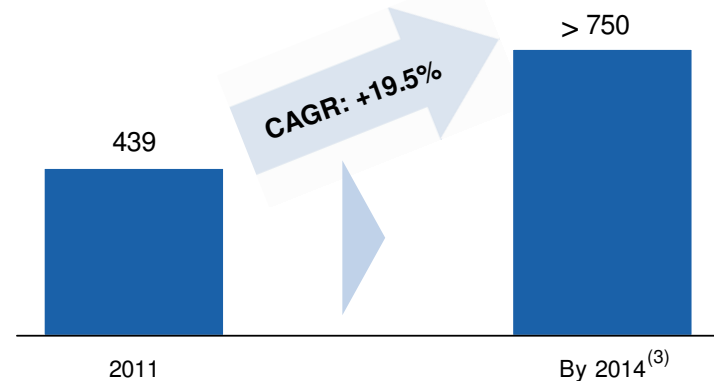
## Market share gains in the Distribution business



## New client wins and successful migrations <sup>(2)</sup>



## PB (incl. organic growth) (m)



- ▶ Implemented in Q1 2012: SAS, Cathay, others
- ▶ Singapore Airlines: H2 2012
- ▶ Czech Airlines: H2 2012
- ▶ Thai Airlines: H2 2013
- ▶ Asiana: H2 2013
- ▶ Southwest (Intl) : H2 2013
- ▶ Garuda Indonesia: H1 2014
- ▶ Korean Air: H2 2014
- ▶ All Nippon Airways (Intl): H2 2014
- ▶ Others undisclosed

Total Full Year PB >180 million (as of 2011)

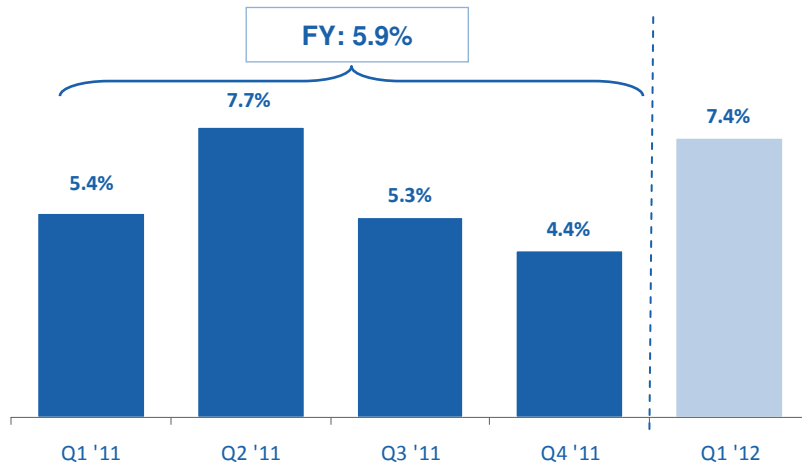
1. Airlines migrated to at least the Altéa Inventory module, in addition to the Reservations module; contracted airlines as of the date of this presentation  
 2. 2014 estimated annualised PB: calculated by applying the IATA's regional air traffic growth projections to the latest available annual PB figures for our contracted airlines as of the date of this presentation, based on public sources or internal information (if already a System User)

## ... and continued momentum in our operations

- ▶ Significant market share gain of 0.9 p.p. in our distribution business, thanks to both organic growth in various markets and positive region mix
  - ▶ Continued to sign contracts that secure the relevant content for our travel agency subscribers
- ▶ 3 new clients signed to join the Altéa platform during the quarter, including Czech Airlines, and two further carriers announced in April, taking the total number of contracted airlines to 120
  - ▶ Continued success in cross selling our standalone IT solutions, with Qatar, Iberia Express and bmi as some of the latest carriers to contract some of Amadeus' solutions
  - ▶ In the hotel space, Accor extended its 10 year collaboration agreement with Amadeus; the new agreement will ensure higher adoption rates of the Amadeus Revenue Management tool, allowing the hotel chain to make more informed decisions
- ▶ Landmark deals in the US, with the signature of two strategic contracts which represent a major breakthrough for Amadeus in the industry
    - ▶ Multi-year technology and distribution agreement with Expedia in North America
    - ▶ IT Solutions contract with Southwest to manage their international traffic

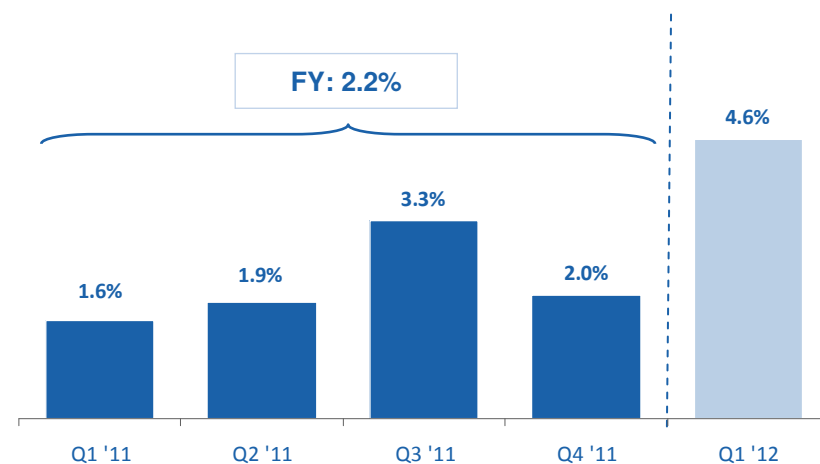
# Air Traffic and GDS industry continue to show extraordinary resiliency

**Air Traffic <sup>(1)</sup> (% Growth, year-on-year)**



- ▶ Strong air traffic growth (7.4%) in Q1 2012, with very strong international and domestic traffic
- ▶ Air travel growth rates positively impacted by last year events such as the Arab Spring in the Middle East and North Africa
- ▶ IATA estimates the impact of these effects at around 2p.p. total traffic growth, still leaving a steady improvement in travel volumes

**GDS bookings (% Growth, year-on-year)**

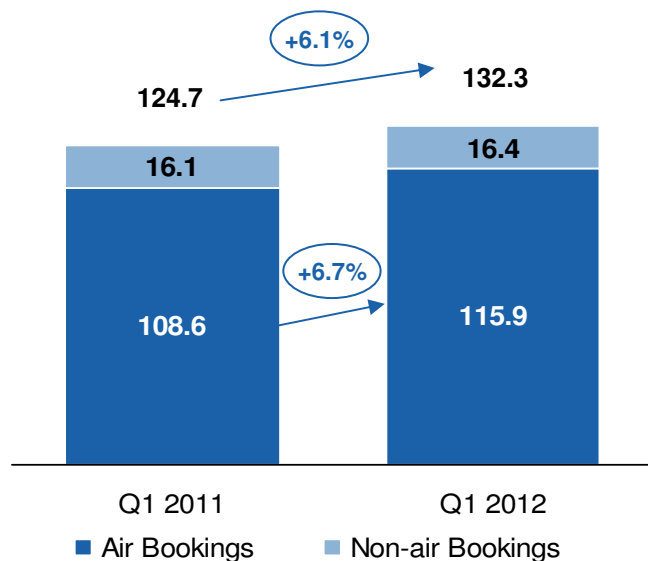


- ▶ Significant GDS industry growth of 4.6% driven by:
  - ▶ A recovery in the US industry, back to growth
  - ▶ A significant recovery in Middle East and North Africa, as well as in Japan, areas which suffered a strong negative impact in Q1 2011
  - ▶ Continued outperformance of Latin America and CESE
- ▶ Disintermediation still mostly linked to the Asian markets, given the negative impact of LCCs

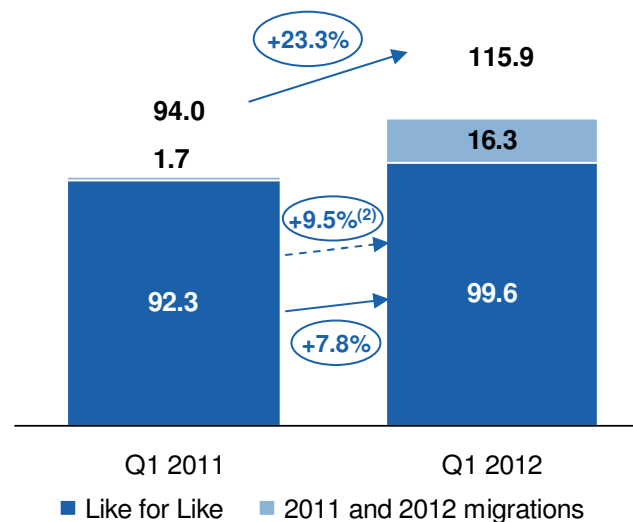
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# ... which combined with Amadeus market share gains deliver sustained volume growth...

Amadeus Bookings (m)



Passengers Boarded <sup>(1)</sup> (m)



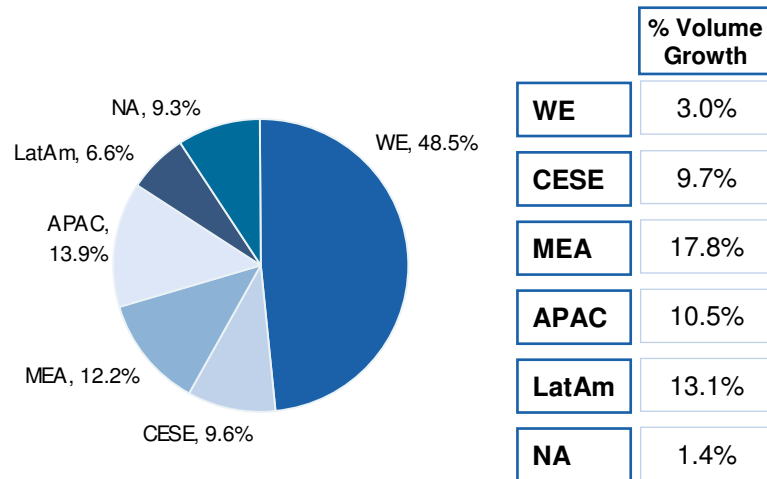
- ▶ Air travel agency bookings grew 6.7% in 2012, 2.1 p.p. higher than the GDS industry
  - ▶ Market share gain of 0.9 p.p. in the year, reaching 38.2%
- ▶ 23.3% growth in PB during the quarter based on:
  - ▶ Full-year impact of 2011 migrations (bmi, airberlin, Norwegian Air Shuttle) and positive impact of migrations in Q1 2012 (Scandinavian Airlines and Cathay Pacific)
  - ▶ Like-for-like organic growth of 9.5%, higher than overall traffic growth in the period, positively affected by client mix

1. Passengers Boarded (PB) refers to actual passengers boarded onto flights operated by our migrated Altéa customers  
 2. Adjusted for airlines which discontinued operations after Q1 2011 (Spanair, Malev and Finncomm)

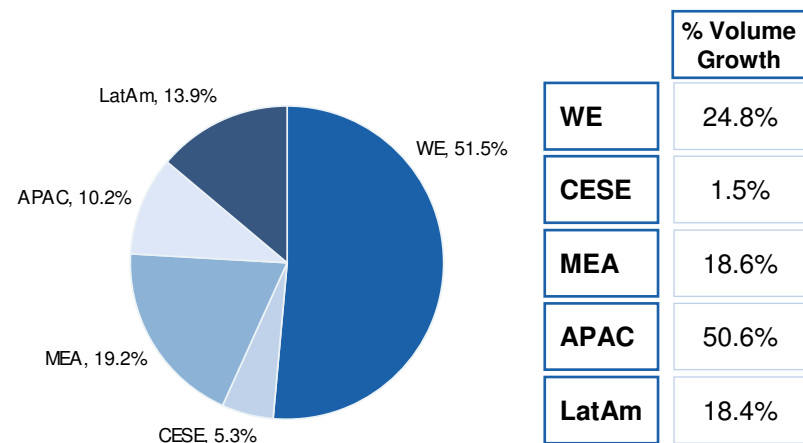


# ... throughout our various geographic regions

Q1 2012 Amadeus Air bookings by region



Q1 2012 Altéa PB by region



- ▶ Significant growth in our distribution business with continued outperformance of regions such as LatAm and CESE
  - ▶ Growth in volumes from MEA positively affected by the recovery in North Africa and Middle East
- ▶ Regional PB growth impacted by recent migrations, many of which are based in Western Europe and Asia
  - ▶ Volume growth and split by geography very much affected by pace of migrations and will vary significantly over the next few years

WE = Western Europe; CESE = Central, Eastern and Southern Europe; MEA = Middle East and Africa; LatAm = Latin America; NA = North America (including Mexico)



# Financial Highlights

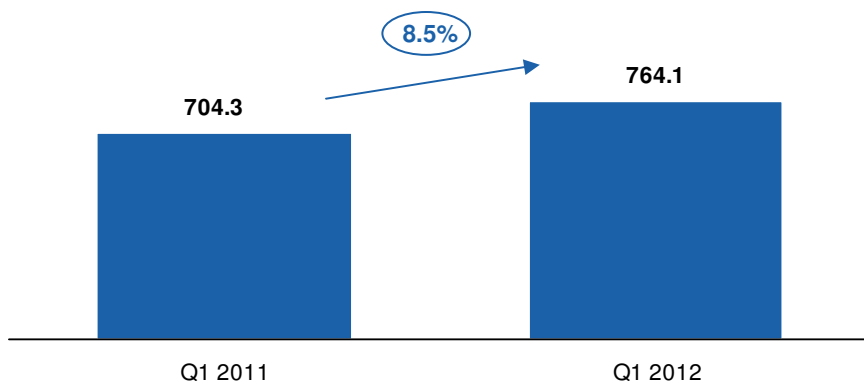
CFO, Mrs. Ana de Pro

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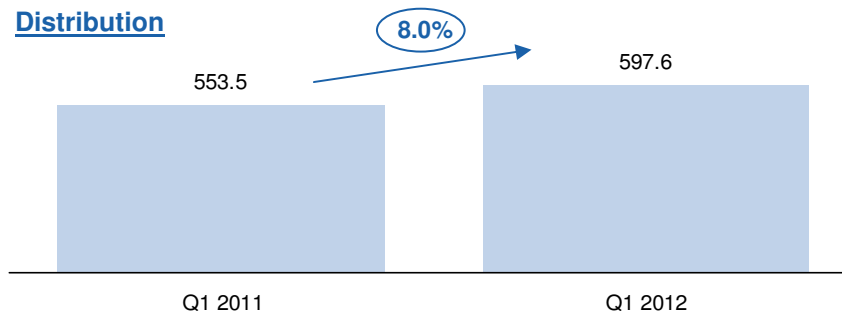
# Group revenue growth supported by both Distribution and IT Solutions

Group Revenue (€ mm)

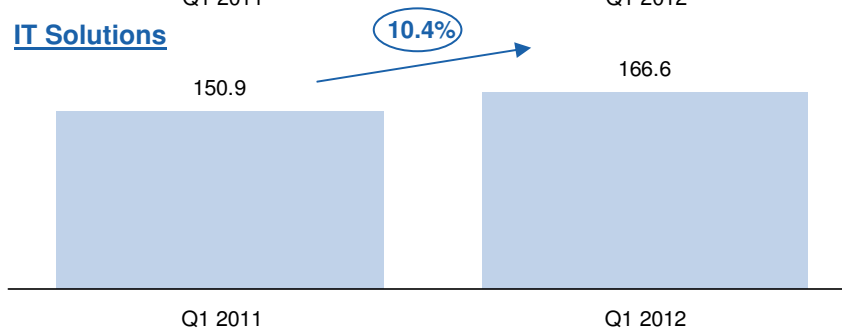


Distribution / IT Solutions Revenue (€ mm)

## Distribution



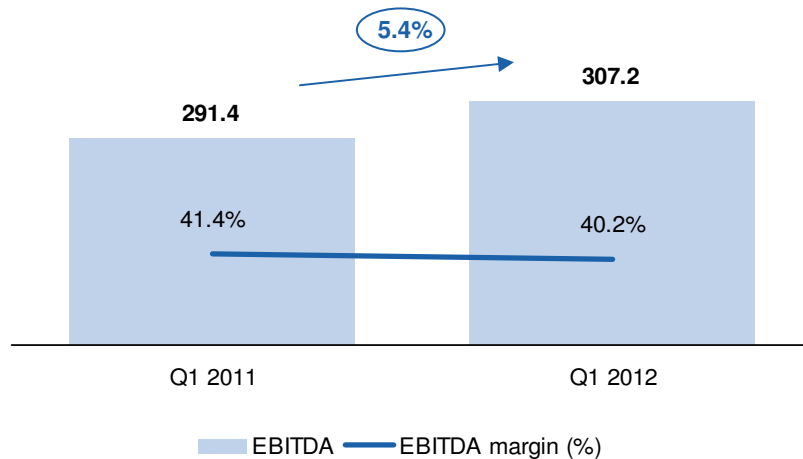
## IT Solutions



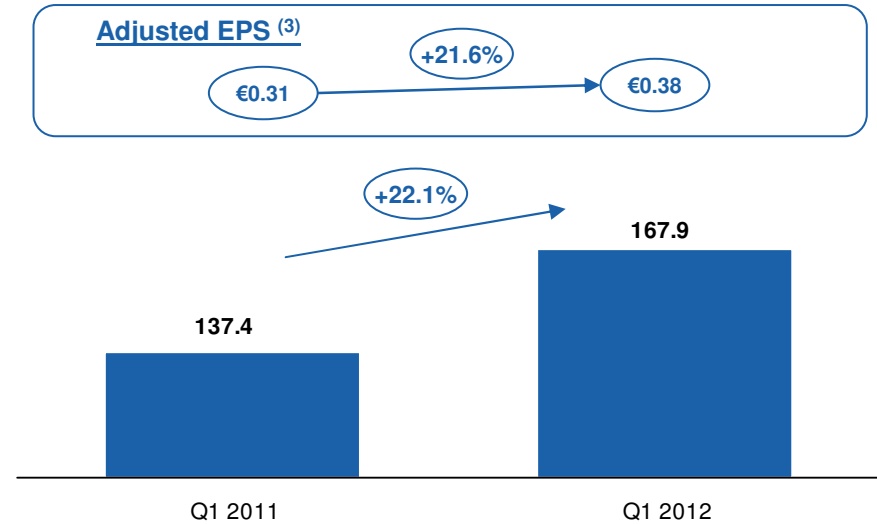
- ▶ Group revenue growth of 8.5%, based on 8.0% and 10.4% growth in Distribution and IT Solutions revenue, respectively
- ▶ Distribution growth driven by (i) good industry performance, (ii) market share gains and (iii) improvement on the average pricing in the period
- ▶ IT Solutions continued its growth trend both on transactional and non-transactional revenue
  - ▶ IT Transactional growth primarily driven by the increase in PB volumes in relation to recent migrations, such as bmi, airberlin and Norwegian Air Shuttle, which took place at the end of 2011, and Cathay Pacific and SAS, in Q1 2012

# Strong growth at EBITDA and Profit level

## EBITDA <sup>(1)</sup> (€ mm)



## Adjusted Profit <sup>(2)</sup> (€ mm) and EPS (€)



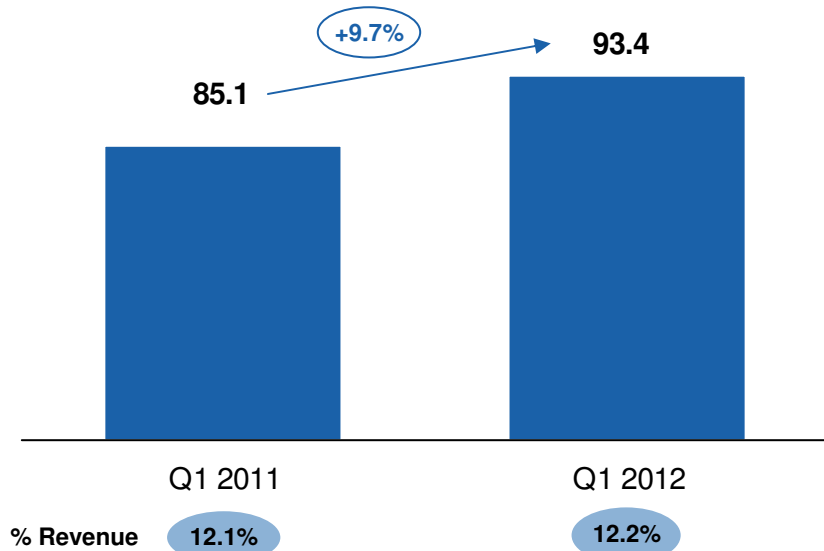
- ▶ Significant growth in our Group EBITDA based on the positive performance of our business lines
- ▶ Contribution in Distribution and IT Solutions increased vs. last year

- ▶ Significant Adjusted profit and EPS growth in 2011, mainly driven by EBITDA growth and a remarkable reduction in interest expenses

1. Excludes extraordinary items related to the IPO
2. Defined as Profit from continuing operations excluding the after-tax impact of the following items from continuing operations: (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 and the IPO
3. Based on Adjusted profit from continuing operations attributable to the parent company

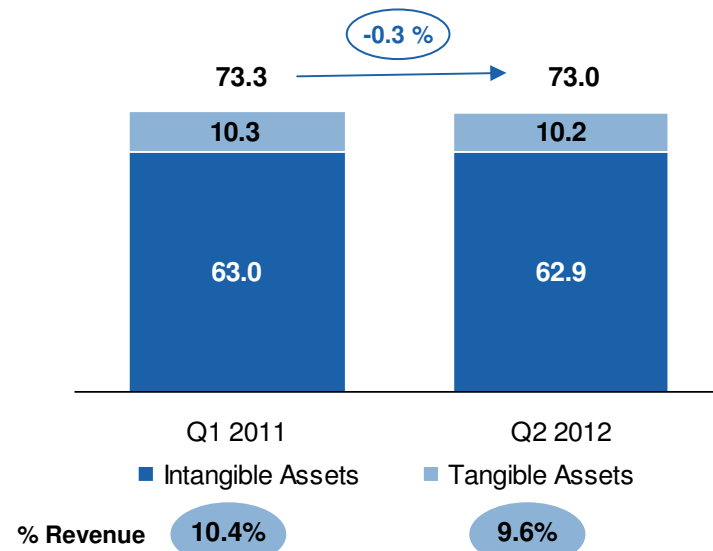
# R&D and Capex

Total Group R&D spend (€ mm)



- Consistent commitment to Research & Development as a core part of our long term strategy: R&D as % of revenue at 12.2% in Q1 2012, in line with Q1 2011
  - Total R&D grew by 9.7% vs. last year

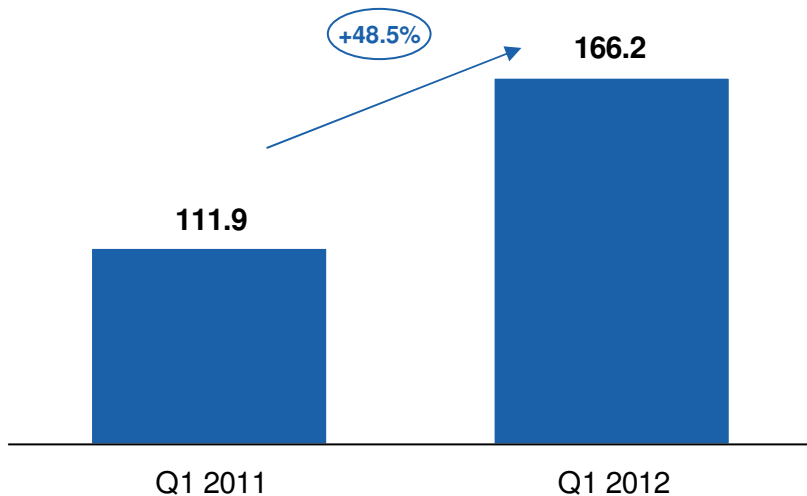
Total Group Capex (€ mm)



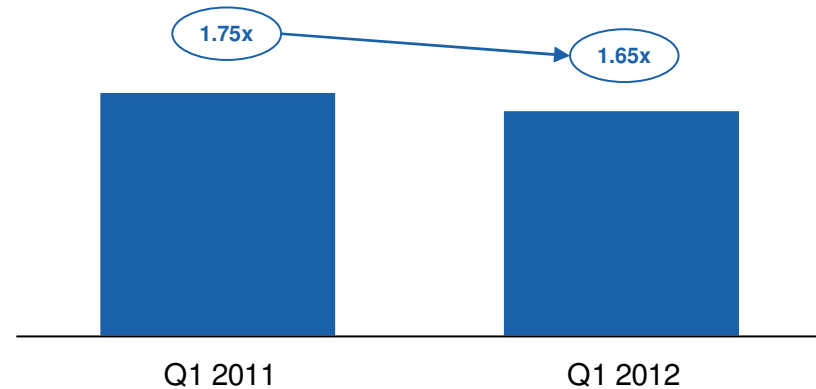
- Capital expenditure in the period represented 9.6% of group revenue
- Similar level of investment as in Q1 2011
  - Lower signing bonuses paid in the period, given the different timing in negotiations offset by increased capitalisations during the period

# Cash flow generation and deleveraging

Cash flow<sup>(1)</sup> (€ mm)



Net Debt to LTM EBITDA<sup>(2)</sup> (x)



- ▶ Cash flow generation of €166.2 million in Q1 2012, up 48.5% vs. Q1 2011, mainly due to:
  - ▶ Increased EBITDA and significant reduction in interest expense,
  - ▶ Partially offset by a negative contribution from change in working capital (no use of factoring in 2012) and cash outflow in equity investments, driven by the acquisition of airconomy, as well as certain payments to advisors related to the sale of Opodo which were accrued in 2011
- ▶ Fast deleveraging to 1.65x net debt / EBITDA
  - ▶ Even after the payment of an interim dividend in a total amount of €78.1 million

1. Defined as: EBITDA (-) capex (+/-) change in net working capital (-) cash tax (-) interest and financial fees. Calculation excludes non-operating cashflows, cashflows from extraordinary items and equity investments. EBITDA excludes Opodo contribution in 2011 and IPO costs.

2. Covenant debt and LTM EBITDA as defined in the Senior Credit Agreement



# Support materials

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# Key Performance Indicators

	Q1 2011 <sup>(1)</sup>	Q1 2012 <sup>(1)</sup>	% Change
<b>Volumes</b>			
<b>GDS Industry Growth (%)</b>	1.6%	4.6%	
<b>Amadeus Air Bookings (m)</b>	108.6	115.9	6.7%
<b>Passengers Boarded (PB) (m)</b>	94.0	115.9	23.3%
<b>Financial Results (€mm)</b>			
<b>Revenue</b>	704.3	764.1	8.5%
<b>EBITDA</b>	291.4	307.2	5.4%
<b>Adjusted <sup>(2)</sup> profit from continuing operations</b>	137.4	167.9	22.1%
<b>Investment (€mm)</b>			
<b>R&amp;D</b>	85.1	93.4	9.7%
<b>Capex</b>	73.3	73	(0.3%)

1. Figures exclude extraordinary costs related to the IPO

2. 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

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## Extraordinary costs related to the IPO (€ million)

	Q1 2011	Q1 2012
Personnel and related expenses <sup>(1)</sup>	(5.2)	(6.7)
Other operating expenses <sup>(2)</sup>	1.2	0.0
<b>Total Impact on Profit before Taxes</b>	<b>(4)</b>	<b>(6.7)</b>
Income taxes	1.2	2.1
<b>Total impact on Profit for the year from continuing operations</b>	<b>(2.8)</b>	<b>(4.6)</b>
Profit for the period from discontinued operations <sup>(3)</sup>	(4.2)	0.0
<b>Total impact on Profit for the period</b>	<b>(7.1)</b>	<b>(4.6)</b>

1. Costs included in “Personnel expenses” relate to 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.
2. Costs included under “Other operating expenses” in the first quarter of 2011 correspond to a positive adjustment 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 “Profit for the period from discontinued operations” relate to costs accrued under a non-recurring incentive scheme in Opodo, net of taxes, as well as costs related to the sale of Opodo.

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