

Amadeus  
January-September 2023 Results  
November 7, 2023

amadeus

# Disclaimer

- \_ This presentation may contain certain statements which are not purely historical facts, including statements about anticipated or expected future revenue and earnings growth. Any forward-looking statements in this presentation are based upon information available to Amadeus on the date of this presentation. Any forward-looking statements involve risks and uncertainties that could cause actual events or results to differ materially from the events or results described in the forward-looking statements. Amadeus undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on forward-looking statements.
- \_ The financial information included in this document has been prepared in accordance with International Financial Reporting Standards (IFRS) and has not been audited.
- \_ This presentation has to be accompanied by a verbal explanation. A simple reading of this presentation without the appropriate verbal explanation could give rise to a partial or incorrect understanding.

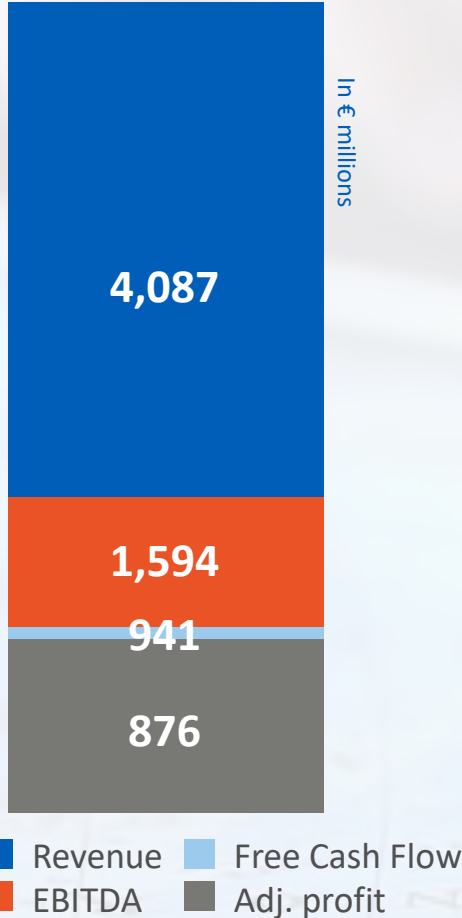


# Operating Review

Luis Maroto  
President & CEO

# Jan-Sep 2023 Highlights

- \_ Revenue +23%
  - Strong performance across our segments
- \_ EBITDA +34%<sup>1</sup>
  - Margin expansion
- \_ Adjusted profit<sup>2</sup> +68%<sup>1</sup>
  - Adjusted EPS<sup>2</sup> +68%<sup>1</sup>
- \_ Free Cash Flow<sup>3</sup> +50%
- \_ Leverage 1.1x<sup>4</sup>
  - New share repurchase program (8.8 million shares maximum investment)
- \_ 2023 outlook confirmed
  - Based on current trading conditions
  - Free Cash Flow above top end of range



1. Excludes: (i) in Q2'23, impacts from movements in the tax provision, which resulted in an increase in Adjusted profit of €22.6 million, with no impact on EBITDA, and (ii) in Q2'22, a non-refundable government grant, received in Q2 2022, of €51.2 million (€38.9 million post tax). See section 3.2 of Jan-Sep 2023 Management Review.

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 income (expense). Adjusted EPS corresponds to the Adjusted profit attributable to the parent company.

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

4. Defined as net financial debt / last-twelve-month EBITDA. Based on our credit facility agreements' definition.



# Air Distribution

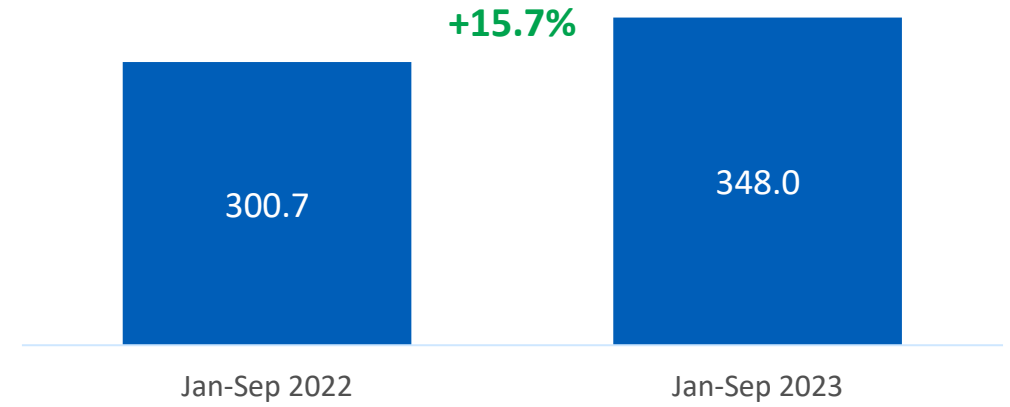
## Key Developments

- Renewed / signed 11 distribution agreements in the quarter (47 year-to-date).
- Extended partnership with **Air India**, to integrate Air India's local domestic content for travel sellers at points of sale in India, as well as, the airline's NDC-sourced content, through the Amadeus Travel Platform.
- EVA Air** and **Tunisair** to also distribute NDC content through the Amadeus Travel Platform.
- Upsold distribution technology to travel agency and corporate customers, as well as, had several signatures for Amadeus Cytric solutions (CWT, Gant Travel, Campbell Travel, MBDA and ULMA).
- Developing generative AI-powered integrations for corporate travel with Microsoft and Accenture – digital travel assistant to streamline tasks for corporate travelers within Cytric Easy.

## Volume performance

- Sep YTD 2023, progressive strengthening of the travel industry, albeit at a milder pace in Q3 (vs. prior quarters of 2023). International air traffic weight remains below historic levels.
- Sep YTD 2023 Amadeus bookings: +15.7% vs. 2022.**
- APAC and Western Europe: fastest-growing regions.
- NORAM and Western Europe: our largest regions.

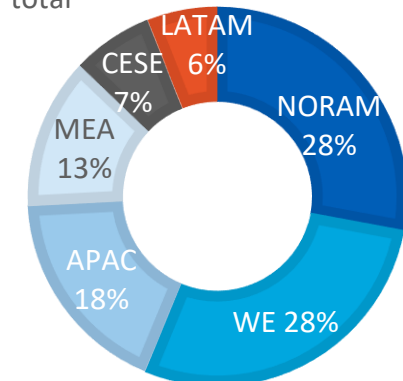
## Amadeus bookings (millions)



## Amadeus bookings by region

Region	Jan-Sep'23	Vs. PY
NORAM		1.7%
WE		15.7%
APAC		75.3%
MEA		12.0%
CESE		6.5%
LATAM		(3.1%)

% of total



# Air IT Solutions

## Key Developments

### Airline IT

**Amadeus Nevio:** new generation of better, smarter and more open airline IT solutions, offering advanced retailing capabilities. Following Finnair, **Saudia** to launch Amadeus Nevio.

**Vietnam Airlines** to deploy Amadeus Altéa PSS (undisclosed customer **announced in Q2 2023**), as well as, Altéa NDC.

Customer implementations in Q3: **Bamboo Airways** (Altéa), **Allegiant Air** (New Skies).

Upselling: **EVA Air** (Altéa NDC); **Thai Airways** (Network Revenue Management); **Mauritania Airlines** (Segment Revenue Management); **Kuwait Airways** (Reference Experience, Network Revenue Management).

### Airport IT

New signatures: (i) In North America: **McGhee Tyson Airport** (ACUS, FIDS); **Tallahassee International Airport** (FIDS); **JFKIAT**, the operator of Terminal 4 at John F. Kennedy International Airport (ACUS); **Salt Lake City International Airport** (ACUS, FIDS); **Ontario International Airport** (ACUS, FIDS, RMS); **Vancouver International Airport** (Self-service bag drop). (ii) In APAC: **Fukuoka International Airport** (Auto Bag Drop units); **Christchurch International Airport** (ACUS). (iii) In EMEA, **GROUPE ADP** (Aéroports de Paris) (Auto Bag Drop kiosks for Paris-Charles de Gaulle and Paris-Orly airports).

## Volume performance

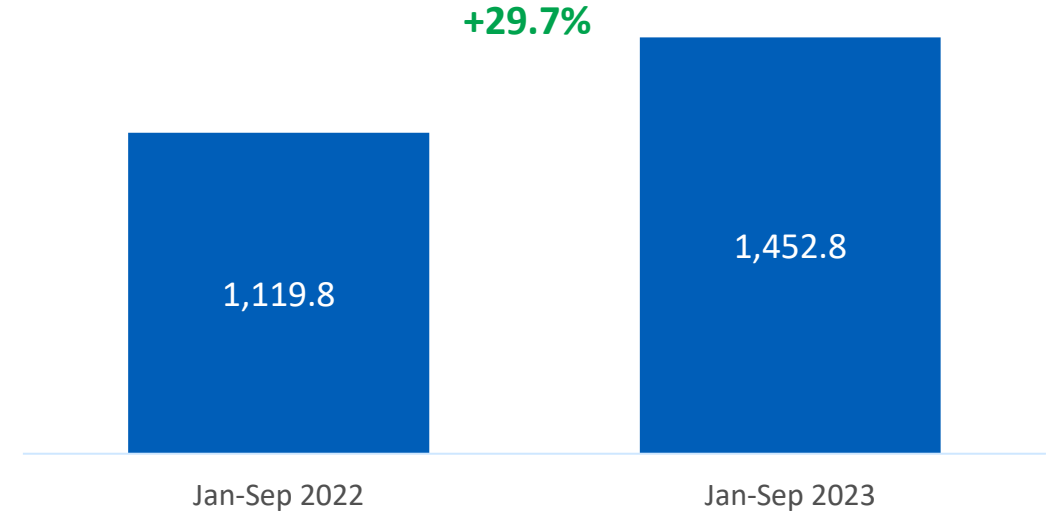
**Sep YTD 2023 Amadeus PB: +29.7% vs. 2022.**

**Net positive non-organic effects:** (i) customer implementations (Etihad Airways, ITA Airways, Hawaiian Airlines, Bamboo Airways and Allegiant Air in 2023, and Air India, in 2022); (ii) airline customers de-migration or ceasing operations (Russian carriers de-migration in 2022).

APAC: our best performing region.

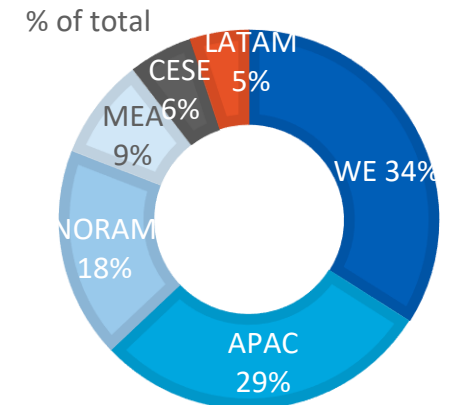
Western Europe: our largest region.

## Amadeus PB (millions)



## Amadeus PB by region

Region	Jan-Sep'23	Vs. PY
WE	21.8%	
APAC	68.2%	
NORAM	17.7%	
MEA	37.5%	
CESE	(5.4%)	
LATAM	9.5%	



# Hospitality & Other Solutions (HOS)

## Developments and Performance

- Sep YTD 2023 revenue: **17.8% higher than Sep YTD 2022 levels.**
- Both Hospitality and Payments delivered strong growth vs. Sep YTD 2022, supported by **new customer implementations and volume expansion.**
- Customer portfolio expansion:
  - **Hilton** extended partnership: Amadeus to provide Hilton with access to Amadeus' comprehensive hospitality industry data.
  - **Langham Hospitality Group** added our digital media solution.
  - Both **Pan Pacific Hotels Group** and **H-Hotels** to implement Amadeus' Demand360 business intelligence solution.
  - **Department of Culture and Tourism of Abu Dhabi** signed for Amadeus' Media and Business Intelligence solutions for destinations.



## Hospitality revenue lines



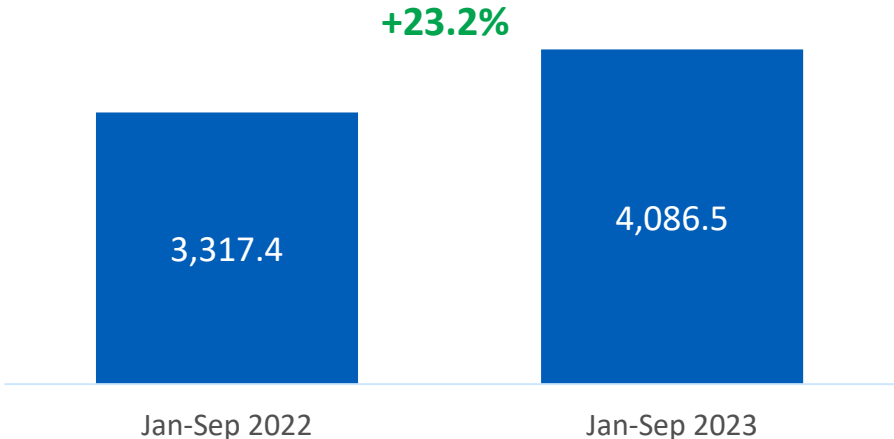
# Financial highlights

Till Streichert  
CFO



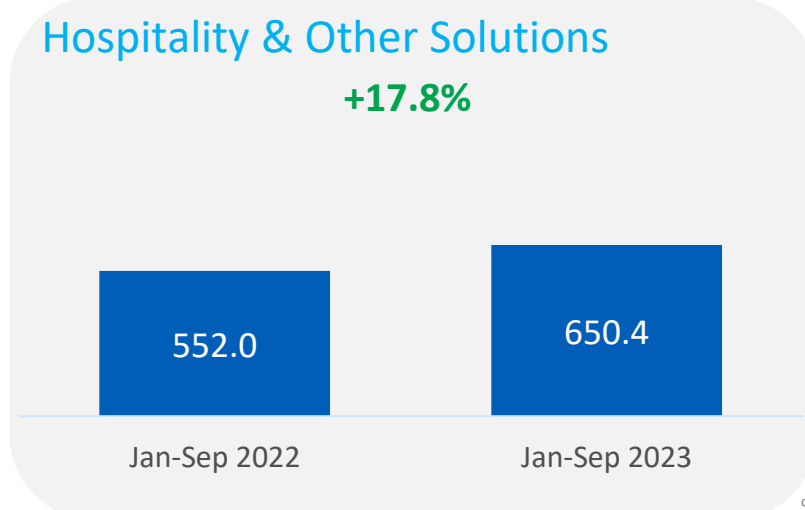
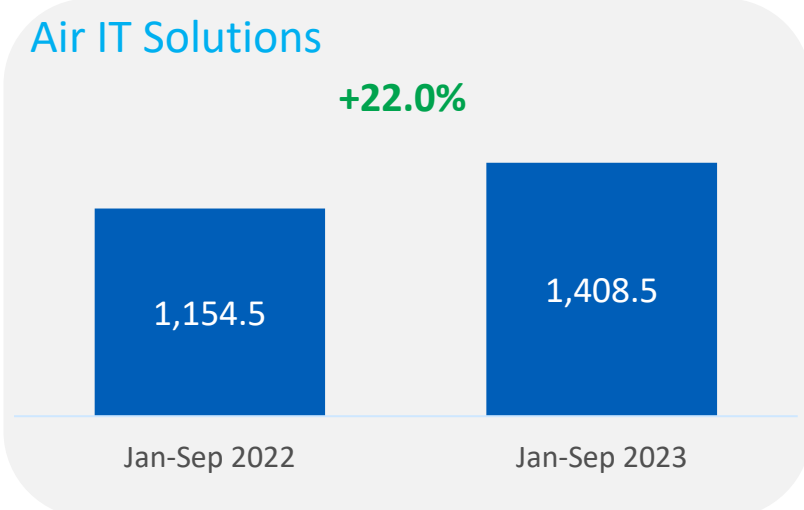
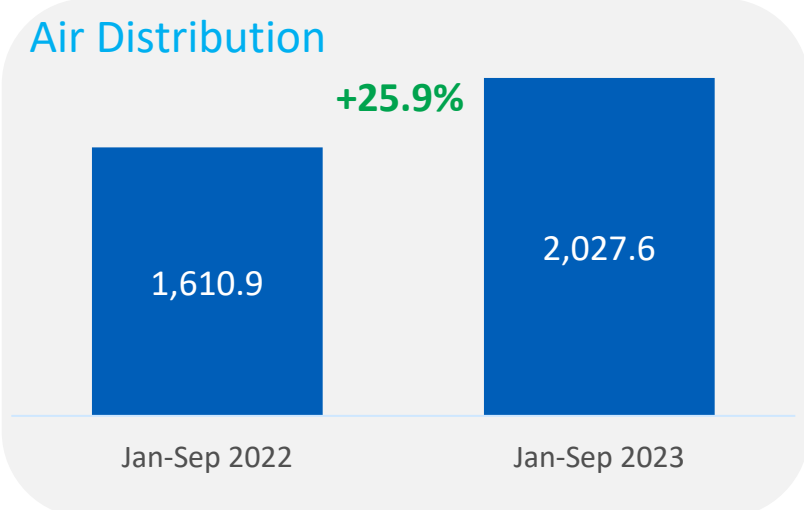
# Revenue evolution by segment

## Group revenue



- **Group revenue: +23.2% in Sep YTD 2023 vs. 2022**, driven by strong performances across segments.
- **Air Distribution revenue: +25.9% in Sep YTD 2023 vs. 2022**, driven by the bookings' evolution (+15.7%) and an 8.8% higher revenue per booking than in 2022 (fundamentally resulting from a lower weight of local bookings compared to Sep YTD 2022 and other multiple pricing effects, including inflationary and yearly adjustments, renewals and new agreements).
- **Air IT Solutions revenue: +22.0% in Sep YTD 2023 vs. 2022**, driven by the PB evolution (+29.7%) and a 6.0% decrease in revenue per PB, resulting primarily from revenues not linked to PB growing at a softer pace than PB (such as, Airport IT and airline services), more than offsetting positive pricing effects (Altéa/Navitaire customer mix, inflationary or price adjustments and upselling).
- **Hospitality & Other Solutions revenue: +17.8% in Sep YTD 2023 vs. 2022**. Both Hospitality and Payments delivered strong growth rates, supported by new customer implementations and volume expansion. Within Hospitality: (i) Hospitality IT revenues increased vs. PY, mainly in Sales & Event Management, CRS<sup>1</sup> and Service Optimization; (ii) Media and Distribution revenues grew healthily, backed by higher transactions; (iii) Business Intelligence revenues also increased, supported by customer implementations. Within Payments, all its revenue lines performed strongly, driven by higher payment transactions and customer implementations. Segment's revenue growth in Q3 2023, vs. 2022, of 8.0%, was largely impacted by negative FX effects, excluding which, **Q3 2023 revenue grew by 15% vs. Q3 2022**.

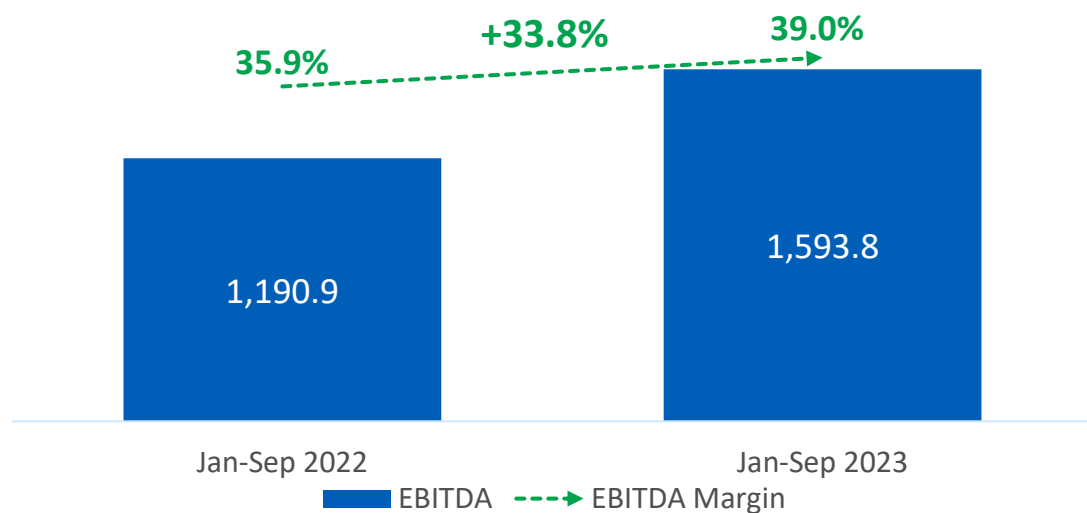
## Segment revenue



1. CRS: Central Reservation System.

# EBITDA and Adjusted profit

## EBITDA<sup>1</sup>



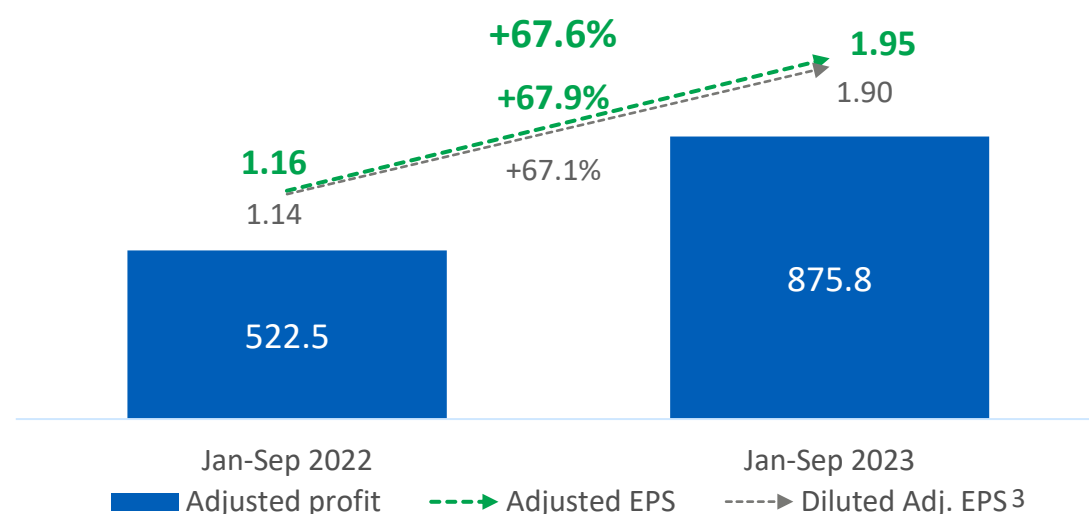
**+33.8%<sup>1</sup> EBITDA growth** in Sep YTD 2023 vs. 2022, resulting from our revenue growth (+23.2%) and an increase in cost of revenue and fixed costs. **EBITDA margin expanded by 3.1 p.p.**, to 39.0%.

**Cost of revenue:** +25.5% in Sep YTD 2023 vs. 2022, mainly driven by (i) volumes expansion across our businesses, and several factors impacting Air Distribution variable costs, including customer/country mixes. In Q3, +9.7% cost of revenue growth vs. 2022, was slower, lowered by a larger positive FX impact and quarterly fluctuating effects, which we do not expect for next quarter.

**Personnel and Other operating expenses:** +12.0% in Sep YTD 2023 vs. 2022 (ex. Q2'22 grant), from (i) increased resources, particularly in the development activity, and a higher unitary cost, (ii) business activity expansion driving non-personnel expense growth (travel and training spend, among others) and (iii) higher transaction processing and cloud costs, driven by volumes expansion and the progressive migration of our solutions to the public cloud.

- Recap: 2023 fixed cost growth should range 10%-14% vs. 2022 (ex. Q2'22 grant). Fixed cost growth in H2 expected to follow a similar growth pattern to H1.

## Adj. Profit<sup>1,2</sup> (€ millions) / Adj. EPS<sup>1,2</sup> (€)

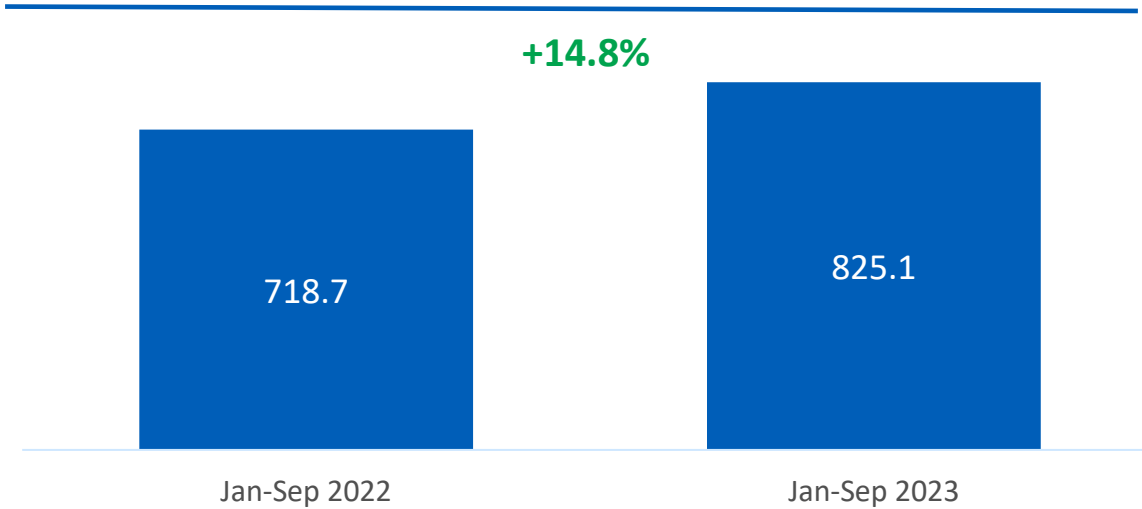


**+67.6%<sup>1</sup> Adjusted profit growth** in Sep YTD 2023 vs. 2022, as a result of EBITDA growth and lower D&A and financial expense, compared to last year, partly offset by an increase in income taxes, driven by higher taxable results.

- Excludes: (i) in 2023, impacts from movements in the tax provision, which resulted in an increase in Adjusted profit of €22.6 million, with no impact on EBITDA, and (ii) in 2022, a non-refundable government grant, received in Q2 2022, of €51.2 million (€38.9 million post tax). See section 3.2 of Jan-Sep 2023 Management Review.
- 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 income (expense). EPS corresponding to the Adjusted profit attributable to the parent company. Calculated based on weighted average outstanding shares of the period.
- Includes the dilution effect related to the potential conversion of the convertible bonds into ordinary shares.

# R&D investment and Capital expenditure

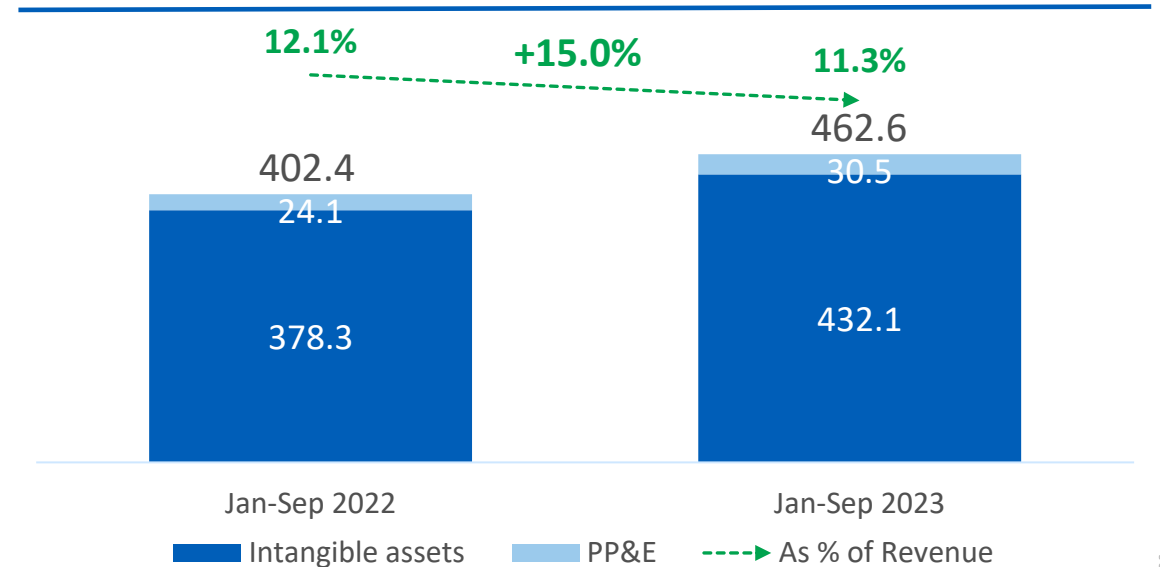
R&D investment<sup>1</sup> (€ millions)



R&D investment of €825.1 million in Sep YTD 2023 (+14.8% vs. Sep YTD 2022), focused on:

- The evolution and expansion of our **portfolio for airlines**, including Amadeus Nevio, our next-generation retailing platform.
- The evolution of our **hospitality platform**.
- The enhancement of our **solutions for travel sellers and corporations** (including a full end-to-end integration of content via NDC connectivity) and for **airports**, as well as, of our **payment** solutions portfolio.
- Our partnership with **Microsoft**, including our shift to cloud and our co-innovation program.
- Developments related to bespoke and consulting **services** provided to our customers.
- **Customer implementations** across businesses.

Capital Expenditure (€ millions)



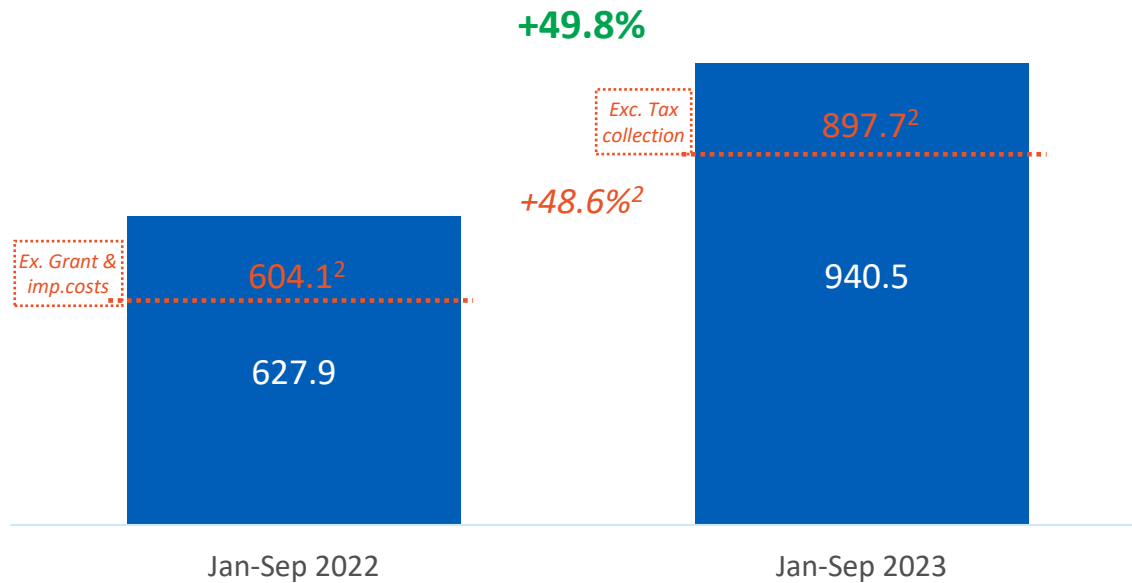
Capital expenditure increased €60.2 million, or 15.0%, in Sep YTD 2023 vs. 2022, largely driven by higher R&D capitalizations.

In Sep YTD 2023, capital expenditure represented 11.3% of revenue.

1. Net of research tax credit.

# Free cash flow generation and Leverage

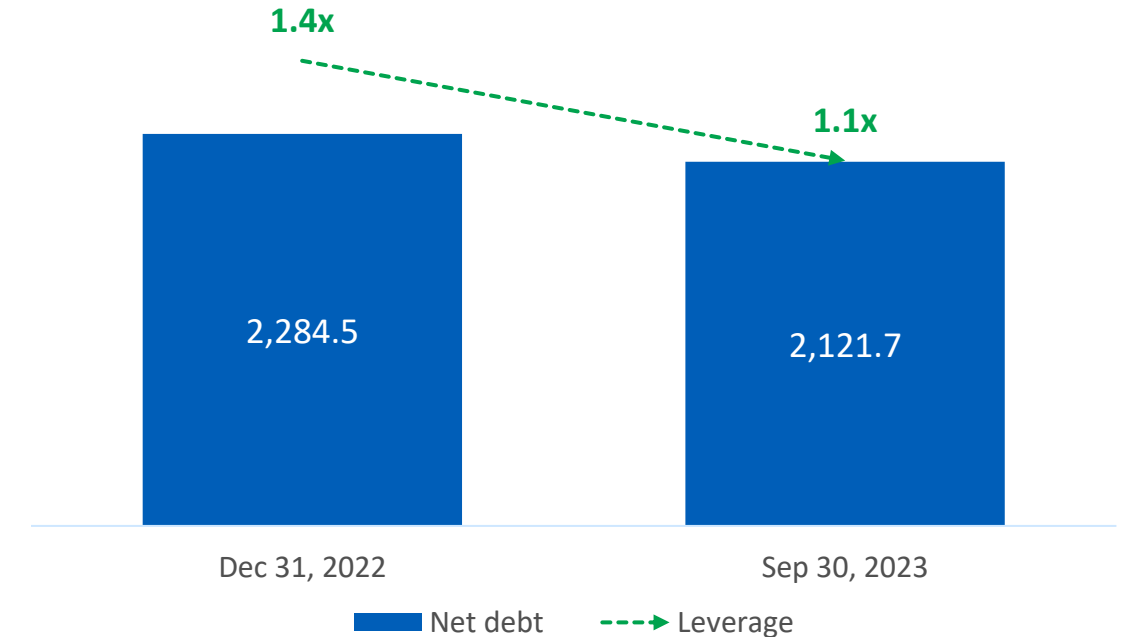
## Free cash flow<sup>1</sup> (€ millions)



— **Sep YTD 2023 Free cash flow generation** of €940.5 million, +49.8%, or +€312.6 million, vs. 2022, resulting from (i) the increase in **EBITDA**, (ii) a **change in working capital** improvement (+€102.9 million vs. PY), and (iii) higher **capital expenditure** and **taxes**.

- +48.6%, excluding non-recurring effects: (i) in Sep YTD'23, a collection of €42.8 million from the Indian tax authorities, (ii) in Sep YTD'22, a non-refundable government grant of €51.2 million, and (iii) €27.4 million cost saving program implementation costs paid in Sep YTD 2022.

## Net debt (€ millions) and leverage<sup>3</sup>



— Net debt reduction driven by free cash flow generation, partly offset by (i) the ordinary dividend payment in July 2023, and (ii) the acquisition of treasury shares under the share repurchase program announced in June 2023, completed in September 2023.

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

2. Excluding non-recurring effects: (i) in 2023, a collection of €42.8 million from the Indian tax authorities, (ii) in 2022, a non-refundable government grant of €51.2 million, and (iii) €27.4 million cost saving program implementation costs paid in 2022. See section 3.2 of Jan-Sep 2023 Management Review.

3. Defined as net financial debt / last-twelve-month EBITDA. Based on our credit facility agreements' definition.



# Annex



# Key Performance Indicators

	Jul-Sep 2023	Jul-Sep 2022	Change	Jan-Sep 2023 <sup>1</sup>	Jan-Sep 2022 <sup>1</sup>	Change
Amadeus bookings (m)	112.5	99.8	12.7%	348.0	300.7	15.7%
Passengers boarded (m)	549.2	459.1	19.6%	1,452.8	1,119.8	29.7%
Revenue (€m)	1,394.4	1,217.6	14.5%	4,086.5	3,317.4	23.2%
EBITDA (€m)	547.7	450.4	21.6%	1,593.8	1,190.9	33.8%
Adjusted profit <sup>2</sup> (€m)	315.5	219.6	43.6%	875.8	522.5	67.6%
Adjusted EPS <sup>2</sup> (€)	0.71	0.49	44.6%	1.95	1.16	67.9%
Free Cash Flow <sup>3</sup> (€m)	458.1	320.5	42.9%	940.5	627.9	49.8%

- EBITDA, Adjusted profit and Adjusted EPS have been adjusted to exclude (i) in 2023, impacts from movements in the tax provision, which resulted in an increase in Adjusted profit of €22.6 million, with no impact on EBITDA, and (ii) in 2022, a non-refundable government grant, received in Q2 2022, of €51.2 million (€38.9 million post tax). See section 3.2 of Jan-Sep 2023 Management Review.
- 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 income (expense). Adjusted EPS corresponds to the Adjusted profit attributable to the parent company. Calculated based on weighted average outstanding shares of the period.
- Defined as EBITDA, minus capex, plus changes in operating working capital, minus taxes paid, minus interests and financial fees paid. Free Cash Flow grew by 48.6% in the first nine months of 2023, vs. the same period of 2022 (+41.4% in Q3'23 vs. Q3'22), if we exclude the following non-recurring effects: (i) in Q2'23, a non-recurring collection of €42.8 million from the Indian tax authorities, (ii) in Q2'22, a non-refundable government grant of €51.2 million, and (iii) in the first nine months of 2022, €27.4 million cost saving program implementation costs paid (€3.4 million in Q3 2022). See section 3.2 of Jan-Sep 2023 Management Review.



# Alternative Performance Measures

This document includes unaudited Alternative Performance Measures which 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<sup>1</sup> corresponds to Operating income plus D&A expense. EBITDA margin is the percentage resulting from dividing EBITDA by Revenue.
- \_ Adjusted profit<sup>2</sup> corresponds to reported profit for the period, after adjusting for the 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 income (expense).
- \_ Net financial debt<sup>3</sup> 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 and short term investments considered cash equivalent assets under our credit facility agreements' definition, adjusted for operating lease liabilities (as defined by the previous Lease accounting standard IAS 17, and now considered lease liabilities under IFRS 16), and non-debt items (such as deferred financing fees and accrued interest).
- \_ R&D investment corresponds to the amounts incurred in the research and development of software and internal IT projects.
- \_ Free cash flow<sup>4</sup> is defined as EBITDA, minus capital expenditure, plus changes in our operating working capital, minus taxes paid, minus interests and financial fees paid.

See section 3.1 of January-September 2023 Management Review in the CNMV filings section of Amadeus website ([link](#)) for further details.

1. A reconciliation of EBITDA to Operating income and the Operating income calculation are included in sections 5 and 5.3 of the Jan-Sep 2023 Management Review.  
2. A reconciliation to the reported profit is included in section 5.6.1 of the Jan-Sep 2023 Management Review.  
3. A reconciliation to the financial statements is included in section 6.1 of the Jan-Sep 2023 Management Review.  
4. A reconciliation to the financial statements is included in section 6.2 of the Jan-Sep 2023 Management Review.

# Thank you!

