

Management Discussion and Analysis of financial conditions and results of operations for the quarter and nine months ended 30 September 2004

Summary

- Total bookings up 2% versus Q3 2003
- Revenues up 5.6%, to EUR 508.1m
- Net income up 16.9% to EUR 49.5m
- Opodo consolidated from July contributes with EBITDA loss of EUR 8.4m

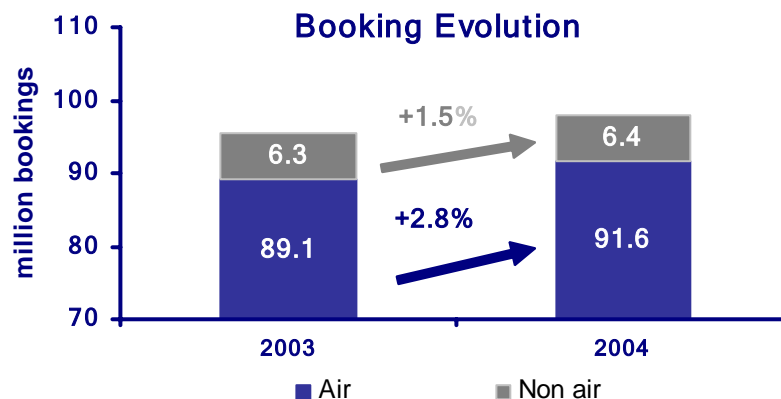
Third quarter highlights (for the three months ended 30 September 2004)

Total revenue for the quarter ended 30 September 2004, was EUR 508.1m, representing an increase of 5.6% or EUR 27.1m compared with the same period in 2003.

Total bookings for the quarter were 108.7m, representing an increase of 2% with respect to the same period of 2003.

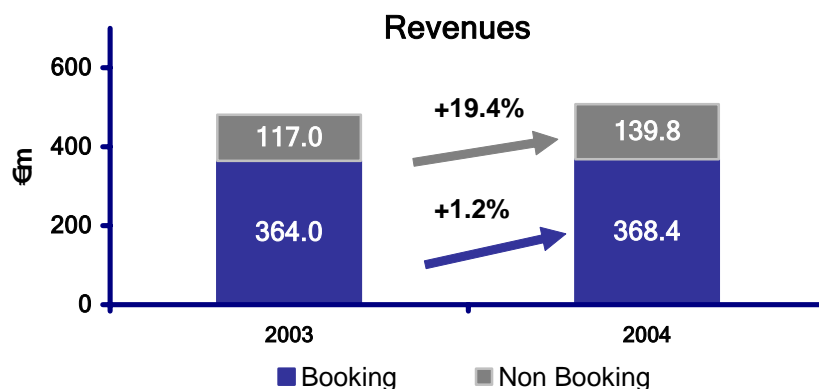
Amadeus Germany leisure bookings amounted to 10.7m, a 4.2% reduction compared to 11.2m last year. This is principally due to a continuous shift to direct distribution in the rail category that accounts for approximately 70% of such bookings.

Excluding leisure volumes from Amadeus Germany, bookings increased 2.7%. This increase was mainly driven by a 7.6% improvement outside of Europe and North America. Europe reported an increase of 2.2% while North America a decrease of 6.7% respectively. By segment, air bookings grew 2.8%, compared to non-air which improved by 1.5%.



Booking revenue increased 1.2% or EUR 4.3m to EUR 368.4m over the same period of last year.

Non booking fee revenue increased EUR 22.7m or 19.4% to EUR 139.8m. This was principally due to increases in online travel agencies revenues, mainly Opodo.



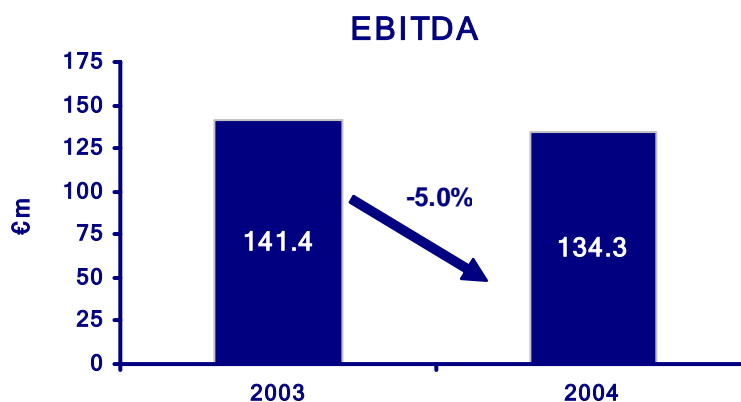
Operating expenses for the quarter were EUR 427.5m, representing an increase of 7.1% over the same period in 2003.

Cost of sales increased by 6.1% or EUR 23.1m to EUR 403.0m. This is mainly due to increases in variable costs of distribution related to higher booking levels as well as to new fully consolidated companies, most notably Opodo.

Selling, general and administrative expenses increased EUR 5.2m or 26.6% over the prior year to EUR 24.6m. Excluding the movement in the provision for doubtful debts, SG&A increased EUR 2.1m, representing 3.8% of revenues compared to 3.6% last year.

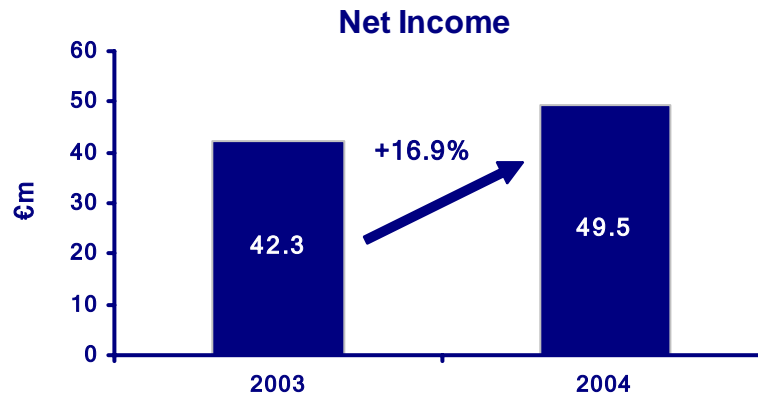
Operating income for the quarter was EUR 80.6m, down 1.5% compared with EUR 81.8m for the same period in 2003. Operating margin as a result also worsened by 1.1 p.p to 15.9%.

During the quarter, we were able to protect EBITDA from the US dollar depreciation due to our hedging activity. Despite this, **EBITDA** for the quarter was EUR 134.3m, down 5% or EUR 7.1m mainly due to the consolidation of Opodo.



Results from associates for the quarter, before amortisation of goodwill of EUR 4.7m, were gains of EUR 2.8m compared with losses of EUR 0.1m for the same quarter in 2003.

Net income for the quarter was EUR 49.5m, representing an increase of 16.9% compared with EUR 42.3m last year. This growth was helped by the aforementioned improvement in associate results together with lower interest expense and favourable minority interests, mainly due to Opodo.



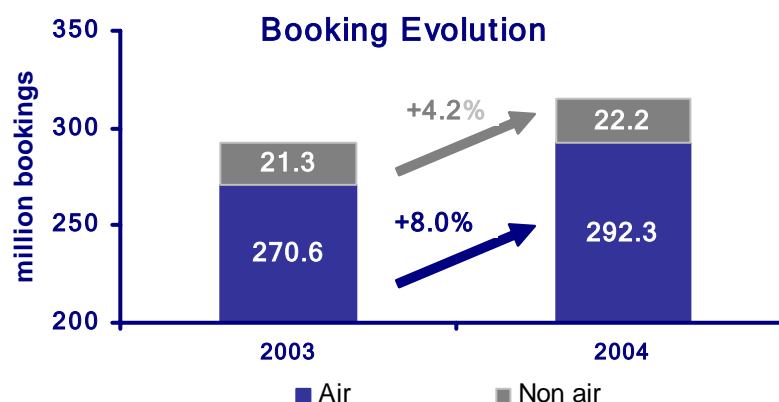
Year to date highlights (for the nine months ended 30 September 2004)

Total revenue for the nine months ended 30 September 2004 was EUR 1,563.5m, representing an increase of 7.6% or EUR 110.1m compared with the same period in 2003.

Comparable bookings were 314.6m, representing an increase of 7.7% with respect to last year.

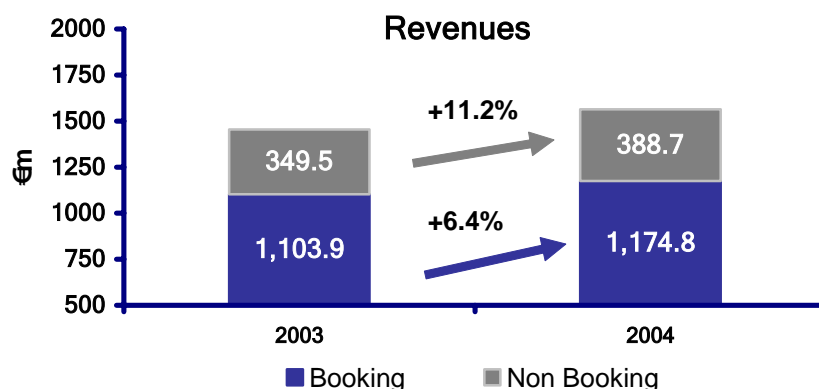
Amadeus Germany leisure bookings amounted to 32.8m, compared to 26.1m which last year represented seven months only.

By region, bookings grew 16.7% outside Europe and North America which rose by 5.2% and 4.1% respectively. By segment, air bookings increased by 8% versus 4.2% for non-air.



Booking revenue increased by 6.4% or EUR 71.0m to EUR 1,174.8m over the same period of last year. This was principally due to the 7.7% increase in comparable booking volume, partially offset by adverse foreign exchange variances.

Non booking fee revenue increased EUR 39.2m or 11.2% to EUR 388.7m. Within this, e-commerce revenues improved 188%, mainly due to the acquisition of Opodo.



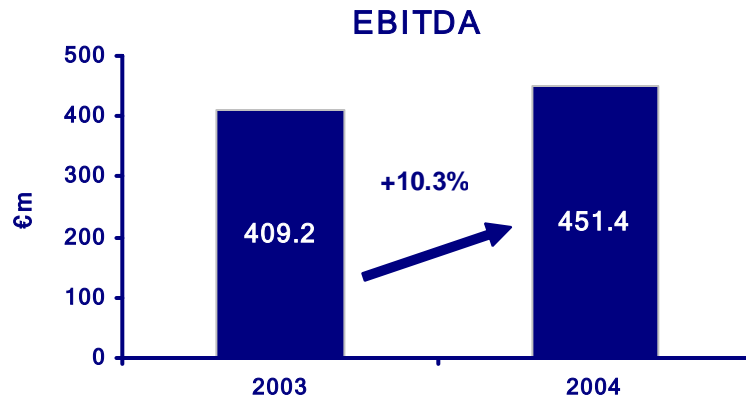
Operating expenses for the nine months of the year were EUR 1,260.0m, representing an increase of 5% over the same period in 2003.

Cost of sales increased by 5.1% or EUR 57.6m to EUR 1,197.8m. This has been mainly due to increases in variable costs of distribution resulting from increases in bookings; together with the full-year impact of Amadeus Germany as well as some more recently fully consolidated companies, most notably Opodo.

Selling, general and administrative expenses increased EUR 2.1m or 3.5% over the prior year to EUR 62.3m. Excluding the movement in the provision for doubtful debts, SG&A increased EUR 2.3m, representing 3.4% of revenues compared to 3.5% last year.

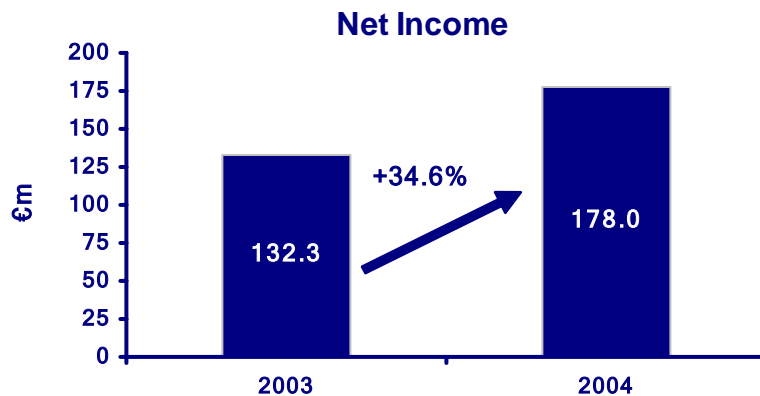
Operating income year to date was EUR 303.5m, up 19.9% compared with EUR 253.1m for the same period in 2003. Operating margin also improved 2 p.p to 19.4%.

EBITDA year to date was EUR 451.4m, up 10.3% or EUR 42.2m. Margin improved 0.7 p.p. to 28.9%. During the year, we have been able to protect EBITDA from the US dollar depreciation due to our hedging activity.



Results from associates before amortisation of goodwill of EUR 10.9m, were gains of EUR 3.8m compared with losses of EUR 1.0m last year.

Net income for the first nine months of 2004 was EUR 178.0m, an increase of 34.6% compared with EUR 132.3m for the same period in 2003. This growth was helped by the aforementioned improvement in associate results together with lower interest expense and favourable minority interests, mainly due to Opodo.



Provision for Taxes

Our best estimation of the accounting effective tax rate for the full year has increased to 40% (vs. 39% reported in prior quarter). This increase is due to the consolidation of Opodo's losses. More specifically, although 100% of Opodo's losses are consolidated at pre-tax level, only the portion of these losses reflecting our current shareholding (55.4%) qualifies for tax credit at Group level. For that reason, the effective tax rate has increased to 42.6% for this specific quarter.

Outlook

In light of results-to-date and expectations for the fourth quarter, management has revised its year-end forecast for Net income up to the region of EUR 210m. The previous guidance given on booking levels and revenues remains unchanged.

3rd Quarter 2004 - Operating Highlights

Operating highlights for the third quarter ended 30 September 2004 include:

Travel Distribution

- Amadeus signed a global partnership agreement with **RADIUS**, one of the world's largest travel management companies, with 4,600 member travel agencies and sales of over USD 17.3 billion. Amadeus will provide RADIUS with a common technology platform to enable the group to standardise work processes across its network.
- Amadeus released the latest version of **Vista**, the travel agency sales platform. Amadeus Vista is the only agency sales tool on the market to offer booking and Passenger Name Record (PNR) integration together with GDS and web content. This enables the travel agent to integrate all services, from the GDS or the internet, seamlessly into a PNR, which can be transmitted to an agency's mid and back office. As a truly global platform, Amadeus Vista is the most widely deployed browser-based desktop solution for travel professionals used at more than 61,000 points of sale worldwide.
- Amadeus extended its distribution reach even further with the official launch of **Amadeus Indonesia** in August. This further establishes Amadeus as Asia Pacific's largest and fastest growing travel reservations system, investing more in the region than any other GDS.
- **Hotels:** bookings from January to September 2004 were 13% up on the same period 2003. Amadeus Hotels launched an upgraded **Hotels Pricing Display** which leads the industry in providing simple, accurate pricing information to travel agents. The display, developed in partnership with leading travel agencies, including TQ3, Carlson Wagonlit and BTI, provides a Total Estimated Price which adds all taxes and surcharges to the basic price. Thus travel agents can be confident that their customers will receive no surprises at check-out time.

- **Cruise:**
 - **Cruise Holidays**, North America's largest cruise travel agency network, signed a commercial agreement with Amadeus for the provision of Amadeus Cruise booking tool.
 - In the UK, Amadeus has signed 50 new cruise customers this year.
- **Insurance:** Amadeus signed a commercial agreement with **ISAAF Mondial Assurance** for Morocco.
- **Rail: Amadeus CitySwift** e-ticketing was launched in August with Arlanda Express and Finnair as pilot providers. Amadeus CitySwift is a niche product developed by the Amadeus Rail team targeted at Airport Express rail providers. Since August, when e-ticketing was introduced, bookings have grown 186% month-on-month.
- **Cars:** Amadeus Cars, together with **Europcar**, successfully launched e-vouchers in the French market while **Hertz** joined this pilot phase in August.

IT Services

- **Qantas** cut over to **Altéa Plan** in September. Australia's largest domestic and international airline, Qantas, became the first airline in the world to process its yield, pricing and inventory via Altéa Plan. Over four months, the entire inventory of Qantas and 16 other airlines¹ hosted on its inventory system was successfully moved to Altéa Plan, paving the way for major improvements in Qantas' business technology processes.
- In the second half of September, **British Airways** began its migration to **Altéa Plan**, which is on schedule to be completed in March 2005.
- **TACA** (Air Transport of the American Continent) a leading Latin American airline, selected **Altéa Sell** and **e-Travel® Planitgo** to drive worldwide sales through all distribution channels: airport and city ticket offices, call centres, travel agencies and TACA.com.
- The German carrier, **dba**, became the fourth airline to sign for Amadeus' new generation inventory management system, **Altéa Plan**, joining launch customers Qantas, British Airways and Finnair. Altéa Plan is fully synchronised with dba's existing sales and reservation system, **Altéa Sell**.

¹ (Australian Airlines, Macair, Sunshine Express, Air Marshall Islands, Airlink, Air Pacific, Solomon Airlines, National Jet, Air Vanuatu, Air Fiji, Polynesian Airlines, Airnorth, O'Connor Airlines, Norfolk Jet Express, Brindabella and Aeropelican)

E-commerce

- Amadeus e-Travel bookings grew by 68% in Q3 2004 compared with the same period in 2003.
- Bookings processed by **e-Travel Planitgo's** over 60 airline customers grew by 77%.
- In September, **Lufthansa** chose **e-Travel** and **IBM** to build and run its next generation internet portal. e-Travel will provide and operate the overall booking and faring solution and IBM will supply the consulting, solution development, maintenance and hosting operations. Together the two companies will provide the infrastructure, middleware and network technologies for the entire project.
- Bookings for **e-Travel® Aergo**, e-Travel's global corporate booking solution, grew 81% worldwide year-to-date compared to the same time period in 2003 and 74% in the third quarter 2004 when compared with the third quarter last year.
- **Total**, the world's fourth-largest oil and gas company and a world-class chemicals manufacturer, **Thales**, an international electronics and systems group, serving defence, aerospace, services and security markets, **Bavaria-Lloyd Reisebuero** for **BMW Group** and **Siam Cement**, Thailand's largest industrial conglomerate, all signed up for **Aergo** in this period.
- To provide dedicated geographical support for online corporate travel management in Australia and New Zealand, e-Travel launched a business unit in Sydney. This location joins other existing fully dedicated units in France, the UK, Scandinavia, Germany, Italy, Benelux, Bangkok and the US.
- More travellers than ever are logging on to get real-time web access to their travel itineraries using **e-Travel® Checkmytrip**, with visitors to **www.checkmytrip.com** up 67% in the third quarter of this year.

Dow Jones Sustainability Index

In September, Amadeus, joined the *Dow Jones Sustainability World Index* (DJSI World), the first global index tracking the performance of sustainability-driven companies. In addition, Amadeus was again included in the Pan-European equivalent, the *Dow Jones Sustainability STOXX* (DJSI STOXX). These indices track companies which create long-term shareholder value by embracing opportunities and managing risks deriving from economic, environmental and social developments.

Amadeus is the only GDS represented in both **DJSI World** and **DJSI STOXX**, in the Technology category.

Opodo

- July and August were record months for Opodo with **gross sales** reaching an all time high. Sales for August were **over 60% up** on August 2003. This was helped by strong growth in the French & German package holiday sales, however all products performed well; with UK air bookings well up on last year.
- In September Opodo signed a Management Services Agreement with **eviaggi.com** to take over the operational management of the Amadeus-owned **Italian internet travel agency**. During the next few months they will be looking at a potential deeper integration of Opodo's products and services with eviaggi, to maximise the synergies between the two companies.
- In August, Opodo unveiled an enhanced **hotel service** designed to make it even easier for customers to find and book hotel accommodation on the Opodo sites.
- **Simon Vincent** was appointed **Chief Executive Officer** of Opodo, effective 1 November. Simon has over 20 years' experience in the travel and financial services industries, 15 of which were with Thomas Cook UK. Latterly he has been working with private equity companies on management buy-in opportunities within the leisure industry.

Note:

This document contains certain forward-looking statements and information that are based on the current expectations of the Company's management as well as assumptions based on information available to the Company. Such statements reflect the current views of the Company, or its management, with respect to future events and are subject to certain risks, uncertainties and assumptions that could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements of the Company that may be expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these statements. The Company does not intend, and does not assume any obligation, to update or revise forward-looking statements set forth in this document, whether on the basis of new information, future events or otherwise.

Selected financial information and operating statistics

For the three month period ended 30 September, 2004

(Expressed in thousands of EUROS unless indicated)

	For the three month period ended 30 September		
	2004 (Unaudited)	2003 (Unaudited)	% change
Revenue	508,142	481,064	5.6%
Cost of sales	402,951	379,803	6.1%
Selling, general and admin. expenses	24,593	19,428	26.6%
Total operating expenses	427,544	399,231	7.1%
Operating income	80,598	81,833	(1.5%)
Other income (expense)			
Interest expense, net	(188)	(3,905)	(95.2%)
Exchange gains (losses)	574	(772)	n/a
Other	1,064	399	166.7%
Income before income taxes	82,048	77,555	5.8%
Income taxes	34,950	31,410	11.3%
Income after taxes	47,098	46,145	2.1%
Equity in earnings (losses) from associates	(1,855)	(3,802)	(51.2%)
Equity in earnings (losses) from discontinued Operations of associates	0	0	n/a
Minority interests	4,244	(6)	n/a
Net income	49,487	42,337	16.9%
Other information			
Operating margin	15.9%	17.0%	(1.1 pp)
EBITDA (1)	134,278	141,372	(5.0%)
EBITDA margin	26.4%	29.4%	(3.0 pp)
Goodwill amortisation in Operating Expenses	6,003	16,855	(64.4%)
Goodwill amortisation in Associates	4,655	3,655	27.3%
Total Goodwill Amortisation	10,658	20,510	(48.0%)
Booking information by Category (2)			
Air bookings	91,598	89,105	2.8%
Non air bookings	6,371	6,278	1.5%
Amadeus Germany Leisure bookings	10,742	11,211	(4.2%)
Total non air bookings	17,113	17,489	(2.1%)
Total Bookings	108,711	106,594	2.0%
Total Bookings excluding Amadeus Germany Leisure bookings	97,969	95,383	2.7%
Booking information by Region (2)			
North America (3)	8,817	9,449	(6.7%)
Europe	62,202	60,883	2.2%
Amadeus Germany Leisure bookings	10,742	11,211	(4.2%)
Total Europe	72,944	72,094	1.2%
Rest of the world (ROW)	26,950	25,051	7.6%
Total Bookings	108,711	106,594	2.0%

(1) EBITDA calculated as follows: operating income + operating depreciation and amortisation.

(2) These number of bookings are net of cancellations made as of the end of the applicable period and before any estimate of future cancellations of bookings outstanding (such as for bookings not yet used or cancelled). In thousands of bookings.

(3) North America includes: USA, Canada & Pacific Islands.

Selected financial information and operating statistics

For the nine month period ended 30 September, 2004

(Expressed in thousands of EUROS unless indicated)

	For the nine month period ended 30 September		
	2004 (Unaudited)	2003 (Unaudited)	% change
Revenue	1,563,521	1,453,384	7.6%
Cost of sales	1,197,792	1,140,157	5.1%
Selling, general and admin. expenses	62,258	60,137	3.5%
Total operating expenses	1,260,050	1,200,294	5.0%
Operating income	303,471	253,090	19.9%
Other income (expense)			
Interest expense, net	(4,588)	(11,837)	(61.2%)
Exchange gains (losses)	487	(398)	n/a
Other	937	2,565	(63.5%)
Income before income taxes	300,307	243,420	23.4%
Income taxes	120,071	98,585	21.8%
Income after taxes	180,236	144,835	24.4%
Equity in earnings (losses) from associates	(7,133)	(12,477)	(42.8%)
Equity in earnings (losses) from discontinued Operations of associates	0	0	n/a
Minority interests	4,930	(50)	n/a
Net income	178,033	132,308	34.6%
Other information			
Operating margin	19.4%	17.4%	2.0 pp
EBITDA (1)	451,423	409,230	10.3%
EBITDA margin	28.9%	28.2%	0.7 pp
Goodwill amortisation in Operating Expenses	19,628	28,866	(32.0%)
Goodwill amortisation in Associates	10,922	11,484	(4.9%)
Total Goodwill Amortisation	30,550	40,350	(24.3%)
Booking information by Category (2)			
Air bookings	292,331	270,627	8.0%
Non air bookings	22,247	21,345	4.2%
Amadeus Germany Leisure bookings	32,785	26,121	25.5%
Total non air bookings	55,032	47,466	15.9%
Total Bookings	347,363	318,093	9.2%
Total Bookings excluding Amadeus Germany Leisure bookings	314,578	291,972	7.7%
Booking information by Region (2)			
North America (3)	29,901	28,710	4.1%
Europe	205,337	195,267	5.2%
Amadeus Germany Leisure bookings	32,785	26,121	25.5%
Total Europe	238,122	221,388	7.6%
Rest of the world (ROW)	79,340	67,995	16.7%
Total Bookings	347,363	318,093	9.2%

(1) EBITDA calculated as follows: operating income + operating depreciation and amortisation.

(2) These number of bookings are net of cancellations made as of the end of the applicable period and before any estimate of future cancellations of bookings outstanding (such as for bookings not yet used or cancelled). In thousands of bookings.

(3) North America includes: USA, Canada & Pacific Islands.