

A man with a backpack is walking away from the camera on the Manhattan Bridge. The bridge's steel structure and suspension cables are visible. In the background, the New York City skyline is silhouetted against a sunset sky with warm orange and yellow light. The man is wearing a white t-shirt, brown pants, and a grey backpack. The bridge deck is made of wooden planks with a white line running down the center.

# Amadeus Jan-Sep 2022 Results

November 4, 2022

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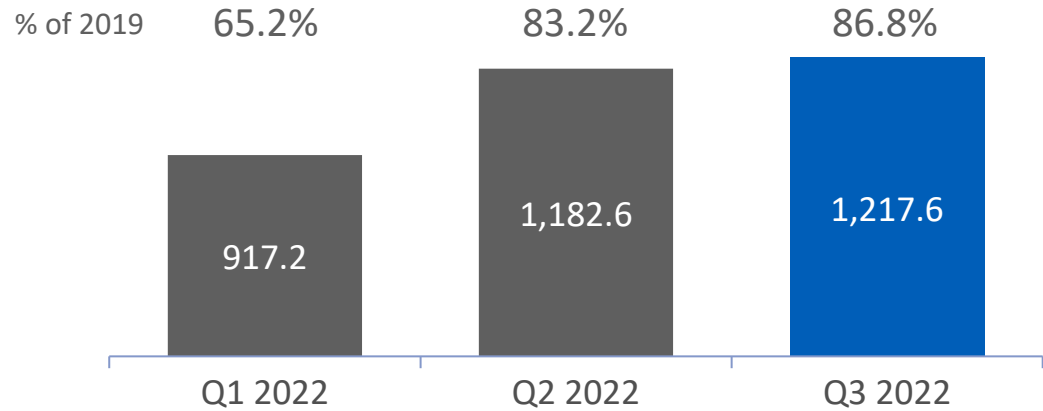


# Operating Review

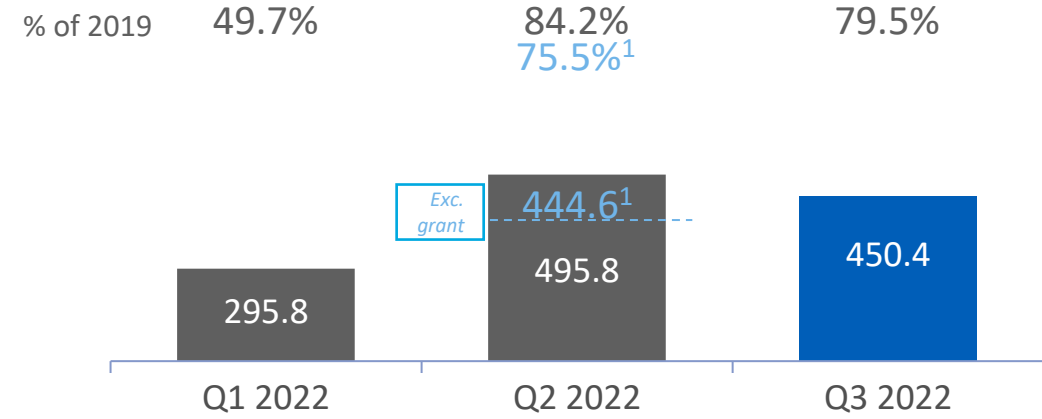
Luis Maroto  
President & CEO

# Q3 – Financial performance overview

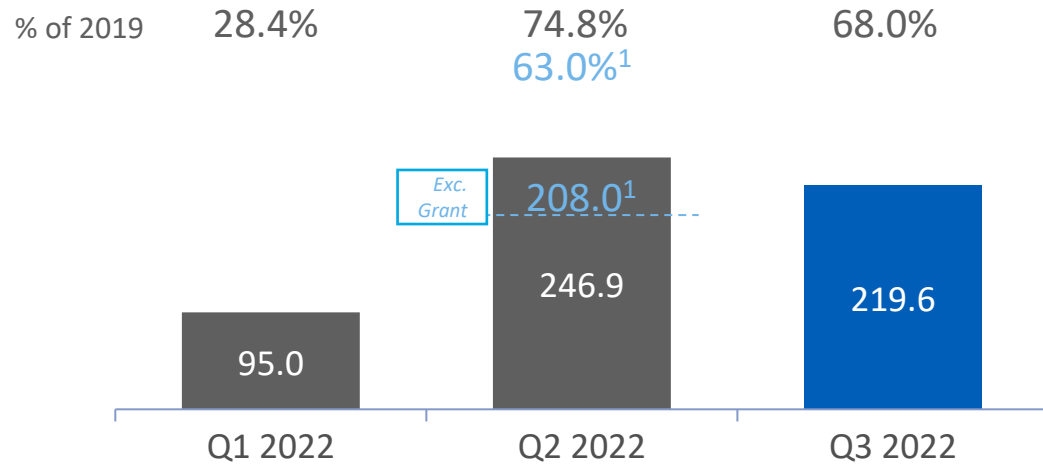
## Revenue (€m)



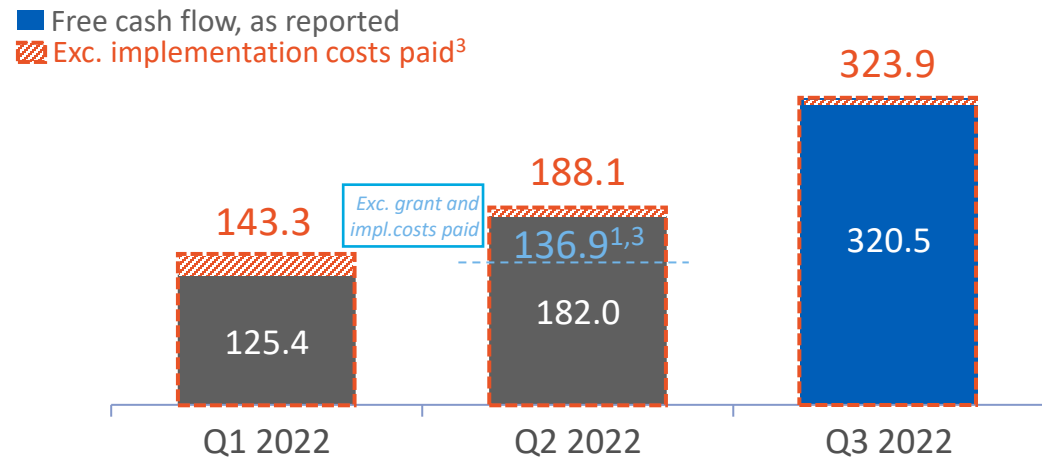
## EBITDA (€m)



## Adjusted profit<sup>2</sup> (€m)



## Free cash flow (€m)



We are pleased to confirm Amadeus will resume shareholder remuneration in 2023.

1. Excluding the effect from a non-refundable government grant received in the second quarter of 2022, amounting to €51.2 million (€38.9 million post tax).

2. Excludes after-tax impact of: (i) accounting effects derived from PPA exercises and impairment losses, (ii) non-operating exchange gains (losses), and (iii) other non-operating, non-recurring effects. In 2021, it also excludes cost saving program implementation costs.

3. Adjusted to exclude cost saving program implementation costs paid, amounting to €17.9 million, €6.1 million and €3.4 million in the first, second and third quarters of 2022, respectively. See section 3.2 of Jan-Sep 2022 Management Review for more details.

# Air Distribution

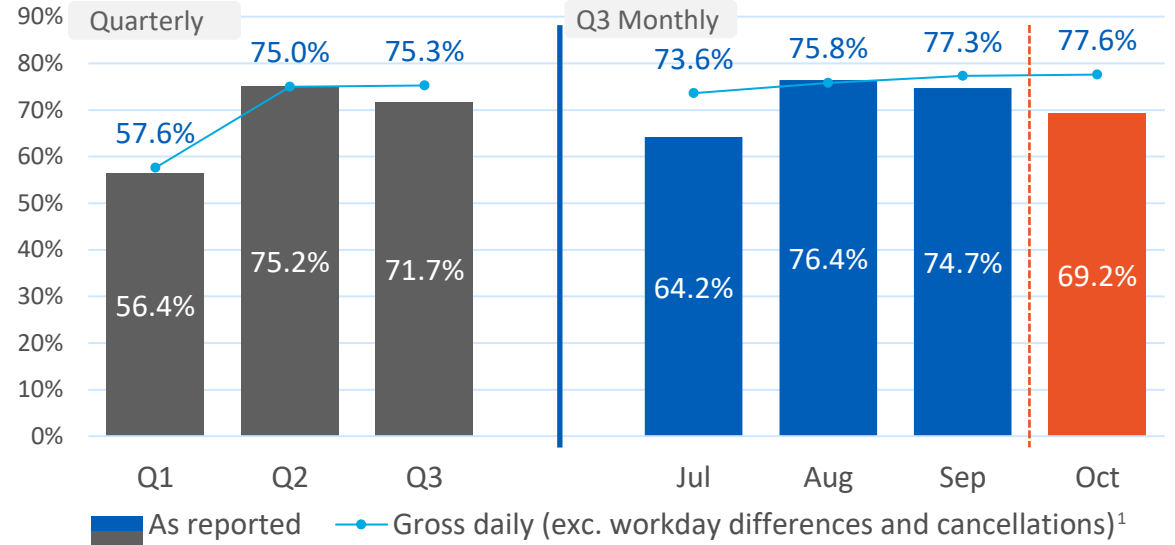
## Developments

- Renewed / signed 20 distribution agreements, including **American Airlines** (49 in the year-to-date).
- Lufthansa Group** NDC-sourced content available from Q4 2022 through the Amadeus Travel Platform.
- We continued growing our reach and expanding our content, including: low cost carrier **Flyr**, **Jamal Travel Agency**, and corporation customers contracting for Cytrix solutions.

## Volumes performance

- Gross daily bookings** (reported bookings before cancellations and workday differences):
  - Continued to improve in Q3 over Q2 and,
  - Improved, month-on-month, from July through October.
- Limited cancellations and workday effects impact in Q1 and Q2. Broader impact in Q3: July impacted by flight cancellations and workday effects. Cancellation effect reduced in August and September. More workday effects in the quarter, becoming larger in October.
- Amadeus booking performance supported by **industry evolution and market share gains**, despite negative region mix.
- APAC reported the highest volume performance improvement relative to Q2 (+4.4 p.p.).
- NORAM continued to be our best performing region in the quarter (+2.3% vs. Q3 2019).

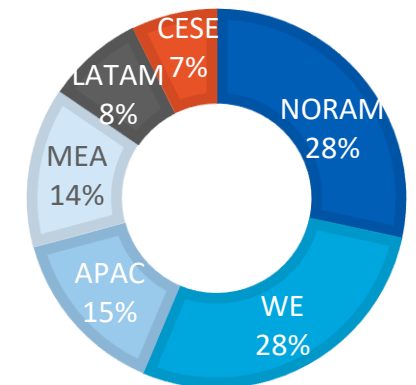
## 2022 Amadeus bookings (as a % of 2019 bookings)



### Q3 Bookings as a % of Q3'19 bookings

NORAM	102.3%
WE	61.3%
APAC	57.8%
MEA	80.0%
LATAM	77.7%
CESE	54.2%

### Q3 2022 Amadeus air bookings by region



NORAM: North America; WE: Western Europe; MEA: Middle East and Africa; APAC: Asia-Pacific; LATAM: Latin America; CESE: Central, Eastern and Southern Europe.

1. Gross daily bookings performance excludes (i) the effect from workday differences (the amount of bookings done every day of the week presents a pattern whereby, typically, the daily amount of bookings done from Mondays to Fridays is higher than the daily amount of bookings done on Saturdays and Sundays, globally. We exclude the effect from workday differences by comparing vis-à-vis same days of the week), and (ii) booking cancellations.

# Air IT Solutions

## Developments

### Airline IT

**Bamboo Airways** contracted for the Altéa PSS, Revenue Management and Digital Experience solutions.

Solutions upselling in the quarter: **Korean Air** (Amadeus Customer Loyalty Suite); **All Nippon Airways** (Anytime Merchandizing functionalities); **Mauritania Airlines International** (Segment Revenue Management); **MIAT Mongolian Airlines** (Altéa NDC); **Arajjet** (Revenue Management System, Kambr).

### Airport IT

**Palm Springs International Airport** and **Wilmington International Airport** contracted ACUS.

**Syracuse Hancock International Airport** contracted for Amadeus Operational Data Base, Fixed Resource Management System and Flight Information Display System. **Sacramento International Airport** contracted for Flight Information Display System.

## Volumes performance

Q3 2022 PB: **83.5% of Q3 2019 level, up 5.9 p.p. over Q2 2022.**

PB growth continued to improve each month, throughout the quarter and into October.

NORAM, MEA and APAC were the regions with the highest volume performance improvements in the quarter.

**NORAM continued to be our best performing region, reporting 21.1% PB growth vs. 2019,** driven by positive organic growth and airline migrations, most notably, Air Canada (migrated end of 2019).

### Implementation activity:

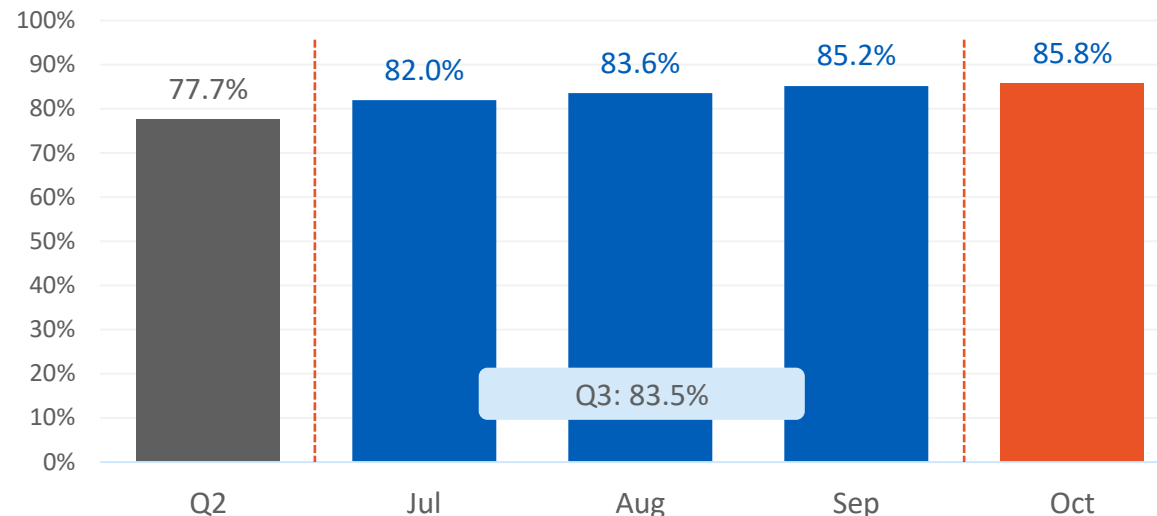
Russian carriers **Pobeda Airlines, Ural Airlines and S7 Airlines** have demigrated (due to geopolitical situation). Together, they carried **35m PB** pre-COVID.

**Air India** cutover in Q2 2022 (over **20m PB** pre-COVID); working to migrate **ITA Airways, Allegiant, Hawaiian Airlines, Etihad Airways, an undisclosed carrier and Bamboo Airways** (together carrying an estimated **110m PB** annually, in a recovered scenario, of which, we reasonably expect **70m PB to be implemented by the end of 2023**).

PB: stands for Amadeus Passengers Boarded.

NORAM: North America; WE: Western Europe; MEA: Middle East and Africa; APAC: Asia-Pacific; LATAM: Latin America; CESE: Central, Eastern and Southern Europe.

## 2022 Amadeus PB (as a % of 2019 PB)

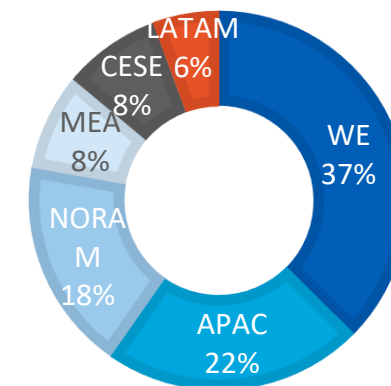


Note: October performance based on internal estimate for Navitaire.

## Q3 Bookings as a % of Q3'19 bookings

WE	87.6%
APAC	62.1%
NORAM	121.1%
MEA	91.7%
CESE	86.7%
LATAM	74.2%

## Q3 2022 Amadeus air bookings by region

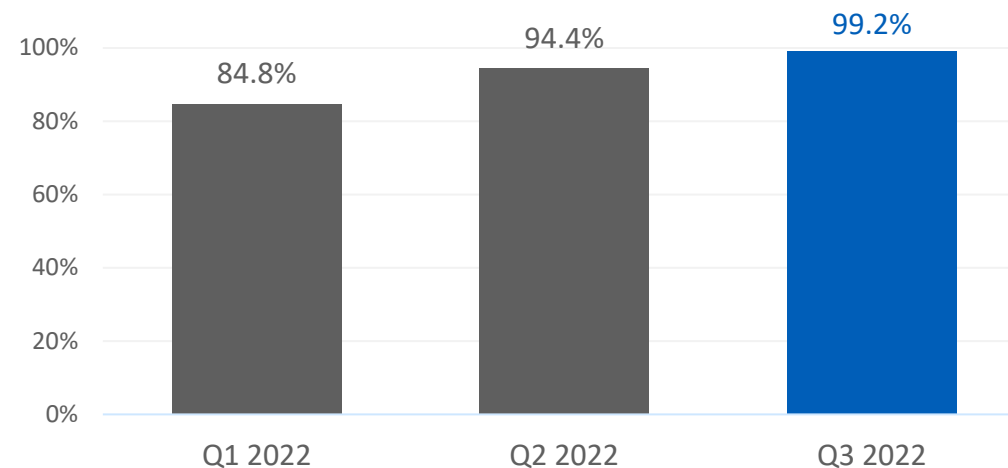


# Hospitality & Other Solutions (HOS)

## Developments and Performance

- Q3 2022 revenue: **99.2% of Q3 2019 levels, a 4.8 p.p. enhancement over Q2 2022.**
- Continued hospitality industry strengthening, with **global hotel weekly occupancies over 2019 levels** through the quarter.<sup>1</sup>
- Hospitality revenue growth advanced, supported by **stronger revenue performances across its revenue lines**, on the back of volume growth and new customer implementations.
- Customer portfolio expansion: among others, **Preferred Hotels & Resorts** issued endorsements for Amadeus' Business Intelligence and Sales & Catering, and recommendations for GDS, Guest Management and Service Optimization solutions.

## Quarterly revenue as % of 2019 revenue



## Hospitality revenue lines



### Hospitality IT

- Central Reservation System
- Guest Management Solutions
- Property Management System
- Sales & Event Management
- Service Optimization

### Media & Distribution

- Media Solutions
- Hospitality Distribution
- Mobility & Travel Protection Distribution

### Business Intelligence

- Agency360+
- Demand360
- RevenueStrategy360

1. Source: Amadeus' Demand360 Business Intelligence data.

Financial highlights

Till Streichert

CFO

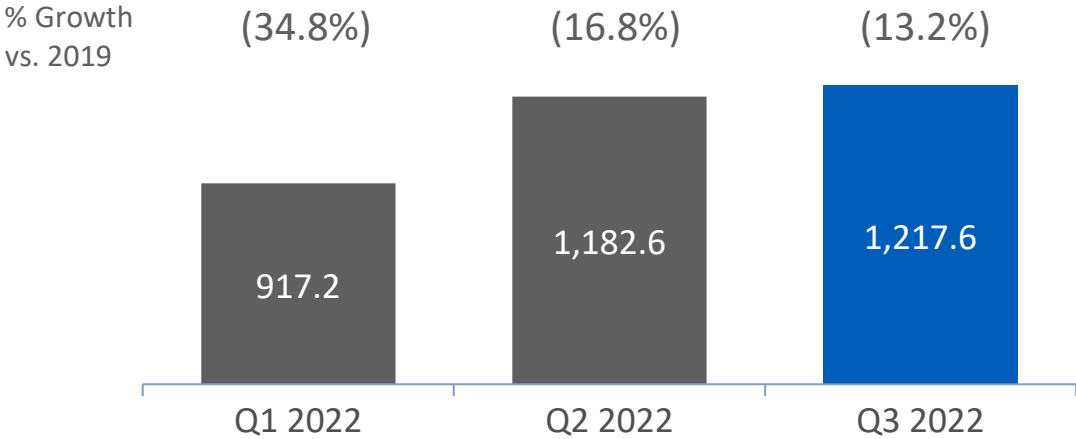


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# Revenue evolution by segment

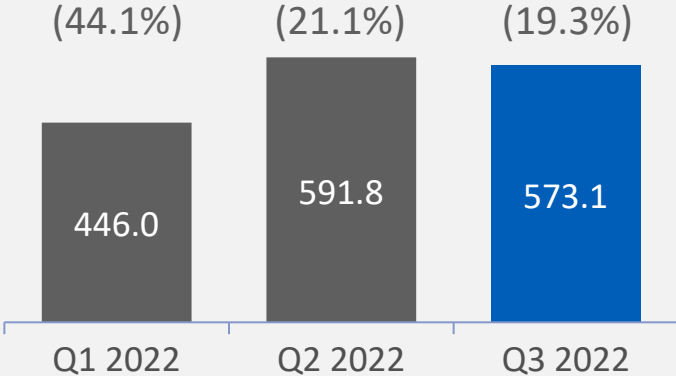
## Group revenue (€ millions)



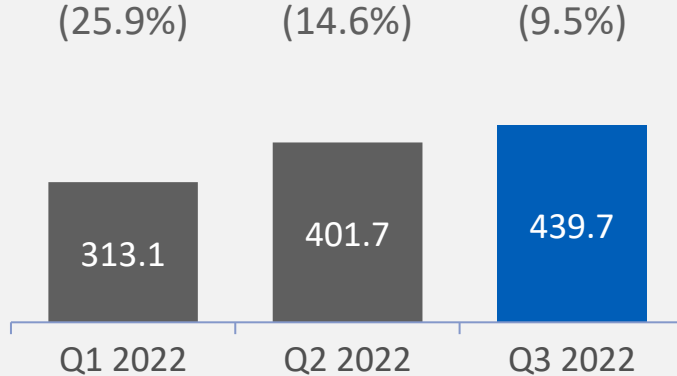
- **Group revenue:** -13.2% in Q3 2022 vs. 2019, advancing from -16.8% in Q2, driven by continued strengthening of revenue growth across segments.
- **Air Distribution revenue:** -19.3% in Q3 2022 vs. 2019, advancing from -21.1% in Q2 2022, driven by the bookings evolution (-28.3%) and a 12.6% higher revenue per booking than in 2019 (resulting from multiple effects, including, positive pricing effects – such as, inflation/yearly adjustments, renewals/new contracts –, a positive FX impact and non air-booking revenues outperforming the bookings’ evolution, partly offset by a higher weight of local bookings compared to 2019).
- **Air IT Solutions revenue:** -9.5% in Q3 2022 vs. 2019, improving from -14.6% in Q2 2022, driven by the PB evolution (-16.5%) and an 8.3% increase in revenue per PB (resulting from Air IT revenues not linked to PB outperforming PB. Also, positive FX and pricing impacts (inflationary or price adjustments and upselling) partially offset by mix effects).
- **Hospitality & Other Solutions revenue:** -0.8% in Q3 2022 vs. 2019, advancing 4.8 p.p. from Q2 2022. In Hospitality, quarter-on-quarter performance improvements were seen across its revenue lines, supported by volume growth (reservations, media clicks and bookings) and customer implementations. Hospitality revenues were impacted by positive FX effects.

## Segment revenue (€ millions)

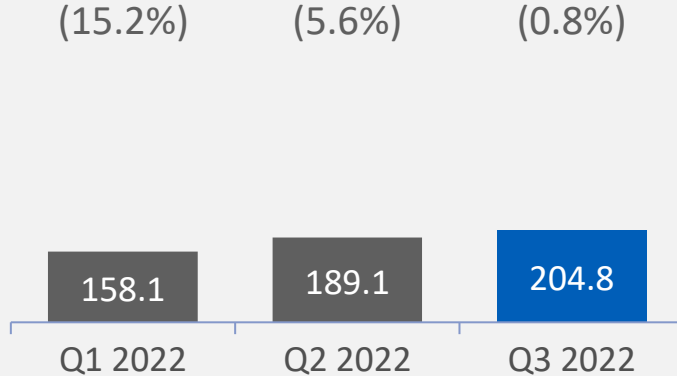
### Air Distribution



### Air IT Solutions

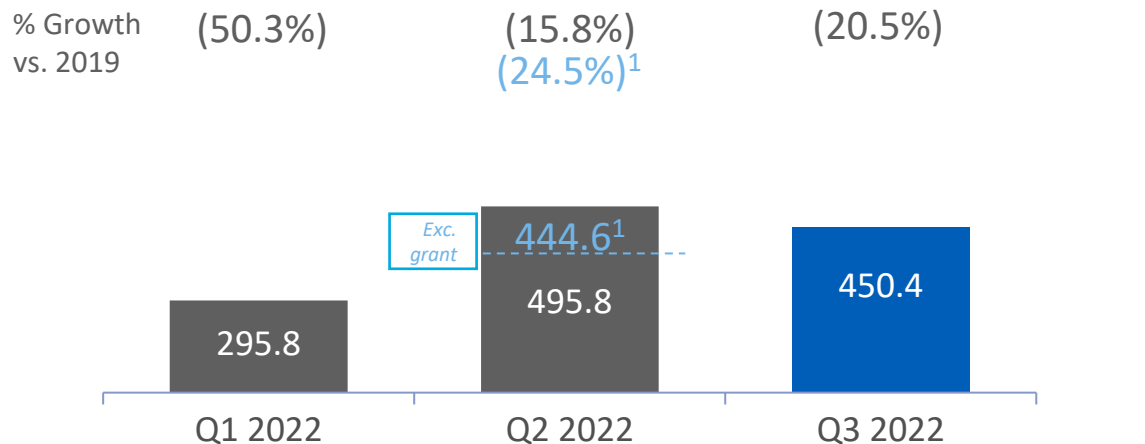


### Hospitality & Other Solutions



# EBITDA and Adjusted profit

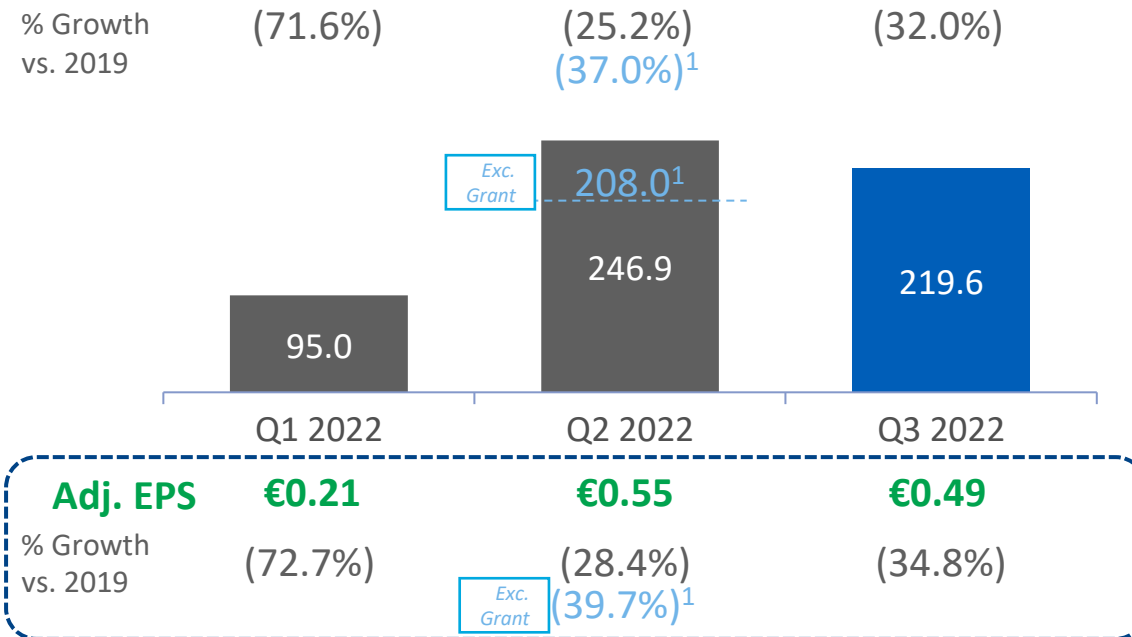
## EBITDA (€ millions)



Q3 2022 EBITDA growth vs. 2019 improved from last quarter (excluding €51.2 million government grant received in Q2<sup>1</sup>), supported by stronger revenue performance.

- Q3 P&L fixed costs: +18.0%<sup>3</sup> growth (+11.5%<sup>3</sup> exc. FX), resulting from (i) higher R&D investment, (ii) business activity expansion driving more travel and training spend (among others) and (iii) a negative FX effect on costs (positive FX effects at EBITDA level).
- Sep YTD 2022 P&L fixed costs and capex: +14.1%<sup>1,3</sup> growth exc. FX, in line with our 10-14%<sup>1,3</sup> (exc. FX) fixed cost growth expectation for 2022, which we again reiterate for the year.**

## Adj. Profit<sup>2</sup> (€ millions) & Adj. EPS<sup>2</sup> (€)



Adjusted profit quarter-on-quarter improvement (exc. Q2 2022 government grant<sup>1</sup>), supported by EBITDA performance progress.

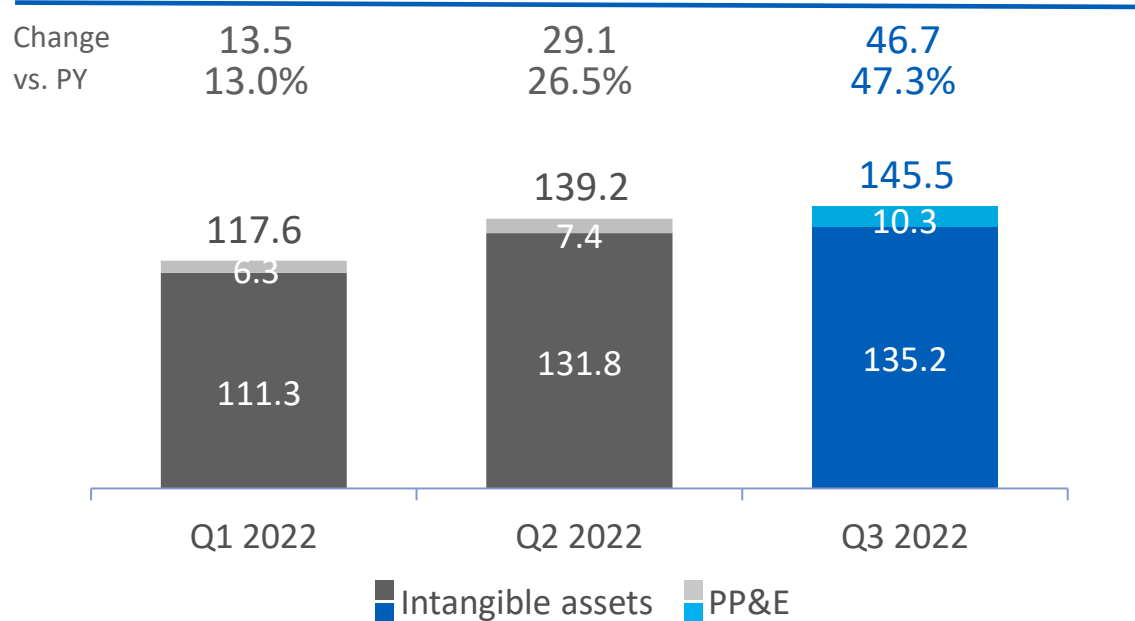
1. Excluding the effect from a government grant, received in the second quarter of 2022, amounting to €51.2 million (€38.9 million post tax).

2. Excluding after-tax impact of: (i) accounting effects derived from PPA exercises and impairment losses, (ii) non-operating exchange gains (losses), and (iii) other non-operating, non-recurring effects. EPS corresponding to the Adjusted profit attributable to the parent company. Calculated based on weighted average outstanding shares of the period.

3. Excluding P&L cost saving program implementation costs in 2021, related to the implementation of the cost saving program announced in 2020. See section 3 of Jan-Sep 2022 Management Review for more details.

# Capex and Free cash flow

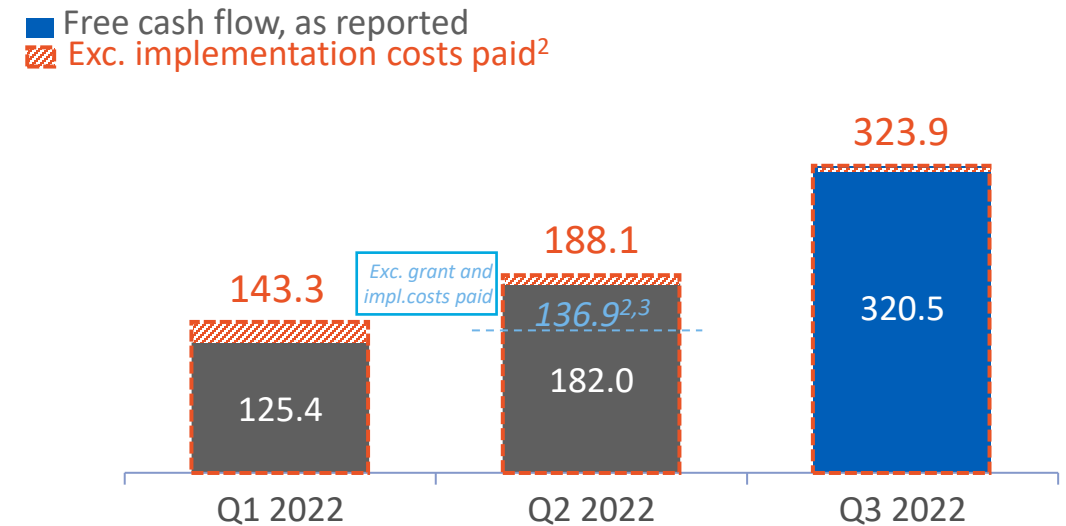
## Capex (€ millions)



Q3 Capex vs. prior year increased by €46.7 million, or 47.3%, **in line with our expectations**, due to higher R&D capitalizations (R&D investment growth of 43.9% in the quarter vs. prior year).

R&D investment focused on (i) new customer implementations, (ii) the evolution of our hospitality platform, (iii) Airline IT digitalization and enhanced shopping, retailing and merchandizing tools, (iv) NDC related solutions and capabilities, and (v) our partnership with Microsoft, including our shift to cloud and our co-innovation program.

## Free cash flow<sup>1</sup> (€ millions)



Free cash flow of €320.5 million, or €323.9 million in Q3, excluding implementation costs paid, equaling to 88% of its level in Q3 2019.

Strong free cash flow generation in Q3, driven by EBITDA generation and positive seasonal working capital dynamics, as expected.

1. Defined as EBITDA, minus capex, plus changes in operating working capital, minus taxes paid, minus interests and financial fees paid.

2. Adjusted to exclude cost saving program implementation costs paid, amounting to €17.9 million, €6.1 million and €3.4 million in the first, second and third quarters of 2022, respectively. See section 3.2 of Jan-Sep 2022 Management Review for more details.

3. Excluding the effect from a government grant amounting to €51.2 million, received in the second quarter of 2022.

# Support materials



# Key Performance Indicators

	Jul-Sep 2022	Change vs. Q3'21 <sup>1</sup>	Change vs. Q3'19	Jan-Sep 2022 <sup>2</sup>	Change vs. SepYTD'21 <sup>1</sup>	Change vs. SepYTD'19
Amadeus bookings (m)	99.8	72.5%	(28.3%)	300.7	116.8%	(32.7%)
Passengers Boarded (m)	459.1	69.5%	(16.5%)	1,119.8	98.9%	(25.2%)
Revenue (€m)	1,217.6	64.7%	(13.2%)	3,317.4	78.3%	(21.6%)
EBITDA (€m)	450.4	118.0%	(20.5%)	1,242.1	206.2%	(29.1%)
Adjusted profit (loss) <sup>3</sup> (€m)	219.6	823.6%	(32.0%)	561.5	n.m.	(43.1%)
Adjusted EPS <sup>3</sup> (€)	0.49	830.3%	(34.8%)	1.25	n.m.	(45.5%)
Free Cash Flow <sup>4</sup> (€m)	320.5	283.4%	(12.7%)	627.9	n.m.	(22.4%)

1. 2021 results adjusted to costs related to the implementation of the cost saving program announced in 2020. See section 3 of Jan-Sep 2022 Management Review for more details.

2. 2022 results were positively impacted by a non-refundable government grant, amounting to €51.2 million pre-tax (€38.9 million post tax), received in the second quarter of 2022. Excluding this grant, in the first nine months of 2022, vs. 2019, EBITDA was -32.0%, Adjusted profit was -47.1% and Adjusted EPS was -49.3%, and Free Cash Flow amounted to €576.7 million.

3. 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-operating, non-recurring effects. EPS corresponding to the Adjusted profit attributable to the parent company. Calculated based on weighted average outstanding shares of the period.

4. Defined as EBITDA, minus capex, plus changes in operating working capital, minus taxes paid, minus interests and financial fees paid.

# Thank you!

