Management Review January-September 2016

November 4, 2016

Index

1 Summary

1.1 Introduction

Highlights for the first nine months, ended September 30, 2016

- In Distribution, our air travel agency bookings increased by 5.2%, to 409.8 million
- In IT Solutions, our total Passengers Boarded were 82.9% higher, reaching 1,028.5 million
- Revenue expanded by 14.2%, to €3,386.5 million
- EBITDA increased by 16.4%, to €1,332.1 million
- Adjusted profit[1] grew by 21.3%, to €738.1 million
- Free Cash Flow raised to €688.6 million, an 18.2% growth
- Covenant net financial debt was €2,048.1 million (1.21 times to last twelve month covenant EBITDA) at September 30, 2016

We have continued to grow strongly in the first nine months of 2016. Revenue and EBITDA increased by 14.2% and 16.4%, respectively, driving Adjusted Profit growth of 21.3%. These results were supported by the positive performances of our Distribution and IT Solutions segments, as well as by the contribution from our 2015 and Navitaire acquisitions.

In Distribution, we have successfully renewed or signed content agreements with 17 airlines in the quarter, including EasyJet, securing and expanding content for our subscribers. We successfully enhanced our competitive position[2] in the market by 0.5 p.p. during the third quarter, or 0.8 p.p. over the first nine months of 2016, reaching 43.1% in the nine-month period. This positive evolution supported air travel agency volume growth for Amadeus of 5.2% and Distribution Revenue expansion of 6.3%.

We remain very focused on delivering the best technology to our customers. The world's leading travel search engine, KAYAK, has implemented Amadeus Master Pricer with Instant Search technology. This new, revolutionary solution, delivers online search results in milliseconds with no compromise to accuracy.

Merchandising solutions remain key for the airlines and at Amadeus we are committed to supporting our customers in realising their revenue potential. At quarter-end, 64% of air bookings processed through Amadeus could carry an attached ancillary service and 116 airlines had contracted for Amadeus Airline Ancillary Services for the indirect channel. In turn, Amadeus Fare Families Solution had 42 contracts in place.

IT Solutions revenue grew 33.0% in the first nine months of 2016. This performance was driven by underlying strong double-digit growth in Airline IT as well as in our new businesses, and by the consolidation of the Navitaire acquisition from late January 2016 and the full year impact from the 2015 AirIT, Hotel SystemsPro and Itesso acquisitions. Total Passengers Boarded increased by 82.9% due to the inclusion of Navitaire's Passengers Boarded. Altéa Passengers Boarded growth was 12.1%, positively impacted by organic growth and the migrations we have

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[1] Excluding after-tax impact of the following items: (i) accounting effects derived from PPA exercises and impairment losses, (ii) non-operating exchange gains (losses) and (iii) other non-recurring items.

[2] Competitive position as defined in Section 3.

undertaken in the last twelve months: most importantly China Airlines, Swiss International Air Lines and Brussels Airlines (both part of the Lufthansa Group) in 2016. Our main activities within Airline IT grew well in the quarter supported by upselling and cross-selling success as well as organic growth.

During the third quarter, EVA Air implemented our next-generation Amadeus Altéa Revenue Management suite. In turn, Malaysia Airlines has chosen the full Amadeus Altéa Passenger Service System, Amadeus Anytime Merchandising as well as our e-commerce solutions. Also, Virgin Australia has now implemented Altéa Departure Control Flight Management.

We continue to make progress in our new businesses. We are advancing in the execution of our Hospitality IT strategy, by integrating Itesso and Hotel SystemsPro and by working with InterContinental Hotels Group in the development of a new-generation Guest Reservation System for the hospitality industry. Amadeus and Copenhagen Airports also announced the successful implementation of Amadeus Airport Sequence Manager and A-CDM Portal solutions.

Investing in technology is a key pillar to our success. Our investment in R&D reached 15.4% of our revenue in the nine months of 2016. It was dedicated to support long-term growth through new customer implementations, product evolution, portfolio expansion, investment in new businesses and continued open systems migration and system performance optimisation.

During the first nine months of the year, our free cash flow grew 18.2% and consolidated covenant net financial debt as of September 30, 2016 was €2,048.1 million, representing 1.21 times last twelve months' covenant EBITDA.

In June 2016, our shareholders approved a gross dividend of €0.775 per share in respect of 2015 results, representing a 50% pay-out ratio, amounting to a total dividend of €340.1 million. An interim dividend of €0.34 per share was paid on January 28, 2016 and the complementary dividend of €0.435 per share was paid on July 28, 2016.

On March 11, 2016, the Board of Directors of Amadeus IT Holding, S.A. and that of Amadeus IT Group, S.A. approved a plan to merge both companies (being Amadeus IT Holding, S.A. the surviving entity). After the approval of the merger by the Ordinary Shareholders' Meetings of both Amadeus IT Holding, S.A. and Amadeus IT Group S.A. in June 2016, and having fulfilled the remaining legal formalities, the merger public deed was registered with the Commercial Registry of Madrid on August 2, 2016. Upon registration, Amadeus IT Group S.A. was legally dissolved and Amadeus IT Holding S.A. adopted the name of Amadeus IT Group S.A.

1.2 Summary of operating and financial information

	Summary of KPI (figures in million euros)		
	Jan-Sep 2016	*Jan-Sep 2015*	*% Change*
Operating KPI			
Air TA competitive position[1]	**43.1%**	**42.2%**	**0.8 p.p.**
Air TA bookings (m)	409.8	389.7	5.2%
Non air bookings (m)	45.2	46.3	(2.5%)
Total bookings (m)	**454.9**	**436.0**	**4.3%**
Passengers Boarded (m)	**1,028.5**	**562.3**	**82.9%**
Financial results			
Distribution Revenue	2,219.9	2,087.5	6.3%
IT Solutions Revenue	1,166.7	877.3	33.0%
Revenue	**3,386.5**	**2,964.8**	**14.2%**
EBITDA	**1,332.1**	**1,144.5**	**16.4%**
EBITDA margin (%)	39.3%	38.6%	0.7 p.p.
Adjusted profit[2]	**738.1**	**608.4**	**21.3%**
Adjusted EPS (euros)[3]	**1.69**	**1.39**	**21.6%**
Cash flow			
Capital expenditure	429.4	393.2	9.2%
Free cash-flow[4]	688.6	582.8	18.2%
	30/09/2016	*31/12/2015*	*% Change*
Indebtedness[5]			
Covenant Net Financial Debt	**2,048.1**	**1,611.6**	**27.1%**
Covenant Net Financial Debt / LTM Covenant EBITDA	1.21x	1.09x	

1. Competitive position as defined in section 3.
2. Excluding after-tax impact of the following items: (i) accounting effects derived from PPA exercises and impairment losses, (ii) non-operating exchange gains (losses) and (iii) other non-recurring items.
3. EPS corresponding to the Adjusted profit attributable to the parent company. Calculated based on weighted average outstanding shares of the period.
4. Calculated as EBITDA minus capital expenditure plus changes in our operating working capital minus taxes paid minus interests and financial fees paid.
5. Based on the definition included in the senior credit agreement covenants.

2 Operating Review

amadeus

2.1 Key business highlights for the third quarter

The following section includes selected business highlights for the third quarter of 2016.

Distribution

- Around 74% of airline bookings made through the Amadeus system worldwide are with airlines that have a content agreement with Amadeus. Since the beginning of the year, new contracts or renewals of existing content agreements were signed with 38 carriers.
- easyJet renewed its long-term partnership with Amadeus, giving Amadeus subscribers continued access to easyJet's range of fares. This will enable corporate travellers to easily access and book the airline's range of business friendly products such as Flexi Fares.
- Subscribers to the Amadeus system now have access to the inventory of over 90 low cost and hybrid carriers from all over the world. Bookings of this segment grew by 16% in the third quarter of 2016, compared to 2015.
- As of the end of the third quarter, 64% of the global air bookings processed through the Amadeus system was eligible to carry a merchandising item. Also, 116 airlines had signed up to Amadeus Airline Ancillary Services for the indirect channel, with 90 of them already implemented. Including customers that have contracted these solutions for either their indirect channel or direct channel, the number of contracted airlines is 163, 123 of which have already been implemented.
- Amadeus Fare Families Solution, which allows airlines to distribute branded fares, had 42 contracts in place at the end of the third quarter. 32 customers have now implemented the Fare Families solution.
- During the first nine months of 2016, we saw a 73% increase in airline ancillary services sold through the Amadeus system, primarily through the more than 30 global online travel agencies that are integrating Amadeus merchandising solutions, including Sembo and Al Tayyar in the third quarter.
- The world's leading travel search engine, KAYAK, has implemented Amadeus Master Pricer with Instant Search technology. This new, revolutionary solution delivers online search results in milliseconds with no compromise to accuracy. Every one second of improvement in search response time for consumers can translate into an increase in conversion rates.
- Amadeus and Raptim renewed their long-term agreement to help travel managers fulfil their duty of care and contact their travellers' to minimise risk even in the most extreme of circumstances. The web solution allows travel managers to track travellers in real time, as well as provide risk intelligence and incident management.

Airline IT

- At the end of the third quarter, more than 170 airlines were contracted for one of the Amadeus Passenger Service Systems (Amadeus Altéa or Navitaire New Skies) and more than 160 airlines had been implemented.
- EVA Air moved to Amadeus Altéa Revenue Management Suite. By migrating to the Amadeus Altéa Revenue Management Suite, the airline will now benefit from a solution that takes into account the travellers' entire journey from origin to destination, not simply managing revenue on a leg-by-leg basis. The Amadeus Altéa Revenue Management Suite

will enable EVA Air to price airline packages and offers, based on travellers' price sensitivity and travel purpose.

- Malaysia Airlines has chosen the full Amadeus Altéa Passenger Service System, Amadeus Anytime Merchandising as well as our e-commerce solutions to help them transform passenger services, develop new revenue streams and revamp the online shopping experience for travellers.
- Virgin Australia is now part of the Altéa Departure Control Flight Management (FM) family. Virgin Australia will use Amadeus Altéa Departure Control FM for its aircraft control processes and benefit from Altéa operational excellence for fuel savings, agent productivity and flight safety.

Hospitality

- Amadeus and Zingle, a leading provider of mobile messaging software platforms, agreed a partnership to integrate Zingle messaging technology with Amadeus' hospitality service optimisation solutions. This will provide hotels with the mobile texting and messaging technology they need to better service and communicate with guests.
- Amadeus and Accor Hotels renewed their distribution agreement for another three years to ensure that its hotels' full inventory is made available to Amadeus-connected travel agencies and travellers worldwide.
- Teldar Travel incorporated its hotel content into Amadeus. Agents will now be able to sell Teldar Travel's hotel net rates with a guarantee of parity, which means hotel rates shown on Amadeus are the same as on Teldar Travel direct channels. With this integration, our enhanced hotel content now includes 1.4 million hotel shopping options.
- Amadeus announced a partnership with DerbySoft, a market leader in hospitality distribution technology, to connect hotels of all sizes to metasearch engines and online travel agents.

Airport IT

- Amadeus and Copenhagen Airports announced the successful implementation of Amadeus Airport Sequence Manager and A-CDM Portal solutions, which provide the airport, its airline customers, ground handlers and air traffic controllers with accurate and synched information on aircraft departures.

Additional news from the third quarter

- For the fifth year in a row, we have earned the prestigious recognition of being included in the Dow Jones Sustainability Index in the IT & Internet Software and Services sector. Knowing that only the top 10% of scorers in each sector are able to enter the index, makes this achievement all the more meaningful for everyone at Amadeus. The Dow Jones Sustainability Indices (DJSI) are made up of global sustainability leaders based on economic, environmental, and social criteria. They are widely considered the most prominent standards for evaluating sustainability performance available to investors.
- Amadeus white paper, Future Traveller Tribes 2030: Beyond Air Travel, examines how the original six traveller tribes are likely to reshape travel segments, 'beyond air': hospitality, airport, car, cruise and rail providers, travel agents and tour operators.

- An independent London School of Economics study commissioned by Amadeus, "Travel distribution: the end of the world as we know it?", finds that gatekeepers, 'mega meta online travel agencies', and artificial intelligence are changing the future of travel distribution. The paper draws insights from business leader interviews, data analysis and a major sector-specific survey spanning all global markets.
- Amadeus commissioned a new report on Airline Disruption. Written by T2RL, the report finds that incidents such as bad weather, natural disasters and strike action all contribute to air travel disruption, which costs airlines up to $60 billion annually in lost revenues, equating to 8% of global industry revenues.

2.2 Key ongoing R&D projects

R&D investment in the first nine months of 2016 related primarily to:

- Customer implementations and services:
  - Altéa implementation efforts related to carriers migrated in 2016 and future implementations (mainly Swiss International Air Lines, Brussels Airlines, China Airlines, Southwest Airlines –the domestic passengers business-, and Japan Airlines), as well as resources for Navitaire New Skies migrations (including the Viva Group recently implemented).
  - Implementation costs linked to our upselling activity (such as Revenue Management, e-commerce or standalone solutions).
  - Implementation of Distribution solutions for airlines, travel agencies, and corporations, including the implementation of low cost carriers to ticketless access, the expansion of our customer base in merchandising solutions and the migration of corporations to our self-booking tool.
  - Additionally, resources allocated to client specific e-commerce competency centres.
- Product evolution and portfolio expansion:
  - For airlines, mainly solutions related to cloud availability, NDC compliant XML connectivity, and our revenue optimisation and financial suites.
  - For travel agencies, meta-search engines, travel management companies and corporations, efforts linked to our cloud-based new generation selling platform, search engines, front-office customisation and conversion tools.
  - Investment focused on merchandising solutions (including Amadeus Anytime Merchandising and Customer Experience Management), ancillary services and fare families, as well as enhanced shopping and booking solutions.
- Efforts related to the new businesses (Hospitality, Rail, Airport IT, Payments and Travel Intelligence):
  - Development costs to build and implement the next-generation Guest Reservation System for the hospitality industry under our partnership with InterContinental Hotels Group.

- Continued development and evolution of our Airport IT, Payments and Travel Intelligence portfolios, as well as enhanced distribution capabilities for Hospitality and Rail.
- Implementation efforts in the Airport IT space (in relation to our ground-handling, passenger processing and airport operations solutions), as well as related to Payments solutions.
- Efforts dedicated to our partnership with Bene Rail to create a new rail community IT platform.

— Cross-area technology investment:

- Ongoing shift of the company's platform to next-generation technologies and open systems.
- System performance projects to deliver the highest possible reliability, availability, as well as service and security levels to our client base.
- Projects related to our overall infrastructure and processes to improve efficiency and flexibility.

3 Presentation of financial information

The consolidated financial information included in this document has been prepared in accordance with International Financial Reporting Standards (IFRS) and has not been audited.

Certain amounts and 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.

This document includes unaudited Alternative Performance Measures such as EBITDA, covenant net financial debt and Adjusted profit, and its corresponding ratios. These Alternative Performance Measures have been prepared in accordance with the Guidelines issued by the European Securities and Markets Authority for the regulated information published on or after July 3, 2016.

- The EBITDA corresponds to the segment contributions less the net indirect costs as defined in note 4 'Segment Reporting' of the Consolidated and condensed interim financial statements for the six months period ended June 30, 2016.
- The covenant net financial debt is defined as the current and non-current debt, less the cash and cash equivalents, adjusted for the non-debt items (such as deferred financing fees, accrued interest and fair value adjustments to the EIB loan). A reconciliation to the financial statements is included in section 9.2.
- The Adjusted profit corresponds to the reported Profit for the period, after adjusting for: (i) accounting effects derived from PPA exercises and impairment losses, (ii) non-operating exchange gains (losses), and (iii) other non-recurring items, as detailed in section 5.6.

The Group considers that these measures provide useful and relevant information to facilitate a better understanding of the performance of Amadeus and its economic position. These measures are not standard and therefore may not be comparable to those presented by other companies.

When we refer to our competitive position, we consider only our air TA bookings in relation to the air TA booking industry, defined as the total volume of travel agency air bookings processed by the global CRS. It excludes air bookings made directly through in-house airline systems or single country operators, the latter primarily in China, Japan and Russia, which together combined represent an important part of the industry.

3.1 Acquisitions completed in 2015

AirIT

On April 21, 2015, Amadeus acquired 100% of the voting rights of Air-Transport IT Services, Inc ("AirIT"), a US-based provider of airport technology solutions. The purchase consideration paid in cash was €13.0 million. The AirIT results were consolidated into Amadeus' books from May 1, 2015.

A purchase price allocation exercise in relation to the consolidation of AirIT into Amadeus' books was carried out in the fourth quarter of 2015.

Itesso

On July 21, 2015, Amadeus acquired 100% of the voting rights of Itesso B.V. and subsidiaries, a provider of cloud-based property management systems, to expand its technology offering to the hospitality industry. The purchase consideration paid in cash was €32.7 million. The Itesso results were consolidated into Amadeus' books from August 1, 2015.

A purchase price allocation exercise in relation to the consolidation of Itesso into Amadeus' books was carried out in the second quarter of 2016.

Hotel SystemsPro

On July 31, 2015, Amadeus acquired, through Newmarket, the business (assets acquired and liabilities assumed) of Hotel SystemsPro LLC, a leading provider of sales, catering and maintenance software to the hospitality industry. The purchase consideration paid in cash was €63.3 million. The results of the business of Hotel SystemsPro were consolidated into Amadeus' books from August 1, 2015.

A purchase price allocation exercise in relation to the consolidation of the business of Hotel SystemsPro into Amadeus' books was carried out in the fourth quarter of 2015.

Pyton

On August 21, 2015, Amadeus acquired 100% of the voting rights of Pyton Communication Services B.V. and subsidiaries, a Netherlands-based leisure travel technology specialist. The purchase consideration paid in cash was €8.2 million. The Pyton results were consolidated into Amadeus' books in the fourth quarter of 2015, retroactively since the date of acquisition.

A purchase price allocation exercise in relation to the consolidation of Pyton into Amadeus' books was carried out in the second quarter of 2016.

3.2 Acquisitions completed in 2016

Navitaire

On July 1, 2015, Amadeus announced its agreement to acquire Navitaire, a U.S-based provider of technology and business solutions to the airline industry, from Accenture. Amadeus received all the necessary regulatory approvals and the closing took place on January 26, 2016. The cash consideration in relation to this acquisition amounted to €766.5 million. The acquisition was 100% debt-financed, partially through the drawing of the €500 million bank loan facility executed on July 3, 2015 (structured as a "club deal" financing entered into with twelve banks, with maturity dates in 2019 and 2020), and partially through the €500 million debt securities issued under our Euro Medium Term Note Programme in November 2015 (with maturity in 2021). The results of Navitaire were consolidated into Amadeus' books from January 26, 2016.

A purchase price allocation exercise in relation to the consolidation of Navitaire into Amadeus' books will be carried out in the fourth quarter of 2016. The extraordinary costs of €6.7 million associated with the acquisition, incurred in the second half of 2015, were reported as indirect costs as of year-end 2015.

3.3 Divestments completed in 2016

Meeting Intelligence business

On July 21, 2016, Amadeus Hospitality US (formerly Newmarket International) divested its non-core Meeting Intelligence business, which provides meetings market intelligence for the hospitality industry. The total net consideration of the transaction was €11.3 million.

4 Main financial risks and hedging policy

4.1 Foreign exchange rate risk

Our reporting currency is the Euro. However, as a result of Amadeus' global activity and presence, part of our results are generated in currencies different from the Euro and therefore are impacted by foreign exchange fluctuations. Similarly, part of our cash inflows and outflows are denominated in non-Euro currencies.

Our revenue is almost entirely generated either in Euro or in US Dollar (the latter representing 30%-35% of our total revenue). Revenue generated in currencies other than Euro or US Dollar is negligible.

In turn, 40%-50% of our operating costs[3] are denominated in many currencies different from the Euro, including the USD which represents 20%-30% of our operating costs. The rest of the foreign currency operating expenses are denominated in a variety of currencies, GBP, AUD, SEK, THB and INR being the most significant. A number of the currencies in this basket may fluctuate vs. the Euro similarly to the US Dollar - Euro fluctuations, and the degree of this correlation may vary with time.

Amadeus' target is to reduce the volatility of the non-Euro denominated net cash flows due to foreign exchange fluctuations. Our hedging strategy is as follows:

- The strategy for managing our exposure to the US Dollar is based on the use of a natural hedge of our net operating cash flow generated in this currency with the payments of our USD-denominated debt (when applicable) and taxes. We enter into derivative arrangements when the natural hedge is not sufficient to cover the outstanding exposure.
- We also hedge a number of currencies, including the GBP, AUD and SEK, for which we enter into foreign exchange derivatives with banks.

When the hedges in place qualify for hedge accounting under IFRS, profits and losses are recognised within the revenue caption (under the non-booking revenue line of Distribution). Our hedging arrangements typically qualify for hedge accounting under IFRS.

In the first nine months of 2016, the foreign exchange impact on revenue was negligible. The appreciation of the euro vs. several currencies (GBP, ZAR, ARS and INR for example) had a positive impact on costs, EBITDA and EBITDA margin. The underlying trend, excluding the positive foreign exchange impact on costs and Navitaire, was positive with double-digit EBITDA growth and broadly stable margins.

[3] Including Cost of revenue, Personnel expenses and Other operating expenses. Excludes Depreciation and amortisation.

4.2 Interest rate risk

Our target is to reduce the volatility of the net interest flows payable. In order to achieve this objective, Amadeus may enter into interest rate hedging agreements (interest rate swaps, caps, collars) to cover the floating rate debt.

At September 30, 2016, 47% of our total covenant financial debt was subject to floating interest rates, indexed to the EURIBOR. As of this date no interest rate hedges were in place. Upon the bond issuance launched on October 6, 2016 (see section 9.2 for further details), the percentage of our total covenant financial debt subject to floating interest rates declined to 27%.

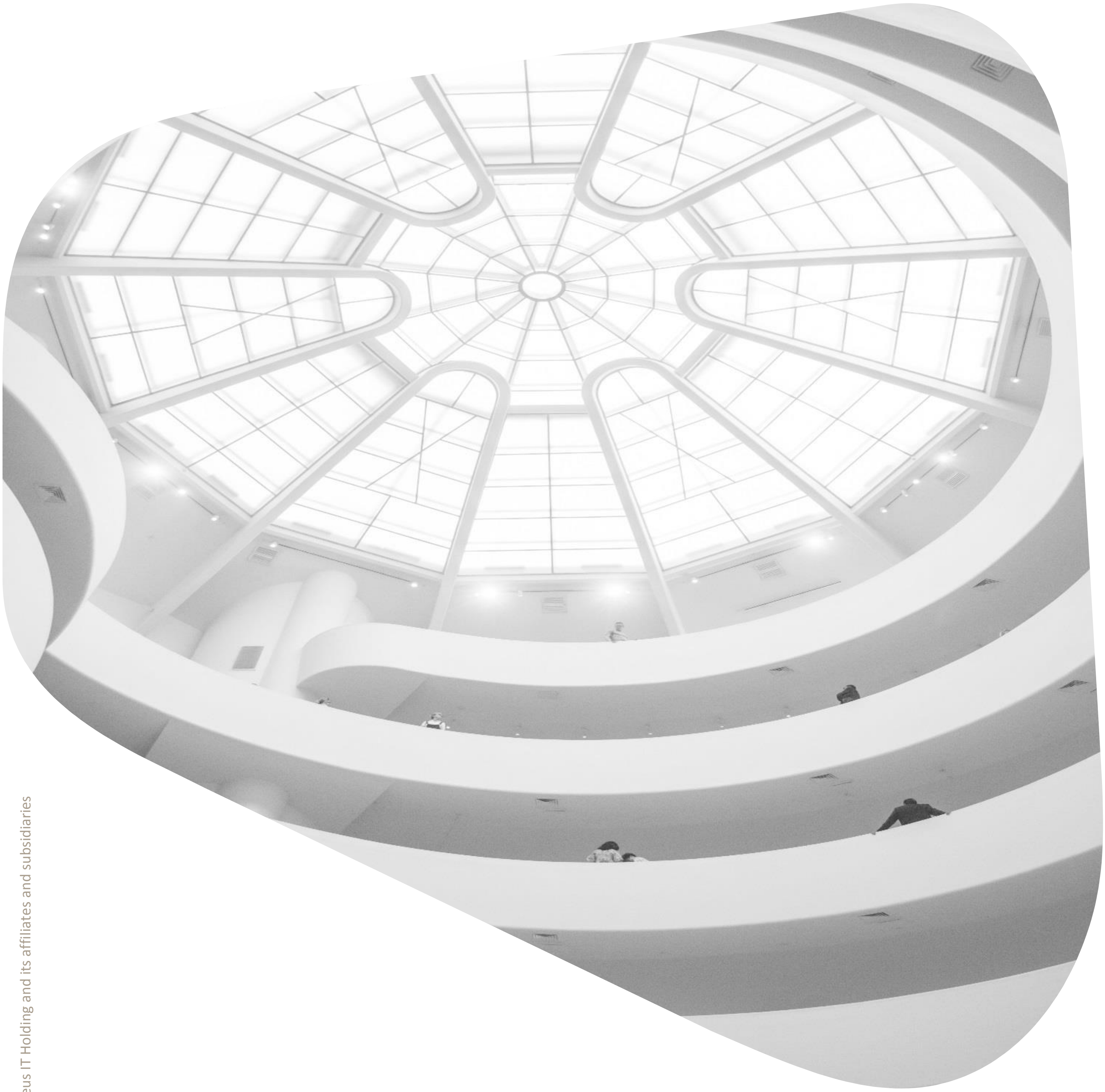
The increase in the percentage of total covenant financial debt subject to floating interest rates vs. previous quarters is mostly due to a higher use of the European Commercial Paper programme and revolving credit facilities, as described in section 9.2, which are subject to floating interest rates.

4.3 Own shares price evolution risk

Amadeus has three different staff remuneration schemes which are settled with Amadeus' shares.

According to the rules of these plans, when they mature their beneficiaries will receive a number of Amadeus shares which for the outstanding plans will be (depending on the evolution of certain performance conditions) between a minimum of 278,000 shares and a maximum of 1,858,000 shares, approximately. It is Amadeus' intention to make use of its treasury shares to settle these plans at their maturity.

5 Consolidated financial statements



Group income statement

	Jul-Sep 2016	Jul-Sep 2015	% Change	Jan-Sep 2016	Jan-Sep 2015	% Change
	Income Statement (figures in million euros)					
Revenue	**1,111.1**	**988.0**	**12.5%**	**3,386.5**	**2,964.8**	**14.2%**
Cost of revenue	(283.9)	(264.3)	7.4%	(864.0)	(790.9)	9.2%
Personnel and related expenses	(316.9)	(285.1)	11.1%	(953.3)	(834.8)	14.2%
Other operating expenses	(81.9)	(70.5)	16.2%	(228.5)	(187.1)	22.1%
Depreciation and amortisation	(129.9)	(98.5)	31.8%	(362.5)	(291.4)	24.4%
Operating income	**298.5**	**269.6**	**10.7%**	**978.3**	**860.6**	**13.7%**
Net financial expense	(11.3)	(18.2)	(37.9%)	(55.9)	(43.6)	28.2%
Other income (expense)	1.9	0.2	n.m.	4.0	0.4	n.m.
Profit before income taxes	**289.1**	**251.6**	**14.9%**	**926.4**	**817.4**	**13.3%**
Income taxes	(71.4)	(78.0)	(8.5%)	(259.4)	(253.4)	2.4%
Profit after taxes	**217.7**	**173.6**	**25.4%**	**667.0**	**564.0**	**18.3%**
Share in profit from associates and JVs	1.1	0.4	n.m.	2.8	1.5	85.9%
Profit for the period	**218.8**	**174.0**	**25.8%**	**669.8**	**565.5**	**18.4%**
Key financial metrics						
EBITDA	**425.0**	**365.8**	**16.2%**	**1,332.1**	**1,144.5**	**16.4%**
EBITDA margin (%)	38.3%	37.0%	1.2 p.p.	39.3%	38.6%	0.7 p.p.
Adjusted profit[1]	**243.6**	**188.8**	**29.0%**	**738.1**	**608.4**	**21.3%**
Adjusted EPS (euros)[2]	**0.56**	**0.43**	**29.6%**	**1.69**	**1.39**	**21.6%**

1. Excluding after-tax impact of the following items: (i) accounting effects derived from PPA exercises and impairment losses, (ii) 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.

5.1 Revenue

Revenue continued to grow steadily in the third quarter of 2016, reaching €1,111.1 million and increasing by 12.5%. For the first nine months of the year, revenue grew by 14.2%, to €3,386.5 million, supported by the positive underlying evolution of Distribution and IT Solutions as well as by the contribution of our latest acquisitions, mainly Navitaire.

	Revenue (figures in million euros)					
	Jul-Sep 2016	Jul-Sep 2015	% Change	Jan-Sep 2016	Jan-Sep 2015	% Change
Distribution	699.4	672.5	4.0%	2,219.9	2,087.5	6.3%
IT Solutions	411.7	315.6	30.5%	1,166.7	877.3	33.0%
Revenue	**1,111.1**	**988.0**	**12.5%**	**3,386.5**	**2,964.8**	**14.2%**

5.1.1 Distribution

Distribution revenue increased by 4.0% in the third quarter of 2016 vs. the same period in 2015, supported by a 4.8% growth in bookings and the positive performance of non-booking revenue. Lower third quarter average pricing in 2016 vs. 2015 was mostly due to non-recurring customer renegotiation effects affecting the comparison base. The average booking fee in any given quarter is dependent on a number of elements, such as the mix of local, regional and global bookings, the mix of clients (with different growth rates), accounting effects related to ongoing customer contract negotiations, etc. As a consequence, average pricing may vary (up or down) in any given quarter, even when the contract terms remain the same.

Distribution revenue growth in the first nine months of the year amounted to 6.3%. This nine month period increase was the result of growth in both booking revenue and non-booking revenue.

The increase in booking revenue was a combination of (i) higher bookings (+4.3%) and (ii) a unitary booking revenue expansion, supported by certain customer renegotiations and a positive booking mix (higher weight of global bookings, and a declining weight of non-air bookings, particularly rail bookings, which have a lower average fee compared to air travel agency bookings).

Non-booking revenue increased in the first nine months of 2016 mainly due to (i) search solutions provided to metasearch engines and online travel agencies, (ii) enhanced functionalities provided to travel agencies (online and offline) and travel management companies, and (iii) tools for corporations (including the i:FAO self-booking tool). Data and advertising solutions as well as our B2B Wallet, part of our Payments portfolio, have also grown their revenue contribution.

Evolution of operating KPI

During the third quarter of 2016, Amadeus air travel agency bookings grew by 5.5%, supported by the 2.8% air TA industry growth and an improvement of 0.5 p.p. in our global competitive position[4].

[4] Competitive position and air TA booking industry as defined in Section 3.

For the first nine months of 2016, our air bookings increased by 5.2%, ahead of the industry growth of 2.4%. Our competitive position improved by 0.8 p.p. to 43.1%.

						Operating KPI
	Jul-Sep 2016	Jul-Sep 2015	% Change	Jan-Sep 2016	Jan-Sep 2015	% Change
Air TA booking Industry growth	**2.8%**	**3.7%**		**2.4%**	**4.5%**	
Air TA competitive Position[4]	**42.8%**	**42.3%**	**0.5 p.p.**	**43.1%**	**42.2%**	**0.8 p.p.**
Air TA bookings (m)	130.5	123.8	5.5%	409.8	389.7	5.2%
Non air bookings (m)	13.9	14.1	(1.2%)	45.2	46.3	(2.5%)
Total bookings (m)	**144.4**	**137.9**	**4.8%**	**454.9**	**436.0**	**4.3%**

Air TA booking Industry

Air travel agency bookings increased by 2.8% in the third quarter of 2016, driving industry growth in the first nine months to 2.4%. The slight acceleration in the third quarter vs. the first half of the year is mainly due to (i) specific countries such as Brazil, Greece or Russia reporting a better performance, as well as (ii) a positive timing impact of the Ramadan in Middle East and Africa.

All regions performed positively in the first nine months of 2016, except for Central, Eastern and Southern Europe dragged by unfavourable macroeconomic conditions. Asia and Pacific remains the fastest growing region during the first nine months of 2016 experiencing robust growth, supported by the performance of several countries, such as South Korea, Hong Kong, India and the Philippines. The remaining regions (Western Europe, Middle East and Africa and the Americas) posted moderated growth overall in the first nine months.

Amadeus bookings

Amadeus' air travel agency bookings increased by 5.5% in the third quarter and 5.2% in the first nine months of 2016, outperforming the industry, supported by an enhancement of our competitive position.

Asia and Pacific was our best performing region, benefiting from strong industry growth and the enhancement of our competitive position. Volumes in North America and Middle East and Africa grew as well very solidly in the first nine months. In turn, bookings in Western Europe grew moderately, in line with the industry. Finally, our air bookings in Latin America and Central, Eastern and Southern Europe were impacted by the industry weakness or decline during the period.

	Amadeus Air TA Bookings (figures in million)				
	Jan-Sep 2016	% of Total	Jan-Sep 2015	% of Total	% Change
Western Europe	154.9	37.8%	151.5	38.9%	2.3%
Asia & Pacific	73.6	18.0%	63.7	16.3%	15.6%
North America	71.1	17.4%	66.4	17.0%	7.1%
Middle East and Africa	50.6	12.3%	47.3	12.2%	6.8%
Central, Eastern and Southern Europe	34.0	8.3%	35.4	9.1%	(3.9%)
Latin America	25.6	6.2%	25.4	6.5%	0.6%
Total Air TA Bookings	**409.8**	**100.0%**	**389.7**	**100.0%**	**5.2%**

Non-air bookings declined by 1.2% in the third quarter and 2.5% in the first nine months of 2016 vs. prior year, driven by the decrease in rail bookings, partly offset by the positive evolution of hotel bookings.

5.1.2 IT Solutions

IT Solutions continued delivering robust growth, with a 30.5% increase in revenue during the third quarter of 2016, impacted by (i) the Navitaire and Itesso acquisitions, and (ii) to a lesser extent, the divestment of a non-core business by Amadeus Hospitality US on July 21, 2016 (see section 3.3 for further details).

Revenue amounted to €1,166.7 million in the first nine months of the year, growing 33.0% vs. the same period of 2015. This increase was driven by the positive contribution of our acquisitions (mainly Navitaire), as well as by a strong double-digit underlying growth, which resulted from:

- The positive evolution of our Airline IT business, mainly as a result of (i) an increase in volumes, including 12.1% higher Altéa passengers boarded volumes, (ii) an expansive average pricing solidly achieved quarterly, reflecting our successful upselling activity, primarily through implementations of additional Altéa modules (Departure Control Systems or Revenue Management), e-commerce and standalone solutions, and (iii) growth in services.
- A growing contribution from new businesses.

Evolution of operating KPI

Amadeus passengers boarded increased by 92.1% to 399.8 million in the third quarter of 2016, as a combination of (i) the consolidation of 162.2 million passengers boarded from Navitaire and (ii) a 14.2% growth in Altéa passengers boarded. In the nine month period, the volume of passengers boarded reached 1,028.5 million, 82.9% higher than prior year, fuelled by the above mentioned consolidation of Navitaire (since January 26, 2016) and a 12.1% increase in Altéa passengers boarded.

	Operating KPI (figures in million)					
	Jul-Sep 2016	Jul-Sep 2015	% Change	Jan-Sep 2016	Jan-Sep 2015	% Change
Altéa Passengers Boarded	237.6	208.1	14.2%	630.5	562.3	12.1%
Navitaire Passengers Boarded[1]	162.2	0.0	n.m.	398.0	0.0	n.m.
Total PB	**399.8**	**208.1**	**92.1%**	**1,028.5**	**562.3**	**82.9%**

1. Navitaire Passengers Boarded for the first half of 2016 have been restated retroactively to 235.8 million, leading to total PBs of 628.7 million in the first half (no impact on revenue).

The strong growth in Altéa passengers boarded was driven by (i) the impact from the 2015 and 2016 implementations (namely All Nippon Airways and Thomas Cook Group Airlines, in 2015, and Swiss International Air Lines, Brussels Airlines and China Airlines, in 2016) and (ii) 4.2% organic growth in the first nine months of the year (4.6% in the third quarter of 2016).

In turn, Navitaire New Skies passengers boarded performed well both in the third quarter and in the first nine months, growing organically double-digit and benefiting from recent implementations such as Viva Group.

Our international footprint has continued expanding, supported by the acquisition of Navitaire, and passengers boarded from Asia and Pacific now represent 30.5% of our total passengers boarded volumes. The weights of the Asia and Pacific and North America regions will continue to increase as we implement the future contracted migrations of Japan Airlines, Malaysia Airlines and Southwest Airlines (the domestic passengers business).

	Total Passengers Boarded (figures in million)				
	Jan-Sep 2016	% of Total	Jan-Sep 2015	% of Total	% Change
Western Europe	425.0	41.3%	245.9	43.7%	72.8%
Asia & Pacific	313.6	30.5%	149.0	26.5%	110.5%
Latin America	98.3	9.6%	57.8	10.3%	70.2%
Middle East and Africa	90.9	8.8%	78.3	13.9%	16.1%
Central, Eastern and Southern Europe	53.5	5.2%	28.6	5.1%	87.0%
North America	47.1	4.6%	2.7	0.5%	n.m.
Total Passengers Boarded[1]	**1,028.5**	**100.0%**	**562.3**	**100.0%**	**82.9%**

1. Navitaire Passengers Boarded for the first half of 2016 have been restated retroactively to 235.8 million, leading to total PBs of 628.7 million in the first half (no impact on revenue).

5.2 Group operating costs

5.2.1 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, and (iii) data communication expenses relating to the maintenance of our computer network, including connection charges.

Cost of revenue increased by 7.4% to reach €283.9 million in the third quarter of 2016, driving growth for the first nine months of 2016 to 9.2%. Cost of revenue represented 25.5% of revenue in the nine month period, lower than 26.7% in the same period of 2015.

The increase in this caption was mainly due to:

- Higher air booking volumes in the Distribution business (+5.2%).
- An increase in the unitary distribution cost, as a consequence of (i) competitive pressure and (ii) an increase in weight of countries where we operate through non fully owned ACOs and which have a higher unit distribution cost.
- A positive foreign exchange impact.

5.2.2 Personnel and related expenses and other operating expenses

A large part of Amadeus' employees are software developers. Amadeus also hires contractors to support its development activity, complementing the permanent staff. The overall ratio of permanent staff vs. contractors devoted to R&D fluctuates depending on business needs and project mix, therefore impacting the evolution of both "Personnel expenses" and "Other operating expenses" captions in our income statement.

Our combined operating expenses cost line, including both Personnel expenses and Other operating expenses, increased by 12.1% in the third quarter of 2016 vs. prior year. For the first nine month period, the combined operating expenses were 15.7% higher.

	Personnel expenses + Other operating expenses (figures in million euros)					
	Jul-Sep 2016	*Jul-Sep 2015*	*% Change*	*Jan-Sep 2016*	*Jan-Sep 2015*	*% Change*
Personnel expenses + Other operating expenses	(398.8)	(355.6)	12.1%	(1,181.8)	(1,021.9)	15.7%

This 15.7% growth was mostly driven by:

- An increase of 9% in average FTEs (permanent staff and contractors), highly impacted by our recent acquisitions, mainly Navitaire. Excluding Navitaire, average FTEs grew by 5%.
- Global salary and variable remuneration reviews.

- An overall increase in non-personnel related expenses due to the consolidation of our acquisitions, particularly affecting computing expenses (as Navitaire is hosted externally), but also impacting consulting and travel expenses. Excluding the impact of acquisitions, non-personnel related expenses showed limited growth in the nine month period, due to both certain cost savings in the third quarter of 2016 as well as a high base of comparison in the third quarter of 2015, which was affected by certain extraordinary impacts, as explained last year.
- An overall lower capitalisation ratio in the third quarter of 2016, driving the capitalisation ratio during the first nine months of the year below that in the same period of 2015.
- A positive foreign exchange impact.

Average FTEs grew mainly as a result of:
- The consolidation of our 2015 acquisitions (AirIT, Itesso, Hotel SystemsPro and Pyton), and most importantly, Navitaire.
- Higher headcount in R&D, mostly driven by ongoing investment in portfolio expansion and product evolution (including the progress achieved in our new businesses), and resources dedicated to the TPF decommissioning, system performance and security projects, and services (see further detail in sections 2.2 and 7.1).
- Reinforcement of our corporate, technical and commercial, support, as we successfully expand our customer base, our geographical reach (such as in Asia and Pacific and North America) and our product portfolio.

5.2.3 Depreciation and Amortisation

Depreciation and amortisation (including capitalised D&A) increased by 31.5% in the third quarter of 2016, leading to a 24.6% growth for the first nine months of 2016. Such increase was mostly driven by growth in ordinary depreciation and amortisation.

Ordinary D&A grew by 21.9% in the first nine months of the year, highly impacted by the consolidation of our acquisitions, mainly Navitaire. The underlying growth is mostly due to higher amortisation of intangible assets, linked to the amortisation of capitalised development expenses on our balance sheet, as the associated product or contract started generating revenues (for example, previously capitalised costs related to the migration of customers which have been recently implemented, or certain product development projects).

Additionally, amortisation from PPA increased by 5.6% in the same period due to the consolidation of our 2015 acquisitions, including Itesso and Pyton (whose purchase price allocation exercises were carried out in the second quarter of 2016, with a retroactive impact to their consolidation dates).

In compliance with IFRS, impairment tests are carried out every year. During the first nine months of 2016, we reported €18.6 million of impairment losses in relation to (i) the write off of the trademark "Newmarket International" (replaced by the global Amadeus brand) and (ii) solutions that we estimated would not deliver economic benefits as expected.

	Depreciation and Amortisation (figures in million euros)					
	Jul-Sep 2016	Jul-Sep 2015	% Change	Jan-Sep 2016	Jan-Sep 2015	% Change
Ordinary depreciation and amortisation	(95.8)	(76.2)	25.7%	(270.5)	(221.8)	21.9%
Amortisation derived from PPA	(24.0)	(22.3)	7.5%	(73.3)	(69.4)	5.6%
Impairments	(10.1)	0.0	n.m.	(18.6)	(0.1)	n.m.
Depreciation and amortisation	**(129.9)**	**(98.5)**	**31.8%**	**(362.5)**	**(291.4)**	**24.4%**
Capitalised depreciation and amortisation[1]	3.4	2.3	45.8%	8.6	7.5	15.6%
Depreciation and amortisation post-capitalisations	**(126.5)**	**(96.2)**	**31.5%**	**(353.8)**	**(283.9)**	**24.6%**

1. Included within the other operating expenses caption in the Group Income Statement.

5.3 EBITDA and Operating income

EBITDA grew by 16.2% in the third quarter and 16.4% in the first nine months of 2016 vs. the same period in 2015. This increase was generated by the positive underlying performance of Distribution and IT Solutions as well as by the contribution from our latest acquisitions (mainly Navitaire) and certain foreign exchange effects impacting positively the evolution of our cost base (see section 4.1 for details on the exposure of our operating results to foreign exchange fluctuations).

EBITDA margin for the first nine months of the year represented 39.3% of revenues, expanding 0.7 p.p. vs. prior year. The underlying trend, excluding the positive foreign exchange impact on costs and Navitaire, was positive with double-digit EBITDA growth and broadly stable margins.

Operating Income in the third quarter of 2016 grew by 10.7%, delivering a 13.7% expansion to €978.3 million in the first nine months. This increase was driven by EBITDA growth offset by higher D&A charges.

	EBITDA (figures in million euros)					
	Jul-Sep 2016	Jul-Sep 2015	% Change	Jan-Sep 2016	Jan-Sep 2015	% Change
Operating income	**298.5**	**269.6**	**10.7%**	**978.3**	**860.6**	**13.7%**
Depreciation and amortisation	129.9	98.5	31.8%	362.5	291.4	24.4%
Capitalised depreciation and amortisation	(3.4)	(2.3)	45.8%	(8.6)	(7.5)	15.6%
EBITDA	**425.0**	**365.8**	**16.2%**	**1,332.1**	**1,144.5**	**16.4%**
EBITDA margin (%)	38.3%	37.0%	1.2 p.p.	39.3%	38.6%	0.7 p.p.

5.4 Net financial expense

	Net financial expense (figures in million euros)					
	Jul-Sep 2016	Jul-Sep 2015	% Change	Jan-Sep 2016	Jan-Sep 2015	% Change
Financial income	0.2	1.4	(83.3%)	1.3	2.2	(41.3%)
Interest expense	(11.2)	(15.3)	(26.8%)	(47.9)	(47.1)	1.7%
Other financial expenses	(0.8)	(4.7)	(82.7%)	(2.6)	(6.4)	(60.3%)
Exchange gains (losses)	0.5	0.4	16.4%	(6.8)	7.8	n.m.
Net financial expense	**(11.3)**	**(18.2)**	**(37.9%)**	**(55.9)**	**(43.6)**	**28.2%**

Net financial expense decreased by 37.9% in the third quarter of 2016. As at September 30, 2016, net financial expense increased by 28.2% vs. prior year.

The increase in net financial expense during the first nine months of 2016 was mostly due to exchange losses amounting to €6.8 million, compared to exchange gains amounting to €7.8 million during the same period in 2015. The US Dollar depreciated vs. the Euro in the first nine months of 2016 (while it appreciated in the same period in 2015), impacting our USD-denominated assets and liabilities on our balance sheet which are not linked to our operating activity.

Growth of interest expense was very limited (1.7%) in the first nine months of 2016, due to a higher amount of average gross debt outstanding, partly offset by a lower average cost of debt, which declined further in the third quarter due to the refinancing of the €750 million notes on July 15, 2016 (see section 9.2 for more detail on the refinancing).

5.5 Income taxes

Income taxes for the first nine months of 2016 amounted to €259.4 million, 2.4% higher vs. the same period of the previous year. The income tax rate for the first nine months of 2016 was 28.0%, lower than the 31.0% rate reported in the same period in 2015. The reduction in the income tax rate was mostly driven by a lower corporate tax rate in Spain as well as tax deductions related to non-recurring transactions.

5.6 Profit for the period. Adjusted profit

5.6.1 Adjusted profit

Reported profit increased by 25.8% in the third quarter of 2016, and by 18.4% in the first nine months of 2016, amounting to €669.8 million, compared to the same period in 2015.

	Adjusted profit (figures in million euros)					
	Jul-Sep 2016	Jul-Sep 2015	% Change	Jan-Sep 2016	Jan-Sep 2015	% Change
Reported profit	**218.8**	**174.0**	**25.8%**	**669.8**	**565.5**	**18.4%**
Adjustments						
Impact of PPA[1]	17.4	15.2	14.8%	51.4	47.3	8.7%
Non-operating FX results[2]	(0.2)	(0.3)	(25.7%)	4.7	(5.3)	n.m.
Non-recurring items	(1.2)	(0.1)	n.m.	(2.3)	0.8	n.m.
Impairments	8.8	0.0	n.m.	14.6	0.1	n.m.
Adjusted profit	**243.6**	**188.8**	**29.0%**	**738.1**	**608.4**	**21.3%**

1. After tax impact of accounting effects derived from purchase price allocation exercises.
2. After tax impact of non-operating exchange gains (losses).

After adjusting for (i) accounting effects derived from PPA exercises and impairment losses, (ii) non-operating exchange gains (losses), and (iii) other non-recurring items, adjusted profit grew by 29.0% in the third quarter of 2016 vs. the same period in 2015, and by 21.3%, to €738.1 million, in the first nine months.

5.6.2 Earnings per share (EPS)

	Earnings per share					
	Jul-Sep 2016	Jul-Sep 2015	% Change	Jan-Sep 2016	Jan-Sep 2015	% Change
Weighted average issued shares (m)	438.8	442.2		438.8	445.8	
Weighted average treasury shares (m)	(1.8)	(5.6)		(2.2)	(9.2)	
Outstanding shares (m)	**437.0**	**436.6**		**436.7**	**436.6**	
EPS (euros)[1]	**0.50**	**0.40**	**26.4%**	**1.53**	**1.29**	**18.7%**
Adjusted EPS (euros)[2]	**0.56**	**0.43**	**29.6%**	**1.69**	**1.39**	**21.6%**

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

The table above shows EPS for the period, based on the profit attributable to the parent company (after minority interests), both on a reported basis and on an adjusted basis (adjusted profit as detailed above). In the first nine months of 2016, our reported EPS grew by 18.7% to €1.53 and our adjusted EPS by 21.6% to €1.69.

On December 11, 2014 the Board of Directors agreed to undertake a share buy-back programme. The programme was completed on May 12, 2015 as the maximum planned investment of €320 million was reached. A total of 8,759,444 own shares were acquired, representing 1.957% of share capital. The share capital reduction through the amortisation of the repurchased shares was approved by the General Shareholders Meeting on June 25, 2015 and was registered in the Commercial Registry of Madrid on August 4, 2015. The maximum investment under the share buy-back programme (€320 million) was recognised in the statement of financial position as a reduction of equity, as if it had already been carried out on the date of the announcement of the programme. The corresponding treasury shares under the programme were included in the weighted average treasury shares shown in the table above in 2015.

On March 11, 2016 the Board of Directors of Amadeus IT Holding, S.A. and that of Amadeus IT Group, S.A. approved a plan in relation to the merger of both companies (being Amadeus IT Holding, S.A. the surviving entity), subject to the approval by their respective General Shareholders' Meetings, which took place on June 24 and 23, 2016. The exchange ratio for the shares of the companies participating in the merger, determined on the basis of a market valuation of the equity of both companies, has been 1 share of Amadeus IT Holding, S.A. for every 11.31 shares of Amadeus IT Group, S.A. The exchange ratio was driven by the different number of shares of the two companies and a discount for illiquidity of Amadeus IT Group, S.A. shares. The acquisition of treasury shares by Amadeus IT Holding, S.A. to cover the exchange ratio started on April 7, 2016 and finalised on May 17, 2016, achieving the maximum number of 393,748 shares planned. Following registration of the merger public deed with the Commercial Registry of Madrid on August 2, 2016 and the fulfilment of legal formalities, Amadeus IT Group S.A. was legally dissolved and Amadeus IT Holding S.A. adopted the name of Amadeus IT Group S.A. As of September 30, 2016, 258,882 shares were delivered in exchange of the Amadeus IT Group S.A. shares in accordance with the exchange ratio mentioned above.

6 Other financial information

6.1 R&D investment

R&D investment (including both capitalised and non-capitalised expense) grew by 7.2% in the third quarter of 2016 vs. the same period in 2015, and by 11.1% to €521.7 million in the first nine months of the year. As a percentage of revenue, R&D investment amounted to 15.4% in the first nine months of 2016, 0.4 p.p. below the same period in 2015.

The growth in R&D is explained by:

- Increased efforts related to product evolution and portfolio expansion (including merchandising and personalisation solutions), customer implementations, as well as services.
- Growing investment to develop a new-generation Guest Reservation System for the hospitality industry together with InterContinental Hotels Group, as well as higher resources devoted to our new businesses such as Airport IT or Travel Intelligence.
- Increased resources dedicated to shifting the company's platform towards open systems through next-generation technologies.
- The contribution from Navitaire and our 2015 acquisitions.

It should be noted that a significant part of our research and development costs are linked to activities which are subject to capitalisation. The intensity of the development activity and the different stages in the ongoing projects have an effect on the capitalisation ratio in any given quarter, therefore impacting the level of operating expenses that are capitalised on our balance sheet.

	R&D investment (figures in million euros)					
	Jul-Sep 2016	Jul-Sep 2015	% Change	Jan-Sep 2016	Jan-Sep 2015	% Change
R&D investment[1]	**172.5**	**160.9**	**7.2%**	**521.7**	**469.7**	**11.1%**
As % of Revenue	15.5%	16.3%	(0.8 p.p.)	15.4%	15.8%	(0.4 p.p.)

1. Net of Research Tax Credit.

6.2 Capital expenditure

The table below details the capital expenditure in the period, both in property, plant and equipment ("PP&E") and intangible assets. Based on the nature of our investments in PP&E, the figures may show variations on a quarterly basis, depending on the timing of certain investments. The same applies to our investments in contractual relationships where payments to travel agencies may take place in different periods, based on the timing of the negotiations. In turn, our capitalised R&D investment may fluctuate depending on the level of capitalisation ratio, which is impacted by the intensity of the development activity, the mix of projects undertaken and the different stages of the various projects.

Capex in the third quarter of 2016 amounted to €141.1 million, €0.5 million below capex in the third quarter of 2015. This decline was mostly due to a lower capitalisation in the quarter vs. the same quarter of the previous year, mainly as a consequence of project mix.

For the nine month period, capex increased to €429.4 million, 9.2% higher than capex in the same period of 2015. As a percentage of revenue, capex represented 12.7%, 0.6 p.p. below that during the first nine months of the previous year.

The increase in capex during the first nine months of the year was the combination of:

- A €43.0 million increase in capex in intangible assets, driven by (i) higher software capitalisations due to growing R&D investment, and (ii) higher signing bonuses in the period.
- A €6.8 million decline in capex in PP&E mostly due to a normalisation of the 2016 investment, compared to an extraordinary high level in 2015, related to purchase of equipment for our new buildings in Nice (France) and Bad Homburg (Germany).
- Both captions were also impacted by the addition of capex from acquisitions, most importantly Navitaire.

It is important to note that a large part of our investments do not have any revenue associated at this stage (particularly in the case of new diversification initiatives), or are investments for projects that will produce revenue during the life of the contracts, on average 10 to 15 years in Airline IT and 3 to 5 in Distribution, thereby affecting the capex as a percentage of revenue ratio in the short term. It is also important to note that a large part of our investments related to the migration of our clients is paid by the customer, although not recognised as revenue but deferred in the balance sheet. It is therefore capex which does not have a negative cash impact and where revenue does not get recognised as such, making the ratio of capex to revenue less relevant.

	Capital Expenditure (figures in million euros)					
	Jul-Sep 2016	*Jul-Sep 2015*	*% Change*	*Jan-Sep 2016*	*Jan-Sep 2015*	*% Change*
Capital Expenditure in PP&E	27.1	24.3	11.4%	72.4	79.1	(8.6%)
Capital Expenditure in intangible assets	114.0	117.2	(2.8%)	357.1	314.1	13.7%
Capital Expenditure	**141.1**	**141.5**	**(0.3%)**	**429.4**	**393.2**	**9.2%**
As % of Revenue	12.7%	14.3%	(1.6 p.p.)	12.7%	13.3%	(0.6 p.p.)

7 Investor information

7.1 Capital stock. Share ownership structure

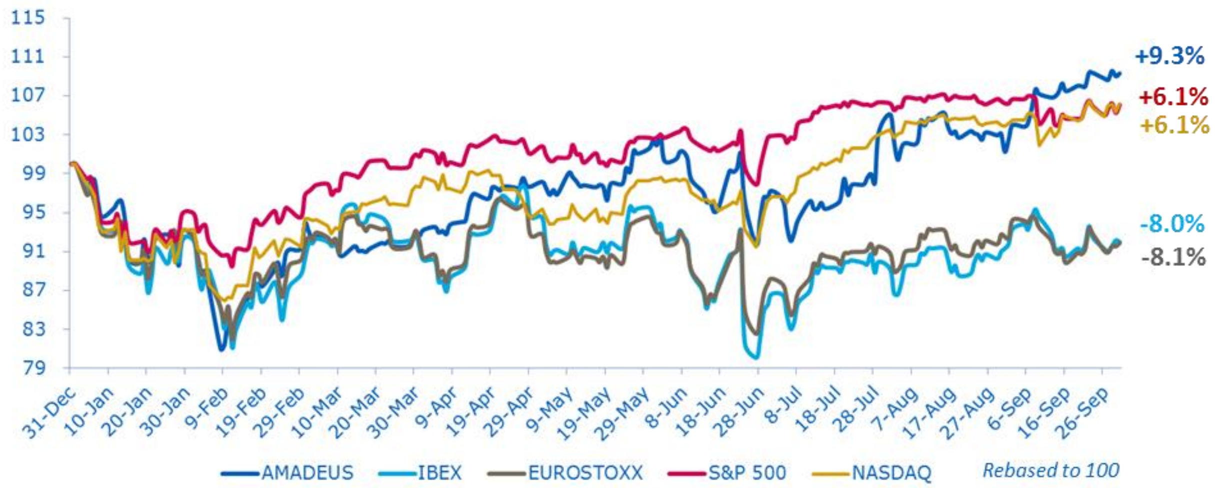
As of September 30, 2016, the capital stock of our company is €4,388,225.06 represented by 438,822,506 shares with a nominal value of €0.01 per share, all belonging to the same class, fully subscribed and paid in.

The shareholding structure as of September 30, 2016 is as described in the table below:

	Shareholders	
	Shares	*% Ownership*
Free float	436,800,778	99.54%
Treasury shares[1]	1,579,209	0.36%
Board members	442,519	0.10%
Total	**438,822,506**	**100.00%**

1. Voting rights suspended for as long as the shares are held by the company. Includes treasury shares acquired to cover the exchange ratio related to the merger of Amadeus IT Holding S.A. and Amadeus IT Group S.A. not yet delivered.

7.2 Share price performance in 2016



	Key trading data
Number of publicly traded shares (# shares)	438,822,506
Share price at September 30, 2016 (in €)	44.47
Maximum share price in Jan - Sep 2016 (in €) (Sep 28, 2016)	44.58
Minimum share price in Jan - Sep 2016 (in €) (Feb 8, 2016)	32.96
Market capitalisation at September 30, 2016 (in € million)	19,514
Weighted average share price in Jan – Sep 2016 (in €)[1]	39.51
Average Daily Volume in Jan - Sep 2016 (# shares)	1,754,872

1. Excluding cross trades.

7.3 Dividend payments

At the Shareholders' General Meeting held on June 24, 2016, our shareholders approved the annual gross dividend from the profit of the year 2015. The total value of the dividend was €340.1 million, representing a pay-out of 50% of the 2015 reported profit for the year, or €0.775 per share (gross). Regarding the payment, an interim amount of €0.34 per share (gross) was paid on January 28, 2016 and the complementary dividend of €0.435 per share (gross) was paid on July 28, 2016.

8 Key terms

- "A-CDM": refers to Amadeus Airport Collaborative Decision Making
- "ACO": refers to "Amadeus Commercial Organisation"
- "Air TA bookings": air bookings processed by travel agencies using our distribution platform
- "Air TA booking industry": defined as the total volume of travel agency air bookings processed by the global CRS. It excludes air bookings made directly through in-house airline systems or single country operators, the latter primarily in China, Japan and Russia, which together combined represent an important part of the industry
- "CRS" : refers to "Computerised Reservation System"
- "ECP": refers to "European Commercial Paper"
- "EIB": refers to "European Investment Bank"
- "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 system (CRS) 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
- "IATA": refers to "International Air Transport Association"
- "IFRS": refers to "International Financial Reporting Standards"
- "JV": refers to "Joint Venture"
- "KPI": refers to "key performance indicators"
- "LTM": refers to "last twelve months"
- "NDC": refers to "New Distribution Capability"
- "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 or Navitaire New Skies
- "p.p.": refers to "percentage point"
- "PPA": refers to "purchase price allocation"
- "PP&E": refers to "Property, Plant and Equipment"
- "PSS": refers to "Passenger Service System"
- "R&D": refers to "Research and Development"
- "RTC": refers to "Research Tax Credit"
- "TA": refers to "travel agencies"
- "XML": refers to "eXtensible Markup Language"

9 Appendix: Financial tables

9.1 Statement of financial position (condensed)

Statement of Financial Position (figures in million euros)	30/09/2016	31/12/2015
Property, plant and equipment	443.6	448.0
Intangible assets	3,157.9	2,612.3
Goodwill	2,742.2	2,478.9
Other non-current assets	201.5	148.3
Non-current assets	6,545.2	5,687.6
Current assets	639.9	604.9
Cash and equivalents	478.8	711.7
Total assets	**7,663.9**	**7,004.1**
Equity	2,717.2	2,297.5
Non-current debt	2,005.4	1,289.1
Other non-current liabilities	1,239.6	1,218.1
Non-current liabilities	3,244.9	2,507.2
Current debt	514.6	1,033.8
Other current liabilities	1,187.2	1,165.6
Current liabilities	1,701.8	2,199.5
Total liabilities and equity	**7,663.9**	**7,004.1**
Net financial debt (as per financial statements)	**2,041.1**	**1,611.2**

Comparison of balances as of September 30, 2016 vs. December 31, 2015 is highly affected by the consolidation of Navitaire from January 26, 2016. In particular, intangible assets and goodwill were significantly impacted by this acquisition. The final allocation of Navitaire's balances will be determined during the purchase price allocation exercise that will be carried out in the fourth quarter of 2016.

9.2 Financial indebtedness

	Indebtedness (figures in million euros)	
	30/09/2016	31/12/2015
Covenants definition[1]		
European Commercial Paper	435.1	196.4
Short term bonds	0.0	750.0
Long term bonds	900.0	900.0
EIB loan	325.0	337.5
Term loan (Navitaire)	500.0	0.0
Revolving credit facilities	250.0	0.0
Other debt with financial institutions	26.2	43.0
Obligations under finance leases	90.7	96.3
Covenant Financial Debt	**2,526.9**	**2,323.3**
Cash and cash equivalents	(478.8)	(711.7)
Covenant Net Financial Debt	**2,048.1**	**1,611.6**
Covenant Net Financial Debt / LTM Covenant EBITDA	**1.21x**	**1.09x**
Reconciliation with financial statements		
Net financial debt (as per financial statements)	**2,041.1**	**1,611.2**
Interest payable	(11.1)	(19.4)
Deferred financing fees	12.4	12.5
EIB loan adjustment	5.7	7.3
Covenant Net Financial Debt	**2,048.1**	**1,611.6**

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

Covenant net debt amounted to €2,048.1 million as of September 30, 2016 (1.21 times to covenant last twelve months' EBITDA). The main changes affecting our debt structure in the first nine months of 2016 were:

- The drawing on January 25, 2016 of the €500 million bank loan facility agreed in July 2015 (structured as a "club deal" financing entered into with twelve banks, with a five-year term and maturity dates in 2019 and 2020), to partially finance the acquisition of Navitaire. This facility was cancelled and replaced on October 6, 2016 by a four-year bond amounting to €500 million under our Euro Medium Term Note Programme, with maturity in 2020 and a coupon of 0.125%.
- A new €500 million Single Currency Revolving Loan Facility, with a five-year term, to be used for working capital requirements and general corporate purposes, which was executed on April 26, 2016, and was partially undrawn (by an amount of €250 million) at the end of the third quarter of 2016. The €500 million Facility B of the €1,000 million

Revolving Loan Facility executed in March 2015 was cancelled simultaneously to the execution of this facility.

- The increase in the use of the Multi-Currency European Commercial Paper (ECP) programme by a net amount of €238.7 million.
- The repayment of €12.5 million related to the European Investment Bank Loan.
- The €750 million notes, part of the Euro Medium Term Note Programme, which matured on July 15, 2016 were refinanced with a combination of the Revolving Loan Facility signed in April 2016 (mentioned above), an issuance of European Commercial Paper and cash available.

Reconciliation with net financial debt as per our financial statements

Under the covenant terms, Covenant Financial Debt (i) does not include the accrued interest payable (€11.5 million at September 30, 2016) which is treated as debt in our financial statements, (ii) is calculated based on its nominal value, while in our financial statements our financial debt is measured at amortised cost, i.e., after deducting the deferred financing fees (that correspond mainly to fees paid upfront in connection with the set-up of new credit agreements and amount to €7.5 million at September 30, 2016), and (iii) does not include an adjustment for the difference between the nominal value of the loan granted by the EIB at below-market interest rate and its fair value (€7.9 million at September 30, 2016).

9.3 Group cash flow

	Consolidated Statement of Cash Flows (figures in million euros)					
	Jul-Sep 2016	*Jul-Sep 2015*	*% Change*	*Jan-Sep 2016*	*Jan-Sep 2015*	*% Change*
EBITDA	425.0	365.8	16.2%	1,332.1	1,144.5	16.4%
Change in working capital	76.9	79.9	(3.8%)	4.6	3.2	45.2%
Capital expenditure	(141.1)	(141.5)	(0.3%)	(429.4)	(393.2)	9.2%
Pre-tax operating cash-flow	**360.8**	**304.1**	**18.7%**	**907.3**	**754.4**	**20.3%**
Taxes	(47.3)	(19.6)	141.1%	(149.7)	(120.5)	24.2%
Interest and financial fees paid	(42.2)	(40.4)	4.6%	(69.0)	(51.2)	34.9%
Free cash-flow	**271.3**	**244.1**	**11.1%**	**688.6**	**582.8**	**18.2%**
Equity investment	6.7	(104.7)	n.m.	(761.2)	(117.5)	n.m.
Cash-flow from extraordinary items	12.7	(17.5)	n.m.	9.6	(16.7)	n.m.
Debt payment	(75.7)	88.6	n.m.	191.0	214.0	(10.7%)
Cash to shareholders	(190.0)	(167.2)	13.7%	(362.5)	(598.5)	(39.4%)
Change in cash	**25.0**	**43.3**	**(42.3%)**	**(234.6)**	**64.0**	**n.m.**
Cash and cash equivalents, net[1]						
Opening balance	451.9	393.4	14.9%	711.6	372.8	90.9%
Closing balance	477.0	436.8	9.2%	477.0	436.8	9.2%

1. Cash and cash equivalents are presented net of overdraft bank accounts.

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