

Amadeus Jan – Mar 2020 Results

May 12, 2020



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- _ 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

Q1 2020

_ Revenue (27.3%)

- COVID-19 impact

_ EBITDA (41.3%)

- 34.2% EBITDA margin

_ Adjusted profit¹ (57.5%)

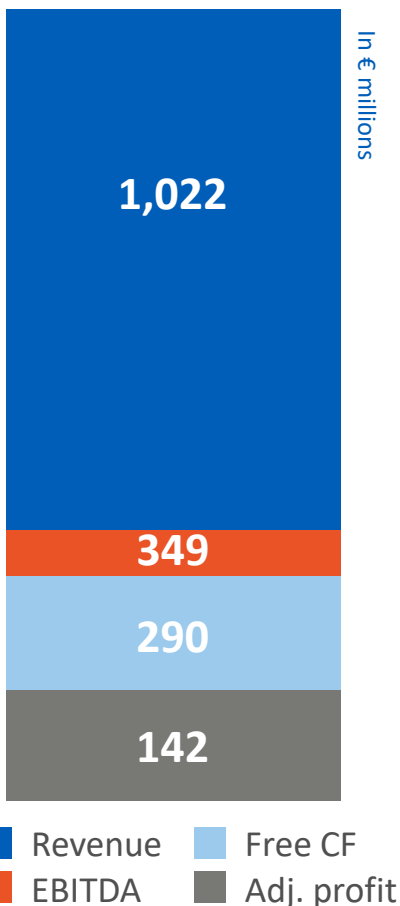
- Adjusted EPS¹ (57.5%)

_ Free Cash Flow² +3.0%

_ Leverage 1.39x

- 1.04x proforma for our capital raising transactions in early April

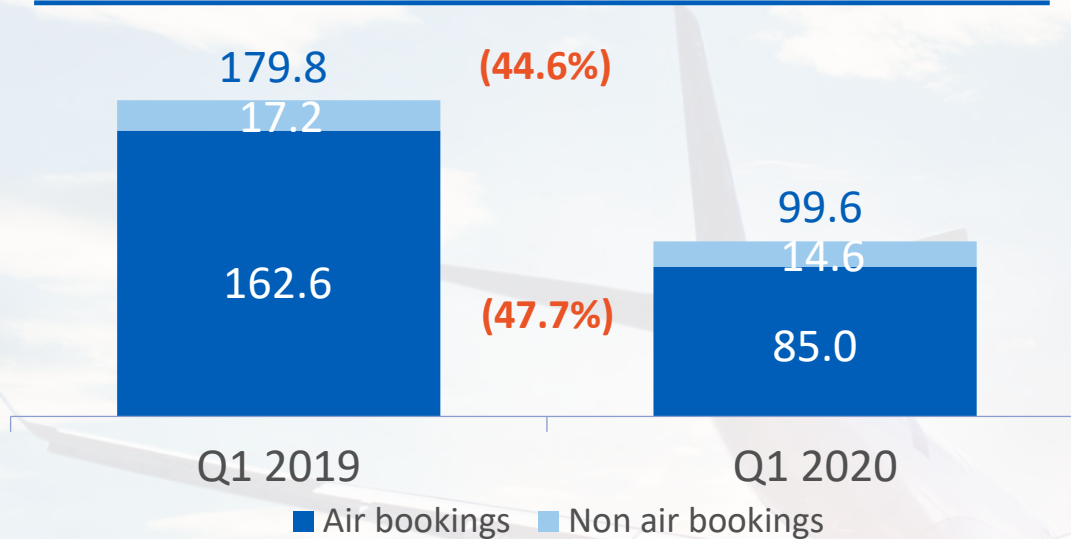
_ €4.2bn liquidity available



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

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

Amadeus TA bookings (millions)



Developments

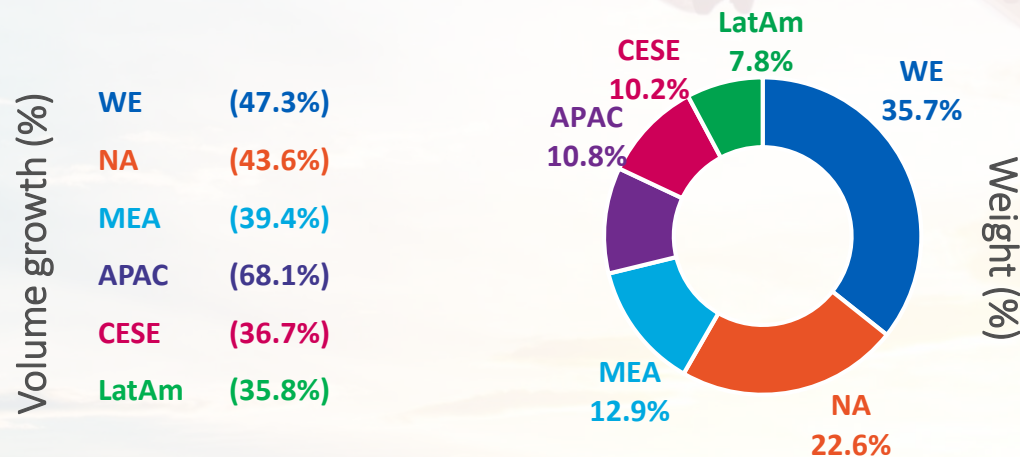
Distribution

- Renewed / signed 23 **distribution agreements** in Q1 2020, including a European airline.
- Customers of our **merchandizing solutions** for the indirect channel continued to expand.
 - Amadeus Ancillary Services – 159 contracted airlines.
 - Amadeus Airline Fare Families – 109 contracted airlines.

Payments

- Amadeus signed a partnership with Troovo to integrate its advanced Robotic Process Automation (RPA) engine with Amadeus' B2B Wallet.

Amadeus TA air bookings by region

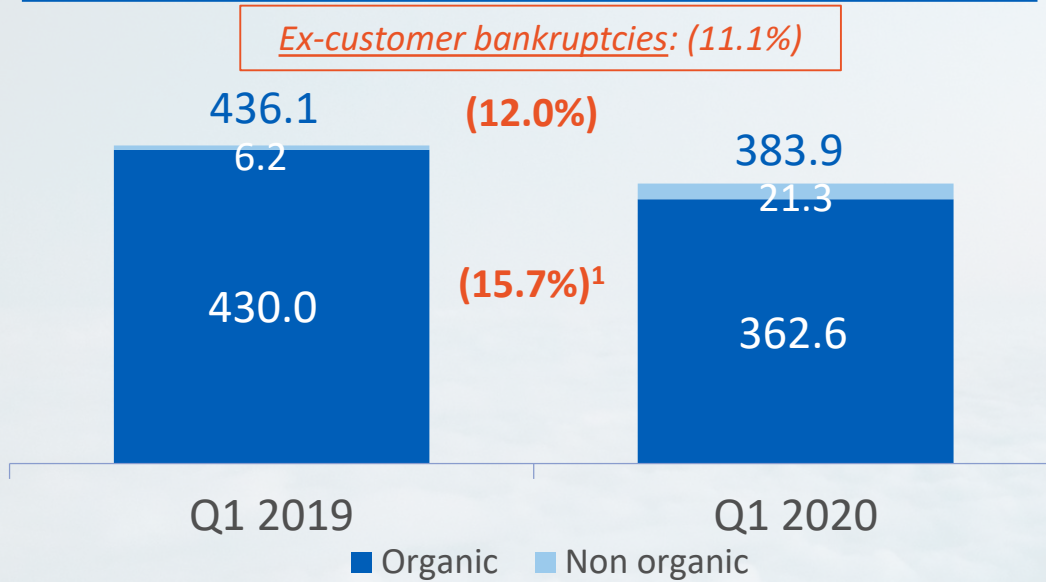


Region	Volume growth (%)
WE	(47.3%)
NA	(43.6%)
MEA	(39.4%)
APAC	(68.1%)
CESE	(36.7%)
LatAm	(35.8%)

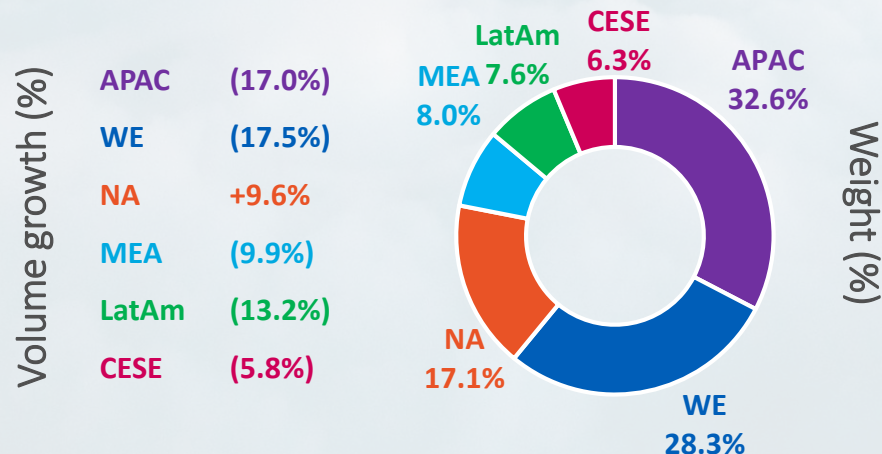
Performance

- Industry contraction** in Q1 2020: -46.4% industry decline across regions, impacted by COVID-19.
- +0.3 p.p. Amadeus global market share gain.

Passengers Boarded (PB) (millions)



Amadeus PB by region



Developments

Airline IT

Mauritania Airlines, Air Tahiti, Azerbaijan Airlines and **STARLUX Airlines** completed their migration to the Altéa platform, while **JSX** was implemented to New Skies. STARLUX Airlines also completed the implementation of digital, shopping, Revenue Accounting, Customer Experience Management, loyalty and payments.

Korean airline **Air Premia** contracted Navitaire's New Skies passenger services and ancillary sales platform, as well as, Amadeus Loyalty, Amadeus Revenue Management and Amadeus Revenue Accounting, among others. **Green Africa Airways**, also contracted New Skies.

An African carrier signed for Amadeus Revenue Accounting, Amadeus Revenue Integrity, Amadeus Flex Pricer and Amadeus Customer Experience Management.

Airport IT

Both **Belgrade Airport** (Serbia), part of the VINCI group, and **Baku Airport** (Azerbaijan), contracted for Altéa DCS for Ground Handlers..

Lyon Airport (France) and **Pristina Airport** (Kosovo) contracted Amadeus' self-service bag drop, and **Pulkovo Airport** (Russia), contracted Amadeus Airport Management Suite and Altéa DCS for Ground Handlers.

Daytona Beach International Airport (Florida, U.S.) contracted FIDS and Content Management System, and **Almaty Airport** (Kazakhstan) signed up for Amadeus Passenger Verification.

Performance

12.0% PB decline, highly impacted by COVID-19, driven by 15.7%¹ organic PB decrease, and:

- Customer implementations (Philippine Airlines, Bangkok Airways, Flybe, Air Canada, Air Europa and FlyOne, in 2019, and Azerbaijan Airlines, Mauritania Airlines, STARLUX Airlines, Air Tahiti and JSX, in 2020).
- Growth slowed down by cessation/suspension of operations of customers, in 2019 (Germania and bmi Regional, in February, Avianca Brasil, in May, Avianca Argentina, in June and Thomas Cook UK, Aigle Azur, Adria Airways and XL Airways France, all in September) and in 2020 (Flybe, in March).
- Excluding airlines ceasing or suspending operations, 11.1% PB decline.

1. Calculated based on passengers boarded adjusted to reflect growth of comparable airlines on the Altéa and New Skies platforms during both periods.

IT Solutions - Hospitality

Developments

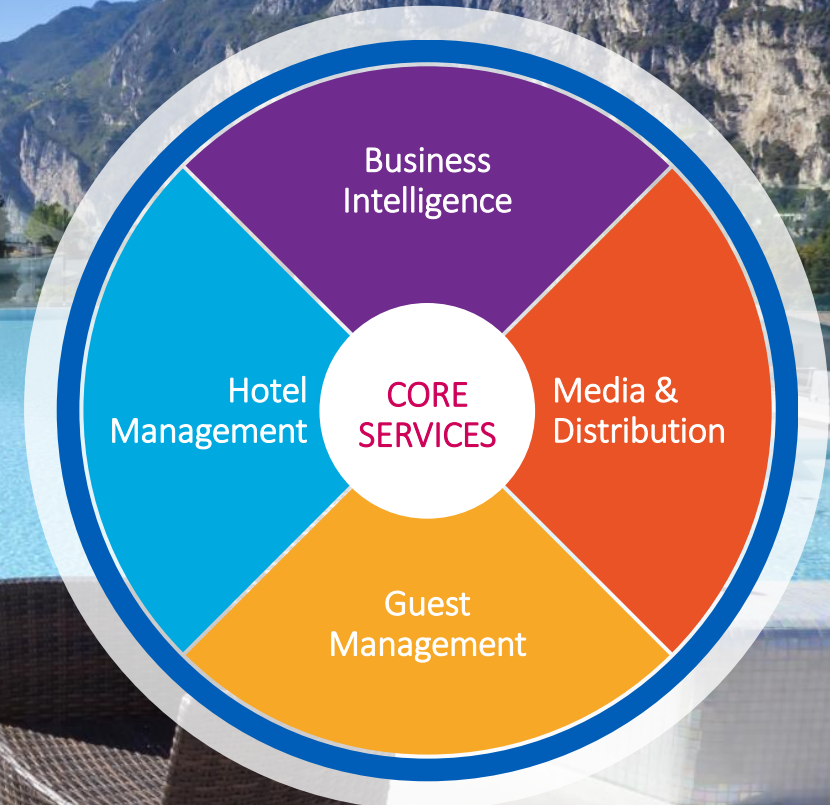
- 11 properties of the British chain **Radisson Edwardian Hotels** contracted Amadeus Sales & Event Management – Advanced. Radisson also signed for MeetingBroker and Direct Book.
- **Maritim Hotelgesellschaft mbH** contracted iHotelier for its 44 properties, and **Sonder** opted for Demand360, which will be implemented on its more than 40 properties.
- **Extra Holidays**, a specialized provider of rental vacation accommodations subsidiary of Wyndham Destinations, chose iHotelier, Guest Management Solutions and Demand360, for 114 properties.

Performance

- Hospitality revenue increased in Q1 2020, delivering **double-digit growth** until February. March performance impacted by COVID-19. Despite the COVID-19 impact, several revenue lines grew double-digit in the quarter.
- Particularly strong performance of transactional revenue (including GDS and CRS bookings) up to February, supported by customer wins.
- Non-transactional revenue (such as Sales & Catering and Business Intelligence) grew strongly in the quarter.
- c. 50% of hospitality revenue is non-transactional.

AMADEUS

Amadeus Hospitality Platform



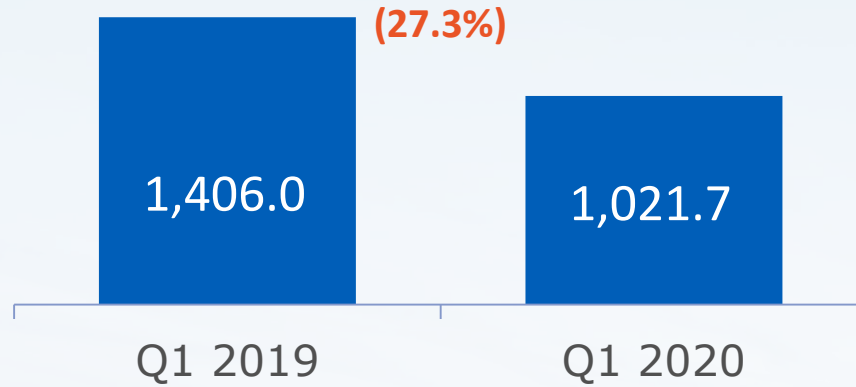
Financial highlights

Ana de Pro
CFO



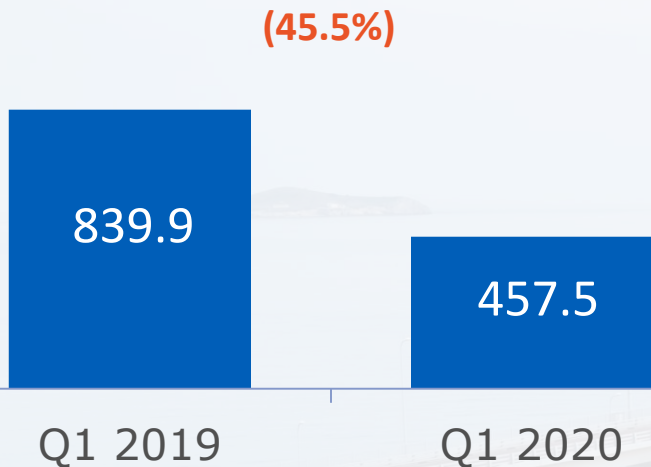
Revenue growth by segment

Group revenue¹ (€ millions)

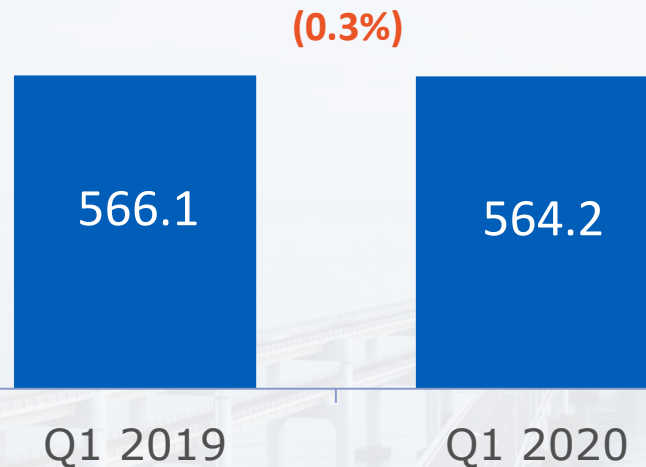


Segment revenue (€ millions)

Distribution



IT Solutions¹

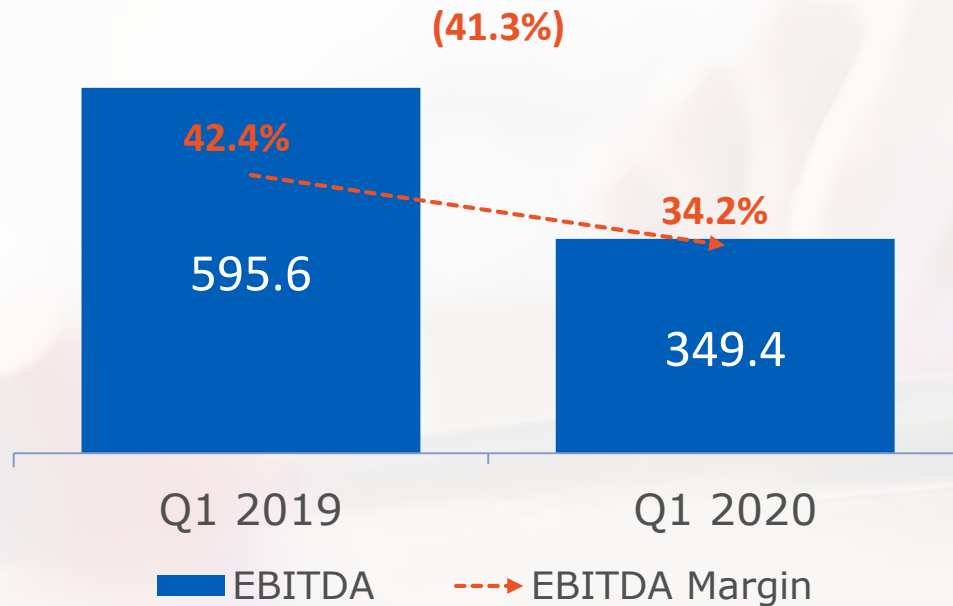


- **Group revenue** contracted by 27.3%, driven by the COVID-19 impact on air traffic.
- **Distribution**: resulting from volume decline and contraction in other revenue lines, such as payments distribution revenues, coupled with a higher booking cancellation provision impact.
- **IT Solutions**: driven by (i) airline IT revenue decrease, on the back of lower PB volumes and higher airline services revenue, and (ii) an increase in revenue from new businesses.

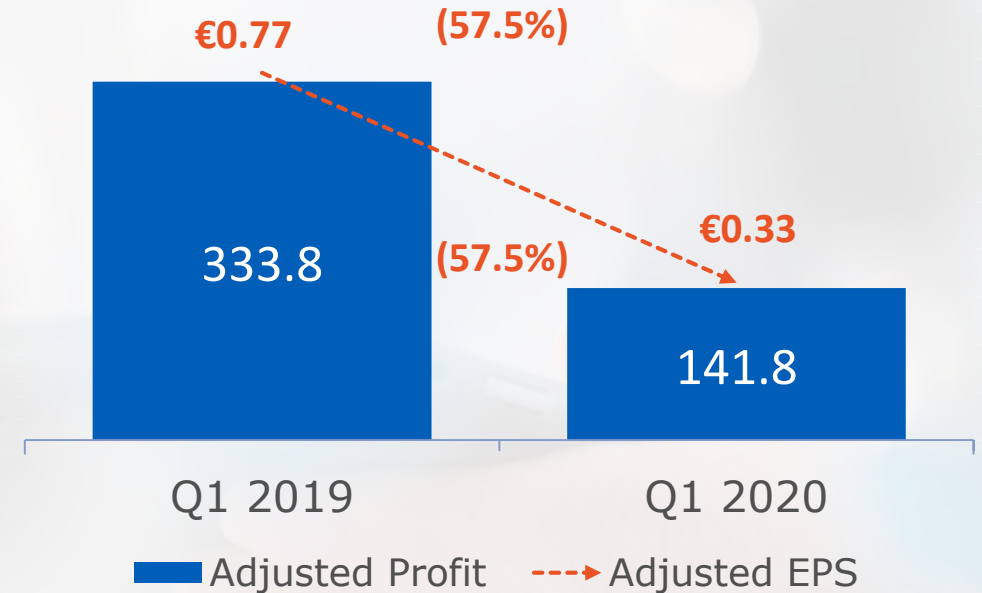
1. Q1 2019 revenue, as reported, without adjusting for TravelClick's acquisition related PPA effects as displayed in the 2019 Q1 Management review. Adjusting for TravelClick's acquisition related PPA effects in the first quarter of 2019, Group revenue and IT Solutions revenue declined by 27.5% and 1.0%, respectively, in the first quarter of 2020.

EBITDA and Adjusted EPS growth

EBITDA¹ (€ millions)



Adj. Profit² (€ millions) & Adj. EPS³ (€)



EBITDA contraction resulting from:

- A reduction in Group revenue.
- Cost contention.

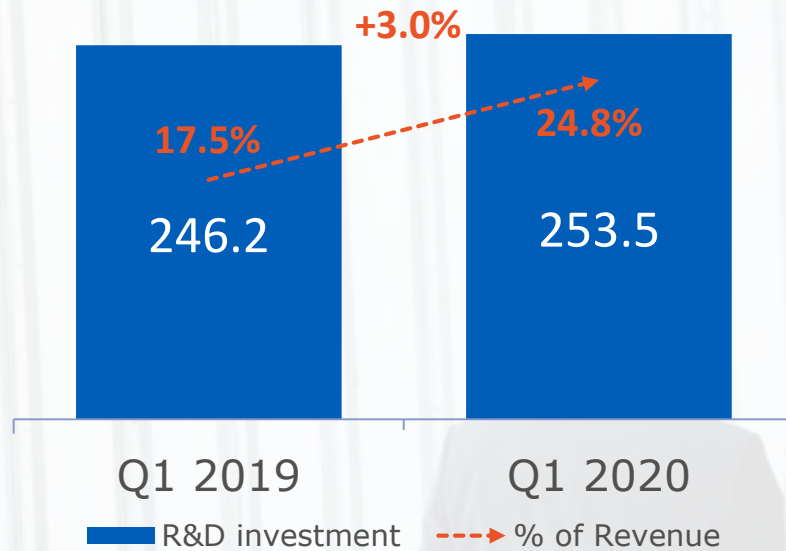
EBITDA margin evolution impacted by negative operating leverage and a more immediate revenue decline relative to action on costs becoming effective later in the quarter.

Adjusted profit decrease as a result of EBITDA contraction and higher D&A expense, partly offset by lower income taxes.

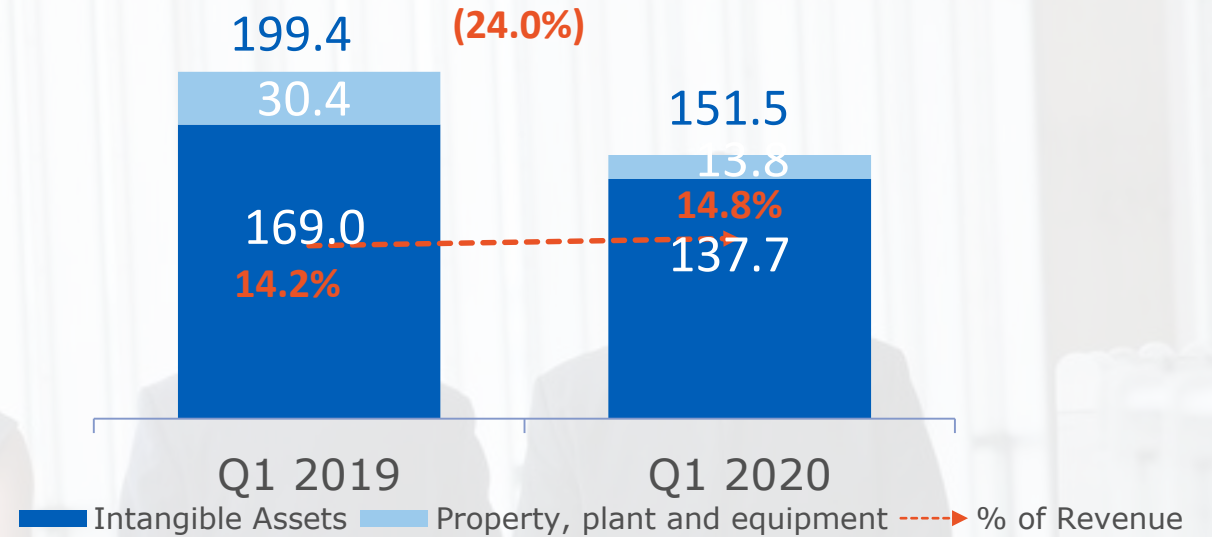
1. Q1 2019 EBITDA as reported, without any adjustment. Note we showed EBITDA adjusted to exclude TravelClick's acquisition related PPA and integration cost effects in the first quarter of 2019 Management Review. EBITDA declined by 41.7% in the first quarter of 2020, if Q1 2019 EBITDA is adjusted for TravelClick's acquisition related effects.
2. Excluding after-tax impact of the following items: (i) accounting effects derived from PPA exercises and impairment losses, and (ii) non-operating exchange gains (losses).
3. EPS corresponding to the Adjusted profit attributable to the parent company. Calculated based on weighted average outstanding shares of the period.

Investment in R&D and Capex

R&D investment¹ (€ millions)



Capex (€ millions)



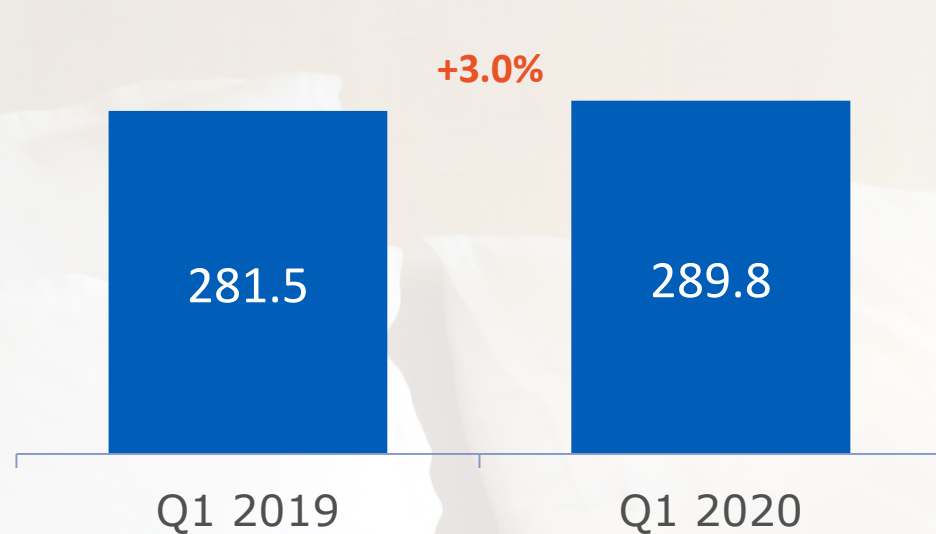
- R&D grew 3.0% in the quarter, an investment deceleration particularly from March. Further deceleration expected over the next quarters.
- A selective approach, in the context of COVID-19, prioritizing investment in strategic projects, whilst postponing efforts devoted to more long-term initiatives.
- R&D investment represented 24.8% of revenue, higher than previous year, due to the combined effect of a contained R&D investment and a revenue decline.

- Decrease in capex, resulting from lower software capitalizations, signing bonuses paid and capex in PP&E.
- A reduction in the capitalization ratio, due to project mix (including, among others, a higher weight of R&D investment devoted to airline bespoke services, which is not capitalized).
- Capex represented 14.8% of revenue.

1. Due to recent changes applied to our accounting systems, which allow for a better tracking of our R&D activity, from January 1, 2020, the scope of R&D investment has increased vs. previous years. The 2019 R&D investment figure has been restated for this change in scope, for comparability purposes. R&D investment reported in Q1 2019 was €221.9 million. R&D investment is reported net of Research Tax Credit (RTC).

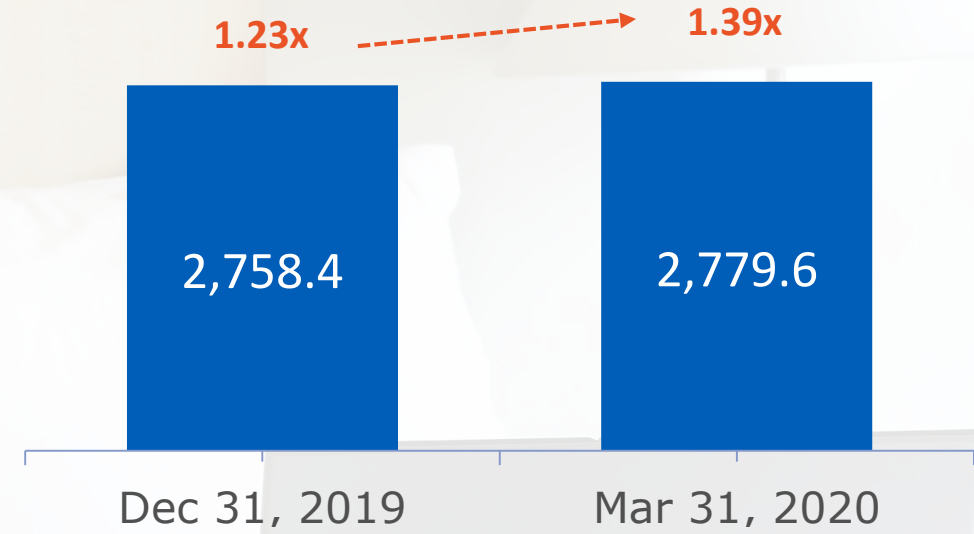
Free cash flow generation and leverage

Free cash flow¹ (€ millions)



+3.0% free cash flow growth, resulting from an improvement in change in working capital and lower capex and taxes, partly offset by the EBITDA decline.

Net debt (€ millions) and leverage (x)²

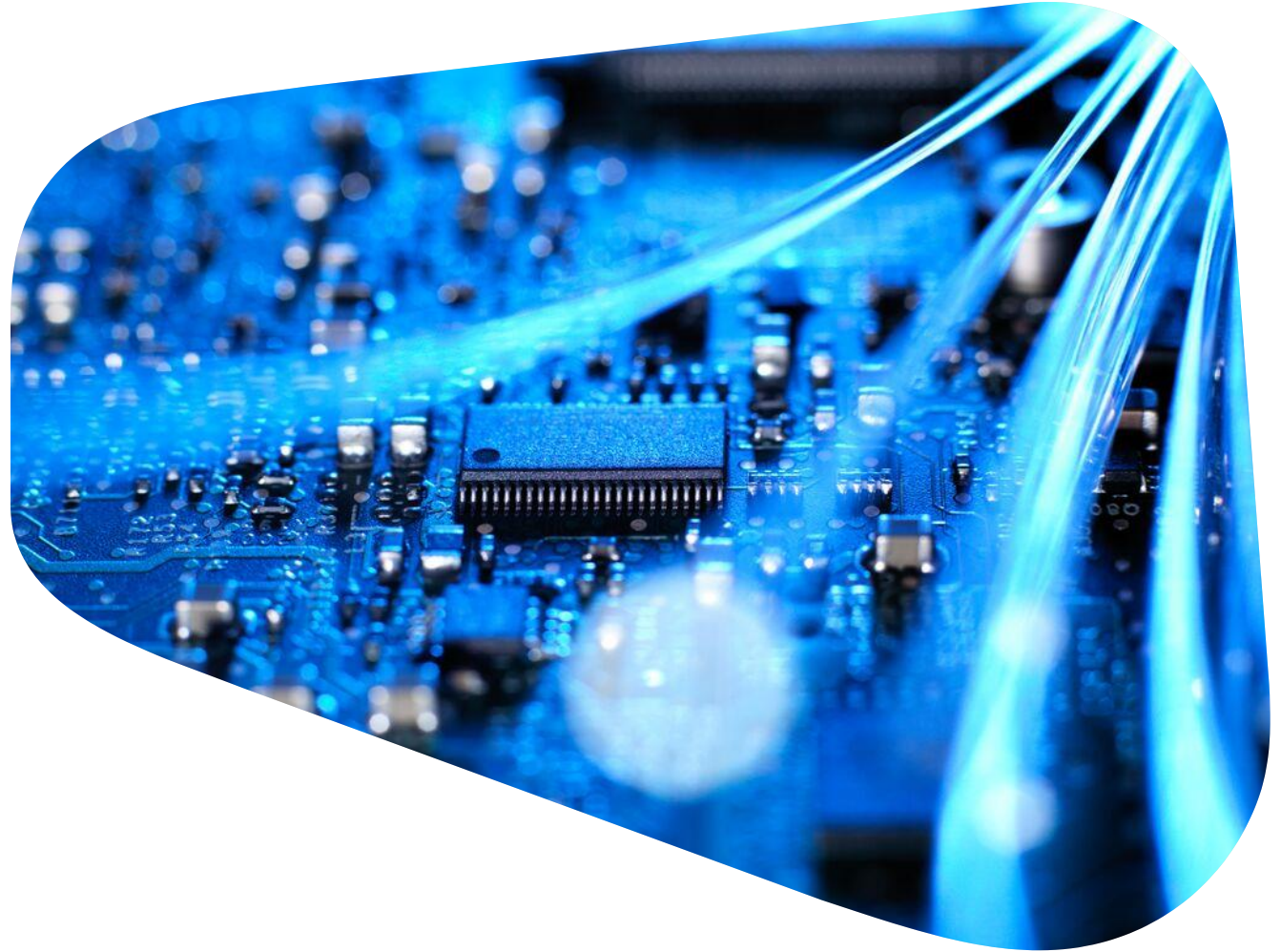


€21.2 million net debt increase, mainly resulting from the 2019 interim dividend payment and Optym's Sky Suite's acquisition, partially offset by free cash flow generation.

1.04x leverage proforma for our capital raising transactions in early April 2020.

1. Defined as EBITDA, minus capex, plus changes in our operating working capital, minus taxes paid, minus interests and financial fees paid.
2. Based on our credit facility agreements' definition.

Support materials



Key Performance Indicators

amadeus

	Q1 2020	Q1 2019	Change
Amadeus TA bookings (m)	99.6	179.8	(44.6%)
Passengers Boarded (m)	383.9	436.1	(12.0%)
Revenue (€m)	1,021.7	1,406.0	(27.3%)
EBITDA (€m)	349.4	595.6	(41.3%)
Adjusted profit ¹ (€m)	141.8	333.8	(57.5%)
Adjusted EPS ¹ (€)	0.33	0.77	(57.5%)
Free Cash Flow ² (€m)	289.8	281.5	3.0%

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

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

Thank you!

