



Press release

Amadeus reports results for first nine months of 2013

Continued growth maintained across both Distribution and IT Solutions businesses

Year-on-year highlights for year-to-date (nine months ended September 30, 2013):

- Revenue increased 5.8% to €2,362.0 million
- EBITDA rose 6.5%¹ to €948.9 million
- Adjusted profit² grew 6.3% to €511.2 million
- Global share of travel agency air bookings³ expanded 1.8 percentage points to 39.9%
- Passengers Boarded⁴ strengthened by 8.4% to 455.5 million

November 7, 2013 - Amadeus IT Holding, S.A. (Amadeus: "AMS.MC"), parent company of the Amadeus Group, a leading technology partner for the global travel industry, reports year-on-year financial and operating results for the first nine months of 2013 (nine months ended September 30, 2013).

Adjusted profit for the first nine months grew 6.3% to €511.2 million. This was supported by an increase in revenue of 5.8% to €2,362.0 million and a 6.5% growth in EBITDA to €948.9 million.

Consolidated net financial debt was reduced to €1,287.5 million, as of September 30, 2013 (based on covenants' definition in senior credit agreement). This was a decrease of €207.7 million vs. December 31, 2012 and reduced to 1.10x the ratio of debt to the last twelve months' covenant EBITDA.

The track record for year-on-year improvements continued across both Distribution and IT Solutions. Revenue in Distribution increased 5.5%, to €1,783.6 million, with air travel agency bookings rising 6.6%, to 340.8 million. This was backed by a 1.8 percentage points expansion of Amadeus' market share of travel agency air bookings, to become 39.9%. Revenue from IT Solutions rose 6.6%, to €578.4 million, where Passengers Boarded strengthened 8.4% to total 455.5 million.

¹ Adjusted to exclude extraordinary items related to the IPO, in 2012.

² Excluding after-tax impact of the following items: (i) amortisation of PPA and impairment losses, (ii) changes in fair value and cancellation costs of financial instruments and non-operating exchange gains (losses) and (iii) extraordinary items related to the sale of assets and equity investments and, in 2012, the IPO.

³ Market share figures are based on GDS-processed air bookings and therefore exclude air bookings processed by the single country operators (primarily in China, Japan, South Korea and Russia) and GDS-processed bookings of other types of travel products, such as hotel rooms, car rentals and train tickets.

⁴ Passengers Boarded (PB): actual passengers boarded onto flights operated by airlines using at least the Amadeus Altéa Reservation and Inventory modules. A PB is the key metric for charging in the Altéa revenue line, within the IT Solutions business.

The year-to-date results were supported by significant year-on-year performance during the third quarter. Revenue increased 5.9% to €766.9 million, EBITDA grew 7.0% to €303.0 million and Adjusted profit rose 8.6%, to €161.6 million.

Luis Maroto, President & CEO of Amadeus, commented:

“Amadeus has maintained its track record of delivering growth in revenues and profitability. Our performance during the third quarter has further supported our year-to-date progress: our adjusted profit has risen 6.3% to €511.2 million year-on-year, supported by revenue and EBITDA increases of 5.8% and 6.5%, respectively.

“The two key drivers behind our continued growth are our resilient transaction-based model and our long-term contracts with recurring revenues. These factors allow us to make the R&D commitments necessary to continue delivering first class solutions to our customers.

“Distribution continues to benefit from pockets of growth, supporting our market share expansion, with gains in North America through a large online travel agency deal in addition to our increased activity in the low-cost carrier segment. In IT Solutions we continue to have opportunities to drive new business both through the addition of new customers and the expansion of our existing portfolio.

“I am confident that with our wide geographical reach and our exposure to a number of different segments in the travel technology industry we have a good platform for continued success.

“Already we are looking forward to continuing our strategy in 2014.”

Summary financial information Figures in million euros	Jan-Sep 2013	Jan-Sep 2012 ¹	% Change
KPI			
Air TA Market Share	39.9%	38.1%	1.8 p.p.
Air TA bookings (m)	340.8	319.7	6.6%
Non air bookings (m)	44.8	46.1	(2.9%)
Total bookings (m)	385.6	365.8	5.4%
Passengers Boarded (m)	455.5	420.4	8.4%
Financial results			
Distribution Revenue	1,783.6	1,690.5	5.5%
IT Solutions Revenue	578.4	542.6	6.6%
Revenue	2,362.0	2,233.1	5.8%
EBITDA	948.9	890.8	6.5%
EBITDA margin (%)	40.2%	39.9%	0.3 p.p.
Adjusted profit ⁽²⁾	511.2	481.1	6.3%
Adjusted EPS (euros) ⁽³⁾	1.15	1.08	6.1%
Cash flow			
Capital expenditure	306.1	236.7	29.3%
Pre-tax operating cash flow ⁽⁴⁾	619.7	665.6	(6.9%)
	30/09/2013	31/12/2012	% Change
Indebtedness ⁽⁵⁾			
Covenant Net Financial Debt	1,287.5	1,495.2	(13.9%)
Covenant Net Financial Debt / LTM Covenant EBITDA	1.10x	1.34x	

¹ Figures adjusted to exclude extraordinary costs related to the IPO, in 2012.

² Excluding after-tax impact of the following items: (i) amortisation of PPA and impairment losses, (ii) changes in fair value and cancellation costs of financial instruments and non-operating exchange gains (losses) and (iii) extraordinary items related to the sale of assets and equity investments and, in 2012, the IPO.

³ EPS corresponding to the Adjusted profit attributable to the parent company. Calculated based on weighted average outstanding shares of the period.

⁴ Calculated as EBITDA less capital expenditure plus changes in our operating working capital.

⁵ Based on the definition included in the senior credit agreement.

– Ends –

Business Highlights Q3, 2013

DISTRIBUTION

Airlines

Maintaining its commitment to guaranteeing the best and widest range of content for its travel intermediary subscribers, Amadeus signed a content agreement with **LATAM Airlines Group**, to cover the content of both LAN and TAM. In addition a number of other airlines also signed content agreements, including **Cebu Pacific Airways**, **Rak Airways**, and **Virgin Australia**. Content agreements guarantee access to a comprehensive range of fares, schedules and availability for Amadeus travel agents. Today, over 80% of Amadeus' bookings worldwide are made on airlines with whom Amadeus holds such agreements.

In addition to the aforementioned, new global distribution agreements were signed with **Air Turks & Caicos**, **Alsie Express**, **Proflight Zambia**, and **YanAir**. A new global distribution agreement was also signed with **Rak Airways**, in addition to the above mentioned content agreement. These airlines became accessible to travel agencies globally via the Amadeus system.

easyJet, the UK's largest airline and operator of Europe's no.1 air transport network, recently jointly announced with Amadeus the launch of unique system enhancements which allow travel agents globally to book low-cost carriers with the same booking flow as traditional carriers, regardless of the airline's distribution preferences. For the first time, traditional shopping, booking and back-office flows will be combined with real-time dynamic fares and a full ancillary offering provided through easyJet's XML connection with Amadeus. This gives all travel agencies, including corporations and TMCs, using Amadeus even better access to easyJet's inventory.

Low-cost carriers (LCCs) remained an area of constant growth and LCC bookings from Amadeus travel agencies in the third quarter increased by 18% year-on-year, and by 23% year-to-date.

A solution to facilitate the payment of commissions on ancillary services sales to travel agents was launched. Automated and fully integrated in the travel agency workflow, it was implemented in partnership with **Corsair**, the French based carrier which recently announced that travel agents will receive commissions for ancillaries such as excess baggage and preferred seating.

Amadeus Airline Ancillary Services continued its growth with many new contracts signed. Already 32 of the 71 airlines contracted have chosen to implement the solution into the Amadeus distribution platform. Of those, 16 are already selling ancillary services using Amadeus technology and currently travel agencies sell ancillaries across 55 countries using the solution. The solution allows airlines to sell any service, to anyone, in order to maximise sales opportunities, optimising choice and value to the customer, and ultimately increasing profits.

Travel Agencies

A renewal agreement was reached with **Griffin Global Group**, a global travel agency specialising in corporate travel for the marine, offshore and cruise industries, to extend its existing 10-year relationship. Griffin will access Amadeus' content in over 20 markets, across all continents, via the Amadeus Selling Platform, Amadeus Web Services, and Amadeus Agency Manager.

In Asia-Pacific, customer base growth continued along with both the upselling and re-signing of existing clients, whilst also evolving the portfolio offering to anticipate and meet local customer needs. New Zealand travel agency group, **Flavour Travel Group**, chose Amadeus as its preferred technology partner to power its **Mondo Travel** chain; and **Sparkle Holidays & Travel Corporation**, a leading leisure travel agency in the Philippines and an Amadeus partner for over a decade, renewed its agreement. **The Lido Group**, a leading independent accommodation aggregator, made Lido's Australian Accommodation Data Exchange (AADX) regional accommodation content available to Amadeus travel agents for the first time – making available independent regional and remote properties previously only available by phone or email. Electronic Miscellaneous Document (EMD) was also deployed with **British Airways** for use by travel agents in the Philippines using the local Billing and Settlement Plan (BSP).

IT SOLUTIONS

Airline IT continued its track record for steady growth, both attracting further customers and upselling to existing partners, whilst implementing further airlines. Ecuadorian airline **AeroGal**, as part of its commercial agreement with existing Altéa customer **Avianca**, became eligible for use of the full Amadeus Altéa Suite. The fully integrated passenger service system (PSS) for airlines includes Altéa Reservation, Altéa Inventory and Altéa Departure Control System (DCS). **Air Europa** contracted for Altéa Departure Control System, plus Self-Service Check-In.

Based upon existing contracts, Amadeus estimates that by 2015 the number of Passengers Boarded (PB) will be around 800 million, which would represent an increase of almost 42% vs. the 564 million Passengers Boarded processed on the Altéa platform during 2012 – or a compound annual growth rate (CAGR) of around 12.5%.

Further airlines migrated onto the platform and in September **EVA Airways** and its subsidiary, **UNI Airways**, celebrated the airline's successful deployment of the full Altéa Suite – in addition to also being the first Asian airline to implement Revenue Management. Shortly after the quarter closed, **Thai Airways** also successfully migrated onto the Altéa platform. **Trans Air Congo** implemented the Customer Management (CM) module of the Altéa Departure Control System.

Successful upselling and renewal of contracts for our Stand Alone IT solutions portfolio continued to remain a priority. Several additional airlines signed up for electronic messaging standard Electronic Miscellaneous Document (EMD), including **Jin Air**. EMD enhances ticket services and enables airlines to distribute a wide range of products that help customise their journeys, through

ancillary services such as excess baggage. **Air Berlin** contracted Affinity Shopper and **Air Calin** signed for Revenue Integrity. Other customers also signed for additional solutions, such as Enhanced Baggage Policy, which allows airlines to standardise and manage baggage policy rules at check-in, and API Services Supplement, to access other Amadeus solutions. Meanwhile, two leading airlines extended their eCommerce agreements, including **Garuda Indonesia**.

Airport IT

Airport IT remained an important growth area. Agreements have now been signed with a total of 33 ground handlers for the deployment of the Amadeus Altéa Departure Control System for Ground Handlers. Recent new customers cover a wide geographical area, including **Tallinn Airport GHA** in Estonia; **ATA** in Italy; **Bahrain Airport Systems** in Bahrain; **Goldair Handling**, who will deliver the system to 28 airports across Greece and Bulgaria; and **Menzies**, a UK-based company and one of the largest ground handlers in the world, who will use the solution across multiple European sites as a full service DCS. **Egyptian Aviation Services** becomes an Amadeus Competency Center to re-sell and deploy the Amadeus portfolio of solutions to 11 ground handlers in Egypt, representing 100% of the local market. During the third quarter, 7 new customers have signed for our airport IT solutions.

Rail

All Ways Travelling, an Amadeus-led consortium, was appointed by the European Commission (Mobility and Transport Directorate) to develop and validate a model for a multimodal pan-European passenger transport information and booking system for railways. The appointment of the consortium forms one of the initiatives adopted by the **European Commission (EC)** within its *Roadmap to a Single European Transport Area*. The roadmap aims to build a more efficient, sustainable transport system to increase mobility across Europe, drive growth and associated employment within the transport sector, and reduce carbon emissions. The consortium is comprised of **BeNe Rail**, **IATA**, **Thales**, **UNIFE** and **Zeppelin University**. The long-term objective of the EC is to ease travel across Europe using various modes of transport to create a seamless door-to-door travel experience.

Hotel

Amadeus continued to integrate content from leading global and regional hotel providers, in order to meet the needs of its customers, and has increased total hotel inventory by over 25% during the quarter to close to 500,000 hotel options⁵ with significant increases in content across Northern and Central Europe plus North America and in the three-star category. Extending our hotels marketplace with this highly demanded content strengthens our offer for leisure and online travel agencies.

⁵ Accumulated hotel inventories from hotel chains and representation companies, aggregators and independent hotels.

Travel Intelligence:

Philippine Airlines implemented, among other solutions from the Amadeus Travel Intelligence portfolio, a new data analysis tool to aid in its recent major expansion and service innovation programs.

Additional news from the quarter

Recently Angel Gallego became the new President of Amadeus Asia Pacific, replacing David Brett. Angel has worked with Amadeus for 13 years, most recently as the Vice President for Western Europe, the Middle East and Africa. In turn, David Doctor was appointed Vice President Western Europe, the Middle East and Africa. Doctor has served numerous years as Head of Distribution Marketing for Amadeus.

Developing and recruiting the most talented and experienced industry professionals, in order to best serve the needs of its customers, is a key Amadeus commitment. Shortly following the close of the quarter, John Dabkowski joined the Amadeus Airline IT business unit as Vice President Airline Commercial. He assumes responsibility for commercial activities in Europe, the Middle East and Africa, and the Americas. Dabkowski was previously Managing Director of Navitaire, the wholly-owned subsidiary of Accenture, which provides technology and business solutions to the airline industry on an outsourced basis.

Also following the close of the quarter, Decius Valmorbida, previously Vice President of Amadeus Latin America, became the global representative of Distribution Marketing at Amadeus. Replacing Valmorbida in Latin America is Joost Schuring, previously global Airline Distribution Sales Director at Amadeus, who will be based in Sao Paulo.

Stimulating debate via innovative-thinking and wide-ranging research is at the heart of Amadeus' promise to shape the future of travel. Three reports in particular are worth emphasising and are available on our website:

- *Passengers first: Re-thinking irregular operations*, written by Norm Rose of **PhoCusWright** and commissioned by Amadeus, argued that airlines should consider a more customer-focused approach to managing delays, cancellations and missed connections. A number of recommendations were made, including offering a standard service approach to disruption, delivering 'intelligent re-accommodation', and more transparent communication. In addition to interviews with industry leaders, a survey of 2,800 travellers from Australia, Brazil, China, the UK, and the US was undertaken.
- Amadeus North America published *Trending with NextGen Travelers*, a report profiling the new generation of travelers: 18-30 year olds who are informed, adventurous and social, that are poised to impact the travel industry and the future technologies that serve them.

- In Asia-Pacific, Amadeus and **Forward Data SL**, a market research and consulting company, produced data to reveal the growing impact on inbound tourism from the annual Singapore Formula 1 event: a 12.6% spike in bookings made around the time of the 2013 race, with a boost in arrivals from key Asian cities such as Hong Kong and Seoul.

Further demonstrating our technology pioneer status, for the third year in a row the Amadeus North America team again took top honours at the **Tnooz THack** in San Francisco – where development teams were challenged to create new digital travel products and web or mobile tools.

Disclaimer

There may be statements in this financial report which are not purely historical facts, including statements about anticipated or expected future revenue and earnings growth. All 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.

Notes to editors

Amadeus is a leading provider of advanced technology solutions for the global travel industry. Customer groups include **travel providers** (e.g. airlines, hotels, rail and ferry operators, etc.), **travel sellers** (travel agencies and websites), and **travel buyers** (corporations and travel management companies).

The Amadeus group employs around 10,000 people worldwide, across central sites in Madrid (corporate headquarters), Nice (development) and Erding (operations), as well as 73 local Amadeus Commercial Organisations globally.

The group operates a **transaction-based business model**. For the year ended December 31, 2012 the company reported revenues of €2,910.3 million and EBITDA of €1,107.7 million.

Amadeus is listed on the Spanish Stock Exchange under the symbol "AMS.MC" and is a component of the IBEX 35 index.

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

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