

Q1 2022 financial results

Highlights

Amadeus maintains steady progress supported by strengthening performance across its businesses

First quarter highlights (three months ended March 31, 2022)

- In Air Distribution, Amadeus processed 91.7 million **bookings**, reaching 56.4% of Q1 2019 levels, up 5.6 p.p. from prior quarter.
- In Air IT Solutions, **passengers boarded** amounted to 264.0 million, equivalent to 60.5% of Q1 2019 levels and improving 3.1 p.p. over prior quarter.
- **Revenue** was €917.2 million, representing 65.2% of Q1 2019 revenue, advancing 4.9 p.p. from prior quarter.
- **EBITDA** amounted to €295.8 million, 49.7% of Q1 2019 levels, up 3.6 p.p. from prior quarter.
- **Adjusted profit**¹ amounted to €95.0 million, 28.4% of Q1 2019 levels, up 14.6 p.p. from prior quarter.
- **Free Cash Flow**² amounted to €125.4 million, or €143.3 million excluding cost saving program implementation costs paid.
- **Net financial debt**³ was €2,933.9 million at March 31, 2022 (3.4 times last-twelve-month EBITDA³).

Luis Maroto, President & CEO of Amadeus, commented:

“We are pleased to report that our positive progress continued in the first quarter of 2022. The slower start to the year due to the Omicron variant was offset by solid performances across all our segments during the rest of the quarter, making it our best quarterly performance since the start of the pandemic.

“This encouraging progress was possible thanks to recovering travel volumes, and the positive momentum across our businesses with consistent improvements in air bookings and passengers boarded, with North America leading both metrics. In Air Distribution, we continued to have market share gains⁴ during the quarter

¹ Excluding after-tax impact of the following items: (i) accounting effects derived from PPA exercises and impairment losses, (ii) non-operating exchange gains (losses), (iii) costs related to the implementation of the cost saving program and (iv) other non-operating, non-recurring effects.

² Defined as EBITDA, minus capex, plus changes in our operating working capital, minus taxes paid, minus interests and financial fees paid.

³ Based on our credit facility agreements' definition.

⁴ Industry and market share defined as: our air bookings in relation to the air booking industry, defined as the total volume of travel agency air bookings processed by the three major global reservation systems (Amadeus, Sabre and Travelport). It excludes air bookings made directly through airlines' direct distribution channels (airline

and in Air IT we started the year with a number of new PSS deals. Hospitality registered the strongest revenue growth rate compared to the previous quarter and is the segment closest to full recovery. We are hopeful this trend will continue throughout the year”.

Business evolution in the quarter

Air Distribution

During the first quarter of 2022, our Air Distribution revenue maintained its positive progress and reached €446.0 million, which represents growth of 5.8 p.p from the fourth quarter of 2021 revenue performance versus 2019. The continued recovery of our bookings across regions, supported by market share gains, combined with an improving revenue per booking performance (as the weight of local bookings continues to decline towards its pre-pandemic level) were the main drivers of revenue in this segment.

Compared to the first quarter of 2019, we registered a 44.1% revenue contraction. This was largely driven by the reduction in air booking volumes compared to that period, and to a lesser extent, by a limited Air Distribution revenue per booking dilution due to a higher weight of local bookings and an increase in the cancellation provision. These effects were partly offset by several positive impacts, including the softer contraction in several revenue lines, such as revenues from IT solutions provided to travel sellers and corporations.

In terms of our air bookings evolution, in the first quarter of 2022, we maintained the quarter-on-quarter progress based on industry recovery and higher market share⁴, as explained above, relative to 2019. All our regions reported performance improvements. North America continued to be the best performing region and is now only 2.9% below Q1 2019 levels. The region is also the largest in size for us now, with 36.0% of our total air bookings generated in North America, followed by Western Europe, which represented 27.6%.

Amadeus air bookings Change vs. same period of 2019	Oct-Dec 2021	Jan-Mar 2022	% of total Q1 2022	% of total Q1 2019
North America	(19.9%)	(2.9%)	36.0%	20.9%
Western Europe	(58.4%)	(56.1%)	27.6%	35.4%
Middle East and Africa	(39.9%)	(35.6%)	12.7%	11.2%
Asia-Pacific	(75.1%)	(73.4%)	8.4%	17.8%
CESE ¹	(50.0%)	(47.1%)	7.9%	8.4%
Latin America	(37.0%)	(34.1%)	7.5%	6.4%
Amadeus air bookings	(49.2%)	(43.6%)	100.0%	100.0%

¹ CESE: Central, Eastern & Southern Europe

offices and websites), single country operators (primarily in China, Japan, Russia and Turkey), other content aggregators and direct connect applications between airline systems, travel agencies, corporations and meta-bookers, which together combined represent an important part of the industry.

Some of the key commercial announcements in this segment during the first quarter were:

- [We expanded our partnership with Travel Advisors Guild \(TAG\)](#)
- [We also broadened our relationship with ATPi](#)
- [We announced that Cytric Travel & Expense will be embedded in Microsoft 365 - introducing Cytric Easy](#)

Air IT Solutions

In the first quarter of 2022, Air IT Solutions revenue growth improved by 4.9 p.p. from the previous quarter. Compared to the first quarter of 2019, revenue in this segment contracted by 25.9%, impacted by the lower airline passengers boarded volumes because of the COVID-19 pandemic, which were partly offset by a 22.5% higher Air IT Solutions revenue per PB. This increase in the revenue per PB mainly resulted from several revenue lines not linked to PB evolution (such as services and Airport IT, among others) reporting healthier growth rates than airline passengers boarded.

Airline IT

In the first quarter of 2022, Amadeus passengers boarded improved by 3.1 p.p from the previous quarter. PB are 39.5% below first quarter of 2019 levels.

In the first quarter of 2022, several regions reported large improvements in performance versus the prior quarter. Notably, North America has been the first region to report positive PB growth in a quarter when compared to 2019 since the pandemic started, supported by the PB contribution from airline migrations, most notably Air Canada, which migrated at the end of 2019. In the first quarter of 2022, Western Europe had the highest weight over our total PB, representing 30.3% of Amadeus' passengers boarded.

Amadeus Passengers Boarded Change vs. same period of 2019	Oct-Dec 2021	Jan-Mar 2022	% of total Q1 2022	% of total Q1 2019
Western Europe	(39.1%)	(39.3%)	30.3%	30.2%
North America	(12.4%)	1.0%	22.9%	13.7%
Asia-Pacific	(65.2%)	(61.6%)	22.0%	34.6%
Middle East and Africa	(37.4%)	(29.2%)	9.2%	7.9%
Latin America	(34.4%)	(37.3%)	8.0%	7.7%
CESE ¹	(22.9%)	(21.8%)	7.7%	5.9%
Amadeus PB	(42.5%)	(39.5%)	100.0%	100.0%

¹ CESE: Central, Eastern & Southern Europe

At the close of March, 211 customers had contracted either of the Amadeus Passenger Service Systems (Altéa or New Skies) and 199 customers had implemented either of them.

Some key commercial deals in the quarter were:

- [ITA Airways signed for the full Altéa PSS suite](#)
- [Akasa Air became a New Skies PSS user](#)
- [We acquired Kambr, a Navitaire partner, specialized in revenue management solutions for airlines](#)

Airport IT

Some key customer wins in this business were:

- [Isavia will move to Amadeus Flow](#)
- In the U.S., Tulsa International Airport (Oklahoma) contracted ACUS. Also, Ontario International Airport (California) signed for Amadeus PROPworks for its property and revenue management system.

Hospitality & Other solutions

In the first quarter of 2022, Hospitality & Other Solutions revenue contracted by 15.2% compared to the first quarter of 2019, an enhancement of 9.8 p.p. over the fourth quarter of 2021 revenue performance. Revenue in this segment, which includes Hospitality and Payments, continued to be impacted by the effects of the COVID-19 pandemic, although Hospitality performed better as it is supported by a greater weight of non-transaction-based revenues.

Hospitality's positive revenue evolution was supported by steady progress across all business lines: 1) In Hospitality IT, revenue evolution was mostly driven by an increase in CRS revenues, compared to the previous quarter, and performance improvements in subscription-based revenues. 2) The progress in hotel and car bookings growth rates contributed to the performance of Media and Distribution revenue. 3) Finally, Business Intelligence revenue, which has a higher weight of non-transaction-based revenues, benefitted from customer implementations.

Hospitality

Some of the key commercial deals in this business were:

- [Event Hospitality & Entertainment's contracted Agency360](#)
- [Sweden's JA Hotel Karlskrona contracted Amadeus Property Management Advanced](#)

Corporate update: changes in the Board of Directors

In April, we announced changes to the Board of Directors, which will be submitted for approval at the next General Shareholder Meeting.

- The appointment of Mr. David Vegara Figueras as independent Director, for a period of three years. He will replace Mr. Josep Piqué Camps, whose term ends in June 2022 after three years of service.
- The ratification and appointment of Mrs. Eriikka Söderström as independent Director, appointed by co-optation in February 2022, for an additional period of three years.
- Finally, the Directors Dame Clara Furse and Mr. David Webster, whose term of office ends in June 2022, will not renew their position on the Board. A reduction of board seats from the current thirteen to eleven will be proposed.

Summary of operating and financial information

Summary of KPI (€millions)	Jan-Mar 2022	Jan-Mar 2021 ¹	Change vs. Q1'21	Change vs. Q1'19
Operating KPI				
TA air bookings (m)	91.7	33.8	171.6%	(43.6%)
Passengers boarded (m)	264.0	127.2	107.6%	(39.5%)
Financial results				
Air Distribution revenue	446.0	174.9	155.0%	(44.1%)
Air IT Solutions revenue	313.1	212.6	47.3%	(25.9%)
Hospitality & Other Sols. revenue	158.1	109.2	44.8%	(15.2%)
Revenue	917.2	496.7	84.7%	(34.8%)
EBITDA	295.8	53.7	450.5%	(50.3%)
EBITDA margin (%)	32.3%	10.8%	21.4 p.p.	(10.1 p.p.)
Profit (Loss) for the period	81.3	(95.3)	n.m.	(72.8%)
Adjusted profit (loss) ²	95.0	(83.1)	n.m.	(71.6%)
Adjusted EPS (euros) ³	0.21	(0.18)	n.m.	(72.7%)
Cash flow				
Capital expenditure	117.6	104.1	13.0%	(41.0%)
Free cash flow ⁴	125.4	(11.9)	n.m.	(55.4%)
Indebtedness⁵				
	Mar 31, 2022	Dec 31, 2021	Change	
Net financial debt	2,933.9	3,048.7	(114.8)	
Net financial debt/LTM EBITDA	3.4x	5.1x		

¹ 2021 Income statement figures have been adjusted to exclude costs, amounting to €15.1 million (€10.9 million post tax) in the first quarter of 2021, related to the implementation of the cost saving program announced in 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.

Notes to editors:

Travel powers progress. Amadeus powers travel. Amadeus' solutions connect travelers to the journeys they want through travel agents, search engines, tour operators, airlines, airports, hotels, cars and railways.

We have developed our technology in partnership with the travel industry for over 30 years. We combine a deep understanding of how people travel with the ability to design and deliver the most complex, trusted, critical systems our customers need. We help connect over 1.6 billion people a year to local travel providers in over 190 countries.

We are one company, with a global mindset and a local presence wherever our customers need us.

Our purpose is to shape the future of travel. We are passionate in our pursuit of better technology that makes better journeys.

Amadeus is an IBEX 35 company, listed on the Spanish Stock Exchange under AMS.MC. The company has been recognized by the Dow Jones Sustainability Index for the last ten years.

To find out more about Amadeus, visit www.amadeus.com.

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