



AMADEUS

## A LA COMISION NACIONAL DEL MERCADO DE VALORES

D. Jacinto Esclapés Díaz, representante autorizado de Amadeus Global Travel Distribution, S.A., con domicilio social en Madrid, calle Salvador de Madariaga, nº 1, en virtud de lo establecido en el artículo 82 de la Ley 24/1988, de 28 de julio, del Mercado de Valores, ante esa Comisión Nacional del Mercado de Valores comparece y por el presente escrito comunica el siguiente

### HECHO RELEVANTE

1. **revisión limitada y estados financieros consolidados a 31 de marzo de 2000 bajo Normas Internacionales de Contabilidad.**

En cumplimiento de la normativa vigente aplicable a los emisores de valores admitidos a negociación, Amadeus Global Travel Distribution, S.A. ha remitido a la Comisión Nacional del Mercado de Valores la información trimestral comprensiva del avance de sus resultados y otras informaciones relevantes a 31 de marzo de 2000.

Adicionalmente, Amadeus Global Travel Distribution, S.A. ha preparado en versión inglesa los estados financieros a 31 de marzo de 2000 bajo Normas Internacionales de Contabilidad (NIC 34), que junto con el informe de Revisión Limitada se adjuntan a esta comunicación.

2. **Traducción al español del Balance consolidado, Cuenta de Pérdidas y Ganancias consolidada y Estado de Flujos de Caja consolidado a 31 de marzo de 2000 bajo Normas Internacionales de Contabilidad.**

Amadeus Global Travel Distribution, S.A. ha preparado una traducción al español del Balance consolidado, Cuenta de Pérdidas y Ganancias consolidada y Estado de Flujos de Caja consolidado a 31 de marzo de 2000 y a 31 de marzo de 1999 bajo Normas Internacionales de Contabilidad, que se adjuntan a esta comunicación.

3. **Reconciliación de los estados financieros bajo Normas Internacionales de Contabilidad con los preparados bajo Principios Contables Españoles a 31 de marzo de 2000.**

Para una mejor comprensión del inversor, se adjunta a esta comunicación en versión inglesa y española la reconciliación de los estados financieros a 31 de marzo de 2000 bajo Normas Internacionales de Contabilidad con Principios Generalmente Aceptados en España en lo que se refiere al patrimonio neto y al resultado neto.

4. **Evolución de los negocios y análisis de las condiciones financieras y resultado de operaciones correspondiente al primer trimestre de 2000 y primer trimestre de 1999.**

Se adjunta igualmente a esta comunicación, de forma resumida y en versión inglesa, un análisis de la evolución de los negocios y resultados obtenidos bajo Normas Internacionales de Contabilidad tanto por el primer trimestre de 2000 como por el primer trimestre de 1999.

Madrid, a 10 de mayo de 2000

Fdo. Jacinto Esclapés Díaz

AMADEUS GLOBAL TRAVEL DISTRIBUTION, S.A.

***Amadeus Global Travel  
Distribution, S.A.***

***Limited Review Report and Consolidated Interim  
Financial Statements as of March 31, 2000  
prepared in accordance with  
International Accounting Standard 34***

**(UNAUDITED)**

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REVIEW REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors and Shareholders of  
Amadeus Global Travel Distribution, S.A.

We have reviewed the accompanying consolidated balance sheet of Amadeus Global Travel Distribution, S.A. and its subsidiaries (the "Group") as of March 31, 2000 and the related consolidated statements of income, of cash flows and of changes in shareholders' equity for the three-month period then ended. These financial statements are the responsibility of the Group's management. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with International Standards on Auditing applicable to review engagements. This standard requires that we plan and perform the review to obtain moderate assurance about whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of the Group's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements are not presented fairly, in all material respects, in accordance with International Accounting Standard 34.

We draw attention to the fact that the financial statements of the Group as of December 31, 1998 were audited by another auditor whose report dated March 26, 1999 expressed an unqualified opinion on those statements.

DELOITTE & TOUCHE S.A.

  
Gabriel López  
Partner

May 9, 2000

**AMADEUS GLOBAL TRAVEL DISTRIBUTION, S.A.**

**CONSOLIDATED BALANCE SHEETS**  
**(EXPRESSED IN THOUSANDS OF EUROS - KEURs)**

<b>ASSETS</b>	<b>March 31, 2000 (Unaudited)</b>	<b>December 31, 1999</b>	<b>March 31, 1999 (Unaudited)</b>
<b>Current assets</b>			
Cash and cash equivalents			
Accounts receivable, net	27,078	15,726	19,451
Accounts receivable - affiliates (Note 5)	155,695	116,198	120,788
Loans receivable and advances - affiliates (Note 5)	64,001	41,415	58,523
Taxes receivable	1,255	1,195	25
Prepayments and other current assets	57,217	57,945	53,517
<b>Total current assets</b>	<b>19,308</b>	<b>17,283</b>	<b>16,474</b>
	<b>324,554</b>	<b>249,762</b>	<b>268,778</b>
<b>Tangible assets</b>			
Land and buildings			
Data processing hardware and software	117,692	117,689	118,394
Other	286,965	275,911	242,820
	88,220	85,143	68,885
	<b>492,877</b>	<b>478,723</b>	<b>430,099</b>
Less accumulated depreciation	236,755	221,080	190,476
<b>Net tangible assets</b>	<b>256,122</b>	<b>257,643</b>	<b>239,623</b>
<b>Intangible assets</b>			
Patents, trademarks and licenses			
Software development projects	44,515	44,485	37,585
Purchased contracts	103,085	97,998	75,254
Goodwill	135,098	131,302	115,155
Other	47,064	45,264	47,640
	12,321	12,323	13,228
	<b>342,083</b>	<b>391,372</b>	<b>288,862</b>
Less accumulated amortization	176,613	162,443	123,450
<b>Net intangible assets</b>	<b>165,470</b>	<b>168,929</b>	<b>165,412</b>
Deferred income taxes			
Loans receivable - affiliates (Note 5)	174,337	170,806	172,685
Long-term investments	6,233	5,601	1,471
	<b>168,686</b>	<b>164,860</b>	<b>76,983</b>
<b>Total assets</b>	<b>1,095,402</b>	<b>1,017,601</b>	<b>924,952</b>

See the accompanying notes to the consolidated financial statements.

**AMADEUS GLOBAL TRAVEL DISTRIBUTION, S.A.**

**CONSOLIDATED BALANCE SHEETS**  
(EXPRESSED IN THOUSANDS OF EUROS - KEURs)

<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>March 31, 2000 (Unaudited)</b>	<b>December 31, 1999</b>	<b>March 31, 1999 (Unaudited)</b>
<b>Current liabilities</b>			
Accounts payable	112,880	118,943	76,838
Accounts payable - affiliates (Note 5)	59,343	45,885	64,924
Debt payable within one year	51,315	58,535	24,774
Current obligations under finance leases	16,759	18,252	16,111
Income taxes payable	29,684	6,406	55,055
Other current liabilities	56,413	48,168	48,502
Total current liabilities	326,394	296,189	286,204
<b>Long-term liabilities</b>			
Long-term debt	150,373	150,371	475,537
Obligations under finance leases	122,973	126,027	121,133
Other long-term liabilities	28,791	27,305	10,707
Total long-term liabilities	302,137	303,703	607,377
<b>Minority interests</b>	-	-	6,207
<b>Shareholders' equity</b>			
Share capital	37,333	37,338	44,343
Treasury stock	(38,140)	(38,152)	-
Additional paid-in capital	424,070	424,067	-
Retained earnings (accumulated deficit)	35,230	(14,770)	(22,304)
Cumulative translation adjustments	8,360	9,226	3,125
Total shareholders' equity	466,853	417,709	25,164
<b>Total liabilities and shareholders' equity</b>	<b>1,095,402</b>	<b>1,017,601</b>	<b>924,952</b>

See the accompanying notes to the consolidated financial statements.

**AMADEUS GLOBAL TRAVEL DISTRIBUTION, S.A.**

**CONSOLIDATED STATEMENTS OF INCOME**  
**(EXPRESSED IN THOUSANDS OF EUROS - KEURs)**

	For the three month period ended March 31,	
	2000	1999
	(Unaudited)	
Revenue (Note 3)	393,399	336,285
Cost of sales	300,364	257,432
Gross profit	93,035	78,853
Selling, general and administrative expenses	14,031	13,711
Operating income	79,004	65,142
Other income (expense)		
Interest expense, net (Note 6)	(3,738)	(7,301)
Exchange gains (losses)	(913)	1,072
Other	1,082	19,787
Income before income taxes	75,437	78,700
Income taxes (Note 4)	26,891	27,001
Income after taxes	48,546	51,699
Equity in income (losses) from associates	1,465	(1,718)
Minority interests	-	(1,152)
Net income	60,011	48,829
Net income per class "A" shares in EURs (Note 7)	0.09	0.10
Net income per class "B" shares in EURs (Note 7)	-	-
Diluted earnings per class "A" share in EURs (Note 7)	0.08	0.10
Diluted earnings per class "B" share in EURs (Note 7)	-	-

See the accompanying notes to the consolidated financial statements.

**AMADEUS GLOBAL TRAVEL DISTRIBUTION, S.A.**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(EXPRESSED IN THOUSANDS OF EUROPEAN CURRENCY UNITS – KECUs /**  
**THOUSANDS OF EUROS - KEURs)**

	For the three month period ended March 31,	
	2000	1999
	(Unaudited)	
<b>Cash flows from operating activities</b>		
Operating income for the period		
Adjustments for:	79,004	65,142
Depreciation and amortization		
Loss on disposal of tangible and intangible assets	28,810	23,941
Operating income before changes in working capital:	1,000	4,351
Accounts receivable	138,814	93,434
Loans receivable and advances:	(53,994)	(32,030)
Taxes receivable	(207)	(135)
Other current assets	146	(8,054)
Accounts payable	(2,210)	(1,061)
Other current liabilities	5,691	7,809
Other long-term liabilities	7,140	8,551
Cash provided by operating activities	387	387
Taxes paid	(5,767)	(68,901)
Net cash provided from operating activities	(5,514)	(8,019)
	(9,253)	(60,882)
<b>Cash flows from investing activities</b>		
Additions to tangible assets	(14,268)	(16,048)
Additions to intangible assets	(7,996)	(4,823)
Acquisitions of associates	(386)	(601)
Creation of associates	(500)	-
Increase in share capital from associates	(350)	-
Interest received	626	345
Purchase of investments	(482)	(77)
Loans to affiliates	(557)	-
Disposals of other investments	1,249	20,773
Disposals of tangible and intangible assets	1,117	-
Net cash used in investing activities	(21,547)	(431)
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	22,996	4,218
Repayments of borrowings	(20,209)	(53,306)
Interest paid	(3,788)	(3,723)
Payments of finance lease liabilities	(5,232)	(5,438)
Net cash used in financing activities	(16,233)	(58,249)
<b>Effect of exchange rate changes on cash and cash equivalents</b>	(121)	(610)
<b>Net increase / (decrease) in cash and cash equivalents</b>	11,352	1,592
<b>Cash and cash equivalents at beginning of period</b>	15,726	17,859
<b>Cash and cash equivalents at end of period</b>	27,078	19,451

See the accompanying notes to the consolidated financial statements.

**AMADEUS GLOBAL TRAVEL DISTRIBUTION, S.A.**

**CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**(EXPRESSED IN THOUSANDS OF EUROPEAN CURRENCY UNITS - KECUs /**  
**THOUSANDS OF EUROS - KEURs)**

	Share capital	Treasury stock	Additional paid-in capital	Retained earnings (accumulated deficit)	Cumulative translation adjustments	Total
Balance as of December 31, 1998	44,343	-	-	(71,133)	2,682	(24,108)
Gains (losses) not recognized in the statement of income	-	-	-	-	443	443
Net income for the period	-	-	-	48,829	-	48,829
Balance as of March 31, 1999	44,343	-	-	(22,304)	3,125	25,164
	Share capital	Treasury stock	Additional paid-in capital	Retained earnings (accumulated deficit)	Cumulative translation adjustments	Total
Balance as of December 31, 1999	37,338	(38,152)	424,067	(14,770)	9,226	417,709
Movements in reserves for treasury shares	-	-	3	(3)	-	-
Disposals / (Acquisitions) of Treasury stock	-	3	-	-	-	3
Gains (losses) not recognized in the statement of income	-	-	-	-	(860)	(860)
Net income for the period	-	-	-	50,011	-	50,011
Balance as of March 31, 2000	37,338	(38,149)	424,070	35,238	8,366	466,863

See the accompanying notes to the consolidated financial statements.



## **AMADEUS GLOBAL TRAVEL DISTRIBUTION, S.A.**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2000 (UNAUDITED) (EXPRESSED IN THOUSANDS OF EUROS – KEURs)**

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#### **1. Organization**

The consolidated financial statements include Amadeus Global Travel Distribution, S.A., domiciled in Spain ("the Company") and its consolidated subsidiaries ("the Group"). The Company is a leading information technology company serving the marketing, sales and distribution needs of the global travel and tourism industry. Its world-wide data network and database of travel information are used by travel agencies and airline sales offices. Today, travel agencies and airline offices can make bookings with airlines, hotel chains, car rental companies, and newer groups of providers such as ferry, rail, cruise, insurance and tour operators. The Group provides the above-mentioned services through a computerised reservation system ("CRS").

#### **2. Basis of presentation**

The accompanying March 31, 2000 consolidated financial statements have been prepared in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting", and under the historical cost convention. The same accounting policies and methods of computation have been followed as compared with the consolidated financial statements as of December 31, 1999. The interim consolidated financial statements do not include all of the information and footnotes required by IAS for complete financial statements. In the opinion of management, these financial statements contain all adjustments, consisting of normal recurring accruals, necessary to present fairly the financial position, results of operations and cash flows for the periods indicated.

In December 1997, within the context of the Group's reorganisation, Amadeus Data Processing GmbH (a Group subsidiary) acquired Amadeus Data Processing GmbH and Co. KG ("Amadeus Operations KG" – a German partnership), formerly owned by the shareholders of Amadeus Global Travel Distribution, S.A. At the same time, Amadeus Operations KG was dissolved and its assets and liabilities transferred to Amadeus Data Processing GmbH.

**AMADEUS GLOBAL TRAVEL DISTRIBUTION, S.A.**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
MARCH 31, 2000 (UNAUDITED)  
(EXPRESSED IN THOUSANDS OF EUROS - KEURs)**

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In compliance with legal regulatory requirements the Company's management also prepares as of March 31, 2000 selected consolidated financial information under Spanish GAAP. These Spanish GAAP financial statements serve as the basis for the legal rights of the shareholders. Under IAS the Company accounted for the transaction mentioned above in a manner similar to a uniting of interests. Under Spanish GAAP, the Company accounted for this transaction by the purchase method, which differs significantly from the method applied under IAS. The payment to the shareholders for this acquisition was treated, for IAS accounting purposes, similar to the payment of a dividend. Primarily as a consequence of this difference in accounting principles, the consolidated net equity reflected under Spanish GAAP exceeds the equity reflected under IAS by approximately 224.3 million EURs. This difference results primarily from the excess of the purchase price over the net book value of Amadeus Operations KG, and after deducting the net effect of tax credits derived from the acquisition.

Use of estimates and assumptions as determined by management is required in the preparation of consolidated financial statements in conformity with generally accepted accounting principles. Actual results could differ from those estimates and assumptions.

The Group's results typically show some fluctuations between quarters. Lower revenues are generally recorded in the peak European and North American holiday periods of July/August and Christmas and revenues tend to be slightly higher in the first two quarters of the year than in the last two.

**3. Segment information**

The Group operates in the travel industry, and accordingly events that significantly affect the industry could also affect the Group's operations and financial position. The following geographical distribution of revenue is based primarily on the country where the bookings were made and, with respect to bookings made through the Group's CRS directly with airlines, based on the home country of the airline:

	For the three month period ended March 31,	
	2000	1999
Europe	255,338	215,535
U.S.	63,609	60,180
Rest of the world	74,452	60,570
Total revenue	393,399	336,285

**AMADEUS GLOBAL TRAVEL DISTRIBUTION, S.A.**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2000 (UNAUDITED)**  
**(EXPRESSED IN THOUSANDS OF EUROS – KEURs)**

Due to the geographical distribution of the Group's activities and infrastructure, it is not meaningful to segment geographically global results and working capital for the purposes of IAS 14.

The following geographical distribution of assets is based on the country where the assets were located or they relate to.

March 31, 2000					
	Europe	US	Rest of the world	Assets used for general enterprise purposes	Total
Tangible assets	221,487	30,060	4,575	-	256,122
Intangible assets	17,654	81,954	2,750	63,112	165,470
Investments in associates	124,821	1,853	24,997	-	151,671
Total assets	363,962	113,867	32,322	63,112	573,263

December 31, 1999					
	Europe	US	Rest of the world	Assets used for general enterprise purposes	Total
Tangible assets	123,916	29,227	4,500	-	257,643
Intangible assets	18,257	85,268	3,017	62,387	168,929
Investments in associates	122,136	1,860	24,698	-	148,694
Total assets	364,309	116,355	32,215	62,387	575,266

The amount shown above in investment in associates together with other investments of KEURs 17,015 and KEURs 16,166, as of March 31, 2000 and December 31, 1999, respectively, are included in the long-term investments caption in the balance sheet.

**AMADEUS GLOBAL TRAVEL DISTRIBUTION, S.A.**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2000 (UNAUDITED)**  
**(EXPRESSED IN THOUSANDS OF EUROS – KEURs)**

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**4. Taxation**

The reconciliation between the statutory tax rate in Spain and the effective tax rate applicable to the Group is as follows:

	Three months ended March 31,	
	2000	1999
	%	%
Statutory tax rate in Spain	35	35
Creation of deferred tax asset – taxes recoverable upon payment of subsidiary dividends	-	(3)
Recognition of benefit of unused tax losses and deferred tax assets	(1)	-
Effect of higher tax rates in other countries	3	6
Non-recurring permanent differences	-	(2)
Other	(1)	(2)
Effective tax rate	36	34

The effective tax rate has been calculated considering the tax rates currently in force in the different countries that conforms the Group structure at the date of these interim financial statements.

**AMADEUS GLOBAL TRAVEL DISTRIBUTION, S.A.**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
MARCH 31, 2000 (UNAUDITED)  
(EXPRESSED IN THOUSANDS OF EUROS – KEURs)**

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**5. Related party balances and transactions**

Below is a summary of significant balances and transactions with affiliates. All transactions with affiliates are carried out on an arm's length basis.

**a) Accounts receivables - affiliates**

The receivables are primarily for revenues earned from world-wide bookings made through the Amadeus CRS for flights on the shareholders' airlines. Total revenues earned by the Group from affiliates for the three-month periods ended March 31, 2000 and 1999, were KEURs 117,304 and 112,612, respectively.

**b) Loans receivable and advances - affiliates**

Total interest earned by the Group from affiliates on loans receivable and advances was KEURs 145 and 17 for the three-month periods ended March 31, 2000 and 1999, respectively. Interest rates for these loans denominated in United States Dollars (USD), Australian Dollars (AUD), and EURs ranged from 4.75% to 9% for the three month-period ended March 31, 2000. For the three-month period ended March 31, 1999 the interest rate was 8%.

**c) Accounts payable - affiliates**

The payables arise primarily from distribution fees due for bookings made through the shareholders. Total operating expenses incurred by the Group with its affiliates were KEURs 87,844 and 73,171 for the three-month periods ended March 31, 2000 and 1999, respectively.

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**AMADEUS GLOBAL TRAVEL DISTRIBUTION, S.A.**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2000 (UNAUDITED)**  
**(EXPRESSED IN THOUSANDS OF EUROS – KEURs)**

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**6. Additional income statement data and related disclosures**

a) The Group's personnel expense and number of employees are as follows:

	For the three month period ended March 31,	
	2000	1999
Gross personnel costs	50,683	42,581
Less amount capitalized	1,932	1,310
Net charge to income	48,751	41,271
Average number of employees	2,888	2,642

b) The Group's net interest expense is as follows:

	For the three month period ended March 31,	
	2000	1999
Interest expense	4,362	7,646
Less interest income	626	345
Net interest expense	3,736	7,301

c) Research and development

Research and development costs are charged to expense as incurred, except for significant software projects, which have reached development stage and are capitalized. Research and development costs were KEURs 13,342 and 13,127 for the three-month periods ended March 31, 2000 and 1999, respectively.

d) Stock Incentive Plans

Total expense recognized relating to stock grants, including social costs, for the three-month period ended March 31, 2000 is of KEURs 784. During the three-month period ended March 31, 2000 the Group delivered less than 500 shares to participants in the stock grant plans. As of March 31, 2000 the number of shares required in order to meet the obligations under these plans was of 1,369,738 and 2,518,098 for the stock grant and option plans, respectively.

**AMADEUS GLOBAL TRAVEL DISTRIBUTION, S.A.**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
MARCH 31, 2000 (UNAUDITED)  
(EXPRESSED IN THOUSANDS OF EUROS – KEURs)**

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**e) Other income**

As of March 31, 2000 and December 31, 1999 the Group held 729,445 depository certificates in Stichting "The SITA Foundation" ("the Foundation") at a cost of KEURs 1,522, which is included within long-term investments. These certificates represent an equal number of shares in Equant NV, whose shares were listed on the New York Stock Exchange ("NYSE") and in Paris in July 1998. No public market existed before that date. On March 31, 2000 the NYSE closing price of Equant shares was USD 85.06 per share, and on December 31, 1999 the NYSE closing price of Equant shares was USD 111.19 per share.

The convertibility and saleability of the depository certificates are subject to restrictions imposed by the Foundation under shareholders agreements and under the Terms of Administration of the Foundation. These restrictions are expected to remain in force until at least July 23, 2000. Accordingly, the Group believes that it is not practicable to determine with sufficient reliability a fair value of the depository certificates for the purposes of IAS 32.

In February 1999, the Group sold 311,475 Equant depository certificates for which the above mentioned restrictions were partially and temporarily released, generating a pre-tax profit of KEURs 18,403, which is recognised in other income.

**AMADEUS GLOBAL TRAVEL DISTRIBUTION, S.A.**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
MARCH 31, 2000 (UNAUDITED)  
(EXPRESSED IN THOUSANDS OF EUROS – KEURS)**

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**7. Net income per share**

Following the share split which took place in 1999, the calculation of net income per share for all periods presented herein is adjusted retrospectively.

The adjusted weighted average number of shares outstanding as of March 31, 1999 was 506,187,709 and 314,378,379 class A and B shares, respectively.

The calculation of the weighted average number of shares outstanding as of March 31, 2000 is as follows:

	Adjusted shares outstanding as of December 31, 1999	Shares outstanding as of March 31, 2000	Weighted average shares outstanding as of March 31, 2000
Weighted average number of class "A" shares outstanding	583,364,918	583,365,367	583,365,061

	Adjusted shares outstanding as of December 31, 1999	Shares outstanding as of March 31, 2000	Weighted average shares outstanding as of March 31, 2000
Weighted average number of class "B" shares outstanding	275,367,810	275,367,810	275,367,810

The weighted average number of diluted shares outstanding as of March 31, 2000 is 587,253,142 and 275,367,810 class A and B shares, respectively.



**AMADEUS GLOBAL TRAVEL DISTRIBUTION, S.A.**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2000 (UNAUDITED)**  
**(EXPRESSED IN THOUSANDS OF EUROS – KEURs)**

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The calculation of basic earnings per share (rounded to two significant digits) for the three-month periods ended March 31, is as follows:

	<u>2000</u>	<u>1999</u>
Net income in KEURs	50,011	48,829
Weighted average number of class "A" shares outstanding	583,365,061	505,187,709
Weighted average number of class "B" shares outstanding	<u>275,367,810</u>	<u>314,378,379</u>
Basic earnings per class "A" share, in EURs	<u>0.09</u>	<u>0.10</u>
Basic earnings per class "B" share, in EURs	<u>-</u>	<u>-</u>

The calculation of diluted earnings per share (rounded to two significant digits) for the three-month periods ended March 31, is as follows:

	<u>2000</u>	<u>1999</u>
Net income, in KEURs	50,011	48,829
Weighted average number of diluted class "A" shares outstanding	587,253,142	505,187,709
Weighted average number of diluted class "B" shares outstanding	<u>275,367,810</u>	<u>314,378,379</u>
Diluted earnings per class "A" share, in EURs	<u>0.08</u>	<u>0.10</u>
Diluted earnings per class "B" share, in EURs	<u>-</u>	<u>-</u>

**AMADEUS GLOBAL TRAVEL DISTRIBUTION, S.A.**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2000 (UNAUDITED)**  
**(EXPRESSED IN THOUSANDS OF EUROS – KEURs)**

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**8. Additional statement of cash flows related disclosure**

The components of cash and cash equivalents were as follows:

	March 31,	
	2000	1999
Cash on hand and balances with banks	26,130	6,091
Short-term investments	948	3,360
	<u>27,078</u>	<u>9,451</u>

**9. Investments in subsidiaries and associates**

The Group has made certain investments in associates during the three-month periods ended March 31, 1999 and 2000. This includes a joint-venture with Terra Networks, S.A.

***Amadeus Global Travel  
Distribution, S.A.***

*Información financiera consolidada  
para los periodos de tres meses terminados a  
31 de marzo de 2000 y 1999  
preparada de acuerdo con  
Normas Internacionales de Contabilidad*

(NO AUDITADOS)

**AMADEUS GLOBAL TRAVEL DISTRIBUTION, S.A.****BALANCES DE SITUACION CONSOLIDADOS****(EXPRESADOS EN MILES DE UNIDADES DE CUENTA EUROPEA (KECUs) Y MILES DE EUROS (KEURs))**

<b>ACTIVO</b>	<b>31 de marzo de 2000</b>	<b>31 de diciembre de 1999</b>	<b>31 de marzo de 1999</b>
	(No auditado)		(No auditado)
<b>Activo circulante</b>			
Tesorería y otros productos equivalentes	27.078	15.726	19.451
Clientes por ventas y prestaciones de servicios	155.695	116.198	120.788
Empresas asociadas deudoras	64.001	41.415	58.523
Créditos a empresas asociadas	1.265	1.195	25
Administraciones Públicas Deudoras	57.217	57.945	53.517
Ajustes por periodificación y otros activos	19.308	17.283	16.474
<b>Total activo circulante</b>	<b>324.554</b>	<b>249.762</b>	<b>268.778</b>
<b>Inmovilizaciones materiales</b>			
Terrenos y edificios	117.692	117.669	118.394
Equipos de proceso de datos	286.965	275.911	242.820
Otros	88.220	85.143	68.886
	<b>492.877</b>	<b>478.723</b>	<b>430.099</b>
Menos amortización acumulada	236.755	221.080	190.476
<b>Inmovilizaciones materiales netas</b>	<b>256.122</b>	<b>257.643</b>	<b>239.623</b>
<b>Inmovilizaciones inmateriales</b>			
Patentes, licencias y marcas	44.515	44.485	37.586
Proyectos de desarrollo de aplicaciones informáticas	103.085	97.998	75.254
Derechos intangibles	135.098	131.302	115.155
Fondo de comercio	47.064	45.264	47.640
Otros	12.321	12.323	13.228
	<b>342.083</b>	<b>331.372</b>	<b>288.862</b>
Menos amortización acumulada	176.613	162.443	123.450
<b>Inmovilizaciones inmateriales netas</b>	<b>165.470</b>	<b>168.929</b>	<b>165.412</b>
Impuestos anticipados	174.337	170.806	172.685
Créditos a empresas asociadas	6.233	5.601	1.471
Inversiones a largo plazo	168.686	164.860	76.983
<b>Total activo</b>	<b>1.095.402</b>	<b>1.017.601</b>	<b>924.952</b>

**AMADEUS GLOBAL TRAVEL DISTRIBUTION, S.A.**

**BALANCES DE SITUACION CONSOLIDADOS**

(EXPRESADOS EN MILES DE UNIDADES DE CUENTA EUROPEA (KECUs) Y MILES DE EUROS (KEURs))

<b>PASIVO</b>	<b>31 de marzo de 2000 (No auditado)</b>	<b>31 de diciembre de 1999</b>	<b>31 de marzo de 1999 (No auditado)</b>
<b>Acreedores a corto plazo</b>			
Acreedores comerciales	112.880	118.943	76.838
Deudas con empresas asociadas	59.343	45.885	64.924
Deudas a corto plazo	51.315	58.535	24.774
Deudas con entidades de crédito por arrendamiento financiero a corto plazo	16.759	18.252	16.111
Impuesto sobre Sociedades a pagar	29.684	6.406	55.055
Otras deudas	56.413	48.168	48.502
<b>Total acreedores a corto plazo</b>	<b>326.394</b>	<b>296.189</b>	<b>286.204</b>
<b>Acreedores a largo plazo</b>			
Deudas a largo plazo	150.378	150.371	475.537
Deudas con entidades de crédito por arrendamiento financiero a largo plazo	122.973	126.027	121.133
Otras deudas	28.794	27.305	10.707
<b>Total acreedores a largo plazo</b>	<b>302.145</b>	<b>303.703</b>	<b>607.377</b>
<b>Socios externos</b>	-	-	6.207
<b>Fondos propios</b>			
Capital suscrito	37.338	37.338	44.343
Acciones Propias	(38.149)	(38.152)	-
Prima de emisión	424.070	424.067	-
Resultados acumulados (resultados negativos de ejercicios anteriores)	35.238	(14.770)	(22.304)
Diferencias de conversión	8.366	9.226	3.125
<b>Total fondos propios</b>	<b>466.863</b>	<b>417.709</b>	<b>25.164</b>
<b>Total pasivo y fondos propios</b>	<b>1.095.402</b>	<b>1.017.601</b>	<b>924.952</b>

**AMADEUS GLOBAL TRAVEL DISTRIBUTION, S.A.****CUENTAS DE PÉRDIDAS Y GANANCIAS CONSOLIDADAS  
(EXPRESADOS EN MILES DE UNIDADES DE CUENTA EUROPEA (KECUs) Y MILES DE  
EUROS (KEURs))**

	Período de tres meses finalizado el 31 de marzo de	
	2000	1999
	(No auditado)	
Importe neto de la cifra de negocios	393.399	336.286
Coste de ventas	300.364	257.432
Beneficio bruto	93.035	78.853
Gastos de venta, generales y administración	14.031	13.711
Beneficios de explotación	79.004	65.142
Otros ingresos (gastos)		
Intereses netos	(3.736)	(7.301)
Diferencias positivas/(negativas) de cambio	(913)	1.072
Otros	1.082	19.787
Beneficios antes de impuestos	75.437	78.700
Impuesto sobre Sociedades	26.891	27.001
Beneficios después de impuestos	48.546	51.699
Beneficios (pérdidas) de sociedades puestas en equivalencia	1.465	(1.718)
Resultado atribuido a socios externos	-	(1.152)
Beneficios del ejercicio	50.011	48.829
Beneficio neto básico por acción de clase "A" en EURs/ECUs	0,09	0,10
Beneficio neto básico por acción de clase "B" en EURs/ECUs	-	-
Beneficio neto por acción diluida de clase "A" en EURs/ECUs	0,08	0,10
Beneficio neto por acción diluida de clase "B" en EURs/ECUs	-	-

**AMADEUS GLOBAL TRAVEL DISTRIBUTION, S.A.****NOTAS SELECTIVAS****(EXPRESADOS EN MILES DE UNIDADES DE CUENTA EUROPEA (KECUs) Y MILES DE EUROS (KEURs))**

	Periodo de tres meses finalizado el 31 de marzo de	
	2000	1999
	(No auditado)	
<b>Tesorería procedente de las actividades operativas</b>		
Beneficios de explotación	79.004	65.142
Ajustes por:		
Amortizaciones	28.810	23.941
Pérdidas en enajenación de inmovilizado material e inmaterial	1.000	4.351
Beneficios de explotación antes de cambios en el capital circulante	108.814	93.434
Cuentas a cobrar	(63.994)	(32.030)
Préstamos y anticipos a cobrar	207	(135)
Administraciones Públicas	146	(8.054)
Otros activos circulantes	(2.210)	(1.061)
Cuentas a pagar	5.691	7.809
Otros pasivos circulantes	7.140	8.561
Otros pasivos a largo plazo	387	387
Tesorería procedente de las actividades operativas	65.767	68.901
Impuesto sobre Sociedades pagado	(6.514)	(8.019)
Tesorería neta procedente de las actividades operativas	49.253	60.882
<b>Tesorería aplicada en las actividades de inversión</b>		
Adquisiciones de inmovilizado material	(14.268)	(16.048)
Adquisiciones de inmovilizado inmaterial	(7.996)	(4.823)
Adquisiciones de sociedades puestas en equivalencia	(386)	(601)
Suscripción de capital en sociedades de nueva creación puestas en equivalencia	(500)	-
Ampliación de capital en sociedades puestas en equivalencia	(350)	-
Intereses cobrados	626	345
Compra de otras inversiones financieras	(482)	(77)
Préstamos a empresas asociadas	(557)	-
Venta de otras inversiones financieras	1.249	20.773
Enajenaciones de inmovilizado material	1.117	-
Tesorería neta aplicada en las actividades de inversión	(21.547)	(431)
<b>Tesorería aplicada en las actividades de financiación</b>		
Disposiciones de préstamos	21.996	4.218
Amortización de préstamos	(30.209)	(53.306)
Intereses pagados	(3.788)	(3.723)
Pagos por arrendamientos financieros	(5.232)	(5.438)
Tesorería neta aplicada en las actividades de financiación	(13.233)	(58.249)
<b>Efecto de las diferencias de cambio sobre tesorería</b>	(121)	(610)
<b>Aumento (disminución) neto en tesorería</b>	1.352	1.592
<b>Tesorería y otros productos equivalentes al principio del ejercicio</b>	16.726	17.859
<b>Tesorería y otros productos equivalentes al final del ejercicio</b>	27.078	19.451

# ***Amadeus Global Travel Distribution, S.A***

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***Reconciliation of IAS Financial Statements to Spanish  
GAAP Financial Statements with regard to net income and  
shareholders' equity for the three-month periods ended  
March 31, 2000 and 1999.***



***RECONCILIATION OF IAS CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
TO SPANISH GAAP CONSOLIDATED INTERIM BALANCE SHEET AND INCOME  
STATEMENT WITH REGARD TO NET INCOME AND SHAREHOLDERS' EQUITY.***

Amadeus Global Travel Distribution, S.A. ("the company") prepares interim consolidated balance sheet and income statement in accordance with Generally Accepted Accounting Principles in Spain (Spanish GAAP), and also prepares interim consolidated financial statements in accordance with International Accounting Standards (IAS). In general, the classifications of balances in the financial statements differ under Spanish GAAP and International Accounting Standards.

The main differences affecting net income and shareholders' equity for the three months period ended 31 March 2000 and 1999 are set out below. Figures are expressed in thousand Euros, unless stated otherwise.

***Reconciliation of Net Income***

	<b><u>Three months period ended March 31</u></b>	
	<b><u>2000</u></b>	<b><u>1999</u></b>
Net Income – Spanish GAAP (in millions of pesetas)	6,783	7,200
Exchange rate (Pta – ECUs/Euros)	166,386	166,386
Net Income-Spanish GAAP	40,767	43,273
Adjustments for IAS purposes:		
Acquisition of Amadeus Operations KG	5,484	5,061
Amortization IPO costs	1,221	-
Other	2,539	495
Net Income-IAS	<u>50,011</u>	<u>48,829</u>
Equivalent in millions of pesetas	<u>8,321</u>	<u>8,124</u>

***Reconciliation of Shareholders' Equity***

	<b><u>Three months period ended March 31</u></b>	
	<b><u>2000</u></b>	<b><u>1999</u></b>
Shareholders' equity-Spanish GAAP (in millions of pesetas)	115,003	35,522
Exchange rate (Pta – ECUs/Euros)	166,386	166,386
Shareholders' equity Spanish GAAP	691,182	213,492
Adjustments for IAS purposes:		
Acquisition of Amadeus Operations KG	(169,491)	(191,427)
Treasury shares	(38,149)	-
IPO costs	(22,285)	-
Other	5,606	3,099
Shareholders' equity-IAS	<u>466,863</u>	<u>25,164</u>
Equivalent in millions of pesetas	<u>77,679</u>	<u>4,187</u>

## **Explanatory analysis of differences**

### **1. Acquisition of Amadeus Operations KG**

In accordance with IAS, the acquisition of Amadeus Data Processing GmbH and Co. KG (Amadeus Operations KG - a German company), which took place at the end of 1997, was accounted for in a manner similar to a pooling of interests. Accordingly, the prior periods' financial statements, prepared in accordance with IAS, include the combined results of operations, financial position and cash flows of Amadeus Operations KG as though it had always been a subsidiary of the Company. The price paid to the shareholders was accounted for as a reduction in shareholders' equity (retained earnings), while the deferred tax asset corresponding to the tax credit for the future amortisation of goodwill was accounted for as an increase in shareholders' equity (retained earnings). In accordance with Spanish GAAP, this transaction was accounted for as an acquisition, recording the resulting goodwill, which is being amortised over a period of 10 years.

### **2. Treatment of acquired Treasury shares**

In accordance with IAS Treasury shares must be shown in the balance sheet as a deduction from Shareholders' equity. Under Spanish GAAP, Treasury shares are presented in the asset side of the balance sheet, stated at the lower of cost or market.

### **3. Public Offering expenses**

In accordance with IAS, expenses relating to the Public Offering for subscription of shares are considered as a reduction in Shareholders' equity and deducted from the share premium. Under Spanish GAAP, such expenses are capitalised and amortised over a period of five years.

### **4. Others**

This heading includes other differences, such as:

- Unrealised exchange gains - In accordance with IAS, unrealised exchange gains are recognised currently in the statement of income. Under Spanish GAAP, in general terms, unrealised exchange gains are deferred until they are realised.

- Rights on assets acquired under finance leases – In accordance with IAS the right of use of certain assets mainly land, buildings and other installations located in Erding (Germany) associated with the Computerized Reservation System (CRS) has been accounted for as assets under finance lease. For Spanish GAAP purposes, in prior years the respective leases were recorded as operating leases and not included as assets, as it was understood that the requirements for capitalization under Spanish GAAP were not met. However, for the year ended 31 December 1999 as a result of a change in circumstances in the business and alternative uses of the assets, which provide enough basis to consider it as a finance lease, the treatment of the above mentioned contracts has been changed. The effect of this change of circumstances is a charge to extraordinary expenses in the statement of income for the three months period ended 31 March 1999 amounting to Pta 475 million.
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# ***Amadeus Global Travel Distribution, S.A.***

***Conciliación de Estados Financieros  
preparados de acuerdo con Normas  
Internacionales de Contabilidad (NIC) y  
con Principios Contables Generalmente  
Aceptados en España (PCGA Españoles)***

**CONCILIACIÓN DE LOS ESTADOS FINANCIEROS CONSOLIDADOS INTERMEDIOS PREPARADOS DE ACUERDO CON NORMAS INTERNACIONALES DE CONTABILIDAD (NIC) Y BALANCE DE SITUACIÓN Y CUENTA DE PÉRDIDAS Y GANANCIAS CONSOLIDADOS INTERMEDIOS PREPARADOS DE ACUERDO CON PRINCIPIOS CONTABLES GENERALMENTE ACEPTADOS EN ESPAÑA (PCGA ESPAÑOLES)**

Amadeus Global Travel Distribution, S.A. ("la Sociedad") junto con sus filiales (en su conjunto "el Grupo") prepara un balance de situación y cuenta de pérdidas y ganancias consolidados intermedios de acuerdo con Principios Contables Generalmente Aceptados en España (PCGA españoles) así como estados financieros consolidados intermedios de acuerdo con Normas Internacionales de Contabilidad (NIC). Los PCGA españoles, en general, requieren diferentes clasificaciones que las NIC para saldos de cuentas dentro de los estados financieros.

A continuación se detallan las principales diferencias que afectan al resultado neto y al patrimonio para los periodos de tres meses terminados el 31 de marzo de 2000 y 1999. Todas las cifras están expresadas en miles de Euros, excepto otra indicación en contrario.

**Conciliación del Resultado Neto**

	<b>31 de marzo de</b>	
	<b>2000</b>	<b>1999</b>
<b>Resultado neto – PCGA españoles (Millones de pesetas)</b>	<b>6.783</b>	<b>7.200</b>
Tipo de cambio (Pta.-ECUs/Euros)	166,386	166,386
Resultado neto – PCGA	40.767	43.273
Ajustes para NIC:		
Adquisición de Amadeus Operations KG	5.484	5.061
Amortización costes de OPS	1.221	-
Otros	2.539	495
<b>Resultado neto – NIC</b>	<b>50.011</b>	<b>48.829</b>
<b>Equivalente en millones de pesetas</b>	<b>8.321</b>	<b>8.124</b>

**Conciliación del Patrimonio Neto**

	<b>31 de marzo de</b>	
	<b>2000</b>	<b>1999</b>
<b>Fondos propios – PCGA españoles (Millones de pesetas)</b>	<b>115.003</b>	<b>35.522</b>
Tipo de cambio (Pta.-ECUs/Euros)	166,386	166,386
Fondos propios – PCGA	691.182	213.492
Ajustes para NIC:		
Adquisición de Amadeus Operations KG	(169.491)	(191.427)
Acciones propias	(38.149)	-
Gastos de OPS	(22.285)	-
Otros	5.606	3.099
<b>Fondos propios – NIC</b>	<b>466.863</b>	<b>25.164</b>
<b>Equivalente en millones de pesetas</b>	<b>77.679</b>	<b>4.187</b>

## **Análisis explicativo de las diferencias**

### **1. Adquisición de Amadeus Operations KG**

De acuerdo con NIC, la adquisición de Amadeus Data Processing GmbH and Co. KG (Amadeus Operations KG - sociedad de nacionalidad alemana), llevada a cabo a finales de 1997 fue contabilizada de una manera similar a una "unión de intereses". En consecuencia, los estados financieros presentados bajo NIC para los ejercicios precedentes incluyen, mediante combinación, los resultados, la posición financiera y los estados de flujos de caja de Amadeus Operations KG, tal y como si esta entidad hubiese sido, siempre, una sociedad dependiente de la Sociedad. El precio pagado a los accionistas fue contabilizado como una minoración de fondos propios (reservas), registrándose además un impuesto diferido activo correspondiente al crédito fiscal derivado de la amortización futura del fondo de comercio. De acuerdo con PCGA españoles, la mencionada transacción se contabilizó como una adquisición, registrándose el fondo de comercio resultante, que se está amortizando en un período de 10 años.

### **2. Tratamiento de acciones propias adquiridas**

De acuerdo con NIC las acciones propias se presentan en el balance de situación como una minoración del patrimonio neto. Según PCGA españoles se presentan en el activo del balance de situación valoradas a precio de adquisición o valor de mercado, el menor de los dos.

### **3. Gastos de Oferta Pública de Suscripción (OPS)**

De acuerdo con NIC, los gastos derivados de la Oferta Pública de Suscripción de acciones se consideran como menor valor del patrimonio, reduciendo la prima de emisión. Según PCGA españoles los mencionados gastos se activan y se amortizan en un período de 5 años.

### **4. Otros**

Dentro de este epígrafe se incluyen otras diferencias tales como:

- Diferencias positivas de cambio no realizadas - De acuerdo con NIC, las diferencias positivas de cambio no realizadas se reconocen como ingresos en la cuenta de pérdidas y ganancias. Según PCGA españoles, las diferencias positivas de cambio no realizadas se diferencian, en general, hasta su realización efectiva.

- Bienes en régimen de arrendamiento financiero - De acuerdo con NIC, el derecho de uso sobre determinados activos asociados al Sistema Computerizado de Reservas, básicamente terrenos, edificios y otras instalaciones, situados en Erding (Alemania) y pertenecientes a Amadeus Operations KG (y Amadeus Data Processing GmbH como entidad sucesora) se ha contabilizado como bienes en arrendamiento financiero. A efectos españoles en ejercicios anteriores la cuota devengada por el servicio de alquiler se registraba como un gasto del ejercicio al entender que no concurrían en los citados contratos las circunstancias objetivas exigidas por el Plan General de Contabilidad y normas de desarrollo para proceder a su activación. No obstante lo anterior, para el ejercicio terminado al 31 de diciembre de 1999 se ha modificado la consideración dada a los citados contratos habida cuenta de la materialización de determinadas circunstancias de negocio y de usos alternativos de los activos que conjuntamente constituyen hechos de naturaleza objetiva para proceder a su consideración como un arrendamiento financiero. El efecto del cambio de consideración dado a estos contratos ha supuesto un cargo en la rúbrica de gastos extraordinarios de la cuenta de pérdidas y ganancias para el periodo de tres meses terminado el 31 de marzo de 1999 de aproximadamente 475 millones de pesetas.

**Management discussion and analysis of the financial conditions and results of operations (based on financial statements prepared in accordance with International Accounting Standards).**

**1. First quarter highlights (period ended 31 March 2000)**

- First quarter revenue increased by 17.0 per cent and net income, excluding exceptional items, increased by 54.2 per cent, over the same period in 1999. Total bookings were 107.3 million, an increase of 5.6 per cent over the first quarter of 1999, despite a relatively slow start to the year reflecting travellers' Y2K concerns.
- Strong bookings growth was achieved in Europe, South America, Asia Pacific and the Middle East & Africa.
- Wireless Travel Management launched, using Wireless Application Protocol (WAP) technology to provide a fast, simple and convenient way for travelers to handle their flight arrangements with over 500 airlines, through a mobile device.
- An incident-free transition to Y2K.
- Overall, the company has improved upon its revenue and cost budgets for the first quarter of 2000.

(in million EUR/ECU)	1st Quarter 2000	1st Quarter 1999	% Growth
Bookings	107.3	101.6	5.6%
Revenues	393.4	336.3	17.0%
EBIT	79.0	65.1	21.3%
EBITDA	107.8	89.1	21.0%
Net Income before Exceptional Items	50.0	32.4	54.2%
Net Income after Exceptional* Items	50.0	48.8	2.4%

\*exceptional income from the sale of Equant Depositary Certificate in Q1 1999.

**2. First quarter management discussion and analysis**

Further progress was made in developing all three areas of strategic focus for Amadeus as: a travel distributor, e-commerce player and technology services provider.

In January, the company announced the global launch of a browser-based reservation tool called Pro Web. This provides small travel agencies with the means to enhance customer service, using the latest Internet technology, without the need for a dedicated communications line. Pro Web enables agencies to make air, hotel and car hire bookings from anywhere in the world, 24 hours a day, at greatly reduced cost to Amadeus, therefore improving the company's yield. To date, Pro Web has attracted over 1000 travel agency customers in 40 countries.

Austrian Airlines Group, comprising Austrian Airlines, Lauda Air and Tyrolean Airways, was successfully implemented as a System User in March. The South American airlines Lan Chile/Ladeco, Lan Peru and LAPA have all signed System User contracts, and will be implemented by the end of this Summer. The unique System User concept, used by 112 airlines, allows airlines to run their sales and reservations functionality in airport and city ticket offices, using the Amadeus system. Significantly, it provides users with a common platform and seamless interaction with other System Users. This provides Amadeus with a growing competitive edge in marketing its services, in particular, to members of the major Airline alliances.

At the end of March, Wireless Travel Management (WTM) was launched. WTM was developed by Amadeus, with Ericsson and Smart (Amadeus's distribution partner in Scandinavia) and enables users to check flight availability and book or cancel flights with over 500 airlines, using any WAP enabled mobile device.



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The Italian travel site *eviaggi.com*, Amadeus's first 50-50 e-commerce joint venture, went live online on 31 March 2000. With the leading local media company Gruppo L'Espresso as partner, the *eviaggi.com* Web site targets Italian travellers. The *eviaggi.com* Web site already receives more visits than any other travel portal in Italy.

**Total bookings** for the first quarter 2000 were 107.3M, an increase of 5.6 per cent over the 101.6M achieved in the same period of 1999. Total bookings for the full year are expected to grow at a higher rate than that achieved in the first quarter of 2000. As foreseen, the recent decline in South American bookings was reversed, with the region returning to strong growth during the period. Specifically, for the three months ended 31 March, 2000:

- Airline bookings grew by 5.3 per cent to 99.4M. Excluding the US, growth in air bookings was 8.5 per cent.
- Non-air bookings grew by 10.0 per cent to 7.9M, with a recovery in hotel bookings.

The Italian travel site eviaggi.com, Amadeus's first 50-50 e-commerce joint venture, went live online on 31 March 2000. With the leading local media company Gruppo L'Espresso as partner, the eviaggi.com Web site targets Italian travellers. The eviaggi.com Web site already receives more visits than any other travel portal in Italy.

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- Airline bookings grew by 5.3 per cent to 99.4M. Excluding the US, growth in air bookings was 8.5 per cent.
- Non-air bookings grew by 10.0 per cent to 7.9M, with a recovery in hotel bookings.
- Strong travel agency air bookings growth was achieved in Eastern Europe (+ 24.5 per cent), South America (+ 16.6 per cent), Asia Pacific (+ 42.9 per cent) and the Middle East and Africa (+ 23.8 per cent). In Western Europe, travel agency air bookings were 6.3 per cent ahead of the first quarter in 1999. In the US, as expected, bookings were below the same period in 1999, although ahead of budget.

**Total revenues** were EUR 393.4M for the quarter ended 31 March, 2000, an increase of 17.0 per cent over the same period in 1999. At a constant first quarter 1999 US Dollar average exchange rate of US\$ 1.1254/EUR, the increase in total revenues over the period would have been 14.7 per cent.

Airline booking revenue rose by 11.5 per cent, while non-airline booking revenue grew by 14.2 per cent. Non-booking related revenue increased by 41.6 per cent. The increase in booking revenue resulted from higher bookings and the impact of an average 4.5 per cent price increase, effective from 1 January 2000. The growth in non-booking related revenue was mainly driven by the strong performance of non-booking related products, such as: Marketing Information Products, link charges with other GDS companies, dynamic availability and the START data processing in-sourcing.

**Operating expenses** for the quarter ended 31 March, 2000 were EUR 314.4M, an increase of 16.0 per cent from EUR 271.1M in the first quarter of 1999. This was mainly driven by an increase in the cost of sales of 16.7 per cent, including:

- Higher distribution costs as a result of increased bookings
- The inclusion of higher expenses from the Erding data processing centre, reflecting the outsourcing to Amadeus of the START data processing facilities in Germany (START is the distribution company for Amadeus in Germany). This outsourcing contract commenced in the second half of 1999.

Without the impact of the stronger US Dollar, in the first quarter of 2000 compared with the previous period in 1999, and the Start in-sourcing, the growth in cost of sales would have been 12.7 per cent.

Selling, general and administrative expenses, which include corporate and central marketing activities, represented 3.6 per cent of total revenues for the first quarter of 2000, an increase of 2.3 per cent over the same period in 1999.

**EBIT** was EUR 79.0M for the quarter ended 31 March, 2000, an increase of 21.3 per cent from EUR 65.1M in the same period of 1999. The EBIT margin increased to 20.1 per cent in the first quarter of 2000, up from 19.4 per cent in the same period of 1999.

**EBITDA** was EUR 107.8M, in the first quarter of 2000, an increase of 21.0 per cent from EUR 89.1M in the same period of 1999. The EBITDA margin increased to 27.4 per cent in the first quarter of 2000 from 26.5 per cent in the equivalent period of 1999.

**Net Income, excluding exceptional items** increased by 54.2 per cent to EUR 50.0M, in the first quarter, from EUR 32.4M in the same period of 1999. Net Income, including exceptional items, was EUR 50.0M representing an increase of 2.4 per cent from EUR 48.8M in the first quarter of 1999, which included exceptional income of EUR 18.4M resulting from the sale of Equant Depositary Certificates, in February 1999. The effective tax rate for the quarter ended 31 March, 2000 was 35.6 per cent.

### 3. Note on secondary offering

The company has been informed by Air France, Iberia and Lufthansa that they are all exploring the possibility of selling some of their Amadeus Class "A" shares, through the stock market. No decision has yet been taken by these major shareholders in Amadeus as to the amount and the exact timing of any secondary share offering but it is expected to take place within the next few weeks.

### 4. Recent business developments

Amadeus continues to pursue business opportunities that fit clearly within one or more of its three main areas of strategic focus. In this respect, recent developments include the following:

#### Travel distribution

- A multi-year global agreement was reached in April that will see **Carlson Wagonlit Travel** become one of Amadeus's largest global customers. This reinforces the position of Amadeus as a leading GDS for multinational travel agencies. As the first such agreement with Carlson Wagonlit, a world leader in corporate travel and expense management, Amadeus will provide traditional GDS services and also explore opportunities to partner on strategic technological initiatives.
- In April **Travel Choice**, an advanced new travel management tool for policy and preference processing was launched in the US, and will be available in other markets in the coming months. Travel Choice 'remembers' each customer's profile of preferences, held on the secure Amadeus Customer Server, and automatically uses information about an individual's dietary and seating preferences, for example, when generating their travel needs. This technologically-advanced solution solves two critical challenges facing travel agents today, namely enforcing corporate policies for business travellers and building lasting, loyal relationships with customers - while at the same time increasing the agency's productivity and profitability.
- **British Airways and Qantas** have elected to become Amadeus System Users, as part of a broader 10 year technological partnership (see below under Technology services provider), that is expected to be concluded by the third quarter of this year. As System Users, the sales and reservations functions of both these airlines, and certain other carriers they host, will be outsourced to Amadeus.
- In April, the **Arab Air Carriers Organization (AACO)** selected Amadeus as one of its official reservation and distribution systems. The following airlines members of AACO have chosen Amadeus for their distribution needs: Air Algerie, Libyan Arab Airlines; Palestinian Airlines; Qatar Airways; Royal Air Maroc, Sudan Airways and Tunis Air. Some of these carriers will later become System Users. Amadeus will also establish National Marketing Companies (NMC) in the five domestic markets served by these airlines, where it does not already have an NMC (ie: Morocco and Tunisia).

#### E-Commerce

Within e-commerce, the company's strategy is to work with strong, high-profile, partners with whom it can quickly establish a significant local presence. This involves undertaking a series of e-travel partnerships around the world. The main e-commerce developments, since the first quarter, are summarised below:

- A 50-50 joint venture with **BTopenworld**, to provide online travel services to the UK and Ireland, was announced at the end of April. BTopenworld is British Telecommunications new mass market internet business, focused increasingly on broadband services. In addition to this, the company will develop new travel services for dial-up Internet access, as well as WAP and other wireless distribution applications. BT already has some 2.6 million dial-up Internet subscribers. Subject to receiving the appropriate approvals, the service is expected to go live online later this year.
- The 50-50 joint venture with **Terra Networks**, to provide online travel services to the Spanish and Portuguese speaking countries of the world, is expected to be active from next month. The Web site will begin by targeting the Spanish market, before adding content relevant to its other priority markets, later this year.
- Amadeus and **1travel.com**, the leading US Web site for comprehensive discount travel, have entered into a strategic partnership to provide additional online choice to value-minded travelers. The partnership is backed by Amadeus taking an equity investment in 1travel.com, and a seat on their board. Amadeus will also contribute technological expertise, including for WAP applications, to expand consumer access to low cost travel. The partnership takes full effect from the third quarter of this year, by which time Amadeus will be the exclusive GDS for 1travel.com.
- Further e-commerce plans will be announced in the coming months.

#### **Technology services provider**

**British Airways and Qantas** have selected Amadeus as their preferred IT partner, in individual 10 year agreements expected to be ratified this summer, to maintain and develop their inventory and departure control systems (DCS). In addition, under the proposals, Amadeus will take over the contracts of BA subsidiary Speedwing, to provide similar services to other airlines. Furthermore, Amadeus will establish a support and development site near London's Heathrow Airport and in Sydney, Australia. With the benefit of BA and Qantas expertise in inventory and airport customer service systems, and Amadeus technology, the company will be well placed to attract new airline customers, and develop the next generation of these systems.

#### **5. Outlook**

The second quarter of 2000 is performing in line with expectations. Amadeus remains well placed to capitalise on its strong position in the world's fastest growing regions. Within e-commerce, the company's flexible approach and proprietary technology will enable further international opportunities to be grasped, such as those outlined above. Amadeus continues to invest in technology services to enable its customers to benefit from state-of-the-art IT solutions that provide efficiency and value. Overall, the company's strategy provides a sound basis for sustainable long-term earnings growth.

#### **Note 1:**

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**  
(Expressed in thousands EURO unless indicated)

	For the three month period ended March 31 Before Exceptional Items			For the three month period ended March 31 After Exceptional Items		
	2000 (Unaudited)	1999	% change	2000 (Unaudited)	1999	% change
Revenue	393,399	336,285	17.0%	393,399	336,285	17.0%
Cost of sales (1)	300,364	257,432	16.7%	300,364	257,432	16.7%
Selling, general and Administrative expenses (1)	14,031	13,711	2.3%	14,031	13,711	2.3%
Total operating expenses	314,395	271,143	16.0%	314,395	271,143	16.0%
Operating income	79,004	65,142	21.3%	79,004	65,142	21.3%
Other income (expense)						
Interest expense, net	(3,736)	(7,301)	-48.8%	(3,736)	(7,301)	-48.8%
Exchange gains (losses)	(913)	1,072	-185.2%	(913)	1,072	-185.2%
Other	1,082	1,384	-21.8%	1,082	19,787	-94.5%
Income before income taxes	75,437	60,297	25.1%	75,437	78,700	-4.1%
Income taxes	26,891	24,989	7.6%	26,891	27,001	-0.4%
Income after taxes	48,546	35,308	37.5%	48,546	51,699	-6.1%
Equity in income (losses) from associates	1,465	(1,718)	185.3%	1,465	(1,718)	185.3%
Minority interests	-	(1,152)	100.0%	-	(1,152)	100.0%
Net income	50,011	32,438	54.2%	50,011	48,829	2.4%
Other Information						
Operating margin	20.1%	19.4%		20.1%	19.4%	
EBITDA (2)	107,815	89,083	21.0%	107,815	89,083	21.0%
EBITDA margin	27.4%	26.5%		27.4%	26.5%	
Booking information (thousands) (3)						
Air bookings	99,425	94,446	5.3%	99,425	94,446	5.3%
Non air bookings	7,861	7,147	10.0%	7,861	7,147	10.0%
	107,286	101,593	5.6%	107,286	101,593	5.6%

(1) Certain reclassifications have been made to prior periods in order to conform with current period presentation

(2) EBITDA calculated as follows: operating income + operating depreciation/amortisation

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