



January – March 2021 Management Review

May 7, 2021

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1 Summary



1.1 Introduction

Highlights for the three months ended March 31, 2021 (relative to the same period of 2020)

- In Distribution, our travel agency air bookings decreased by 60.3% (-79.2% vs. the first quarter of 2019), to 33.8 million.
- In IT Solutions, our passengers boarded declined by 66.9% (-70.8% vs. the first quarter of 2019), to 127.2 million.
- Revenue contracted by 51.4%, to €496.7 million.
- EBITDA¹ decreased by 84.6%, to €53.7 million.
- Adjusted profit² contracted by 158.6%, to a loss of €83.1 million.
- Free Cash Flow³ amounted to -€11.9 million, or +€31.4 excluding cost saving program implementation costs paid.
- Net financial debt⁴ was €3,045.4 million and liquidity available⁵ amounted to c.€3.8 billion, at March 31, 2021.

Market background and segment performance

We started the first quarter of 2021 with a resurgence of the pandemic and more travel restrictions imposed in many parts of the world. IATA global air traffic evolution relative to 2019 slightly deteriorated in January (-72.0%⁶) and February (-74.7%⁶) compared to the growth rates we had seen over the fourth quarter and this trend was observed in most regions. However, mirroring the evolution of the pandemic, in the month of March IATA reported an uptick in global air traffic, growing at -67.2%⁶ compared to March 2019. We also saw progress in our air bookings and passengers boarded performances, led by our North America and Central, Eastern and Southern Europe regions, making March the best performing month year to date and since the start of the pandemic in terms of our volumes performance.

In the first quarter of 2021, Amadeus travel agency air bookings contracted by 60.3% vs. the first quarter of 2020. Compared to the same period in 2019, Amadeus travel agency air bookings declined by 79.2%, a slight improvement from the 79.4% air booking reduction we saw in the fourth quarter of 2020. In the month of January, volume growth deteriorated with respect to December's growth, driven by the heightened COVID-19 incidence across regions. However, in both February and March, we saw continued improvements in performance, led by North America (the U.S.) and Central, Eastern and Southern Europe (mostly, Russia). In the

¹ Adjusted to exclude costs incurred in the first quarter of 2021, related to the implementation of the cost saving program announced in the second quarter of 2020. These costs relate mostly to severance payments and amounted to €15.1 million in the first quarter of 2021 (€10.9 million post tax). See section 3 for more details.

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), (iii) costs related to the implementation of the cost saving programs and (iv) other non-operating, non-recurring effects.

³ Defined as EBITDA, minus capex, plus changes in our operating working capital, minus taxes paid, minus interests and financial fees paid.

⁴ Based on our credit facility agreements' definition.

⁵ Composed of cash (€1,908.6 million), short term investments (€929.6 million) and an undrawn revolving credit facility (€1,000 million).

⁶ Source: IATA Air Passenger Market Analysis of January, February and March 2021.

quarter period, Distribution revenue declined by 57.9% relative to 2020, or by 77.1% relative to 2019, also improving relative to previous quarter's evolution.

Amadeus passengers boarded continued to perform in line with IATA reported traffic in the quarter, albeit slightly ahead. Our passengers boarded decreased by 66.9% vs. the first quarter of 2020. Compared to the first quarter of 2019, Amadeus passengers boarded contracted by 70.8%, an improvement over the 72.4% passengers boarded reduction we saw in the fourth quarter of 2020. All regions except Western Europe reported better passengers boarded performances, most notably North America, Central, Eastern and Southern Europe and Middle East and Africa. Western Europe volume growth deteriorated in the first quarter (vs. 2019), relative to the fourth quarter, impacted by the elevated COVID-19 cases and the reintroduction of travel restrictions. IT Solutions revenue in the first quarter of 2021 contracted by 46.1%, outperforming our passengers boarded negative growth. This was supported by revenues across our business portfolio not directly linked to airline traffic or not driven by transactions, particularly in the area of Hospitality and Airport IT.

First quarter 2021 Group financial performance

As a result of the above volume dynamics, in the first quarter of 2021, Amadeus Group revenue declined by 51.4% and EBITDA contracted by 84.6%⁷ compared to the same period in 2020. We have continued to make progress with our cost reduction plans, and in the first quarter of 2021, our P&L fixed costs (composed of Personnel and Other Operating Expenses) declined by €92.8 million, or by 20.4%, relative to the first quarter in 2020 (excluding cost saving implementation costs and bad debt).

Capitalized expenditure, also part of our fixed cost reduction plan, declined by €50.6 million⁸, or by 33.4%⁸, in the first quarter of 2021 compared to prior year (excluding cost saving implementation costs), supporting Free Cash Flow amounting to a €11.9 million cash outflow, or a €31.4 million inflow excluding cost saving implementation costs paid, over the period. Finally, in the first quarter of 2021, we had an Adjusted Profit⁹ loss of €83.1 million. Liquidity available to Amadeus increased to c.€3.8 billion, as of March 31, 2021, supported by cash (€1,908.6 million), short term investments (€929.6 million) and an undrawn revolving credit facility (€1,000 million).

⁷ Adjusted to exclude costs incurred in the first quarter of 2021, related to the implementation of the cost saving program announced in the second quarter of 2020, amounting to €15.1 million. See section 3 for more details.

⁸ Excluding cost saving program implementation costs amounting to €3.2 million, paid in the first quarter of 2021. Cost saving program implementation costs amounted to €18.3 million in the first quarter of 2021, partly reported as operating expenses in the Income Statement (€15.1 million, or €10.9 million post tax) and partly under capital expenditure in the Cash flow statement (€3.2 million). See section 3 for more details.

⁹ Excluding after-tax impact of the following items: (i) accounting effects derived from PPA exercises and impairment losses, (ii) non-operating exchange gains (losses), (iii) costs related to the implementation of the cost savings programs and (iv) other non-operating, non-recurring effects.

Business update

We saw commercial activity progressing well in the first quarter of the year. In Distribution, we signed 21 new contracts or renewals of distribution agreements with airlines. China's Trip.com, parent to Ctrip, Skyscanner and Qunar, will adopt Amadeus Custom Search solution. Taiwan's largest online travel agency, ezTravel, is implementing Amadeus Travel API, giving OTAs access to new airline content and fares via NDC connectivity. In Airline IT, Qantas contracted our Airport Companion App, Air Arabia contracted Amadeus Altéa Departure Control Customer Management and Flight Management, and Fiji Airways implemented Altéa Segment Revenue Management System. Finally, in Hospitality and in Airport IT we continued to renew contracts and to grow our respective customer bases. In Hospitality, commercial activity included: THE Park Hotels and Q Hotels contracted Amadeus' iHotelier Central Reservations System; Lore Group signed for Amadeus Digital Media; Langham Hospitality Group signed for Amadeus Sales and Event Management and Amadeus Service Optimization; and HEI Hotels signed for our Demand360 business intelligence solution. In Airport IT, we introduced Japan's first end-to-end biometric boarding process in partnership with Narita Airport and NEC. Also, Finavia, in Finland, and Cambodia Airports contracted for Amadeus Flow, our new integrated cloud solution for passenger handling.

1.2 Summary of operating and financial information

Summary of KPI (€millions)	Jan-Mar 2021	Jan-Mar 2020	Change
Operating KPI			
TA air bookings (m)	33.8	85.0	(60.3%)
Non air bookings (m)	5.1	14.6	(64.8%)
Total bookings (m)	38.9	99.6	(61.0%)
Passengers boarded (m)	127.2	383.9	(66.9%)
Financial results¹			
Distribution revenue	192.5	457.5	(57.9%)
IT Solutions revenue	304.1	564.2	(46.1%)
Revenue	496.7	1,021.7	(51.4%)
EBITDA	53.7	349.4	(84.6%)
Profit (Loss) for the period	(95.3)	117.8	(180.9%)
Adjusted profit (loss)²	(83.1)	141.8	(158.6%)
Adjusted EPS (euros)³	(0.18)	0.33	(156.0%)
Cash flow			
Capital expenditure	104.1	151.5	(31.3%)
Free cash flow⁴	(11.9)	289.8	(104.1%)
Indebtedness⁵			
Net financial debt	3,045.4	3,073.9	(28.6)

¹ 2021 figures adjusted to exclude costs amounting to €15.1 million (€10.9 million post tax) related to the implementation of the cost saving program announced in the second quarter of 2020. See section 3 for more detail.

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-operating, non-recurring effects.

³ EPS corresponding to the Adjusted profit attributable to the parent company.

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

⁵ Based on our credit facility agreements' definition.

2 Business highlights



Distribution

- During the first quarter of 2021, we signed 21 new contracts or renewals of distribution agreements with airlines.
- In February, we announced that ezTravel, Taiwan’s largest online travel agency (OTA) in Taiwan, is implementing our cutting-edge Amadeus Travel API. This NDC-enabled solution gives OTAs access to new content and fares from airlines via NDC connectivity. NDC is modernizing retailing, but it requires the right technical infrastructure. Our new NDC-enabled Amadeus Travel API will give ezTravel access to aggregated NDC and non-NDC content, as well as to the main servicing capabilities that an agency requires once a booking via NDC has been made, such as changes, cancellations, or adding ancillaries.
- Our customer base for Amadeus merchandizing solutions for the travel agency channel continued to expand. At the close of March, 117 airlines had signed up for Amadeus Airline Fare Families and 176 airlines had contracted Amadeus Ancillary Services. Vistara and Korean Air implemented Amadeus Ancillary Services during the quarter.

Number of customers (at March 31, 2021)	Contracted	Implemented
Amadeus Ancillary Services	176	148
Amadeus Airline Fare Families	117	97

- In April, we announced that China’s Trip.com, headquartered in Shanghai and parent company to leading online travel brands Trip.com, Ctrip, Skyscanner and Qunar, will adopt Amadeus Custom Search solution as part of its boutique shopping engine to deliver the best customer experience. The Amadeus Custom Search solution, powered by Amadeus’ cloud technology, has been designed to offer travel agencies greater flexibility to control content distribution, through the offer of exceptional flight content quality, sub-second response time and 100% accuracy, enhancing Trip.com’s customer experience across all global channels. Trip.com will launch this future-proof cloud-based flight search solution in the fourth quarter of this year.
- We also continued expanding our footprint with corporations, with more key customers signing up or expanding their use of our corporate travel solution: cytric Travel and Expense Management. In April, INEOS Styrolution, the leading global styrenics supplier with manufacturing sites in 10 countries, extended its use of cytric Expense for its China and Hong Kong operations. The company has been using cytric Travel and Expense to manage travel and expenses in key markets like India, Singapore, South Korea and Thailand.
- During the quarter, we announced a new multi-year agreement with Siemens for global travel content distribution, which enables Siemens and its employees, via its Travel Management Company partners, to gain access to the Amadeus Travel Platform, across 81 countries in Europe, Middle East and Africa, Asia Pacific and the Americas. Additionally, Amadeus will supply Siemens with advisory services on available content options and how to maximize the value of sourcing content.

Airline IT

- At the close of March, 208 customers had contracted either of the Amadeus Passenger Service Systems (Altéa or New Skies) and 198 customers had implemented either of them.
- Qantas has contracted our Airport Companion App, which will move to production later this year. The Airport Companion App will provide an additional platform for Qantas frontline staff to provide a better service to passengers.
- In March, Air Arabia, the Middle East and North Africa's first and largest low cost carrier, contracted Amadeus Altéa Departure Control Customer Management and Flight Management to facilitate enhanced productivity and customer experience at the airports.
- During the period, Fiji Airways implemented Altéa Segment Revenue Management System.
- Also in March, we announced a partnership with two emerging companies serving the airline industry through touchless technology: BAGTAG and iCoupon. BAGTAG aims to replace paper luggage tags that need to be printed at the airport with a reusable electronic device using e-paper, that can be easily prepared and attached to suitcases by travelers at home. Airlines using Altéa DCS can now quickly integrate BAGTAG with a specially designed plug-in. iCoupon allows airlines to automatically and remotely apply credit to the barcode in passengers' boarding passes when they need to be compensated for delays or cancellations.

Hospitality

- In March, we announced that THE Park Hotels, a pioneer in the concept of luxury boutique hotels in India, and a user of Amadeus' Guest Management Solutions, contracted Amadeus' iHotelier Central Reservations System. The combination of both Amadeus solutions will enable THE Park Hotels to efficiently manage reservations, guest loyalty, and customer communications.
- Lore Group, with properties across Europe and the United States, signed for Amadeus Digital Media, while luxury chain Sun Siyam contracted our Guest Management Solutions.
- Langham Hospitality Group, a global hotel company with more than 30 properties located in major cities over four continents, contracted Amadeus Sales and Event Management and Amadeus Service Optimization during the quarter.
- HEI Hotels, which owns and manages over 80 full service, upper-upscale and luxury hotels and resorts throughout the United States, signed for Demand360.
- Spanish chain Q Hotels became a customer of our iHotelier solution.

Airport IT

- The positive momentum in our Airport IT business continued during the first quarter of 2021, particularly related to touchless technology, which is helping our airport customers adapt to the new social distancing rules. In April, we introduced Japan's first end-to-end biometric boarding process thanks to our partnership with Narita Airport and NEC. This new experience by Narita Airport Corporation sees passengers check-in at one of a number of new biometric kiosks, provided by ICM Airport Technics ("ICM"), where the passenger's facial image is captured and verified against their passport. Once the verification process is done, luggage is dropped quickly and easily at an ICM Auto Bag Drop unit, with passengers

automatically recognized by the camera embedded in the unit as they approach it. Boarding is also straightforward as the passenger's face is recognized when they first approach Narita's security e-Gates and boarding e-Gates, both equipped with cameras, provided by our partner NEC, that automatically validate the passenger's identity and permission to fly.

- We have also continued innovating and launching new solutions to support our customers. In March, Finavia, who runs 11 airports in Finland, chose Amadeus Flow, our new integrated cloud solution, to modernize all aspects of passenger handling, including software, hardware and services. With this new cloud platform, a single internet link connects Finavia's airports to Amadeus where any airline application can be easily deployed in a matter of hours. The company also signed for Airport Pay. The migration is expected to be fully completed at the beginning of 2022.
- Cambodia Airports, the largest airport group in Cambodia, also contracted Amadeus Flow in April 2021.
- Also in March, we announced that eight airports in Turkey (Turkish Ground Services) will move to Amadeus Altéa Departure Control for Ground Handlers, empowering agents with a single, intuitive interface to handle the passengers of any airline flexibly.
- In March, we expanded our partnership with dnata to continue powering dnata's innovative centralized load control service for airlines at Dubai International Airport and Dubai World Central. As part of the new partnership, ground handlers will continue to rely on Amadeus Altéa Departure Control System for Ground Handlers to provide services to passengers; as well as weight and balance services to a variety of airlines at various airports where dnata operates. The expanded agreement also sees the partners explore the transition to new technology leveraging the Amadeus cloud platform for airport operations.

Payments

- In March, we expanded our global collaboration with Mastercard for five years. Through this relationship, Amadeus will support innovative payment offerings across the travel industry through its B2B Wallet using Mastercard Wholesale Program.

Corporate update: Chairman of the Board succession plan

- Amadeus will appoint William Connelly as Chairman of the Board. Connelly, who has been on Amadeus' Board since the summer of 2019 and has served as Vice Chairman of the Board since 2020, will succeed José Antonio Tazón after the Amadeus General Shareholders' Meeting in June 2021. Tazón, one of the company's original co-founders, will be retiring after having served on Amadeus' Board of Directors since December 2008 and previously as Amadeus President and CEO for 18 years. This change is part of a broader Board renewal and succession plan which commenced back in 2017 and has seen the appointment of new independent Directors at Amadeus over the past four years. In addition to William Connelly assuming the role of Chairman of the Board, two new independent Directors, Jana Eggers and Amanda Mesler, will also join the Board, subject to the approval of the General Shareholders' Meeting. They will replace José Antonio Tazón and Pierre-Henri Gourgeon (other external Director), whose term of office expires also in June 2021.

Other

- Amadeus, as the digital connector and tech enabler in the rapidly growing Safe Travel Ecosystem, is creating a range of solutions with the aim to support air traffic recovery. This portfolio can be split into three areas: (i) Inform and remind: Amadeus agency solutions and the CheckMyTrip app include country regulation information to inform travel agencies and travelers about the latest travel requirements, (ii) Validate: Traveler ID is an Amadeus platform that allows travel companies to digitalize and automate traveler identification and document verification across the traveler journey. Additionally, now it has been expanded to allow airlines to build it into their own front ends (mobile apps / .coms) for travelers to upload their health documentation when using self-service check-in, to comply with travel regulations. On this front, in April, we signed an agreement with Air Europa, as the first airline to pilot Amadeus Traveler ID for this new purpose. Air Europa is the first airline to pilot Traveler ID's health capability, which allows passengers to certify they have the required health documentation at check-in without having to leave the airline's website or app, and (iii) Touchless: Amadeus offers auto check-in and bag drop kiosks and biometric solutions for boarding that help airlines and airports to adapt to the new social distancing rules and ease processing through the airport.
- Amadeus is committed to the digital transformation of the travel industry to facilitate and prepare for the recovery. With this in mind, during the quarter we submitted two Projects ("Memorias") to the Spanish Government as part of the Interest Declaration process launched by the Ministry of Industry, Trade and Tourism in the context of the European NextGen funding program. Both our projects encompass the launch of cloud-native platforms aimed at modernizing and expanding the digitalization of SMEs in the hospitality and destinations segments and the set-up of service hubs to facilitate the digital training and up-skilling of the workforce working in the tourism sector. They would be implemented in close collaboration with SMEs, trade association and other private and public interested stakeholders. Our platforms, which will have industrial scale, will allow SMEs to access the latest technology to increase their efficiency, their market knowledge and their overall competitiveness.

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.

Alternative Performance Measures

This document includes unaudited Alternative Performance Measures such as EBITDA, operating income, net financial debt as defined by our credit facility agreements, adjusted profit and their corresponding ratios. These Alternative Performance Measures have been prepared in accordance with the Guidelines issued by the European Securities and Markets Authority for regulated information published on or after July 3, 2016.

- EBITDA corresponds to Operating income plus D&A expense. A reconciliation of EBITDA to Operating income is included in section 5.3. The Operating income calculation is displayed in section 5.
- Adjusted profit corresponds to 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-operating, non-recurring items, as detailed in section 5.6.1.
- Net financial debt as defined by our credit facility agreements is calculated as current and non-current debt (as per the financial statements), less cash and cash equivalents, adjusted for non-debt items (such as deferred financing fees, accrued interest and fair value adjustments to an EIB loan). A reconciliation to the financial statements is included in section 6.1.1.

Cost saving program implementation costs

In the first quarter of 2021, we incurred one-time costs amounting to €18.3 million, related to the implementation of the cost saving program announced in the second quarter of 2020. Of these costs, an amount of €15.1 million (€10.9 million post tax) was reported under the Personnel and Other operating expenses captions in the income statement and mainly corresponded to severances. The remaining €3.2 million, largely related to costs incurred for office buildings and facilities, were paid and reported under the capitalized expenditure caption in the cash flow statement.

In total, cost saving program implementation costs amounting to €43.3 million were paid in the first quarter of 2021. Of these cash-outs, an amount of €3.2 million, was reported under the capitalized expenditure caption in the cash flow statement in the first quarter of 2021. The remaining €40.1 million were reported, partly under the EBITDA (€15.1 million) and partly under the Change in working capital (€25.0 million) captions in the cash flow statement in the first quarter of 2021.

For purposes of comparability with 2020, income statement figures shown in section 5 have been adjusted to exclude cost saving program implementation costs. A reconciliation of these figures to the financial statements is provided below.

Income statement (€millions)	Jan-Mar 2021		
	Excl. implemen- tation costs	Implementation costs	As reported
Group revenue	496.7	0.0	496.7
Cost of revenue	(75.0)	0.0	(75.0)
Personnel expenses	(336.7)	(14.7)	(351.5)
Other operating expenses	(31.1)	(0.4)	(31.5)
EBITDA	53.7	(15.1)	38.6
Dep. and amortization	(162.8)	0.0	(162.8)
Operating income (loss)	(109.0)	(15.1)	(124.2)
Net financial expense	(24.9)	0.0	(24.9)
Other income (expense)	(0.2)	0.0	(0.2)
Profit (loss) before income taxes	(134.1)	(15.1)	(149.2)
Income taxes	37.5	4.2	41.8
Profit (loss) after taxes	(96.5)	(10.9)	(107.4)
Share in profit assoc/JV	1.3	0.0	1.3
Profit (loss) for the period	(95.3)	(10.9)	(106.2)
EPS (€)	(0.21)	(0.03)	(0.24)
Adjusted profit (loss)	(83.1)	0.0	(83.1)
Adjusted EPS (€)	(0.18)	0.00	(0.18)

We believe that these Alternative Performance 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.

3.1 Optym's Sky Suite acquisition

On January 31, 2020, Amadeus acquired Sky Suite, the airline network planning software business of Optym, for €36.2 million in cash. The Amadeus Sky Suite provides software for network optimization and simulation, frequency and capacity planning, network planning and forecasting, and a flight scheduling development platform. The Optym's Sky Suite results were consolidated into Amadeus' books from January 31, 2020.

A purchase price allocation exercise in relation to the consolidation of Optym's Sky Suite into Amadeus' books was carried out during the second quarter of 2020.

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. As a consequence, both our results and our cash flows are impacted, either positively or negatively, by foreign exchange fluctuations.

Exposure to foreign currencies

Our revenue is almost entirely generated either in Euro or in US Dollar (the latter representing 40%-50% of our total revenue). Revenue generated in currencies other than the Euro or US Dollar is negligible.

In turn, 55%-65% of our operating costs¹⁰ are denominated in many currencies different from the Euro, including the US Dollar, which represents 30%-40% of our operating costs. The rest of the foreign currency operating expenses are denominated in a variety of currencies, GBP, AUD, INR, SGD and THB being the most significant. A number of these currencies may fluctuate vs. the Euro similarly to the US Dollar - Euro fluctuations, and the degree of this correlation may vary with time.

Hedging policy

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

- To manage our exposure to the US Dollar, we have a natural hedge to our net operating cash flow generated in US Dollar or US Dollar-correlated currencies through, among others, payments of USD-denominated debt (when applicable), as well as investments and taxes paid in the U.S. We may enter into derivative arrangements when this natural hedge is not sufficient to cover our outstanding exposure.
- We also hedge a number of currencies, including the GBP, AUD, INR and SEK, for which we enter into foreign exchange derivatives with banks.

When the hedges in place covering operating flows qualify for hedge accounting under IFRS, profits and losses are recognized within EBITDA. Our hedging arrangements typically qualify for hedge accounting under IFRS.

In the first quarter of 2021, foreign exchange fluctuations had a negative impact on revenue, a positive impact on costs and a broadly neutral effect on EBITDA.

¹⁰ Including Cost of revenue, Personnel expenses and Other operating expenses. Excludes Depreciation and amortization.

4.2 Interest rate risk

Our target is to reduce volatility in net interest flows. 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 March 31, 2021, 26% of our total financial debt¹¹ (related to the European Commercial Paper Program and one Eurobond issue) was subject to floating interest rates, indexed to the EURIBOR. As of this date, no interest rate hedges were in place.

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 all beneficiaries will receive a number of Amadeus shares which for the outstanding plans amount to (depending on the evolution of certain performance conditions), between a minimum of 345,000 shares and a maximum of 1,401,000 shares, approximately. It is Amadeus' intention to make use of its treasury shares to settle these plans at their maturity.

¹¹ Based on our credit facility agreements' definition.

5 Group income statement



Income statement (€millions)	Jan-Mar 2021¹	Jan-Mar 2020	Change
Revenue	496.7	1,021.7	(51.4%)
Cost of revenue	(75.0)	(206.8)	(63.7%)
Personnel and related expenses	(336.7)	(377.3)	(10.8%)
Other operating expenses ²	(31.1)	(88.1)	(64.7%)
EBITDA	53.7	349.4	(84.6%)
Depreciation and amortization ²	(162.8)	(191.0)	(14.8%)
Operating income (loss)	(109.0)	158.5	(168.8%)
Net financial expense	(24.9)	(4.0)	528.1%
Other income (expense)	(0.2)	0.0	n.m.
Profit (loss) before income tax	(134.1)	154.5	(186.8%)
Income taxes	37.5	(34.0)	(210.5%)
Profit (loss) after taxes	(96.5)	120.5	(180.1%)
Share in profit from assoc./JVs	1.3	(2.7)	(146.8%)
Profit (loss) for the period	(95.3)	117.8	(180.9%)
EPS (€)	(0.21)	0.27	(177.3%)
Adjusted profit (loss)³	(83.1)	141.8	(158.6%)
Adjusted EPS (€)⁴	(0.18)	0.33	(156.0%)

¹ 2021 figures adjusted to exclude costs amounting to €15.1 million (€10.9 million post tax), incurred in the first quarter of 2021, related to the implementation of the cost saving program announced in the second quarter of 2020. See section 3 for more detail.

² From Q2 2020, capitalized D&A, which used to be reported within the Other operating expenses caption in the Group income statement, has been reclassified to D&A. For comparison purposes, Q1 2020 figures have been adjusted to reflect this reclassification (capitalized D&A amounted to €3.4 million in Q1 2020).

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.

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

For purposes of comparability with 2020, figures shown in section 5 (Group income statement) have been adjusted to exclude cost saving program implementation costs, amounting to €15.1 million (€10.9 million post tax) in the first quarter of 2021.

5.1 Revenue

In the first quarter of 2020, revenue amounted to €496.7 million, a decline of 51.4% vs. prior year, impacted by the negative air traffic evolution caused by the COVID-19 pandemic. Relative to 2019, first quarter revenue decreased by 64.7%, in line with the fourth quarter of 2020 but an improvement over the growth rates achieved in the second and third quarters of 2020.

This group revenue evolution resulted from segment revenue declines of 57.9% and 46.1% in Distribution and IT Solutions revenue, respectively, vs. the first quarter of 2020 (or -77.1% and

-46.3%, respectively, vs. the first quarter of 2019, representing, both, improvements over prior quarter performances as well).

Revenue (€millions)	Jan-Mar 2021	Jan-Mar 2020	Change	Change vs. Q1 2019
Distribution revenue	192.5	457.5	(57.9%)	(77.1%)
IT Solutions revenue	304.1	564.2	(46.1%)	(46.3%)
Revenue	496.7	1,021.7	(51.4%)	(64.7%)

5.1.1 Distribution

Evolution of Amadeus bookings

Operating KPI	Jan-Mar 2021	Jan-Mar 2020	Change	Change vs. Q1 2019
TA air bookings (m)	33.8	85.0	(60.3%)	(79.2%)
Non air bookings (m)	5.1	14.6	(64.8%)	(70.3%)
Total bookings (m)	38.9	99.6	(61.0%)	(78.4%)

In the first quarter of 2021, Amadeus travel agency air bookings contracted by 60.3% vs. the first quarter of 2020. Compared to the same period in 2019, Amadeus travel agency air bookings declined by 79.2%, a slight improvement from the 79.4% air booking reduction we saw in the fourth quarter of 2020. Whilst the January volume performance was impacted by the effects of newly heightened COVID-19 cases across regions, the Amadeus air booking growth rates vs. 2019 gradually improved each month from January to March.

The Amadeus air booking evolution in the first quarter of 2021 varied per region. North America was the best performing region, improving its booking growth rates from -72.5% in the fourth quarter of 2020 to -67.9% in the first quarter of 2021 (all vs. 2019). Also, Central, Eastern and Southern Europe reported an enhanced volume growth rate relative to the fourth quarter of 2020, supported by the improvement in the booking performance in several countries, most notably in Russia. On the other hand, Western Europe, impacted by the resurgence of the virus and associated restrictions, and also Latin America, reported lower growth rates in the first quarter of 2021 (vs. 2019) compared to the fourth quarter of 2020.

Amadeus TA air bookings	Jul-Sep 2020 vs. 2019	Oct-Dec 2020 vs. 2019	Jan-Mar 2021 vs. 2019	Jan-Mar 2021 vs. 2020
Western Europe	(95.3%)	(87.3%)	(89.3%)	(79.7%)
North America	(83.4%)	(72.5%)	(67.9%)	(43.2%)
Middle East and Africa	(84.5%)	(67.8%)	(67.4%)	(46.2%)
CESE ¹	(78.0%)	(71.5%)	(67.6%)	(48.8%)
Asia-Pacific	(96.7%)	(89.1%)	(88.6%)	(64.2%)
Latin America	(89.9%)	(68.7%)	(70.5%)	(54.1%)
Amadeus TA air bookings	(89.8%)	(79.4%)	(79.2%)	(60.3%)

¹ Central, Eastern and Southern Europe.

Amadeus' non air bookings decreased by 64.8% in the first quarter of 2021 vs. the first quarter of 2020, caused by the overall negative impact of the COVID-19 pandemic on the global travel industry. Non air volumes declined by 70.3% vs. the first quarter of 2019, a deterioration vs. the volume performance reported in the fourth quarter of 2020 (-68.0%), due to a worsening of the rail booking volumes in Europe. However, Amadeus hospitality and car booking volumes' evolution improved vs. the fourth quarter of 2020.

Revenue

In the first quarter of 2021, Distribution revenue declined by 57.9%, compared to the first quarter of 2020. In comparison with the first quarter of 2019, Distribution revenue contracted by 77.1%, a small improvement relative to the fourth quarter.

The Distribution revenue contraction was the result of the declining booking volumes, impacted by the pandemic. Distribution revenue per booking increased, compared to the first quarter of 2020, supported by (i) a positive impact from the cancellation provision, which was accrued for in a larger amount in the first quarter of 2020 than in the first quarter of 2021, and (ii) contractions in other revenue lines, albeit at softer rates than the travel agency bookings decline, such as revenues from travel agency IT solutions. These positive effects offset the negative impact from the higher weight of local bookings, impacted by the faster recovery in domestic air traffic compared to international air traffic.

5.1.2 IT Solutions

Evolution of Amadeus Passengers boarded

Passengers boarded (millions)	Jan-Mar 2021	Jan-Mar 2020	Change	Change vs. Q1 2019
Total passengers boarded	127.2	383.9	(66.9%)	(70.8%)

In the first quarter of 2021, Amadeus passengers boarded decreased by 66.9% vs. the first quarter of 2020. Compared to the first quarter of 2019, the Amadeus passengers boarded evolution improved sequentially, contracting by 70.8% in the first quarter of 2021, an

enhancement over the 72.4% passengers boarded reduction we saw in the fourth quarter of 2020.

All regions except Western Europe reported improvements in the passengers boarded performance relative to the past quarter, most notably North America, Central, Eastern and Southern Europe and Middle East and Africa. Western Europe volume growth deteriorated in the first quarter (vs. 2019), relative to the fourth quarter, impacted by the elevated COVID-19 cases and reintroduction of travel restrictions.

Passengers Boarded	Jul-Sep 2020 vs. 2019	Oct-Dec 2020 vs. 2019	Jan-Mar 2021 vs. 2019	Jan-Mar 2021 vs. 2020
Asia-Pacific	(83.3%)	(75.3%)	(74.4%)	(69.1%)
Western Europe	(75.7%)	(83.1%)	(88.0%)	(85.4%)
North America	(58.9%)	(58.0%)	(46.0%)	(50.7%)
CESE ¹	(53.1%)	(62.4%)	(55.3%)	(52.5%)
Latin America	(77.2%)	(48.2%)	(47.8%)	(39.9%)
Middle East and Africa	(85.0%)	(72.4%)	(67.3%)	(63.7%)
Amadeus PB	(74.9%)	(72.4%)	(70.8%)	(66.9%)

¹ Central, Eastern and Southern Europe.

Revenue

In the first quarter of 2021, IT Solutions revenue decreased by 46.1% vs. the same period of 2020, or by 46.3% compared to the first quarter of 2019. This revenue contraction, an enhancement over prior quarters, resulted from the low airline passengers boarded volumes, impacted by the COVID-19 pandemic, coupled with a contraction in other revenue lines, albeit at a softer rate than airline passengers boarded, due to either (i) their non-transactional nature (such as services, subscription-based or license-based revenues), or (ii) linked to transactions less impacted by the COVID-19 disruption (such as in hospitality).

5.2 Group operating costs

5.2.1 Cost of revenue

These costs are mainly related to: (i) incentive fees paid to travel sellers for bookings done through our reservations platforms, (ii) distribution fees paid to local commercial organizations which act as a local distributor (mainly in the Middle East, North Africa, India, and South Korea), (iii) data communication expenses related to the maintenance of our computer network, including connection charges, (iv) fees paid in relation to advertising and data analytics activities in Hospitality, and (v) commissions paid to travel agencies for the use of our payments distribution solutions.

In the first quarter of 2021, cost of revenue amounted to €75.0 million, a 63.7% reduction vs. the same period of 2020. Cost of revenue was impacted by a sharp reduction in air booking volumes due to the COVID-19 pandemic, as detailed in section 5.1.1.

5.2.2 Personnel and related expenses and other operating expenses

Resulting from our fixed cost reduction plans announced in 2020, we have undertaken a number of measures, including a reduction of our permanent staff and contractor base. This has supported a reduction of our combined operating expenses cost line, including both Personnel and Other operating expenses, by 21.0% in the first quarter of 2021 (excluding cost saving programs implementation costs). Excluding bad debt effects (and cost saving program implementation costs), our combined operating expenses cost line declined by 20.4% in the first quarter of 2021.

Personnel + Other op. expenses (€millions)	Jan-Mar 2021¹	Jan-Mar 2020	Change
Personnel + Other operating expenses²	(367.9)	(465.5)	(21.0%)

¹ Figures adjusted to exclude costs amounting to €15.1 million, incurred in the first quarter of 2021, related to the implementation of the cost savings program announced in the second quarter of 2020.

² From Q2 2020, capitalized D&A, which used to be reported within the Other operating expenses caption in the Group income statement, has been reclassified to D&A. For comparison purposes, first quarter 2020 figures have been adjusted to reflect this reclassification.

5.2.3 Depreciation and amortization

In the first quarter of 2021, depreciation and amortization expense amounted to €162.8 million, a reduction of 14.8% vs. the same period of 2020. This decrease was mainly driven by (i) a 1.4% lower ordinary D&A, primarily caused by the reduction in leased office space and the termination of some building rental contracts, as a result of the cost reduction programs put in place in 2020, and (ii) a substantial decrease in amortization from purchase price allocation exercises, driven by certain assets which reached the end of their useful lives at the end of the second quarter of 2020.

Depreciation & Amortization (€millions)	Jan-Mar 2021	Jan-Mar 2020	Change
Ordinary D&A ¹	(147.5)	(149.5)	(1.4%)
Amortization derived from PPA	(14.8)	(40.0)	(62.9%)
Impairments	(0.5)	(1.5)	(67.2%)
D&A expense¹	(162.8)	(191.0)	(14.8%)

¹ From the second quarter of 2020, capitalized D&A, which used to be reported within the Other operating expenses caption in the Group income statement, has been reclassified to Ordinary D&A within the D&A expense caption. For comparison purposes, first quarter 2020 figures have been adjusted to reflect this reclassification (capitalized D&A amounted to €3.4 million in Q1 2020).

5.3 EBITDA and Operating income

In the first quarter of 2021, EBITDA (excluding cost reduction programs implementation costs of €15.1 million) amounted to €53.7 million, a contraction of 84.6% vs. the same period of 2020. This contraction was driven by a 51.4% decrease in revenues, as explained in section 5.1,

a 63.7% lower cost of revenue and a 21.0% reduction in fixed costs, supported by our cost reduction programs (see sections 5.2.1 and 5.2.2 above). Operating income contracted by 168.8% vs. the same period of 2020, driven by the negative EBITDA growth and a decrease in depreciation and amortization expense of 14.8% relative to 2020 (as described in section 5.2.3).

Operating income – EBITDA (€millions)	Jan-Mar 2021¹	Jan-Mar 2020	Change
Operating income (loss)	(109.0)	158.5	(168.8%)
D&A expense ²	162.8	191.0	(14.8%)
EBITDA	53.7	349.4	(84.6%)

¹Adjusted to exclude costs amounting to €15.1 million, incurred in the first quarter of 2021, related to the implementation of the cost savings program announced in the second quarter of 2020.

² From the second quarter of 2020, capitalized D&A, which used to be reported within the Other operating expenses caption in the Group income statement, has been reclassified to D&A expense. For comparison purposes, first quarter 2020 figures have been adjusted to reflect this reclassification (capitalized D&A amounted to €3.4 million in Q1 2020).

5.4 Net financial expense

In the first quarter of 2021, net financial expense amounted to an expense of €24.9 million, an increase of €20.9 million vs. the same period of 2020. This variation was driven by (i) a 168.5% interest expense increase, as a consequence of both a higher average gross debt outstanding and a higher average cost of debt, driven by the new financings undertaken in 2020, and, to a lesser extent, (ii) €0.8 million exchange losses in the first quarter of 2021, compared to €8.5 million exchange gains in the first quarter of 2020.

Net financial expense (€millions)	Jan-Mar 2021	Jan-Mar 2020	Change
Financial income	4.5	0.3	n.m.
Interest expense	(25.0)	(9.3)	168.5%
Other financial expenses	(3.6)	(3.5)	2.7%
Exchange gains (losses)	(0.8)	8.5	n.m.
Net financial expense	(24.9)	(4.0)	528.1%

5.5 Income taxes

In the first quarter of 2021, Income taxes (adjusted to exclude the €4.2 million tax impact from the implementation costs related to cost saving programs) amounted to income of €37.5 million. The Group income tax rate for the period was 28.0%, higher than the 22.0% income tax rate reported in the first quarter of 2020, and lower than the 29.5% income tax rate reported for 2020. This increase in the tax rate vs. the same period of 2020 comes from the effect of tax deductions (associated with R&D) in the context of a negative taxable income result. In comparison with the full-year 2020 rate, the reduction was mainly driven by (i) a lower corporate tax rate in France starting in 2021, in accordance with government regulatory

changes, and (ii) non-recurring adjustments to deferred tax liabilities impacting the 2020 income tax rate positively.

5.6 Profit for the period. Adjusted profit

5.6.1 Reported and Adjusted profit

In the first quarter of 2021, Reported profit (adjusted to exclude post-tax costs amounting to €10.9 million, incurred in the first quarter of 2021, related to the implementation of the cost saving program announced in the second quarter of 2020) amounted to losses of €95.3 million, a contraction of 180.9% vs. the same period of 2020. In turn, Adjusted profit decreased by 158.6% to a loss of €83.1 million in the first quarter of the year (excluding cost saving programs implementation costs).

Reported-Adj. profit (loss) (€millions)	Jan-Mar 2021¹	Jan-Mar 2020	Change
Reported profit (loss)	(95.3)	117.8	(180.9%)
Adjustments			
Impact of PPA ²	11.1	29.5	(62.4%)
Impairments ²	0.3	1.2	(71.5%)
Non-operating FX ³	0.6	(6.7)	(109.1%)
Non-recurring items	0.1	0.0	n.m.
Adjusted profit (loss)	(83.1)	141.8	(158.6%)

¹ Adjusted to exclude costs amounting to €10.9 million (post tax), incurred in the first quarter of 2021, related to the implementation of the cost savings program announced in the second quarter of 2020.

² After tax impact of accounting effects derived from purchase price allocation exercises and impairment losses.

³ After tax impact of non-operating exchange gains (losses).

5.6.2 Earnings (loss) per share (EPS)

The table below 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 in section 5.6.1). In the first quarter of 2021, our reported EPS (excluding cost saving program implementation costs) decreased by 177.3% to a loss of €0.21, and our adjusted EPS by 156.0% to a loss of €0.18, compared to the first quarter of 2020.

	Jan-Mar 2021 ¹	Jan-Mar 2020	Change
Earnings per share			
Weighted average issued shares (m)	450.5	431.3	
Weighted av. treasury shares (m)	(0.2)	(0.6)	
Outstanding shares (m)	450.3	430.7	
EPS (€) ²	(0.21)	0.27	(177.3%)
Diluted EPS (€) ²	(0.20)	0.27	(173.6%)
Adjusted EPS (€) ³	(0.18)	0.33	(156.0%)
Diluted adjusted EPS (€) ³	(0.17)	0.33	(153.1%)

¹ Adjusted to exclude costs amounting to €10.9 million (post tax), incurred in the first quarter of 2021, related to the implementation of the cost savings program announced in the second quarter of 2020.

² EPS and diluted EPS (dilution effect related to the potential conversion of the convertible bonds into ordinary shares) corresponding to the Profit attributable to the parent company. EPS is calculated based on weighted average outstanding shares of the period.

³ EPS and diluted EPS (dilution effect related to the potential conversion of the convertible bonds into ordinary shares) corresponding to the Adjusted profit attributable to the parent company. Adjusted EPS is calculated based on weighted average outstanding shares of the period.

6 Other financial information



6.1 Statement of financial position (condensed)

Statement of financial position (€millions)	Mar 31,2021	Dec 31,2020	Change
Intangible assets	3,974.5	3,946.9	27.6
Goodwill	3,604.0	3,539.8	64.2
Property, plant and equipment	321.1	347.7	(26.6)
Other non-current assets	776.9	748.2	28.7
Non-current assets	8,676.5	8,582.6	93.9
Cash and equivalents	1,908.6	1,555.1	353.5
Other current assets ¹	1,544.7	1,562.4	(17.7)
Current assets	3,453.3	3,117.5	335.8
Total assets	12,129.8	11,700.1	429.7
Equity	3,748.4	3,755.3	(6.9)
Non-current debt	4,338.8	4,343.0	(4.2)
Other non-current liabilities	1,204.6	1,209.3	(4.7)
Non-current liabilities	5,543.3	5,552.3	(9.0)
Current debt	1,695.0	1,320.6	374.4
Other current liabilities	1,143.0	1,071.9	71.1
Current liabilities	2,838.0	2,392.5	445.5
Total liabilities and equity	12,129.8	11,700.1	429.7
Net financial debt (as per financial statements)¹	3,195.5	3,208.0	(12.5)

¹ Other current assets include €929.6 million short term investments that have been included in Net financial debt as per financial statements as they are considered cash equivalent assets under our credit facility agreements' definition.

6.1.1 Financial indebtedness

Indebtedness ¹ (€millions)	Mar 31, 2021	Dec 31, 2020	Change
Long term bonds	3,250.0	3,250.0	0.0
Short term bonds	1,000.0	500.0	500.0
Convertible bonds	750.0	750.0	0.0
European Commercial Paper	454.0	622.0	(168.0)
EIB loan	262.5	262.5	0.0
Obligations under finance leases	64.7	68.4	(3.7)
Other debt with financial institutions	102.4	76.6	25.8
Financial debt	5,883.6	5,529.5	354.1
Cash and cash equivalents	(1,908.6)	(1,555.1)	(353.5)
Other current financial assets ²	(929.6)	(900.5)	(29.1)
Net financial debt	3,045.4	3,073.9	(28.6)
Reconciliation with financial statements			
Net financial debt (as per financial statements)	3,195.5	3,208.0	(12.5)
Operating lease liabilities	(172.1)	(178.0)	5.9
Interest payable	(46.7)	(28.4)	(18.4)
Convertible bonds	32.7	34.6	(1.9)
Deferred financing fees	35.8	37.4	(1.5)
EIB loan adjustment	0.1	0.2	(0.1)
Net financial debt (as per credit facility agreements)	3,045.4	3,073.9	(28.6)

¹ Based on our credit facility agreements' definition.

² Short term investments that are considered cash equivalent assets under our credit facility agreements' definition.

Net financial debt, as per our credit facility agreements' terms, amounted to €3,045.4 million at March 31, 2021.

The main changes to our debt in the first quarter of 2021, were:

- On February 2, 2021 Amadeus issued a €500 million Floating Rate Note with a two-year term and an optional redemption for the issuer within 374 days after the issuance date. The notes have a variable 3-month Euribor interest rate plus 65 basic points rate and an issue price of 100.101% of its nominal value.
- The decrease in the use of the Multi-Currency European Commercial Paper (ECP) program by a net amount of €168.0 million.

On April 27, 2018 Amadeus executed a €1,000 million Euro Revolving Loan Facility, with maturity in April 2025, to be used for working capital requirements and general corporate purposes. This facility remained undrawn at March 31, 2021.

Reconciliation with net financial debt as per our financial statements

Under our credit facility agreements' terms, financial debt (i) does not include debt related to assets under operating lease agreements (which form part of the financial debt in the statement of financial position) amounting to €172.1 million at March 31, 2021, (ii) does not include the accrued interest payable (€46.7 million at March 31, 2021) which is treated as financial debt in our financial statements, (iii) includes the part of the convertible bond that has been accounted for as equity in our financial statements (€40.1 million) and does not include the accrued interest of the convertible bonds (€7.4 million), which has been accounted for as financial debt in our financial statements, (iv) is calculated based on its nominal value, while in our financial statements our financial debt is measured at amortized cost, i.e. after deducting the deferred financing fees (that mainly correspond to fees paid upfront in connection with the convertible bond issued in April 2020, and amount to €35.8 million at March 31, 2021), and (v) 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 (€0.1 million at March 31, 2021).

6.2 Group cash flow

Consolidated Cash Flow (€millions)	Jan-Mar 2021	Jan-Mar 2020	Change
EBITDA	38.6	349.4	(88.9%)
Change in working capital	59.0	114.6	(48.6%)
Capital expenditure	(104.1)	(151.5)	(31.3%)
Pre-tax operating cash flow	(6.5)	312.6	(102.1%)
Cash taxes	(7.1)	(19.3)	(63.0%)
Interest and financial fees paid	1.8	(3.5)	(152.0%)
Free cash flow	(11.9)	289.8	(104.1%)
Equity investment	(0.2)	(39.6)	(99.4%)
Non-operating items	9.4	1.3	605.1%
Debt payment	314.9	123.3	155.3%
Cash from (to) shareholders	0.0	(258.1)	(100.0%)
Short term financial flows ¹	41.0	0.0	n.m.
Change in cash	353.1	116.7	202.5%
Cash and cash equivalents, net²			
Opening balance	1,553.9	561.0	177.0%
Closing balance	1,907.0	677.6	181.4%

¹ Mainly related to hedge results from USD-denominated short term investments, which are 100% hedged.

² Cash and cash equivalents are presented net of overdraft bank accounts.

Amadeus Group free cash flow amounted to -€11.9 million in the first quarter of 2021. Excluding €43.3 million cost saving program implementation costs paid in the quarter, free

cash flow amounted to an inflow of €31.4 million in the first quarter of 2021. See further details on the implementation costs in section 3.

6.2.1 Change in working capital

Change in working capital amounted to an inflow of €59.0 million in the first quarter of 2021. Change in working capital was negatively impacted by cost saving program implementation costs amounting to €25.0 million, incurred in 2020 and paid in the first quarter of 2021. Excluding these, Change in working capital amounted to an inflow of €84.0 million in the first quarter of 2021, mainly resulting from (i) a net inflow driven by higher collections and payments from previous periods vs. revenues and expenses accounted for in the first quarter of 2021, and (ii) timing differences in collections and payments, including, among others, a positive effect from social security payments by a net amount of €7 million.

6.2.2 Capital expenditure, R&D investment

Capital expenditure

The table below details the capital expenditure, both in relation to property, plant and equipment (“PP&E”) and to 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 capitalized R&D investment may fluctuate depending on the level of capitalization ratio, which is impacted by the intensity of the development activity, the mix of projects undertaken and the different stages of the various projects.

Capital Expenditure (€millions)	Jan-Mar 2021	Jan-Mar 2020	Change
Capital Expenditure in intangible assets	95.4	137.7	(30.7%)
Capital Expenditure PP&E	8.7	13.8	(36.9%)
Capital Expenditure	104.1	151.5	(31.3%)

In the first quarter of 2021, capex declined by €47.4 million, or 31.3%, compared to the first quarter of 2020. Capex in intangible assets decreased by €42.3 million, or 30.7%, mainly as a result of lower capitalizations from software development, in turn driven by a 28.7% decline in R&D investment. The decrease in R&D investment resulted from the COVID-19 impact on our business, in response to which we have prioritized our most strategic and important projects over others and have postponed more long-term initiatives. Also, no signing bonuses were paid in the quarter (compared to signing bonuses paid in the first quarter of 2020).

R&D investment (€millions)	Jan-Mar 2021	Jan-Mar 2020	Change
R&D investment	180.7	253.5	(28.7%)

R&D investment amounted to €180.7 million in the first quarter of 2021, and our main projects included, among others:

- Ongoing efforts for NDC. Investments related to the development of our platform to combine content from different sources (existing technology, NDC and content from aggregators and other sources), ensuring easy adoption in the marketplace with minimal disruption.
- Investments in digitalization and enhanced shopping, retailing and merchandizing tools.
- For the hospitality industry: continued efforts devoted to the evolution of our hospitality platform to integrate our offering, resources dedicated to the development of our modular and combined central reservation system and property management system and further enhancements to our sales and catering technology stack.
- Continued shift to cloud services and next-generation technologies, including the application of artificial intelligence and machine learning to our product portfolio.
- Efforts related to customer implementations across our businesses.

In the first quarter of 2021, capex in property, plant and equipment declined by €5.1 million, or 36.9%, vs. the same quarter of 2020, mostly due to a reduction in hardware investment.

7 Investor information



7.1 Capital stock. Share ownership structure

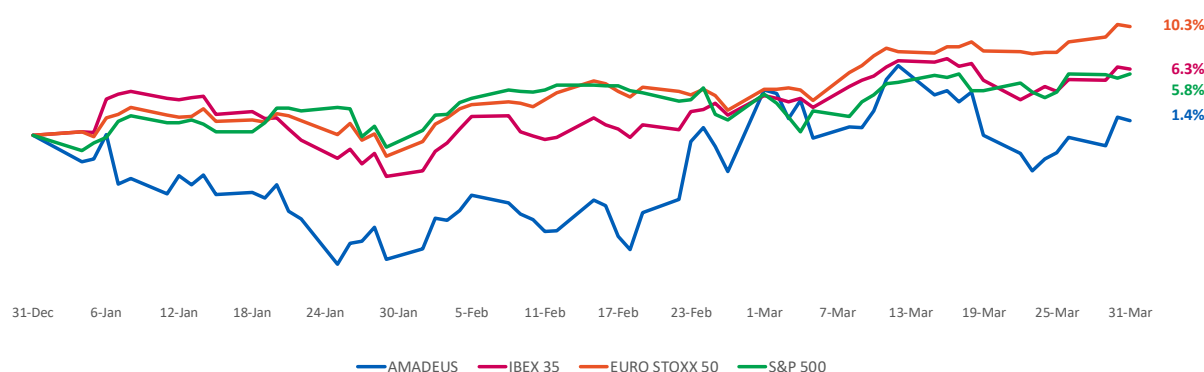
At March 31, 2021, Amadeus' capital stock amounted to €4,504,992.05, represented by 450,499,205 shares with a nominal value of €0.01 per share, all belonging to the same class, fully subscribed and paid in.

The shareholding structure as of March 31, 2021 is as described in the table below:

Shareholders	Shares	% Ownership
Free float	449,976,137	99.88%
Treasury shares ¹	228,888	0.05%
Board members	294,180	0.07%
Total	450,499,205	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 2021



Key trading data (as of March 31, 2021)

Number of publicly traded shares (# shares)	450,499,205
Share price at March 31, 2021 (in €)	60.38
Maximum share price in 2021 (in €) (March 12, 2021)	63.50
Minimum share price in 2021 (in €) (January 25, 2021)	52.26
Market capitalization at March 31, 2021 (in € million)	27,201.1
Weighted average share price in 2021 (in €) ¹	57.53
Average daily volume in 2021 (# shares)	1,169,467.5

¹ Excluding cross trade

7.3 Shareholder remuneration

On January 17, 2020 an interim dividend of €0.56 per share (gross), corresponding to the 2019 profit, was paid in full. The complementary dividend of €0.74 per share corresponding to the 2019 profit, proposed by the Board of Directors of Amadeus on February 27, 2020, was subsequently cancelled, as part of a set of measures that Amadeus announced in response to the COVID-19 pandemic.

Considering the 2020 financial results due to the COVID-19 pandemic, the Board of Directors of Amadeus agreed to not distribute a dividend pertaining to the 2020 exercise.

8 Annex

8.1 Key terms

- Cancellation provision: as a general rule, when a travel agency air booking is cancelled, Amadeus cancels both the booking fee billed to the airline (accounting for it as less revenue) and the incentive fee to be provided to the travel agency (accounting for it as less cost of revenue). As per IFRS, we estimate the amount of variable consideration from travel agency air bookings which may be cancelled in future periods. Accounts receivable are recorded net of a cancellation reserve and accounts payable are recorded net of the reduction in distribution costs derived from cancellations. Adjustments to this provision impact both the revenue and cost of revenue captions. See further detail in section 3.
- “D&A”: stands for “depreciation and amortization”
- “ECP”: stands for “European Commercial Paper”
- “EDIFACT”: stands for “Electronic Data Interchange For Administration, Commerce and Transport”, a set of internationally agreed standards, directories, and guidelines for the electronic interchange of structured data, between independent computerized information systems.
- “EIB”: stands for “European Investment Bank”
- “EPS”: stands for “Earnings Per Share”
- “IFRS”: stands for “International Financial Reporting Standards”
- “JV”: stands for “Joint Venture”
- “KPI”: stands for “Key Performance Indicators”
- “NDC”: stands for “New Distribution Capability”. NDC is a travel industry-supported program launched by IATA for the development and market adoption of a new, XML-based data transmission standard
- “n.m.”: stands for “not meaningful”
- “PB”: stands for “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.”: stands for “percentage point”
- “PPA”: stands for “Purchase Price Allocation”
- “PP&E”: stands for “Property, Plant and Equipment”
- “R&D”: stands for “Research and Development”
- “RevPAR”: stands for “Revenue Per Available Room”
- “SME”: stands for “Small and Medium Enterprises”
- “TA”: stands for “Travel Agencies”
- “TA air bookings”: air bookings processed by travel agencies using our distribution platform

8.2 Product descriptions

Airline portfolio

- Amadeus Airport Companion App: is a digital application which provides airline customer service agents with the key features of a Departure Control System on an iPad, allowing them to manage activities such as check-in and seat assignment or to handle disrupted passengers.
- Amadeus Altéa Departure Control – Customer Management: streamlines airline activities and optimizes every revenue opportunity from booking to take-off. It is focused on passenger services, providing a high level of automation for key airport processes from passenger check-in to departure.
- Amadeus Altéa Departure Control - Flight Management: analyzes passenger and cargo loads with precision, automatically defines optimal aircraft load utilizing a fully Graphical User Interface to maximize productivity and centralizes airlines' operations.
- Altéa Segment Revenue Management helps airlines to maximize profits on their routes by determining the most profitable inventory allocation, combining innovative airline demand forecasting techniques with real-time data exchange.
- Navitaire Digital Platform helps the airlines to build mobile, web, kiosk and wearable applications so the airline can deliver the right products at the right time across all their direct sales channels.
- Navitaire NDC Gateway helps the airline to distribute their content through the NDC -enabled partners, contributing to sell more services and more similarly to the airline web and mobile app.
- Traveler ID is Amadeus' secure and agnostic identity data exchange and verification solution that connects a passenger's digital ID to any online and biometric portal at opportune moments of the traveler journey.

Airport portfolio

- Amadeus Airport Pay: is a wireless payment solution that allows airlines and ground handlers to accept payments anywhere, in any airport, and integrate them into their Departure Control System, independent of the shared environment.
- Amadeus Altéa Departure Control for Ground Handlers - Customer Management: allows handling companies to do the checking and boarding with just one departure control system, which connects to their airline clients.
- Amadeus Flow: is the new brand that includes the former passenger processing solutions offering and the baggage portfolio related with the ICM offering.
- Amadeus ICM Auto Bag Drop: helps the airport to increase flexibility and capacity without further infrastructure investment. As it is self-service and allows for touchless processes controlled with the passengers' mobile phones, it allows airports to better adapt to social distance and new health requirements.
- Amadeus weight and balance services: refers to services and solutions included in Amadeus Altéa Departure Control related to the provision of precise calculations on passenger numbers and cargo load, to produce the most efficient load distribution within the aircraft.

Corporations portfolio

- Amadeus Cytric Travel and Expense Management: a fully integrated solution that offers the corporations the ability to book the widest travel content, ensuring travel policy compliance and duty of care while containing costs.

Hospitality portfolio

- Amadeus Sales and Event Management: helps hoteliers to sell, organize and manage events efficiently.
- Amadeus Service Optimization-HotSOS: is a cloud-based, service optimization enterprise product that can help you solve minor issues before they become bigger problems.
- Demand360: is a business intelligence product that helps the hotel to understand forward-looking booking data to identify need periods compared to a competitive set and market, creating a strategy to maximize RevPAR.
- Digital media: places cross-channel advertising campaigns including search, display, social, and meta-search to drive highly profitable direct bookings on a hotel's website.
- Guest Management Solutions (GMS): is a comprehensive suite of marketing tools to engage with hotel guests before, during and after their stay to drive incremental revenue and engagement.
- iHotelier: is a TravelClick web-based hotel central reservation system. Flexible and integrated, this solution connects to multiple distribution channels and offers distribution modules for your web, mobile, voice, travel agent and online travel agent channels.

Travel agency portfolio

- Amadeus Custom Search: is a cloud-based search solution that offers high quality flight availability content, a fast response time and 100% accuracy.
- Amadeus Travel API: provides travel agencies worldwide access to content and fares from our airline customers via an NDC connectivity, as well as to the main servicing capabilities that an agency requires to serve a booking, such as changes, cancellations or addition of ancillary services.
- B2B Wallet: is the Amadeus payment solution, based on virtual credit cards. It includes several payment options to address the travel agency needs and allow them to reduce cost, increase efficiency, security and revenues.
- CheckMyTrip: is the travel app that gathers all your trip information in one smart itinerary - flights, train journeys, accommodation and activities.

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