



2023

Management Review

February 28, 2024

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1 Summary

1.1 Introduction

Highlights for the year ended December 31, 2023 (relative to prior year).

- Air Distribution bookings increased 13.6%, to 450.2 million.
- Air IT Solutions passengers boarded increased 26.8%, to 1,952.3 million.
- Air Distribution revenue grew 23.6%, to €2,655.1 million.
- Air IT Solutions revenue increased 21.6%, to €1,903.5 million.
- Hospitality & Other Solutions revenue grew 14.2%, to €882.6 million.
- Group revenue increased 21.3%, to €5,441.2 million.
- EBITDA grew 29.8%¹, to €2,063.2 million¹.
- Adjusted profit² increased 59.8%¹, to €1,123.9 million¹.
- Free Cash Flow³ increased 42.7%⁴, to €1,148.6 million⁴.
- Net financial debt⁵ was €2,140.6 million at December 31, 2023 (1.0 times last-twelve-month EBITDA⁵).

Amadeus continued to see a steady evolution through the fourth quarter, resulting in strong financial performance for 2023. In 2023, Revenue, EBITDA and Adjusted Profit grew by 21.3%, 29.8%¹ and 59.8%¹, respectively. Free Cash Flow amounted to €1,148.6 million, supporting Net Financial Debt of €2,140.6 million, at December 31, 2023, representing 1.0 times last-twelve-month EBITDA. Our financial strength this year has allowed us to not only resume ordinary shareholder remuneration earlier in the year, but also, to announce share repurchase programs in aggregate amounting to over €1 billion in 2023.

Our results in 2023 were supported by strong operating performances at each of our reported segments and by a travel industry which has continued to advance. However, in the fourth quarter, booking cancellations rose, associated to the geopolitical

¹ Excluding non-recurring effects: (i) in 2023, impacts from updates in tax risk assessments, fundamentally due to the positive resolution of proceedings, which resulted in an increase in EBITDA of €42.0 million and in Adjusted profit of €73.6 million, (ii) in Q4 2023, a payment to a third-party distributor due to a change in our distribution strategy, which resulted in a reduction in EBITDA and Adjusted profit of €10.9 million and €8.2 million, respectively, and (iii) in 2022, a non-refundable government grant, which resulted in an increase in EBITDA and Adjusted profit of €51.2 million and €38.9 million, respectively. See section 3.2 for further details.

² Excluding after-tax impact of the following items: (i) accounting effects derived from PPA exercises and impairment losses, (ii) non-operating exchange gains (losses), and (iii) other non-operating income (expense).

³ Defined as EBITDA, minus capital expenditure, plus changes in our operating working capital, minus taxes paid, minus interests and financial fees paid.

⁴ Free Cash Flow grew by 42.6%, to €1,116.7 million, in 2023, vs. 2022, if we exclude the following non-recurring effects: (i) a collection of €42.8 million from the Indian tax authorities, in Q2'23, (ii) a payment of €10.9 million to a third-party distributor, in Q4'23, (iii) a non-refundable government grant of €51.2 million received in Q2'22, and (iv) €29.1 million cost saving program implementation costs paid in 2022. See section 3.2 for further details.

⁵ Based on our credit facility agreements' definition.

situation in the Middle East, impacting all regions, most importantly, North America and Middle East and Africa. The recovery in global air traffic during the fourth quarter continued, albeit at a slower pace than prior quarters. In terms of global air traffic mix, as in past quarters, the weights of international traffic and Asia-Pacific are improving although remain below historic levels.

In 2023, Air Distribution revenue expanded by 23.6% relative to prior year. Our Air Distribution bookings increased by 13.6%, coupled with an average revenue per booking growing by 8.8%. During 2023, our best performing region was Asia-Pacific, which expanded by 63.7%, followed by Western Europe, which grew by 13.3%. Over the year, Western Europe and North America were our largest regions in terms of bookings, representing 28.2% and 27.0% of Amadeus' bookings, respectively.

In Air Distribution, we signed 13 new contracts or renewals of distribution agreements during the fourth quarter, taking the total number to 60 for the year. We are progressing with our NDC strategy. Within the large OTA space, Priceline, part of Booking Holdings, a major online travel agency in the U.S., will be able to access NDC-sourced content from some of the world's leading airlines via the Amadeus Travel Platform. Fareportal, the company behind online travel agencies CheapOair, OneTravel and CheapOair Canada, has successfully completed the Amadeus NDC pilot and is now scaling NDC volumes.

In 2023, our Air IT Solutions revenue grew by 21.6%, supported by our passengers boarded evolution, which increased by 26.8%, driven by global air traffic growth and Amadeus' new customer implementations, mainly, Etihad Airways, ITA Airways, Hawaiian Airlines, Bamboo Airways and Allegiant Air, in 2023, as well as Air India, in 2022. Asia-Pacific was our best performing region, delivering 55.4% growth, and Western Europe and Asia-Pacific were our largest regions, representing 32.7% and 29.4% of Amadeus' passengers boarded, respectively.

In Air IT solutions, Israil, the integrated tour operator and airline, is deploying Amadeus Altéa PSS as well as other solutions, such as Amadeus Disruption Management and Revenue Integrity solutions. Several other airline customers signed for additional solutions or implemented new solutions, such as All Nippon Airways, Air Europa and Philippine Airlines.

Regarding Airport IT, in January 2024, we were pleased to announce our agreement to acquire Vision-Box, a European-based pioneer and market leader in the provision of biometric solutions for airports, airlines and border control customers. Biometrics is a key component of ongoing digitalization of airports. Biometrics in travel enables process digitalization and stakeholder interconnectivity, hence improving airlines and airports' operational efficiency and passengers' experience. Vision-Box will bring Amadeus new capabilities around biometrics hardware and software and will add border control solutions to the Amadeus portfolio. Through this combined offering with Vision-Box, Amadeus will now be able to deliver a full end-to-end seamless passenger experience, from booking to arrival at the airport, through border control and boarding. Vision-Box is a fast-growing global business with expected revenues of €70 million and an estimated normalized EBITDA of close to €20 million in 2023. Amadeus will be

fully acquiring the privately-owned company for an agreed price (EV) of approximately €320 million. As part of this acquisition, approximately 470 Vision-Box employees will transfer to Amadeus. The transaction is subject to customary regulatory approvals and is expected to be closed in the first half of 2024.

Our Hospitality & Other Solutions revenue grew by 14.2% in 2023. Both Hospitality, which generates the majority of the revenues in this segment, and Payments, delivered strong growth, supported by new customer implementations and volume expansion.

In Hospitality, we are advancing on our Amadeus Central Reservation System (ACRS) strategy. We are pleased to announce that we will soon start implementing a new ACRS customer. We have been working with this undisclosed customer and its implementation is expected to start in the first half of 2024. The customer is a middle-sized, sophisticated chain. We are also pleased to share that InterContinental Hotels Group (IHG), an ACRS customer, has reported that “the enhanced booking experience empowers guests to select individual room attributes” and “on average, when a guest purchases an attribute for their stay, hotels see additional revenue of \$22 per night for that booking, with Luxury & Lifestyle brands seeing up to \$41 of additional per night revenue for upsell bookings.”

In Payments, Amadeus’ wholly-owned payments subsidiary, Outpayce, expects that the eMoney licence it applied for in 2022 will be granted in the first half of 2024. Outpayce intends to offer pre-paid virtual card issuing within its B2B Wallet solution, which travel agencies use to pay travel providers such as airlines and hotels.

1.2 Summary of operating and financial information

Summary of KPI	Oct-Dec 2023 ¹	Oct-Dec 2022	Change	Full year 2023 ¹	Full year 2022 ¹	Change
Operating KPI (millions)						
Bookings	102.2	95.6	6.9%	450.2	396.3	13.6%
Passengers boarded	499.5	419.7	19.0%	1,952.3	1,539.5	26.8%
Financial results (€millions)						
Air Distribution revenue	627.4	536.9	16.9%	2,655.1	2,147.8	23.6%
Air IT Solutions revenue	495.0	410.9	20.4%	1,903.5	1,565.4	21.6%
Hospitality & Other Sol. revenue	232.3	220.7	5.2%	882.6	772.7	14.2%
Revenue	1,354.7	1,168.5	15.9%	5,441.2	4,485.9	21.3%
EBITDA	469.4	398.3	17.8%	2,063.2	1,589.2	29.8%
EBITDA margin (%)	34.6%	34.1%	0.6 p.p.	37.9%	35.4%	2.5 p.p.
Profit	210.1	142.9	47.0%	1,052.0	625.1	68.3%
Adjusted profit ²	248.1	180.5	37.4%	1,123.9	703.1	59.8%
Adjusted EPS (€) ³	0.56	0.40	39.5%	2.51	1.56	60.7%
Cash flow (€millions)						
Capital expenditure	(137.9)	(164.3)	(16.0%)	(600.5)	(566.7)	6.0%
Free Cash Flow ⁴	208.1	177.1	17.5%	1,148.6	805.0	42.7%
Indebtedness⁵ (€millions) – At month end				Dec2023	Dec2022	Change
Net financial debt				2,140.6	2,284.5	(143.9)
Net financial debt/LTM EBITDA				1.0x	1.4x	

¹ EBITDA, Profit, Adjusted profit and Adjusted EPS have been adjusted to exclude non-recurring effects: (i) in 2023, impacts from updates in tax risk assessments, which resulted in increases in EBITDA (€42.0 million), both Profit and Adjusted profit (€73.6 million) and adjusted EPS (€0.16) (in Q4 2023, increases in EBITDA of €42.0 million, in both Profit and Adjusted profit of €51.0 million, and in adjusted EPS of €0.12), (ii) in Q4 2023, a payment to a third-party distributor, which resulted in reductions in EBITDA (€10.9 million), both Profit and Adjusted profit (€8.2 million) and adjusted EPS (€0.02), and (iii) in Q2 2022, a non-refundable government grant, which resulted in increases in EBITDA (€51.2 million), both Profit and Adjusted profit (€38.9 million) and adjusted EPS (€0.09). See section 3.2 for further details.

² Excluding after-tax impact of the following items: (i) accounting effects derived from PPA exercises and impairment losses, (ii) non-operating exchange gains (losses) and (iii) other non-operating income (expense).

³ EPS corresponding to the Adjusted profit attributable to the parent company.

⁴ Defined as EBITDA, minus capital expenditure, plus changes in our operating working capital, minus taxes paid, minus interests and financial fees paid. Free Cash Flow grew by 42.6% in 2023, vs. 2022 (and by 22.5% in Q4'23, vs. Q4'22), if we exclude the following non-recurring effects: (i) a collection of €42.8 million from the Indian tax authorities, in Q2'23, (ii) a payment of €10.9 million to a third-party distributor, in Q4'23, (iii) a non-refundable government grant of €51.2 million received in Q2'22, and (iv) €29.1 million cost saving program implementation costs paid in 2022 (€1.7 million in Q4 2022). See section 3.2 for further details.

⁵ Based on our credit facility agreements' definition.

2 Business highlights

Air Distribution

- During the fourth quarter of 2023, we signed 13 new contracts or renewals of distribution agreements with airlines, amounting to a total of 60 in 2023.
- Priceline, part of Booking Holdings and one of the major online travel agencies in the U.S., has embarked on an NDC journey with Amadeus. Priceline will be able to access NDC-sourced content from some of the world's leading airlines via the Amadeus Travel Platform.
- Fareportal, the company behind online travel agencies CheapOair, OneTravel and CheapOair Canada, has successfully completed the Amadeus NDC pilot and is now scaling NDC volumes.
- We have signed an extended air distribution partnership with Etraveli Group, which is a leading global technology provider for flights powering Booking.com flights and encompasses brands such as Mytrip, GoToGate and Flight Network. The agreement marks a significant step in our long-term partnership and comes in addition to an existing NDC partnership which is currently being rolled-out. Under the terms of the new agreement, Etraveli Group will continue to deploy a number of Amadeus solutions, such as Amadeus Web Services and Amadeus Master Pricer.
- Navan, one of the fastest-growing global travel and expense management companies, with a physical presence in nearly 20 countries, has extended its relationship with Amadeus. Amadeus will help Navan broaden its content offering, enhance customer-facing services and support its ongoing rapid expansion.
- We also continue to increase the number of corporations signing for Cytric solutions. Radisson Hotel Group announced it is now a customer of Amadeus' Cytric Easy. Deloitte also announced it will deploy Amadeus' Cytric Easy at its offices in Spain.
- In the quarter, we have announced that Cytric Easy, the only online booking and expense management tool embedded in Microsoft 365, is available in the Microsoft Azure Marketplace, an online store providing applications and services for use on Azure. With Cytric Easy by Amadeus, customers can now take advantage of the productive and trusted Azure cloud platform, with streamlined deployment and management.

Air IT Solutions

Airline IT

- At the close of December, 209 customers had contracted either of the Amadeus Passenger Service Systems (PSS Altéa or New Skies) and 199 customers had implemented them.
- Israil, the integrated tour operator and airline, is deploying Amadeus Altéa PSS, including Amadeus Departure Control System, as well as other solutions such as Amadeus Disruption Management and Revenue Integrity solutions.

- All Nippon Airways signed for Amadeus Passenger Recovery and will soon be able to better handle disruptions on its international flights.
- Air Europa has announced it is deploying Amadeus Travel Ready by Traveler ID, an Amadeus solution that will allow international passengers travelling with the Spain-based carrier to digitally verify their passports before they arrive at the airport.
- Philippine Airlines signed for Amadeus Traveler DNA solution, an advanced customer profiling and personalization solution. The carrier will benefit from real-time, comprehensive traveler intelligence to understand, predict and personalize sales, service and end-to-end customer experience. The solution is also integrated into Philippine Airlines' Altéa PSS, which allows for consistency across all channels and touchpoints, including airline agent, travel agent and online.

Airport IT

- In January 2024, we were pleased to announce our agreement to acquire Vision-Box, a European-based pioneer and market leader in the provision of biometric solutions for airports, airlines and border control customers. Biometrics is a key component of ongoing digitalization of airports. Biometrics in travel enables process digitalization and stakeholder interconnectivity, hence improving airlines and airports' operational efficiency and passengers' experience. Vision-Box will bring Amadeus new capabilities around biometrics hardware and software and will add border control solutions to the Amadeus portfolio. Through this combined offering with Vision-Box, Amadeus will now be able to deliver a full end-to-end seamless passenger experience, from booking to arrival at the airport, through border control and boarding. Vision-Box is a fast-growing global business with expected revenues of €70 million, and an estimated normalized EBITDA of close to €20 million, for 2023. Amadeus will be fully acquiring the privately-owned company for an agreed price (EV) of approximately €320 million. As part of this acquisition, approximately 470 Vision-Box employees will transfer to Amadeus. The deal is subject to customary regulatory approvals and is expected to close in the first half of 2024.
- We have continued expanding our Airport IT customer base this quarter. In the U.S., the Tri-Cities Airport (Pasco) contracted ACUS, while Minneapolis-Saint Paul International Airport for Amadeus Biometric Solutions.

Hospitality & Other Solutions

Hospitality

- We are advancing in our ACRS strategy. We are pleased to announce that we will soon start implementing a new ACRS customer. We have been working with this undisclosed customer and its implementation is expected to start in the first half of 2024. The customer is a middle-sized, sophisticated chain.
- Additionally, Marriott International stated during its Security Analysts' Conference last September that it expects deployment of ACRS to start in waves in the middle

of 2025, starting in the U.S. and Canada. Our mutual project plans reflect that expectation.

- Our Attribute Based Selling (ABS) is industry leading technology that evolves hotelier's business beyond traditional hotel room-based selling and thus, enables a more personalized experience.
- We are pleased to share that InterContinental Hotels Group (IHG), an ACRS customer, reported that "the enhanced booking experience empowers guests to select individual room attributes such as a higher floor or a room with a view, and guests can personalize their stays with various enhancements" including lounge access, special in-room welcome amenities or pre-paid parking, among others. IHG reported that "on average, when a guest purchases an attribute for their stay, hotels see additional revenue of \$22 per night for that booking, with Luxury & Lifestyle brands seeing up to \$41 of additional per night revenue for upsell bookings."
- Amadeus' proprietary digital advertizing platform and services have been launched in the Americas, building on proven success in the EMEA region. Starting from the campaign strategy, the Amadeus team provides a wealth of information by studying search and booking trends before launching a campaign. Likewise, the Company's proprietary advertizing platform allows for tailored campaigns to better reach people with real travel intentions, and optimizes media spend with AI-based machine learning models. Conversions in digital campaigns and their economic value, that is, the data that shows that people ended up visiting that destination, are attributed using proprietary Amadeus technology and valuable insights from our advertizing technology partners.
- Building on its longstanding partnership, the newly expanded agreement with Amadeus will support Trip.com Group's global growth strategies for its online travel agency and Trip.Biz Travel Management Company, in two key opportunities. Firstly, continuing as the preferred Global Distribution System hotel content provider for Trip.Biz, Amadeus will continue to work closely with and support Trip.Biz as it implements its global growth strategy. Additionally, Trip.com Group has signed a new agreement with Amadeus to provide its customers with access to content options from Amadeus Value Hotels on the Trip.com Group platform.
- Fliggy, a leading online travel platform and Alibaba Group's wholly-owned subsidiary, announced an expanded partnership with Amadeus by signing on to Amadeus Value Hotels. Fliggy, alongside Alitrip, a one-stop corporate travel management platform under Alibaba, is now able to offer its Chinese customers a wider range of hotel options with faster response times.
- Akbar Travels, one of the largest travel companies in India, expanded its partnership with Amadeus by adding Amadeus Value Hotels. With this addition, it will now offer travel sellers access to more than 500,000 hotel properties across the world. It will also be connected to the Amadeus Travel Platform with access to content from more than 400 airlines.

Payments

- Outpayce and HSBC have partnered to make the global bank's competitive FX rates available to airlines through Outpayce's FX Box Multi Currency Pricing

solution. Japan Airlines, the national flag carrier, is the first carrier to offer its passengers multi-currency pricing through Outpayce's partnership with HSBC.

- Almosafer, a Saudi Arabian travel agency, part of Seera Group, has expanded its strategic partnership with Amadeus to launch Amadeus B2B Wallet. Amadeus B2B Wallet is a payment solution that enables optimized virtual credit card payments and will be available to Almosafer's direct connectivity hotel partners.
- Outpayce expects the eMoney licence it applied for in 2022 to be granted in the first half of 2024. Outpayce intends to offer pre-paid virtual card issuing within its B2B Wallet solution, which travel agencies use to pay travel providers such as airlines and hotels.

Others

- During the fourth quarter of 2023, Amadeus was included in the Dow Jones Sustainability Index for the 12th consecutive year.

3 Presentation of financial information

The audited consolidated financial statements of Amadeus IT Group, S.A. and subsidiaries are the source to the financial information included in this document and have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

Certain amounts and figures included in this report have been subject to rounding adjustments. Any discrepancies in any tables between the totals and the sums of the amounts listed are due to rounding.

3.1 Alternative Performance Measures

This document includes unaudited Alternative Performance Measures, such as EBITDA, operating income, net financial debt as defined by our credit facility agreements, adjusted profit, Free Cash Flow, R&D investment and their corresponding ratios. These Alternative Performance Measures have been prepared in accordance with the Guidelines issued by the European Securities and Markets Authority for regulated information published on or after July 3, 2016.

- Segment contribution is defined as the segment revenue less operating costs plus capitalizations directly allocated to the segment. A reconciliation to EBITDA is included in section 5.
- Segment contribution margin is the percentage resulting from dividing Segment contribution by Revenue.
- Segments' net operating costs comprise cost of revenues, personnel and related expenses and other operating expenses that are directly attributable to the operating segments and that form part of the segments' contributions.
- Net indirect costs comprise costs shared among the operating segments, such as: (i) costs associated with Amadeus shared technology systems, including processing of multiple transactions, and (ii) corporate support, including various corporate functions, such as finance, legal, human resources and internal information systems. Additionally, it includes capitalization of expenses and incentives, mainly received from the French government, in respect of certain product development activities, which have not been allocated to an operating segment.
- EBITDA corresponds to Operating income plus D&A expense. A reconciliation of EBITDA to Operating income is included in section 6.1.5. The Operating income calculation is displayed in section 6.
- EBITDA margin is the percentage resulting from dividing EBITDA by Revenue. Operating income margin is the percentage resulting from dividing Operating income by Revenue.

- Adjusted profit corresponds to Profit for the period, after adjusting for the after tax impact of: (i) accounting effects derived from PPA exercises and impairment losses, (ii) non-operating exchange gains (losses), and (iii) other non-operating income (expense), as detailed in section 6.1.8.
- Adjusted EPS is the EPS corresponding to the Adjusted profit attributable to the parent company. The Adjusted EPS calculation is displayed in section 6.1.9.
- Net financial debt as defined by our credit facility agreements is calculated as current and non-current debt (as per the financial statements), less cash and cash equivalents and short term investments considered cash equivalent assets under our credit facility agreements' definition, adjusted for operating lease liabilities (as defined by the previous Lease accounting standard IAS 17, and now considered lease liabilities under IFRS 16), and non-debt items (such as deferred financing fees and accrued interest). A reconciliation to the financial statements is included in section 6.2.
- R&D investment corresponds to the amounts incurred in the research and development of software and internal IT projects and is presented net of research tax credits.
- Free cash flow is defined as EBITDA, minus capital expenditure, plus changes in our operating working capital, minus taxes paid, minus interests and financial fees paid. A reconciliation to the financial statements is included in section 6.3.
- Capital expenditure includes payments for PP&E and payments for intangible assets.
- Changes in our operating working capital in the Cash Flow include the changes in trade receivables, other current assets, trade payables, other current liabilities and other non-current liabilities.
- Non-operating cash flows in the Cash Flow statement include payments to acquire financial assets, net loans to third parties, net cash proceeds collected/(paid) from derivative agreements, proceeds on sale of financial assets, dividends received, proceeds obtained from the disposal of non-current assets and the effect of exchange rate changes on cash and cash equivalents.
- Short term financial flows in the Cash Flow statement relates to cash management activities and includes acquisitions and disposals of securities and fund investments, and associated net cash from derivative agreements linked to them.

We believe that these Alternative Performance Measures provide useful and relevant information to facilitate a better understanding of the performance of Amadeus and its economic position. These measures are not standard and therefore may not be comparable to those presented by other companies.

3.2 Non-recurring effects

For purposes of comparing 2023 with 2022, figures shown in sections 5 and 6.1 (Operating and financial performance by segment and Group income statement) have been adjusted to exclude the non-recurring effects described below. A reconciliation of these figures to the financial statements is also provided below.

2023

Updates in tax risk assessments

In 2023, Amadeus updated its tax risk assessments (for direct and indirect taxes), as a result of changes in estimates of tax contingencies, fundamentally due to the positive resolution of proceedings with the Indian and Greek tax authorities. The update in these tax risk assessments impacted several captions in the Group Income Statement in 2023, as described below:

- €42.0 million income, recognized as a reduction of the Cost of revenue caption in the fourth quarter.
- €38.2 million income, recognized within the Income taxes caption (€29.2 million in the second quarter and €9.0 million in the fourth quarter).
- €27.7 million exchange losses, recognized within the Net financial expense caption in the second quarter, linked to non-Euro denominated amounts, collected in Indian rupees.
- €21.1 million income, recognized in the Other financial income (expense) line within the Net financial expense caption in the second quarter, mainly caused by the recognition of interests on late payment.

As a result of these effects, EBITDA increased by €42.0 million and both Profit and Adjusted profit increased by €73.6 million in 2023 (in the fourth quarter, EBITDA increased by €42.0 million and both Profit and Adjusted profit increased by €51.0 million).

Also, linked to the resolution of the proceeding in India, Amadeus collected €42.8 million from the Indian tax authorities, which was recognized in the Change in working capital (€38.8 million) and Interests paid and received (€4.0 million) captions of the Cash flow statement in the second quarter of the year.

See note 21 of the 2023 Amadeus Consolidated Annual Accounts for further details.

Payment to a third-party distributor

In the fourth quarter for 2023, Amadeus agreed a non-recurring payment of USD 12.0 million (€10.9 million) to a third-party distributor, as part of a change in our distribution strategy in a local market. This amount was recognized in Cost of revenue in the fourth quarter and, as a result, EBITDA decreased by €10.9 million and Profit and Adjusted profit decreased both by €8.2 million. The payment was executed in the fourth quarter of 2023.

2022

Non-refundable government grant

In the second quarter of 2022, Amadeus received and collected a non-refundable grant from the German government, amounting to €51.2 million pre-tax (€38.9 million post tax), as a compensation for costs incurred as a consequence of the COVID-19 pandemic. This grant was recognized as a reduction of Other operating expenses,

impacting positively EBITDA, Profit and Adjusted profit, and was collected in the second quarter of 2022.

See the 2022 Management Review for further details.

Cost saving program implementation costs paid

In 2021, we completed the implementation of a cost saving program, announced in 2020, as part of an extraordinary set of measures adopted in light of the COVID-19 pandemic. In 2022, we paid €29.1 million implementation costs related to this cost saving program (€1.7 million in the fourth quarter), impacting the Change in working capital caption in the Cash Flow Statement. These cost saving program implementation costs did not have any impact on the Income Statement in 2022. 2023 figures are not impacted by cost saving program implementation costs.

See the 2022 Management Review for further details.

Income statement (€millions)	Full year 2023			Full year 2022		
	Ex. non-recurring effects	Non-recurring effects	Reported	Ex. non-recurring effects	Non-recurring effects	Reported ¹
Group revenue	5,441.2	0.0	5,441.2	4,485.9	0.0	4,485.9
Cost of revenue	(1,363.9)	31.1	(1,332.8)	(1,099.3)	0.0	(1,099.3)
Personnel expenses	(1,697.0)	0.0	(1,697.0)	(1,514.5)	0.0	(1,514.5)
Other op. expenses	(317.1)	0.0	(317.1)	(282.9)	51.2	(231.7)
EBITDA	2,063.2	31.1	2,094.3	1,589.2	51.2	1,640.4
Dep. and amortization	(680.4)	0.0	(680.4)	(677.6)	0.0	(677.6)
Operating income	1,382.8	31.1	1,413.9	911.5	51.2	962.7
Interest expense	(84.0)	0.0	(84.0)	(90.3)	0.0	(90.3)
Interest income	31.2	0.0	31.2	15.2	0.0	15.3
Other financial income (expenses)	(7.4)	21.1	13.7	0.8	0.0	0.8
Non-op. FX gains (losses)	8.4	(27.7)	(19.3)	(5.9)	0.0	(5.9)
Net financial expense	(51.8)	(6.6)	(58.4)	(80.1)	0.0	(80.1)
Other income (expenses)	6.1	0.0	6.1	(10.9)	0.0	(10.9)
Profit before taxes	1,337.2	24.5	1,361.6	820.5	51.2	871.7
Income taxes	(283.8)	40.9	(242.9)	(192.5)	(12.3)	(204.8)
Profit after taxes	1,053.3	65.4	1,118.7	628.0	38.9	666.9
Share in profit assoc./JV	(1.3)	0.0	(1.3)	(2.9)	0.0	(2.9)
Profit	1,052.0	65.4	1,117.4	625.1	38.9	664.0
EPS (€)	2.35	0.15	2.50	1.39	0.09	1.48
Adjusted profit	1,123.9	65.4	1,189.3	703.1	38.9	741.9
Adjusted EPS (€)	2.51	0.15	2.66	1.56	0.09	1.65

¹From January 1, 2023, Amadeus has applied the Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction. 2022 figures have been restated for the application of the amendment retroactively since January 1, 2022. As a result of this restatement, 2022 Income tax expense has increased by €0.3 million, impacting Profit and Adjusted profit negatively.

Segment reporting (€millions)	Full year 2023			Full year 2022		
	Ex. non-recurring effects	Non-recurring effects	Reported	Ex. non-recurring effects	Non-recurring effects	Reported
Air Distribution revenue	2,655.1	0.0	2,655.1	2,147.8	0.0	2,147.8
Air IT Solutions revenue	1,903.5	0.0	1,903.5	1,565.4	0.0	1,565.4
HOS revenue	882.6	0.0	882.6	772.7	0.0	772.7
Group revenue	5,441.2	0.0	5,441.2	4,485.9	0.0	4,485.9
Air Distrib. contribution	1,237.3	31.1	1,268.4	969.8	0.0	969.8
Air IT Sol. contribution	1,364.4	0.0	1,364.4	1,121.3	0.0	1,121.3
HOS contribution	296.1	0.0	296.1	245.1	0.0	245.1
Group Contribution	2,897.8	31.1	2,928.9	2,336.2	0.0	2,336.2
Net indirect costs	(834.6)	0.0	(834.6)	(747.0)	51.2	(695.8)
EBITDA	2,063.2	31.1	2,094.3	1,589.2	51.2	1,640.4

Q4 2023 Income statement (€millions)	Ex. non-recurring effects	Non-recurring effects	Reported
Group revenue	1,354.7	0.0	1,354.7
Cost of revenue	(338.7)	31.1	(307.6)
Personnel expenses	(457.6)	0.0	(457.6)
Other operating expenses	(89.1)	0.0	(89.1)
EBITDA	469.4	31.1	500.5
Dep. and amortization	(211.7)	0.0	(211.7)
Operating income	257.7	31.1	288.8
Interest expense	(21.6)	0.0	(21.6)
Interest income	6.1	0.0	6.1
Other financial income (expenses)	(2.9)	0.0	(2.9)
Non-operating FX gains (losses)	4.5	0.0	4.5
Net financial expense	(13.9)	0.0	(13.9)
Other income	4.3	0.0	4.3
Profit before taxes	248.0	31.1	279.1
Income taxes	(38.2)	11.7	(26.4)
Profit after taxes	209.9	42.8	252.7
Share in profit from associates/JV	0.2	0.0	0.2
Profit	210.1	42.8	252.9
EPS (€)	0.47	0.10	0.57
Adjusted profit	248.1	42.8	290.9
Adjusted EPS (€)	0.56	0.10	0.66

4 Main financial risks and hedging policy

4.1 Foreign exchange rate risk

Our reporting currency is the Euro. However, as a result of Amadeus' global activity and presence, part of Amadeus' results are generated in currencies different from the Euro. Similarly, part of Amadeus' cash inflows and outflows are denominated in non-Euro currencies. As a consequence, both results and our cash flows may be impacted, positively or negatively, by foreign exchange fluctuations.

Exposure to foreign currencies

Amadeus' Group revenue is almost entirely generated in either Euro or US Dollar (the latter representing 40%-50% of Group revenue). Revenue generated in currencies other than the Euro or US Dollar is negligible. By segment, 35%-45% of both Air Distribution and Air IT Solutions revenue, and 70%-80% of Hospitality & Other Solutions revenue, are generated in US Dollar.

In turn, 50%-60% of Amadeus' operating expenses⁶ are generated in many currencies different from the Euro, including the US Dollar, which represents 35%-45% of total operating expenses. The rest of the foreign currency operating expenses are denominated in a variety of currencies, GBP, AUD, INR and SGD being the most significant. A number of these currencies may fluctuate vs. the Euro similarly to the US Dollar - Euro fluctuations, and the degree of this correlation may vary with time.

Hedging policy

Amadeus' target is to reduce the volatility generated by foreign exchange fluctuations on its non-Euro denominated net cash flows. Our hedging strategy is as follows:

- To manage our exposure to the US Dollar, we have a natural hedge to our net operating cash flows generated in US Dollar or US Dollar-correlated currencies through, among others, payments of USD-denominated debt (when applicable), as well as investments and taxes paid in the U.S. We may enter into derivative arrangements when this natural hedge is not sufficient to cover our outstanding exposure.
- We also hedge a number of currencies, including the GBP, AUD, INR, BRL and SEK, for which we may enter into foreign exchange derivatives with banks.

⁶ Including Cost of revenue, Personnel expenses, Other operating expenses and depreciation and amortization expense.

When the hedges in place covering operating flows qualify for hedge accounting under IFRS, profits and losses are recognized within EBITDA. Our hedging arrangements typically qualify for hedge accounting under IFRS.

In 2023, relative to 2022, foreign exchange fluctuations had a negative impact on revenue and a positive impact on costs and EBITDA. In the fourth quarter, compared to the same period of 2022, foreign exchange effects had a negative impact on revenues and a positive impact on costs, resulting in a small negative effect on EBITDA.

4.2 Interest rate risk

At December 31, 2023, 95% of our financial debt⁷ was subject to fixed interest rates. In the first quarter of 2023, Amadeus had contracted an interest rate swap, amounting to €250 million, to swap 50% of the Eurobond maturing in September 2028 to a floating rate. This interest rate swap was effective from September 2023, however, it was cancelled in December 2023, to benefit from the reduction in interest rates that happened in December 2023.

4.3 Treasury shares price evolution risk

Amadeus has three different staff remuneration schemes which are settled with Amadeus shares. According to the rules of these plans, when they mature, all beneficiaries receive a number of Amadeus shares, which for the outstanding plans amount to (depending on the evolution of certain performance conditions), between a minimum of 858,000 shares and a maximum of 1,843,000 shares, approximately. It is Amadeus' intention to make use of its treasury shares to settle these plans at their maturity.

⁷ Based on our credit facility agreements' definition.

5 Operating and financial performance by segment

For ease of comparison of the 2023 and 2022 figures shown in section 5 (Operating and financial performance by segment), figures have been adjusted to exclude the following non-recurring effects: (i) impacts from updates in tax risk assessments, which resulted in an increase in Air Distribution's contribution and EBITDA by €42.0 million in the fourth quarter of 2023, (ii) a payment to a third-party distributor in the Air Distribution segment, which reduced the segment's contribution and EBITDA by €10.9 million in the fourth quarter of 2023, and (iii) in 2022, a non-refundable government grant (€51.2 million), received in the second quarter of 2022, accounted for as a reduction of Net indirect costs, resulting in an increase in EBITDA for the same amount. See section 3.2 for further details.

Segment reporting (€ millions)	Full year 2023 ¹	Full year 2022 ¹	Change
Air Distribution revenue	2,655.1	2,147.8	23.6%
Air IT Solutions revenue	1,903.5	1,565.4	21.6%
Hospitality & Other Solutions revenue	882.6	772.7	14.2%
Group Revenue	5,441.2	4,485.9	21.3%
Air Distribution contribution	1,237.3	969.8	27.6%
Air IT Solutions contribution	1,364.4	1,121.3	21.7%
Hospitality & Other Solutions contribution	296.1	245.1	20.8%
Group Contribution	2,897.8	2,336.2	24.0%
Net indirect costs	(834.6)	(747.0)	11.7%
EBITDA	2,063.2	1,589.2	29.8%
EBITDA Margin (%)	37.9%	35.4%	2.5 p.p.

¹Excluding non-recurring effects: (i) in 2023, impacts from updates in tax risk assessments, which resulted in an increase in both Air Distribution's contribution and EBITDA of €42.0 million, (ii) also in 2023, a payment to a third-party distributor, which resulted in a reduction in both Air Distribution's contribution and EBITDA of €10.9 million, and (iii) in 2022, a non-refundable government grant, accounted for as a reduction in Net indirect costs, which resulted in an increase in EBITDA of €51.2 million. See section 3.2 for further details.

5.1 Air Distribution

Air Distribution	Full year 2023 ¹	Full year 2022	Change
Operating KPI (m)			
Bookings	450.2	396.3	13.6%
Financial results (€ millions)			
Revenue	2,655.1	2,147.8	23.6%
Operating costs	(1,489.0)	(1,245.3)	19.6%
Capitalizations	71.2	67.2	5.9%
Net operating costs	(1,417.8)	(1,178.0)	20.3%
Contribution	1,237.3	969.8	27.6%
Contribution margin	46.6%	45.2%	1.5 p.p.

¹ Air Distribution operating costs exclude non-recurring effects from updates in tax risk assessments and a payment to a third-party distributor, which, combined, resulted in a reduction in Air Distribution's operating costs, and an increase in Air Distribution's contribution, of €31.1 million. See section 3.2 for more details.

5.1.1 Air Distribution revenue

Air Distribution revenue	Oct-Dec 2023	Oct-Dec 2022	Change	Full year 2023	Full year 2022	Change
Revenue (€millions)	627.4	536.9	16.9%	2,655.1	2,147.8	23.6%
Revenue/booking (€)	6.14	5.62	9.3%	5.90	5.42	8.8%

In 2023, Air Distribution revenue amounted to €2,655.1 million, 23.6% higher than in 2022. Our Air Distribution revenue evolution was driven by 13.6% higher booking volumes than in 2022, as described below, and an 8.8% increase in the Air Distribution revenue per booking. This increase in the revenue per booking primarily resulted from (i) a lower weight of local bookings in 2023, compared to 2022, and (ii) pricing effects (including inflation and other yearly adjustments, renewals and new distribution agreements).

In the fourth quarter of 2023, relative to the fourth quarter of 2022, Air Distribution revenue grew by 16.9%, as a result of a 6.9% booking volume growth and a 9.3% revenue per booking expansion, mainly resulting from (i) a positive booking mix effect, and (ii) pricing effects, including inflation and other yearly adjustments, renewals and new distribution agreements.

Amadeus Bookings

Bookings (millions)	Oct-Dec 2023	Oct-Dec 2022	Change	Full year 2023	Full year 2022	Change
Amadeus bookings	102.2	95.6	6.9%	450.2	396.3	13.6%

In 2023, Amadeus' bookings grew by 13.6% vs. prior year. Our best performing region was Asia-Pacific, which expanded by 63.7%, followed by Western Europe, which grew by 13.3%. Over the year, Western Europe and North America were our largest regions, representing 28.2% and 27.0% of Amadeus' bookings, respectively. In the fourth quarter of 2023, Amadeus' bookings were 6.9% above the fourth quarter of 2022. Our booking performance in the fourth quarter was impacted by an increase in the level of booking cancellations, fundamentally driven by the Middle East geopolitical events, impacting all regions, most notably, North America and Middle East and Africa.

Bookings (millions)	Full year 2023	% of Total	Full year 2022	% of Total	Change
Western Europe	126.8	28.2%	111.9	28.3%	13.3%
North America	121.5	27.0%	122.0	30.8%	(0.4%)
Asia-Pacific	83.0	18.4%	50.7	12.8%	63.7%
Middle East and Africa	58.3	13.0%	52.8	13.3%	10.5%
Central, Eastern and Southern Europe	31.4	7.0%	28.6	7.2%	9.7%
Latin America	29.2	6.5%	30.2	7.6%	(3.4%)
Amadeus Bookings	450.2	100.0%	396.3	100.0%	13.6%

5.1.2 Air Distribution contribution

In 2023, relative to 2022, Air Distribution contribution increased by 27.6%, to €1,237.3 million, and represented 46.6% of revenue, an expansion of 1.5 p.p. vs. prior year. Contribution growth resulted from an increase in revenue of 23.6%, as explained in section 5.1.1, and a 20.3% growth in net operating costs. Growth in net operating costs in the year, relative to 2022, resulted from (i) an increase in variable costs, due to volume growth and several factors, including customer and country mix, and (ii) fixed cost growth, mainly resulting from increased R&D investment, mostly focused on NDC distribution technology, customer implementations and solutions for travel sellers and corporations.

5.2 Air IT Solutions

Air IT Solutions	Full year 2023	Full year 2022	Change
Operating KPI			
Passengers Boarded (PB) (m)	1,952.3	1,539.5	26.8%
Financial results (€ millions)			
Revenue	1,903.5	1,565.4	21.6%
Operating costs	(691.1)	(579.9)	19.2%
Capitalizations	152.0	135.8	11.9%
Net operating costs	(539.1)	(444.1)	21.4%
Contribution	1,364.4	1,121.3	21.7%
Contribution margin	71.7%	71.6%	0.1 p.p.

5.2.1 Air IT Solutions revenue

Air IT Solutions revenue	Oct-Dec 2023	Oct-Dec 2022	Change	Full year 2023	Full year 2022	Change
Revenue (€millions)	495.0	410.9	20.4%	1,903.5	1,565.4	21.6%
Revenue/PB (€)	0.99	0.98	1.2%	0.97	1.02	(4.1%)

In 2023, Air IT Solutions revenue amounted to €1,903.5 million, 21.6% above 2022. This revenue performance was driven by higher airline passengers boarded volumes, as described below. Average revenue per PB was 4.1% below prior year, as expected, resulting from several revenue lines not linked to the PB evolution (such as Airport IT and airline services, among others) growing strongly, albeit at softer rates than our PB. These effects, combined together, more than offset a positive pricing impact from Altéa/New Skies improving PB mix, inflation and other yearly adjustments, as well as, from upselling of solutions (such as, revenue management, revenue accounting, disruption management, retailing and personalization solutions).

In the fourth quarter of 2023, Air IT Solutions revenue was 20.4% above the fourth quarter of 2022, driven by higher PB volumes and a 1.2% increase in revenue per PB, mainly resulting from positive pricing impacts from inflation and other yearly adjustments, as well as, from upselling of solutions and Altéa/New Skies improving PB mix. These positive effects were partly offset by revenue lines not linked to PB, growing less than PB.

Amadeus Passengers boarded

Passengers Boarded (millions)	Oct-Dec 2023	Oct-Dec 2022	Change	Full year 2023	Full year 2022	Change
Organic PB ⁸	474.7	408.2	16.3%	1,873.9	1,487.4	26.0%
Non organic PB ⁹	24.8	11.5	116.7%	78.4	52.1	50.4%
Total PB	499.5	419.7	19.0%	1,952.3	1,539.5	26.8%

In 2023, Amadeus passengers boarded increased by 26.8% over 2022, driven by (i) organic growth⁸ of 26.0%, and (ii) net positive non organic effects, as a result of (i) customer implementations (the main ones being Etihad Airways, ITA Airways, Hawaiian Airlines, Bamboo Airways and Allegiant Air, in 2023, and Air India, in 2022), partly offset by (ii) airline customers ceasing or suspending operations, or de-migrating from our platform, including the de-migration of Russian carriers during 2022. In 2023, vs. 2022, Asia-Pacific was our best performing region, delivering 55.4% growth, and Western Europe and Asia-Pacific were our largest regions, representing 32.7% and 29.4% of Amadeus' passengers boarded, respectively. In the fourth quarter of 2023, Amadeus' passengers boarded increased by 19.0%, vs. the fourth quarter of 2022, driven by (i) organic PB⁸ growing by 16.3% and (ii) a positive contribution from non organic PB⁹, mainly from the 2023 migrations.

PB (millions)	Full year 2023	% of Total	Full year 2022	% of Total	Change
Western Europe	639.3	32.7%	535.5	34.8%	19.4%
Asia-Pacific	574.4	29.4%	369.5	24.0%	55.4%
North America	352.5	18.1%	299.9	19.5%	17.5%
Middle East and Africa	173.5	8.9%	127.8	8.3%	35.7%
Central, Eastern and Southern Europe	108.9	5.6%	111.1	7.2%	(2.0%)
Latin America	103.8	5.3%	95.8	6.2%	8.4%
Amadeus PB	1,952.3	100.0%	1,539.5	100.0%	26.8%

5.2.2 Air IT Solutions contribution

Air IT Solutions contribution expanded by 21.7% in 2023, relative to 2022, amounting to €1,364.4 million. As a percentage of revenue, contribution was 71.7%, 0.1 p.p. higher than in 2022. Contribution growth resulted from a 21.6% higher revenue, as explained in section 5.2.1, and a 21.4% increase in our net operating costs. Growth in net operating

⁸ Organic PB/ organic growth refers to passengers boarded of comparable airlines on our PSS platforms during both periods.

⁹ Non organic PB/ non organic growth refers to passengers boarded of (i) airline customers migrated to our PSS platforms, and (ii) airline customers ceasing or suspending operations, and de-migrations, taking place during the years under comparison.

costs in the year, vs. 2022, was mainly driven by (i) increased R&D investment, dedicated to our airline and airport IT portfolio evolution and expansion, airline consulting and bespoke services and customer implementations, and (ii) growth in non-personnel related expenses, to support the overall businesses expansion.

5.3 Hospitality & Other Solutions

HOS (€millions)	Full year 2023	Full year 2022	Change
Revenue	882.6	772.7	14.2%
Operating costs	(750.8)	(660.1)	13.7%
Capitalizations	164.2	132.6	23.9%
Net operating costs	(586.5)	(527.5)	11.2%
Contribution	296.1	245.1	20.8%
Contribution margin	33.5%	31.7%	1.8 p.p.

5.3.1 Hospitality & Other Solutions revenue

HOS revenue (€millions)	Oct-Dec 2023	Oct-Dec 2022	Change	Full year 2023	Full year 2022	Change
HOS revenue	232.3	220.7	5.2%	882.6	772.7	14.2%

In 2023, Hospitality & Other Solutions revenue amounted to €882.6 million, 14.2% higher than in 2022. Both Hospitality, which generates the majority of the revenues in this segment, and Payments, delivered strong growth vs. prior year. Within Hospitality: (i) Hospitality IT revenues increased vs. prior year, supported by customer implementations and higher reservation volumes. The main revenue lines driving the growth were Sales & Event Management, Service Optimization and Amadeus central reservation system revenues. (ii) Media and Distribution revenues reported strong growth, backed by an increase in media transactions and bookings. (iii) Business Intelligence revenue also expanded in the period, driven by customer implementations. Within Payments, all its revenue lines reported strong growth rates in the year, compared to 2022, supported by higher payment transactions and customer implementations.

In the fourth quarter of 2023, Hospitality & Other Solutions revenue amounted to €232,3 million, 5.2% above the fourth quarter of 2022. Revenues in the fourth quarter were significantly impacted by negative foreign exchange effects (70%-80% of Hospitality & Other Solutions revenue is generated in US Dollar), excluding which, Hospitality & Other Solutions revenue grew 10% in the fourth quarter of the year, vs. the same period of 2022. Revenue growth was supported by an increase in transactions and customer implementations at both Hospitality and Payments. Within Hospitality,

all main revenue captions expanded, led by Media and Distribution. Within Payments, both the B2B Wallet and the Merchant Hub businesses strengthened in the quarter. Hospitality & Other Solutions revenue growth in the fourth quarter of 2023, vs. 2022, was softer than in the previous quarter, mostly due to the recovery experienced by the industry throughout 2022.

5.3.2 Hospitality & Other Solutions contribution

Hospitality & Other Solutions contribution expanded by 20.8%, to €296.1 million, in 2023, vs. 2022. As a percentage of revenue, contribution expanded by 1.8 p.p., to 33.5%. Contribution growth resulted from a 14.2% higher revenue, as explained in section 5.3.1, and a 11.2% increase in our net operating costs.

Growth in net operating costs in 2023, vs. 2022, resulted from (i) an increase in variable costs, largely due to the expansion of media and distribution and central reservation businesses, within Hospitality, supported by volume growth, and the strong performance of our B2B Wallet solution, within our Payments business, and (ii) fixed cost growth, mainly resulting from an increase in R&D investment, focused on the evolution of our Hospitality and Payments solutions portfolio and to customer implementations.

5.4 EBITDA

In 2023, EBITDA amounted to €2,063.2 million, a 29.8% increase vs. 2022. EBITDA growth was driven by an increase in the contributions of all of our segments, as described above, and an increase in net indirect costs of 11.7%. EBITDA margin was 37.9% in the period, 2.5 p.p. higher than last year.

Net indirect costs increase of 11.7% in the year vs. 2022, mainly resulted from an increase in transaction processing and cloud costs, driven by the volume expansion and our progressive migration to the public cloud, and, to a lesser extent, a higher unit personnel cost, as a result of our global salary increase.

Indirect costs (€millions)	Full year 2023	Full year 2022 ¹	Change
Indirect costs	(1,001.2)	(915.5)	9.4%
Indirect capitalizations	166.6	168.5	(1.1%)
Net indirect costs	(834.6)	(747.0)	11.7%

¹Excluding a non-refundable government grant, amounting to €51.2 million, which was received in the second quarter of 2022, and was accounted for as a reduction of Indirect costs (see section 3.2 for more detail). Also, from January 1, 2023, the Research Tax Credit (RTC) is recognized as a reduction of Indirect costs (previously, it was recognized as an increase in Indirect capitalizations). 2022 Indirect costs and indirect capitalizations have been restated accordingly, for comparison purposes. This change does not have an impact on Net indirect costs nor EBITDA.

6 Consolidated financial statements

6.1 Group income statement

For ease of comparison between the 2023 and 2022 figures shown in section 6.1 (Group income statement), figures have been adjusted to exclude the following non-recurring effects: (i) in 2023, updates in tax risk assessments, fundamentally driven by the positive resolution of several proceedings, impacting Cost of revenue, net financial expense and income taxes, and resulting in an increase of €42.0 million in EBITDA, and of €73.6 million in both Profit and Adjusted profit, (ii) a payment to a third-party distributor in the fourth quarter of 2023, recognized within the Cost of revenue caption, which resulted in a reduction of EBITDA by €10.9 million, and of Profit and Adjusted profit by €8.2 million, and (iii) in 2022, a non-refundable government grant (€51.2 million pre-tax, €38.9 million post tax), received in the second quarter of 2022, which was accounted for as a reduction of Other operating expenses and impacted EBITDA, Profit and Adjusted profit positively. See section 3.2 for further details.

Income statement (€millions)	Oct-Dec 2023 ¹	Oct-Dec 2022	Change	Full year 2023 ¹	Full year 2022 ¹	Change
Revenue	1,354.7	1,168.5	15.9%	5,441.2	4,485.9	21.3%
Cost of revenue	(338.7)	(282.6)	19.8%	(1,363.9)	(1,099.3)	24.1%
Personnel expenses	(457.6)	(403.6)	13.4%	(1,697.0)	(1,514.5)	12.0%
Other operating expenses	(89.1)	(84.0)	6.0%	(317.1)	(282.9)	12.1%
EBITDA	469.4	398.3	17.8%	2,063.2	1,589.2	29.8%
D&A expense	(211.7)	(200.7)	5.5%	(680.4)	(677.6)	0.4%
Operating income	257.7	197.6	30.4%	1,382.8	911.5	51.7%
Net financial expense	(13.9)	(16.4)	(14.9%)	(51.8)	(80.1)	(35.4%)
Other income (expense)	4.3	2.0	112.0%	6.1	(10.9)	n.m.
Profit before income tax	248.0	183.2	35.4%	1,337.2	820.5	63.0%
Income taxes	(38.2)	(39.5)	(3.5%)	(283.8)	(192.5)	47.5%
Profit after taxes	209.9	143.7	46.0%	1,053.3	628.0	67.7%
Share in profit assoc/JV	0.2	(0.8)	n.m.	(1.3)	(2.9)	(55.0%)
Profit	210.1	142.9	47.0%	1,052.0	625.1	68.3%
EPS (€)	0.47	0.32	49.2%	2.35	1.39	69.1%
Adjusted profit ²	248.1	180.5	37.4%	1,123.9	703.1	59.8%
Adjusted EPS (€) ³	0.56	0.40	39.5%	2.51	1.56	60.7%

¹ Excluding non-recurring effects: (i) in 2023, impacts from updates in tax risk assessments, impacting Cost of revenue, net financial expense and income taxes, which resulted in increases in EBITDA (€42.0 million), both Profit and Adjusted profit (€73.6 million) and both EPS and adjusted EPS (€0.16) (in Q4 2023, increases in EBITDA of €42.0 million, in both Profit and Adjusted profit of €51.0 million, and in both EPS and adjusted EPS of €0.12), (ii) in Q4 2023, a payment to a third-party distributor, recognized within Cost of revenue, which resulted in reductions in EBITDA (€10.9 million), both Profit and Adjusted profit (€8.2 million) and both EPS and adjusted EPS (€0.02), and (iii) in 2022, a non-refundable government grant, recognized as a reduction of Other operating expenses, which resulted in increases in EBITDA (€51.2 million), both Profit and Adjusted profit (€38.9 million) and both EPS and adjusted EPS (€0.09). See section 3.2 for further details.

² Excluding after-tax impact of the following items: (i) accounting effects derived from PPA exercises and impairment losses, (ii) non-operating exchange gains (losses) and (iii) other non-operating income (expense).

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

6.1.1 Revenue

In 2023, Group revenue amounted to €5,441.2 million, 21.3% higher than in 2022, resulting from:

- An increase of 23.6% in Air Distribution revenue, as detailed in section 5.1.1.
- Air IT Solutions revenue growth of 21.6%, as detailed in section 5.2.1.
- Hospitality & Other Solutions revenue growth of 14.2%, as detailed in section 5.3.1.

In the fourth quarter of 2023, Group revenue amounted to €1,354.7 million, an increase of 15.9% vs. the fourth quarter of 2022.

Revenue (€millions)	Oct-Dec 2023	Oct-Dec 2022	Change	Full year 2023	Full year 2022	Change
Air Distribution revenue	627.4	536.9	16.9%	2,655.1	2,147.8	23.6%
Air IT Solutions revenue	495.0	410.9	20.4%	1,903.5	1,565.4	21.6%
HOS revenue	232.3	220.7	5.2%	882.6	772.7	14.2%
Revenue	1,354.7	1,168.5	15.9%	5,441.2	4,485.9	21.3%

6.1.2 Cost of revenue

Cost of revenue fundamentally includes:

- Incentive fees paid to travel sellers for bookings done through our air distribution and hospitality reservation platforms, as well as, fees paid to local distributors (mainly in the Middle East, North Africa, India and South Korea).
- Fees paid in relation to advertizing and data analytics activities in Hospitality.
- Commissions paid to travel agencies for the use of the Amadeus B2B Wallet payment solution.
- Data communication expenses related to the maintenance of our computer network.

In 2023, cost of revenue amounted to €1,363.9¹⁰ million, a 24.1%¹⁰ increase vs. 2022. Cost of revenue growth resulted from variable cost growth across our segments. In Air Distribution, variable costs increased, driven by volume expansion and several factors, including customer and country mix. In Hospitality & Other Solutions, variable cost growth was mostly due to a higher number of transactions, both in Hospitality and in Payments.

In the fourth quarter, Cost of revenue was 19.8%¹⁰ ahead of prior year, backed by an increase in transactions across our businesses. Air Distribution variable cost growth was also impacted by several factors, including customer and country mix.

6.1.3 Personnel and related expenses and Other operating expenses

In 2023, our combined Personnel and Other operating expenses cost line amounted to €2,014.1 million, 12.1% higher than in 2022. For the fourth quarter, Personnel and Other operating expenses costs combined increased by 12.1%. Growth in 2023, relative to 2022, mainly resulted from (i) increased resources, particularly in the development activity (R&D investment increased by 12.9% in 2023, vs. prior year), coupled with a higher unitary personnel cost, as a result of our global salary increase, (ii) growth in non-personnel related expenses, to support our overall business expansion, such as, in travel and training, and (iii) higher transaction processing and cloud costs, driven by volume expansion and the progressive migration of our solutions to the public cloud.

¹⁰ Excluding non-recurring effects from updates in tax risk assessments and a payment to a third-party distributor, which, combined, resulted in a reduction in Cost of revenue of €31.1 million, in Q4 2023. See section 3.2 for more details.

Personnel and Other op. expenses (€millions)	Oct-Dec 2023	Oct-Dec 2022	Change	Full year 2023	Full year 2022 ¹	Change
Personnel and Other operating expenses	(546.7)	(487.6)	12.1%	(2,014.1)	(1,797.4)	12.1%

¹ Excluding a non-refundable government grant, amounting to €51.2 million, received in the second quarter of 2022, which was accounted for as a reduction of Other operating expenses. See section 3.2 for further details.

6.1.4 Depreciation and amortization expense

In 2023, depreciation and amortization expense amounted to €680.4 million, 0.4% higher than in 2022. Ordinary D&A expense declined by 1.3%, resulting from a contraction in depreciation expense, mostly driven by a reduction in hardware at our data center in Erding, driven by the migration of our systems to the cloud, largely offset by an increase in amortization from capitalized, internally developed assets.

In the fourth quarter of 2023, depreciation and amortization expense was 5.5% above the same period of 2022. Ordinary D&A expense increased by 5.4%, impacted by the reassessment of the useful lives of certain property, plant and equipment assets in our data center in Erding, leading to an increase in depreciation expense of €8.7 million in the fourth quarter of 2023.

Depreciation and Amort. expense (€millions)	Oct-Dec 2023	Oct-Dec 2022	Change	Full year 2023	Full year 2022	Change
Ordinary D&A	(154.1)	(146.2)	5.4%	(571.5)	(579.2)	(1.3%)
PPA amortization	(17.5)	(18.2)	(4.0%)	(68.9)	(61.7)	11.5%
Impairments	(40.1)	(36.3)	10.5%	(40.0)	(36.8)	9.0%
D&A expense	(211.7)	(200.7)	5.5%	(680.4)	(677.6)	0.4%

6.1.5 Operating income

In 2023, Operating income amounted to €1,382.8 million, 51.7%, higher than in 2022. This increase resulted from the EBITDA expansion and a higher D&A expense, compared to prior year. In 2023, EBITDA amounted to €2,063.2 million, which is 29.8% higher than 2022, driven by (i) a 21.3% higher revenue, as described in section 6.1.1, (ii) 24.1% cost of revenue growth, as described in section 6.1.2, and (iii) an increase in our combined Personnel and Other operating expenses cost line of 12.1%, as described in section 6.1.3. In 2023, Operating income margin was 25.4%, 5.1 p.p. higher than in 2022, and EBITDA margin was 37.9%, a 2.5 p.p. expansion relative to 2022. In the fourth quarter of 2023, Operating income and EBITDA increased by 30.4% and 17.8%, respectively, and Operating income and EBITDA margins expanded by 2.1 p.p. and 0.6 p.p., respectively, vs. the fourth quarter of 2022.

Operating income-EBITDA (€millions)	Oct-Dec 2023 ¹	Oct-Dec 2022	Change	Full year 2023 ¹	Full year 2022 ¹	Change
Operating income	257.7	197.6	30.4%	1,382.8	911.5	51.7%
Operating income margin	19.0%	16.9%	2.1 p.p.	25.4%	20.3%	5.1 p.p.
D&A expense	211.7	200.7	5.5%	680.4	677.6	0.4%
EBITDA	469.4	398.3	17.8%	2,063.2	1,589.2	29.8%
EBITDA margin	34.6%	34.1%	0.6 p.p.	37.9%	35.4%	2.5 p.p.

¹ Excluding non-recurring effects: (i) in Q4 2023, impacts from updates in tax risk assessments, which resulted in an increase in both EBITDA and Operating income of €42.0 million, (ii) also in Q4 2023, a payment to a third-party distributor, which resulted in a reduction in both EBITDA and Operating income of €10.9 million, and (iii) in Q2 2022, a non-refundable government grant, accounted for as a reduction in Other operating expenses, which resulted in an increase in both EBITDA and Operating income of €51.2 million. See section 3.2 for further details.

6.1.6 Net financial expense

In 2023, net financial expense amounted to €51.8 million, lower by €28.4 million, or 35.4%, than in 2022. This reduction mainly resulted from (i) an increase in interest income of €15.9 million, or 104.4%, mainly driven by an increase in interest rates on financial assets, (ii) non-operating exchange gains of €8.4 million (vs. €5.9 million exchange losses in 2022), and (iii) a decrease in interest expense of €6.3 million, or 7.0%, as a consequence of a lower average gross debt, partly offset by a higher average cost of debt, over the year.

In the fourth quarter of 2023, relative to the fourth quarter of 2022, Net financial expense was lower by 14.9%, or €2.4 million, largely driven by a reduction in interest expense of €2.7 million, as a consequence of a lower average gross debt over the quarter.

Net financial expense (€millions)	Oct-Dec 2023	Oct-Dec 2022	Change	Full year 2023 ¹	Full year 2022	Change
Interest expense	(21.6)	(24.3)	(11.3%)	(84.0)	(90.3)	(7.0%)
Interest income	6.1	8.6	(29.6%)	31.2	15.3	104.4%
Other financial income (expenses)	(2.9)	(3.8)	(22.9%)	(7.4)	0.8	n.m.
Non op. FX gains (losses)	4.5	3.1	45.2%	8.4	(5.9)	n.m.
Net financial expense	(13.9)	(16.4)	(14.9%)	(51.8)	(80.1)	(35.4%)

Note: in 2023, the categories in which Net financial expense is broken down have changed, triggering a different grouping of items by category. 2022 figures have been changed in accordance with the new categories, in order to make 2023 and 2022 figures comparable. The main categories impacted by this change are Interest income and Other financial income (expenses), mostly due to financial income which is not interest income, moved from the former Financial income category to the new Other financial income (expenses) category. The Interest expense line is only marginally impacted by this change and the non operating FX gains (losses) line is not impacted by this change.

¹ Excluding impacts from updates in tax risk assessments, which increased Net financial expense by €6.6 million. See section 3.2 for further details.

6.1.7 Income taxes

In 2023, excluding the non-recurring impacts described in section 3.2, income taxes amounted to €283.8 million, an increase of 47.5% vs. 2022, largely due to higher

taxable results. The income tax rate for 2023 was 21.2%, 2.2 p.p. lower than the effective tax rate of 23.5% reported in 2022, mainly due to an increase in tax deductions, associated with R&D.

6.1.8 Profit and Adjusted profit

In 2023, Profit amounted to €1,052.0 million, 68.3% higher than in 2022. In turn, Adjusted profit amounted to €1,123.9 million, 59.8% higher than Adjusted profit reported in 2022. In the fourth quarter of 2023, Profit and Adjusted profit grew by 47.0% and 37.4%, respectively.

Profit-Adjusted profit (€millions)	Oct-Dec 2023 ¹	Oct-Dec 2022	Change	Full year 2023 ¹	Full year 2022 ¹	Change
Profit	210.1	142.9	47.0%	1,052.0	625.1	68.3%
Adjustments						
PPA amortization ²	12.4	13.7	(9.4%)	50.9	46.3	9.9%
Impairments ²	33.0	27.8	18.6%	33.0	28.1	17.1%
Non-op. FX gains (losses) ²	(3.8)	(2.3)	62.6%	(6.9)	4.5	n.m.
Other non-op. items ²	(3.6)	(1.5)	130.5%	(5.1)	(1.0)	399.4%
Adjusted profit	248.1	180.5	37.4%	1,123.9	703.1	59.8%

¹Excluding non-recurring effects: (i) in 2023, impacts from updates in tax risk assessments, which resulted in an increase in both Profit and Adjusted profit of €73.6 million (€51.0 million in Q4 2023), (ii) in Q4 2023, a payment to a third-party distributor, which resulted in a reduction in both Profit and Adjusted profit of €8.2 million, and (iii) in Q4 2022, a non-refundable government grant, which resulted in an increase in both Profit and Adjusted profit of €38.9 million. See section 3.2 for further details.

²After tax impact of (i) accounting effects derived from purchase price allocation exercises and impairment losses, (ii) non-operating exchange gains (losses), and (iii) other non-operating income (expense).

6.1.9 Earnings per share (EPS)

The table below shows EPS, based on the profit attributable to the parent company (after minority interests) and Adjusted EPS, based on the Adjusted profit (as defined in section 6.1.8) attributable to the parent company (after minority interests). In 2023, EPS was €2.35 and Adjusted EPS was €2.51, 69.1% and 60.7% higher than in 2022, respectively. In the fourth quarter, EPS and Adjusted EPS grew by 49.2% and 39.5% vs. 2022, respectively.

	Oct-Dec 2023 ¹	Oct-Dec 2022	Change	Full year 2023 ¹	Full year 2022 ¹	Change
Earnings per share						
W. A. issued shares (m)	450.5	450.5	0.0%	450.5	450.5	0.0%
W. A. treasury shares (m)	(7.4)	(0.5)	n.m.	(3.1)	(0.6)	n.m.
Outstanding shares (m)	443.1	450.0	(1.5%)	447.4	449.9	(0.6%)
EPS (€)²	0.47	0.32	49.2%	2.35	1.39	69.1%
Adjusted EPS (€)³	0.56	0.40	39.5%	2.51	1.56	60.7%
Diluted out. shares (m) ⁴	458.7	465.4	(1.5%)	462.9	465.3	(0.5%)
Diluted EPS (€) ²	0.46	0.31	48.4%	2.29	1.36	68.2%
Diluted adjusted EPS (€) ³	0.55	0.39	39.0%	2.45	1.53	59.9%

W.A.: Weighted average

¹Excluding non-recurring effects: (i) in 2023, impacts from updates in tax risk assessments, which resulted in an increase in both EPS and Adjusted EPS of €0.16 (€0.12 in Q4 2023), (ii) in Q4 2023, a payment to a third-party distributor, which resulted in a reduction in both EPS and Adjusted EPS of €0.02, and (iii) in Q4 2022, a non-refundable government grant, which resulted in an increase in both EPS and Adjusted EPS of €0.09. See section 3.2 for further details.

²EPS and diluted EPS (dilution effect related to the potential conversion of the convertible bonds into ordinary shares) corresponding to the Profit attributable to the parent company. EPS is calculated based on weighted average outstanding shares of the period.

³Adjusted EPS and diluted adjusted EPS (dilution effect related to the potential conversion of the convertible bonds into ordinary shares) corresponding to the Adjusted profit attributable to the parent company. Adjusted EPS is calculated based on weighted average outstanding shares of the period.

⁴Includes the dilution effect related to the potential conversion of the convertible bonds into ordinary shares.

6.2 Statement of financial position (condensed)

Statement of financial position (€millions)	Dec 31,2023	Dec 31,2022 ¹	Change
Intangible assets	3,910.1	3,952.6	(42.5)
Goodwill	3,710.8	3,766.7	(55.9)
Property, plant and equipment	198.0	220.9	(22.9)
Rest of non-current assets	577.3	708.4	(131.1)
Non-current assets	8,396.2	8,648.6	(252.5)
Cash and equivalents	1,038.0	1,434.8	(396.8)
Rest of current assets ²	1,361.2	1,631.1	(269.9)
Current assets	2,399.2	3,065.9	(666.7)
Total assets	10,795.4	11,714.5	(919.2)
Equity	4,482.5	4,585.5	(103.0)
Non-current debt	2,739.7	3,086.4	(346.7)
Rest of non-current liabilities	1,079.5	1,074.1	5.4
Non-current liabilities	3,819.2	4,160.5	(341.3)
Current debt	568.8	1,324.8	(756.0)
Rest of current liabilities	1,924.9	1,643.7	281.1
Current liabilities	2,493.7	2,968.5	(475.0)
Total liabilities and equity	10,795.4	11,714.5	(919.2)
Net financial debt (as per financial statements) ²	2,270.5	2,406.5	(136.0)

¹From January 1, 2023, Amadeus has applied the Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction. 2022 figures have been restated for the application of the amendment retroactively since January 1, 2022. As a result of this restatement, as of December 31, 2022, Rest of non-current assets have been increased by €2.3 million and Rest of non-current liabilities have been decreased by €0.6 million (with the corresponding net equity impact of €2.9 million).

²Rest of current assets include short term investments (and fair value adjustments to hedging contracts linked to them), amounting to €569.9 million at December 31, 2022 (no outstanding balances at December 31, 2023), that were included in Net financial debt as per financial statements, as they are considered cash equivalent assets under our credit facility agreements' definition.

Reconciliation with net financial debt as per our credit facility agreements

€millions	Dec 31, 2023	Dec 31, 2022	Change
Net financial debt (as per financial statements)	2,270.5	2,406.5	(136.0)
Operating lease liabilities	(123.9)	(130.9)	7.1
Interest payable	(24.6)	(29.2)	4.5
Convertible bonds	10.7	18.9	(8.2)
Deferred financing fees	7.9	19.3	(11.4)
Net financial debt (as per facility agreements)	2,140.6	2,284.5	(143.9)

Under our credit facility agreements' terms, financial debt (i) does not include debt related to assets under operating lease agreements (as defined by the previous Lease accounting standard IAS 17, and now considered lease liabilities under IFRS 16, forming part of the financial debt in the statement of financial position) amounting to €123.9 million at December 31, 2023, (ii) does not include the accrued interest payable (€24.6 million at December 31, 2023) which is treated as financial debt in our financial statements, (iii) includes the part of the convertible bond that has been accounted for as equity in our financial statements (€40.1 million) and does not include the accrued implicit interest of the convertible bonds (€29.4 million), which has been accounted for as financial debt in our financial statements, and (iv) is calculated based on its nominal value, while in our financial statements our financial debt is measured at amortized cost, i.e. after deducting the deferred financing fees (€7.9 million at December 31, 2023).

6.2.1 Intangible assets

This caption principally includes the cost of acquisition or development, as well as the excess purchase price allocated to, patents, trademarks and licenses¹¹, technology and content¹² and contractual relationships¹³, net of amortization.

Intangible assets amounted to €3,910.1 million at December 31, 2023, a decrease of €42.5 million vs. December 31, 2022. This decrease was mainly the result of the combination of the following effects: (i) additions of internally developed software (+€554.1 million), (ii) amortization charges and impairment losses (-€557.2 million), and (iii) foreign exchange effects (-€42.1 million).

¹¹ Net cost of acquiring brands and trademarks (either by means of business combinations or in separate acquisitions) as well as the net cost of acquiring software licenses developed outside the Group.

¹² Net cost of acquiring technology and travel content, either by means of acquisitions through business combinations/separate acquisitions or internally developed (software applications developed by the Group). Travel content is obtained by Amadeus through its relationships with travel providers.

¹³ Net cost of contractual relationships with customers, as acquired through business combinations, as well as, costs related to travel agency incentives that can be recognized as an asset.

6.2.2 Goodwill

Goodwill mainly relates to the unallocated amount of the excess purchase price derived from (i) the business combination (acquisition) between Amadeus IT Group, S.A. (the currently listed company, formerly named Amadeus IT Holding, S.A. or WAM Acquisition, S.A.) and Amadeus IT Group, S.A. (the former listed company in 2005) in 2005, and (ii) acquisitions, most of them completed between 2014 and 2018.

Goodwill amounted to €3,710.8 million as of December 31, 2023. Goodwill decreased by €55.9 million in 2023, due to adjustments of non-Euro denominated balances to exchange rates at December 31, 2023.

6.2.3 Property, plant and equipment (PP&E)

This caption principally includes land and buildings, data processing hardware and software, and other PP&E assets such as building installations, furniture and fittings.

PP&E amounted to €198.0 million at December 31, 2023, a decrease of €22.9 million vs. December 31, 2022. This decrease mainly resulted from additions (+€66.2 million) and depreciation charges (-€86.2 million) in the year.

6.2.4 Financial indebtedness

Indebtedness¹ (€millions)	Dec 31, 2023	Dec 31, 2022	Change
Long term bonds	1,500.0	2,000.0	(500.0)
Short term bonds	500.0	1,250.0	(750.0)
Convertible bonds	750.0	750.0	0.0
European Investment Bank loan	350.0	200.0	150.0
Obligations under finance leases	74.2	82.1	(7.9)
Other debt with financial institutions	4.5	7.2	(2.8)
Financial debt	3,178.6	4,289.3	(1,110.7)
Cash and cash equivalents	(1,038.0)	(1,434.8)	396.8
Other current financial assets ²	0.0	(569.9)	569.9
Net financial debt	2,140.6	2,284.5	(143.9)
Net financial debt / LTM EBITDA	1.0x	1.4x	

¹Based on our credit facility agreements' definition.

² Short term investments (and fair value adjustments to hedging contracts linked to them) that are considered cash equivalent assets under our credit facility agreements' definition.

Net financial debt, as per our credit facility agreements' terms, amounted to €2,140.6 million at December 31, 2023 (representing 1.0 times last-twelve-month EBITDA).

On February 2, 2023, Amadeus redeemed €750 million outstanding notes, issued partly on January 25, 2022 (€500 million) and partly on April 1, 2022 (€250 million).

On June 19, 2023 the European Investment Bank granted Amadeus an unsecured senior loan of €250 million, with different maturity dates (from four to twelve years) depending on the repayment schedule chosen by Amadeus. The proceeds from this loan are used to finance R&D investment. The loan can be disbursed in up to five tranches, at a fixed or floating interest rate, at Amadeus' choice. This facility was drawn by €150.0 million at December 31, 2023.

On September 18, 2023, Amadeus repaid €500 million outstanding notes, issued on September 18, 2018 (€500 million), at maturity.

On April 27, 2018 Amadeus executed a €1,000 million Euro Revolving Loan Facility, with maturity in April 2025, to be used for working capital requirements and general corporate purposes. On January 17, 2023 its maturity was extended to January 2028 (plus two annual extensions at maturity, subject to lenders' agreement), and on November 16, 2023, its maturity was again extended to January 2029. This facility remained undrawn at December 31, 2023.

6.3 Group cash flow

Consolidated Cash Flow (€millions)	Oct-Dec 2023	Oct-Dec 2022	Change	Full year 2023	Full year 2022	Change
EBITDA	500.5	398.3	25.6%	2,094.3	1,640.3	27.7%
Change in working capital	10.6	16.4	(35.4%)	(34.1)	(131.2)	(74.0%)
Capital expenditure	(137.9)	(164.3)	(16.0%)	(600.5)	(566.7)	6.0%
Taxes	(157.3)	(65.2)	141.4%	(265.2)	(68.4)	287.9%
Interests paid/ received	(7.8)	(8.2)	(5.3%)	(45.9)	(69.2)	(33.7%)
Free Cash Flow	208.1	177.1	17.5%	1,148.6	805.0	42.7%
Equity investments	0.0	0.0	n.m.	(6.1)	(14.1)	(56.6%)
Non-operating cash flows	(6.6)	(3.8)	72.3%	(13.0)	(20.4)	(36.4%)
Debt payment	(11.2)	(10.3)	9.4%	(1,146.4)	(553.9)	107.0%
Cash to shareholders	(212.5)	0.0	n.m.	(945.3)	(3.8)	n.m.
Short term financial flows ¹	200.0	139.4	43.5%	566.2	93.1	508.2%
Change in cash	177.7	302.4	(41.2%)	(396.2)	305.9	n.m.
Cash and cash equivalents, net²						
Opening balance	859.5	1,131.0	(24.0%)	1,433.4	1,127.5	27.1%
Closing balance	1,037.2	1,433.4	(27.6%)	1,037.2	1,433.4	(27.6%)

¹ Mainly related to short-term investments, as well as hedge results from USD-denominated short term investments, which are 100% hedged.

² Cash and cash equivalents are presented net of overdraft bank accounts.

In the fourth quarter and in the full year 2023, Amadeus Group Free Cash Flow amounted to €208.1 million and €1,148.6 million, respectively.

Free Cash Flow, both in 2023 and in 2022, was impacted by non-recurring effects: (i) in the second quarter of 2023, a collection of €42.8 million from the Indian tax authorities (of which, €38.8 million impacted Change in working capital, and €4.0 million impacted Interests paid and received), (ii) in the fourth quarter of 2023, a €10.9 million payment to a third-party distributor (which impacted the EBITDA caption), (iii) in the second quarter of 2022, a collection of a non-refundable government grant of €51.2 million (which impacted the EBITDA caption), and (iv) in 2022, €29.1 million cost saving program implementation costs paid (€1.7 million in the fourth quarter), which impacted the Change in working capital caption (see further details in section 3.2). Excluding these effects from 2023 and 2022, Free Cash Flow amounted to €219.0 million and €1,116.7 million in the fourth quarter and in the full year 2023, respectively, growing by 22.5% and 42.6%, respectively, vs. 2022.

6.3.1 Change in working capital

In 2023, Change in working capital amounted to an outflow of €34.1 million. Change in working capital was impacted by the following non-recurring effects: (i) a collection of €38.8 million from the Indian tax authorities in the second quarter, and (ii) a €42.0 million negative effect from updates in tax risk assessments impacting EBITDA in the fourth quarter, with no cash impact (see section 3.2 for further details). Excluding these effects, Change in working capital amounted to an outflow of €30.9 million in 2023, mainly driven by timing differences in collections and payments, vs. revenues and expenses accounted for, including, among others, payments related to our cloud migration project costs that are deferred in the balance sheet.

In the fourth quarter of 2023, Change in working capital amounted to an inflow of €10.6 million. Excluding the non-recurring effects described above, Change in working capital amounted to an inflow of €52.6 million in the fourth quarter, mainly driven by a net inflow from collections and payments vs. revenues and expenses accounted for in the fourth quarter of 2023, largely due to higher collections from previous periods than revenues accounted for in the quarter, and personnel related expenses accrued for in the quarter.

6.3.2 Capital expenditure, R&D investment

Capital expenditure

The table below details the capital expenditure, both in relation to property, plant and equipment (“PP&E”) and to intangible assets. Based on the nature of our investments in PP&E, the figures may show variations on a quarterly basis, depending on the timing of certain investments. In turn, our capitalized R&D investment may fluctuate depending on the level of the capitalization ratio, which is impacted by the intensity of the development activity, the mix of projects under way and the different stages of the various projects.

Capital expenditure (€millions)	Oct-Dec 2023	Oct-Dec 2022	Change	Full year 2023	Full year 2022	Change
Capital exp. intangible assets	107.3	148.9	(27.9%)	539.4	527.2	2.3%
Capital expenditure in PP&E	30.6	15.4	98.2%	61.1	39.5	54.7%
Capital expenditure	137.9	164.3	(16.0%)	600.5	566.7	6.0%
As a % of Revenue	10.2%	14.1%	(3.9pp)	11.0%	12.6%	(1.6pp)

In 2023, capital expenditure increased by €33.9 million, or 6.0%, compared to 2022. Capital expenditure in intangible assets grew by 2.3%, resulting from higher capitalizations from software development, driven by a 12.9% increase in R&D investment, which were partly offset by a collection of research tax credits from past years. In 2023, Amadeus collected research tax credits from the French tax authorities corresponding to the years 2020 and 2021, which had been delayed due to the pandemic, resulting in a reduction in capital expenditure in intangible assets of €21.4

million, in the fourth quarter of 2023. Amadeus also collected, as expected and as usual, the research tax credit corresponding to the previous year, for an amount of €21.3 million, also accounted for as a reduction in capital expenditure in the fourth quarter of 2023.¹⁴

In turn, capital expenditure in property, plant and equipment increased by €21.6 million in the year, vs. 2022, mostly as a result of investments in new office space and refurbishments.

R&D investment

R&D investment (€millions)	Oct-Dec 2023	Oct-Dec 2022	Change	Full year 2023	Full year 2022	Change
R&D investment	290.4	269.7	7.7%	1,115.6	988.4	12.9%

R&D investment amounted to €1,115.6 million in 2023, an increase of 12.9% vs. prior year. In the fourth quarter, R&D investment increased by 7.7%.

In 2023, our R&D investment mainly focused on:

- The evolution and expansion of our portfolio for airlines, including Amadeus Nevio, a traveler-centric retailing platform offering next-generation retailing capabilities to airlines.
- The evolution of our hospitality platform to integrate our offering, as well as, enhancements to our solutions for the hospitality industry.
- The enhancement of our solutions for travel sellers and corporations, delivering a full end-to-end integration of content via NDC connectivity, as well as, for airports, and of our payment solutions portfolio.
- Our partnership with Microsoft, including our shift to cloud services, the application of artificial intelligence and machine learning to our product portfolio and our co-innovation program.
- Developments related to bespoke and consulting services provided to our customers.
- Efforts related to customer implementations across our businesses, including, among others: (i) within Airline IT, PSS signatures (such as, Etihad Airways, ITA Airways, Hawaiian Airlines, All Nippon Airways and Allegiant Air, among others), and new signatures across our portfolio of solutions, from upselling activity, (ii) NDC content distribution technology to our airline and travel seller customers, (iii) solutions across our portfolio of Hospitality to our hospitality customers, such as,

¹⁴ Amadeus typically collects research tax credits (RTC) from the French tax authorities every year. The amounts of tax credits received are determined by several factors, including the amounts invested in R&D in France, and are typically collected on the following year to the year in which the R&D investment is done. RTC collections corresponding to the years 2020 and 2021 had been delayed due to the pandemic, and were made effective in the fourth quarter of 2023.

Marriott for ACRS, (iv) expansion of our customer bases at our Airport IT and Payments businesses, as well as, for our solutions for corporations.

6.3.3 Taxes

In 2023, taxes paid amounted to €265.2 million, vs. €68.4 million in 2022, and mostly resulted from (i) an increase in prepaid taxes, driven by higher results in 2023 than in 2022, as well as, to a lesser extent, (ii) lower refunds received in 2023 from taxes paid in previous years, compared to refunds received in 2022 from previous years' taxes.

6.3.4 Interest paid / received

In 2023, net interest and financial fees paid amounted to €45.9 million, a 33.7% decrease over 2022, largely resulting from higher financial income from our cash, cash equivalents and short term financial investments.

6.3.5 Equity investments

In 2023, equity investments amounted to €6.1 million, and mostly correspond to the acquisition of i:FAO shares.

6.3.6 Non-operating cash flows

In 2023, cash outflow from non-operating items amounted to €13.0 million, and mostly responded to adjustments to exchange rates at year-end of non-Euro denominated cash and cash equivalent assets.

6.3.7 Cash to/from shareholders

In 2023, the cash outflow to shareholders, amounting to €945.3 million, mainly corresponded to (i) the payment of the ordinary dividend on the 2022 profit, as detailed in section 7.2.1., and (ii) the acquisition of treasury shares corresponding to the share repurchase programs, as detailed in section 7.2.2.

6.3.8 Short term financial flows

In 2023, short term financial flows amounting to an outflow of €566.2 million, corresponded to the divestment in short term investments that were held at December 31, 2022.

7 Investor information

7.1 Capital stock. Share ownership structure

At December 31, 2023, Amadeus' capital stock amounted to €4,504,992.05, represented by 450,499,205 shares with a nominal value of €0.01 per share, all belonging to the same class, fully subscribed and paid in.

The shareholding structure as of December 31, 2023 is as described in the table below:

Shareholders	Shares	% Ownership
Free float	440,504,119	97.78%
Treasury shares ¹	9,906,403	2.20%
Board members	88,683	0.02%
Total	450,499,205	100.00%

¹Voting rights suspended for as long as the shares are held by the company. Includes treasury shares acquired to cover the exchange ratio related to the merger of Amadeus IT Holding, S.A. and Amadeus IT Group, S.A. not yet delivered.

7.2 Shareholder remuneration

7.2.1 Dividend payments

At the General Shareholders' Meeting held on June 21, 2023, our shareholders approved an annual gross dividend from the 2022 profit of €0.74 per share (gross), representing a pay-out of 50% of the 2022 Profit. The dividend was paid in full on July 13, 2023, for a total amount of €332.5 million.

On December 15, 2023, Amadeus announced that the Board of Directors of Amadeus proposed a 50% pay-out ratio of the 2023 Profit, for the 2023 dividend. Also, the Board of Directors approved the distribution of an interim gross dividend from the 2023 Profit of €0.44 per share, which was paid on January 18, 2024, for a total amount of €193.4 million.

In June 2024, the Board of Directors will submit to the General Shareholders' Meeting for approval a final gross dividend of €1.24 per share, representing 50% of the reported Profit. Based on this, the proposed appropriation of the 2023 results included in our 2023 audited consolidated financial statements includes a total amount of €558.6 million corresponding to dividends pertaining to the financial year 2023.

7.2.2 Share repurchase programs

On June 6, 2023, Amadeus launched a share repurchase program with a maximum investment of €433.3 million, not exceeding 6,120,000 shares (1.358% of Amadeus' share capital). The share repurchase program is split in two programs, with the following purposes and conditions:

- Program 1: Conversion at maturity, or early redemption, of convertible bonds, at Amadeus' option, with a maximum investment of €350.0 million. Shares acquired under this program will not exceed 4,930,000 shares (1.094% of Amadeus' share capital), with a maximum share price of €71, which represents the share price at which, if sustained over a specified period of time, Amadeus has the option to redeem all of the outstanding convertible bonds (€750 million convertible bonds, issued in April 2020).
- Program 2: The allocation of shares to comply with share-based employee remuneration schemes, for the years 2023, 2024 and 2025, with a maximum investment of €83.3 million, not exceeding 1,190,000 shares (0.264% of Amadeus' share capital).

On September 26, 2023, Amadeus announced it had reached the maximum investment under the share repurchase program. Under the program, Amadeus acquired 6,120,000 shares (representing 1.358% of Amadeus share capital) for a total amount of €391.7 million.

On November 6, 2023, Amadeus launched a share repurchase program in order to comply with the conversion at maturity, or early redemption, of convertible bonds, at Amadeus' option. The maximum investment under the program is €625.3 million, not exceeding 8,807,000 shares (1.955% of Amadeus' share capital), with a maximum share price of €71. As of December 31, 2023, Amadeus had acquired 3,564,514 shares under this program for an amount of €226.9 million.

7.3 Share price performance in 2023



Key trading data (as of December 31, 2023)

Number of publicly traded shares (# shares)	450,499,205
Share price at December 31, 2023 (in €)	64.88
Maximum share price in 2023 (in €) (June 16, 2023)	69.92
Minimum share price in 2023 (in €) (January 3, 2023)	49.20
Market capitalization at December 31, 2023 (in € million)	29,228.4
Volume weighted average share price in 2023 (in €) ¹	61.81
Average daily volume in 2023 (# shares)	734,787.4

¹Excluding cross trade.

8 Annex

8.1 Key terms

- “ABS”: stands for “Attribute-Based Selling”
- “ACRS”: stands for “Amadeus Central Reservation System”
- “AI”: stands for “Artificial Intelligence”
- “API”: stands for “Application Programming Interface”
- “D&A”: stands for “depreciation and amortization”
- “GDS”: stands for “Global Distribution System”
- “EDIFACT”: stands for “Electronic Data Interchange For Administration, Commerce and Transport”
- “EPS”: stands for “Earnings Per Share”
- “EV”: stands for “Enterprise Value”
- “FX”: stands for “Foreign Exchange”
- “IFRS”: stands for “International Financial Reporting Standards”
- “JV”: stands for “Joint Venture”
- “KPI”: stands for “Key Performance Indicators”
- “LTM”: stands for “last twelve months”
- “NDC”: stands for “New Distribution Capability”. NDC is a travel industry-supported program launched by IATA for the development and market adoption of a new, XML-based data transmission standard
- “n.m.”: stands for “not meaningful”
- “PB”: stands for “passengers boarded”, i.e. actual passengers boarded onto flights operated by airlines using at least our Amadeus Altéa Reservation and Inventory modules or Navitaire New Skies
- “p.p.”: stands for “percentage point”
- “PPA”: stands for “Purchase Price Allocation”
- “PP&E”: stands for “Property, Plant and Equipment”
- “PSS”: stands for “Passenger Services System”
- “R&D”: stands for “Research and Development”
- “RTC”: stands for “Research Tax Credit”
- “VAT”: stands for “Value Added Tax”

8.2 Product descriptions

Airline portfolio

- Amadeus Altéa Passenger Service System: is a complete passenger management solution that offers full reservation, inventory and departure control capabilities, delivering a unique, integrated solution.
- Amadeus Departure Control System: allows airlines to automate key airport processes from passenger check-in to departure.
- Amadeus Revenue Accounting: enables airlines to record, monitor, analyze and collect all types of passenger revenue through any distribution channel, and to analyze sales data in real-time.
- Amadeus Revenue Integrity: helps the airline to maximize its revenue opportunity by releasing non committed inventory for resell.
- Amadeus Passenger Recovery: analyzes flight disruption and optimizes the transfer of passengers with greater speed and efficiency taking into account traveler's itinerary and overall value.
- Amadeus Traveler DNA: provides a complete overview of the traveler including past behavior, preferences or customer value, allowing the airline to provide tailored offers to develop a closer relationship with him.
- Amadeus Travel Ready by Traveler ID: digitalizes and verifies documents such as passports, visas, ID cards and health documents at every stage of the traveler journey, removing all the unnecessary manual frictions and associated queues across the journey.
- Amadeus Travel Platform: allows airlines to distribute their products and services to the world's largest network of travel sellers and corporations using the technology that best meets their retailing needs: EDIFACT, NDC or other APIs.

Airport portfolio

- Amadeus Airport Cloud Use Service (ACUS): is a cloud-based solution that enables airlines' passenger processing systems to be accessed and deployed anywhere, on demand (both within and outside the airport terminal).
- Amadeus Baggage Reconciliation System (BRS): is a solution that matches real-time passenger, flight and baggage data from check-in until flight departure, allowing our customers to provide a faster check-in process and a reduction in mishandled baggage, thanks to 100% reconciliation.
- Amadeus Flight Information Display System (FIDS): helps to maintain the airport screens up-to-date with the latest flight, gate and baggage belt information.
- Airport Operational Database (AODB): is an intelligent repository to host, manage and disseminate complex flight-related information to improve critical decision-making across the airport environment.
- Airport Pay for Ground handlers: allows ground handlers to process payment when passengers arrive at check-in and want to purchase additional ancillary services.

- **Amadeus Resource Management System:** provides the airport with a complete overview of its fixed resources, allowing for an optimal use of the existing infrastructures to maximize resources' performance and value.

Corporations portfolio

- **Amadeus Cytric Travel:** a fully integrated solution that offers the widest travel content to corporations, ensuring travel policy compliance and duty of care while containing costs.
- **Cytric Easy:** allows to plan and book business travel and manage expenses easily and efficiently without leaving Microsoft Teams.

Hospitality portfolio

- **Agency360:** from one source, hoteliers can gather data from 100% of 12-month historical bookings and forward-looking bookings done by travel agencies in all major GDS in their competitive set, as well as vacation rentals in their market.
- **Amadeus Value Hotels:** is a net rate hotel program that allows travel sellers to ensure access to a wide variety of accommodation options for its customers, while it gives travel agencies the option to mark up the prices.
- **Delphi Amadeus Sales & Catering:** helps hospitality teams of all sizes and service levels to increase group business by efficiently selling, organizing and managing events.
- **Demand360:** is a business intelligence product that helps hotels to understand forward-looking booking data to identify need periods compared to a competitive set and market, creating a strategy to maximize RevPAR.
- **HotSOS:** enables hotel properties to optimize operational workflows with real-time dashboards, scheduled equipment, preventative maintenance orders and scalable inspections, to ensure work is executed properly in accordance to property standards.
- **RevenueStrategy360:** is a business intelligence solution that provides forward-looking, on-the-books business alongside real-time rate data to help hoteliers make the most profitable pricing and revenue management decisions.
- **Travel Seller Media:** places cross-channel advertizing campaigns, including search, display, social and meta-search, to drive highly profitable bookings on a customer's website.

Payments portfolio

- **Amadeus B2B Wallet:** a virtual credit card solution that simplifies payments to travel suppliers. It provides travel agencies with several payment options: (i) an extended credit line, offered at no extra cost by AirPlus, and (ii) the possibility to earn a rebate, while avoiding payment credit card surcharges.
- **Amadeus FX Box:** includes a suite of new foreign exchange services for retail and corporate treasury applications. Our Multiple Currency Pricing (MCP) solution is the first one launched. This module allows to show prices in over 170 currencies and provides more transparencies to travel sellers and travelers.

Travel agency portfolio

- Amadeus Master Pricer: is a comprehensive and powerful low fare search tool for online travel agencies.
- Amadeus Web Services: provides connectivity through a single point of access to the entire range of Amadeus' comprehensive content. It provides online travel agencies with a cost-effective way to build and update their own customized travel booking applications. Plus, with easy implementation and integration with their existing systems.

Contacts

For any other information please contact:

Till Streichert

Chief Financial Officer
till.streichert@amadeus.com

Cristina Fernandez

Director, Investor Relations
cristina.fernandez@amadeus.com

IR Inbox

ir@amadeus.com

Learn more at amadeus.com/investors, and follow us on:



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