



Amadeus Jan-Mar 2017 Results

May 5, 2017

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- _ This presentation has to be accompanied by a verbal explanation. A simple reading of this presentation without the appropriate verbal explanation could give rise to a partial or incorrect understanding.



Operating Review

Luis Maroto
President and CEO

Q1 2017- A strong start to the year

Revenue +11.7%

- Strong business performance
- Navitaire acquisition
- Positive FX impact

EBITDA +12.0%

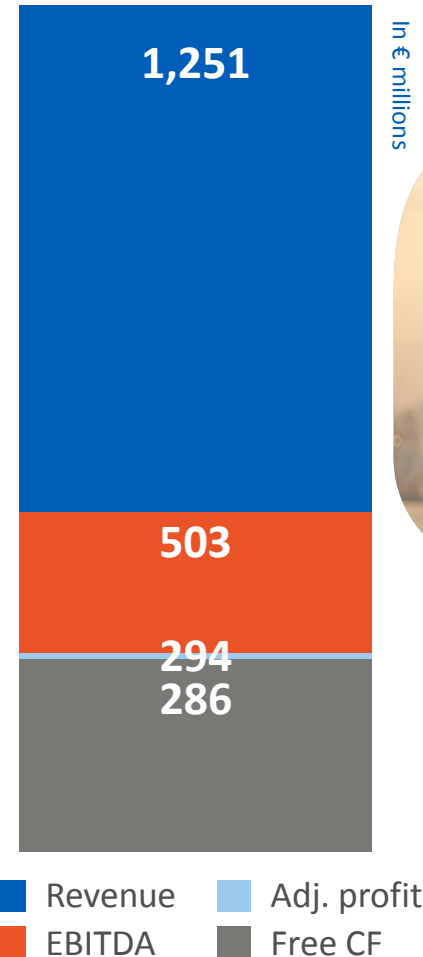
- Broadly stable margin
- Exc. FX - double-digit growth and expansive margin

Adjusted profit +19.6%

- Adjusted EPS + 19.3%

Free cash-flow +7.9%

Leverage 1.10x



Progressing on our strategies

Recent business highlights

Airline Distribution

- Renewed/signed 12 content agreements, including Air Berlin
- Expanded airlines' merchandising capabilities in indirect channel
 - 70% of bookings through Amadeus can carry ancillary services - Amadeus Ancillary Services contracted by 127 carriers and implemented by 95 airlines
 - Amadeus' Fare Family Solution - 53 contracted airline customers and 36 implemented
- Low-cost carrier segment growth
 - Over 90 LCCs and hybrid carriers' content accessible for Amadeus subscribers
 - 12.2% volume growth

1. For more information on Amadeus Revenue Management, please click [here](#).
2. For more information on Amadeus Passenger Recovery, please click [here](#).
3. For more information on Amadeus Altéa NDC, please click [here](#).
4. For more information on Amadeus Airport Operational Database (AOODB), please click [here](#).
5. For more information on Amadeus Fixed Resource Management Solution (RMS), please click [here](#).
6. For more information on Amadeus Flight Information Display System (FIDS), please click [here](#).

Airline IT

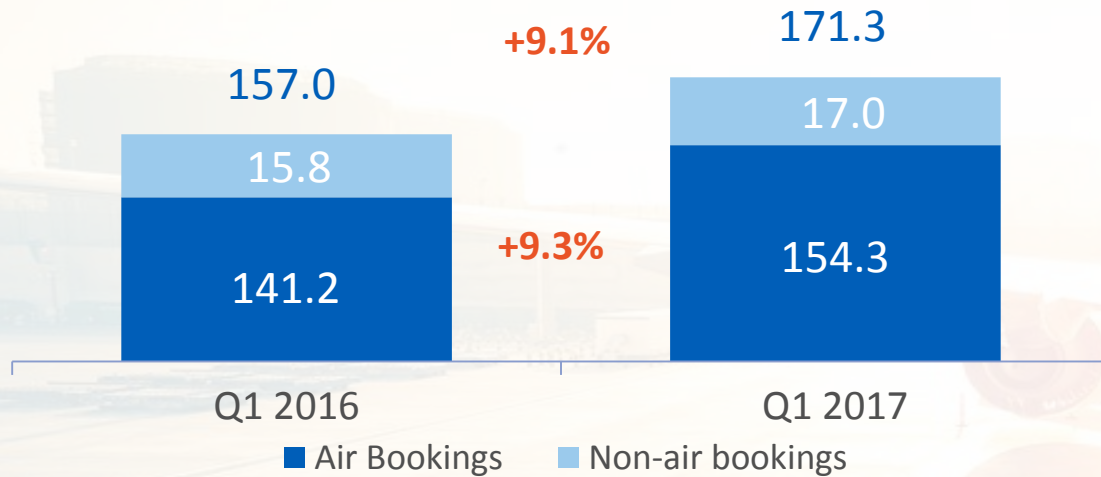
- New signings for the full Altéa suite, including Boliviana de Aviación and Island Air
- Successfully implemented Singapore Airlines to Amadeus new-generation Revenue Management¹
- Swiss International Air Lines from the Lufthansa Group has now started using Amadeus Passenger Recovery²
- Launch of new Amadeus Altéa NDC³ solution (New Distribution Capability) with Finnair
- New Aircanada.com featuring enhanced booking flow and improved search options
- Airline IT upselling: continued to expand in the quarter with new contracts for Altéa Departure Control System, Revenue Accounting, Amadeus Revenue Management, Standalone Solutions, e-Commerce, and Amadeus Anytime Merchandising

New business areas

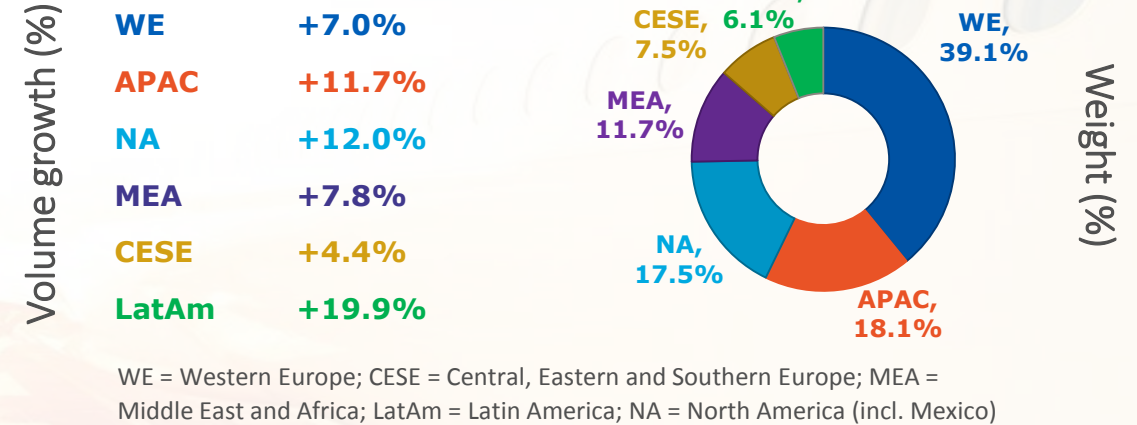
- Hospitality IT- making progress in the development of a Guest Reservation System (GRS) and a next-generation Property Management System for the hospitality industry
 - Plan to initiate progressive roll-out of the GRS together with InterContinental Hotels Group in Q4 2017
- Airport IT- Adelaide Airport will become the first fully-automated and cloud-based airport management system in Australasia, by implementing Amadeus Airport Solutions: Airport Operational Database⁴, Airport Fixed Resource Management Solution⁵ and Flight Information Display System⁶

Solid performance in Distribution

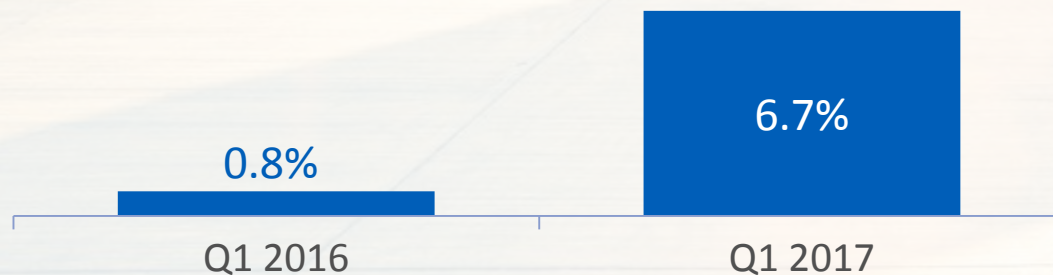
Amadeus TA Bookings (in millions)



Amadeus TA Air Bookings by region



TA Air Booking Industry Growth¹



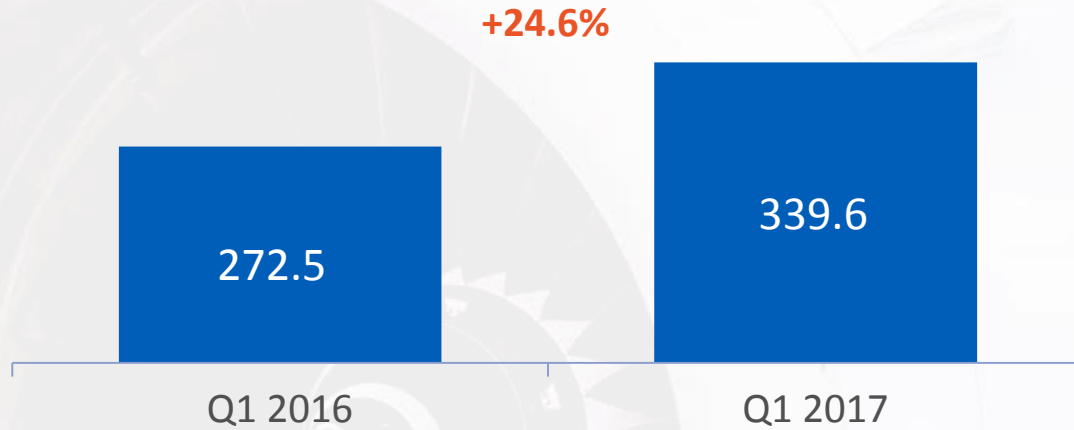
Competitive position improvement¹



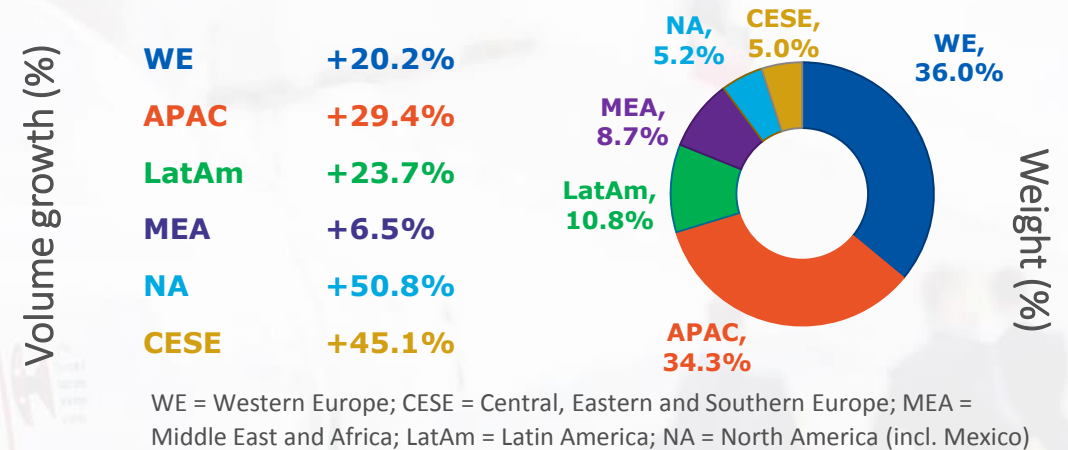
1. When we refer to our competitive position, we are taking into account our TA air bookings in relation to the TA air booking industry, defined as the total volume of travel agency air bookings processed by the global CRS. It excludes air bookings made directly through in-house airline systems or single country operators, the latter primarily in China, Japan and Russia, which together combined represent an important part of the industry.

Steady evolution in IT solutions

Passengers Boarded¹ (in millions)



Amadeus PB¹ by region



- _ As of March 31, 2017, 192² airlines had contracted for Altéa or New Skies, of which 178 had been migrated
- _ PB growth of 24.6%, driven by:
 - Organic growth of 6.9%³, negatively impacted by both the leap year effect (creating a higher base of comparison in 2016) as well as the timing of Easter in 2017
 - Impact from 2016 implementations (including Swiss International Air Lines, Brussels Airlines, China Airlines, Ukraine International Airlines and Viva Group)
 - The consolidation of Navitaire from late January 2016

1. Passengers Boarded ("PB") refers to actual passengers boarded onto flights operated by our Altéa and New Skies migrated airlines.
 2. Airlines that have contracted at least the Altéa Inventory module, in addition to the Reservations module, or Navitaire's New Skies solution
 3. Growth of comparable airlines on the Altéa and New Skies platforms during comparable periods.

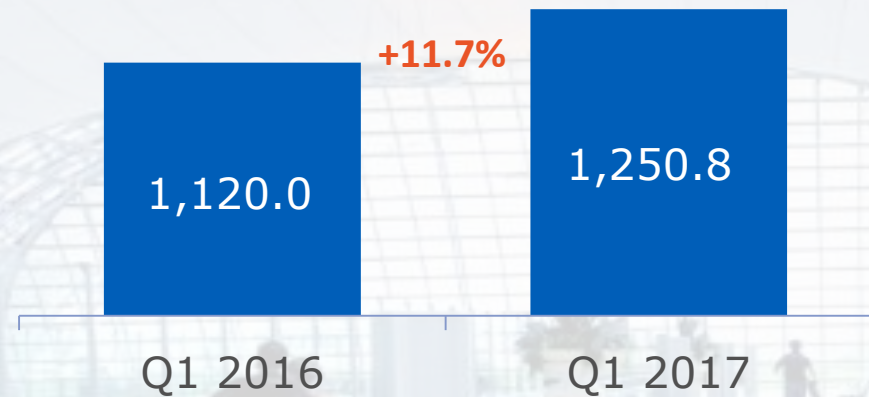
Financial highlights

Ana de Pro
CFO



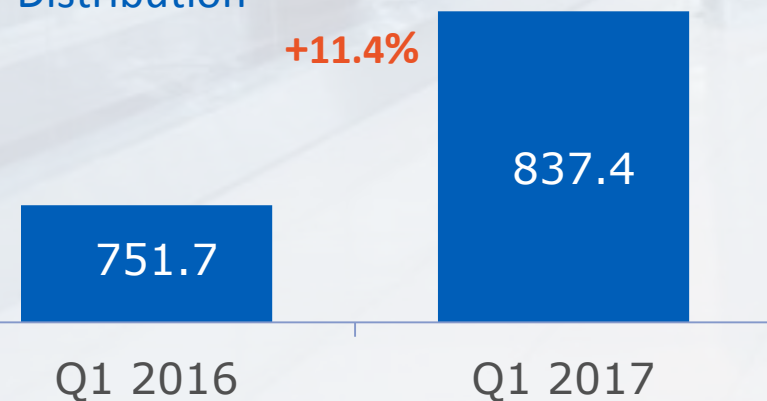
Double-digit revenue growth

Group Revenue (in € millions)

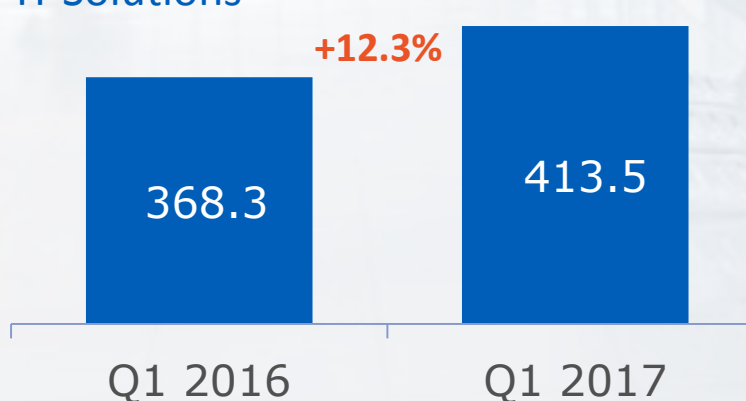


Segment Revenue (in € millions)

Distribution



IT Solutions



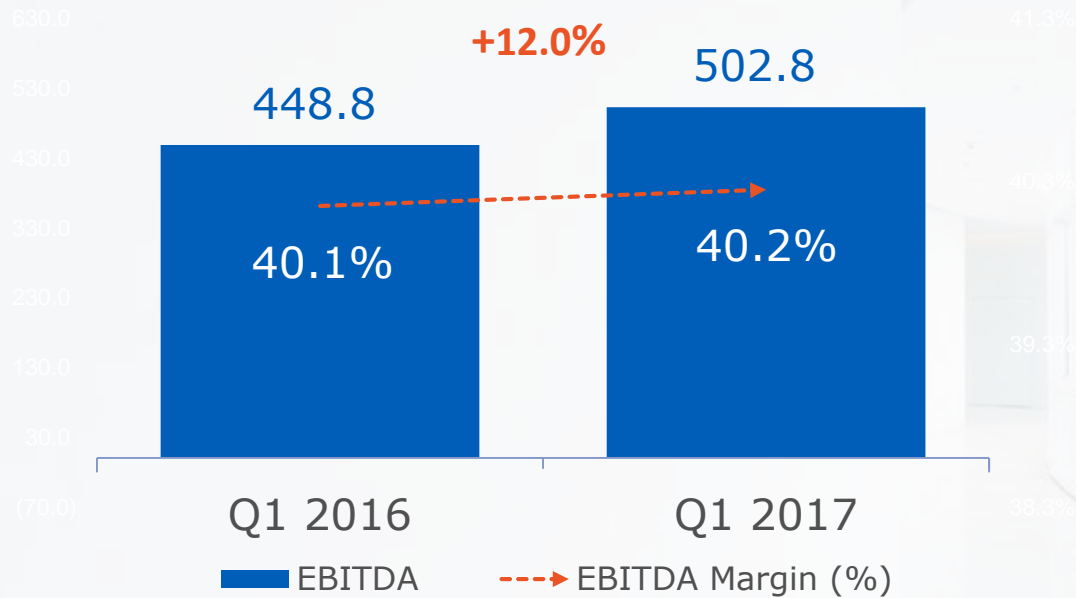
– **Group revenue** expanded by 11.7%, resulting from the positive evolution of Distribution and IT Solutions, the consolidation of Navitaire and a positive FX impact

– **Distribution:** volume growth, expansionary average revenue per booking (positive booking mix from higher weight of global bookings and declining weight of non-air bookings) and higher revenue from search solutions as well as from tools for corporations

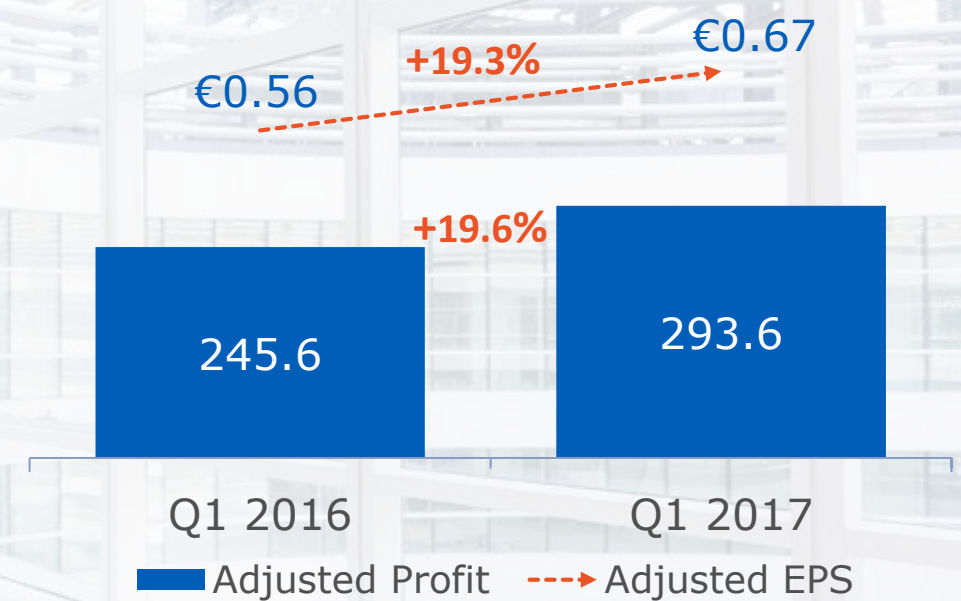
– **IT Solutions:** (i) PB volume growth, coupled with a dilutive airline IT average pricing, driven by higher weight of LCC and hybrid carriers, and positive contribution from revenue lines not linked to PB delivering softer growth than PB growth, (ii) decline in revenue from Services, which may be bulky and (iii) growing revenue from new businesses

Double-digit EBITDA and Adjusted EPS growth

EBITDA (in € millions)



Adj. Profit¹ (in € millions) & Adj. EPS² (€)



— Broadly stable margin

— EBITDA growth supported by the positive performance of both Distribution and IT Solutions, the consolidation of Navitaire and a positive FX impact (negative impact on costs and EBITDA margin)

— Excluding FX, double-digit EBITDA growth and margin expansion

— Adjusted profit increase as a result of :

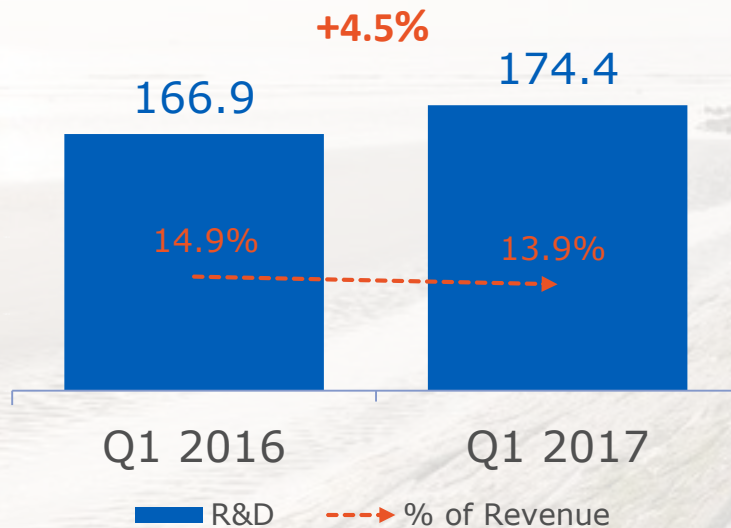
— EBITDA growth, lower financial expenses and a corporate tax rate reduction

— Partially offset by an increase in D&A

1. 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-recurring items.
2. EPS corresponding to the Adjusted profit attributable to the parent company. Calculated based on weighted average outstanding shares of the period.

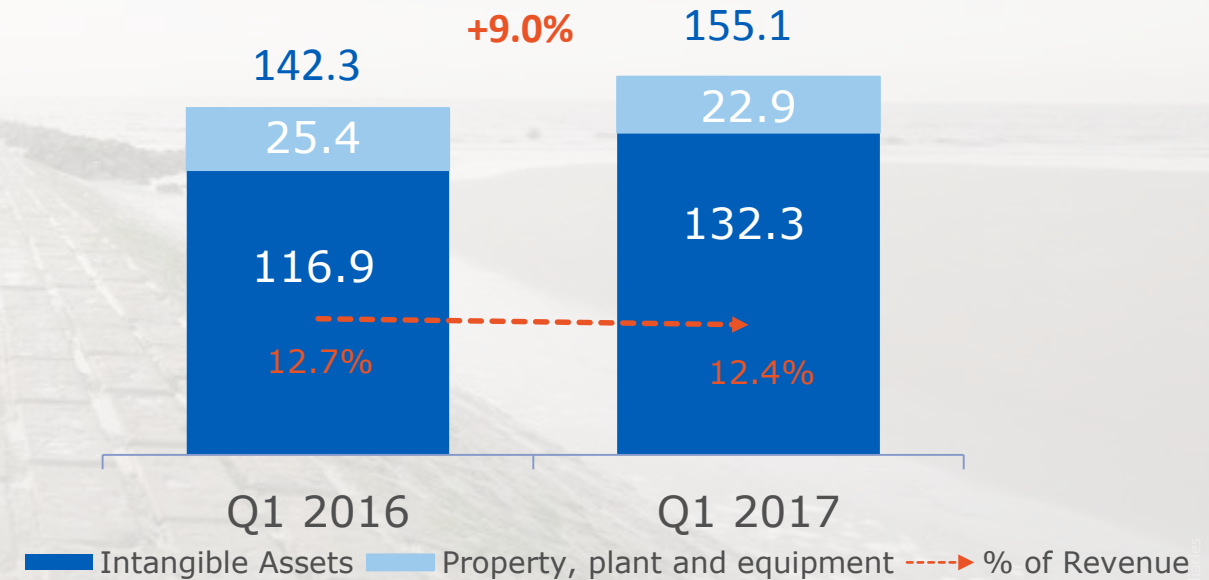
Sustained investment in R&D and Capex

R&D investment¹ (in € millions)



- R&D investment related to: (i) customer implementations, (ii) product portfolio expansion and evolution, including new businesses, and (iii) cross-area technological projects
- R&D represented 13.9% of revenue

Capex (in € millions)

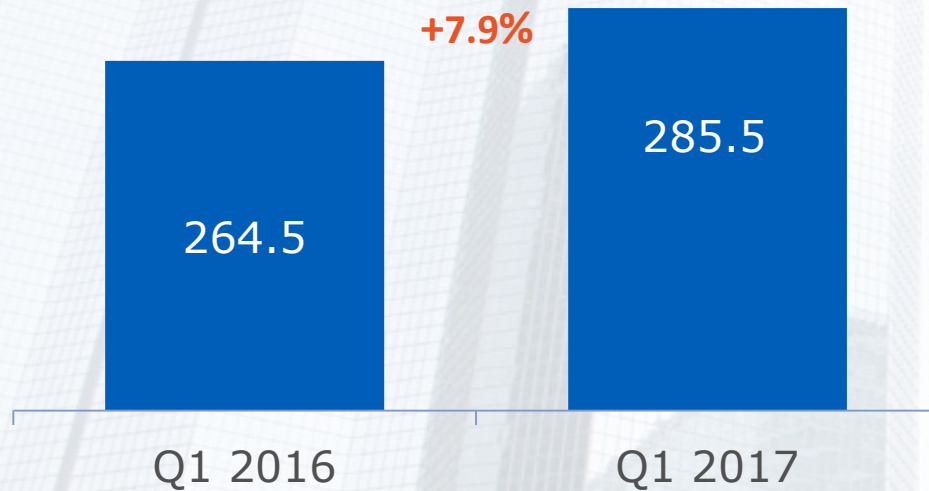


- 13.1% growth in capex in intangible assets, driven by higher capitalised R&D and signing bonuses (which are driven by timing of negotiations)
- Decline in capex in PP&E, due to lower hardware and software purchases
- Capex represented 12.4% of revenue

1. Net of Research Tax Credit

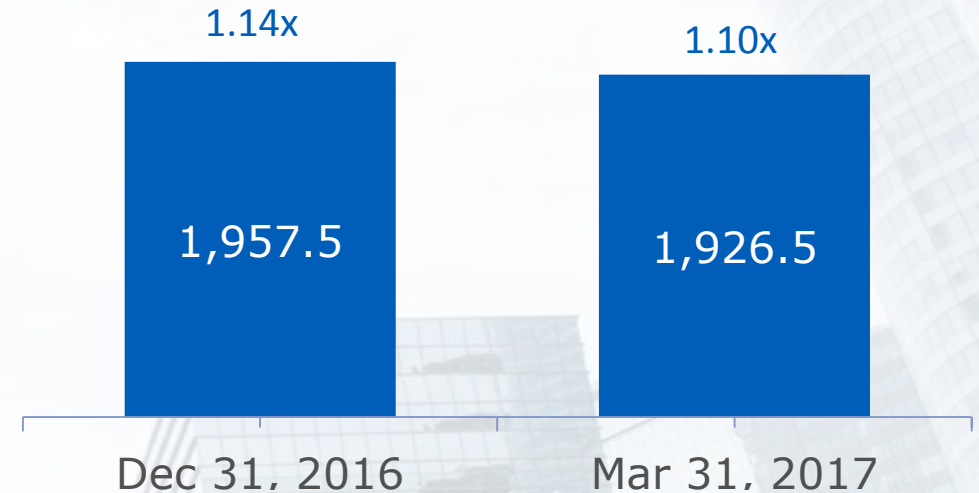
Free cash-flow generation and leverage

Free cash-flow¹ (in € millions)



- Increased free cash-flow generation, as a result of:
- Higher EBITDA and lower interest paid and taxes, partly offset by higher capex and working capital requirements

Net Debt (in € millions) and Leverage (x)²



- Net debt reduction from free cash-flow generation, partially offset by the distribution of an interim dividend on February 1st, 2017 of €175m
- Leverage within target capital structure range of 1.0-1.5x net debt / EBITDA

1. Free cash-flow defined as EBITDA, less capex, plus changes in our operating working capital, less taxes paid, less interests and financial fees paid.

2. Covenant net financial debt and leverage based on the definition included in the senior credit agreement covenants. Leverage calculated as covenant net financial debt divided by LTM covenant EBITDA.

Support materials



Key Performance Indicators

	Q1 2017	Q1 2016	% Change
TA Air Booking Industry Growth (%)	6.7%	0.8%	
Amadeus TA Air Bookings (in m)	154.3	141.2	9.3%
Passengers Boarded (in m)	339.6	272.5	24.6%
Revenue	1,250.8	1,120.0	11.7%
EBITDA	502.8	448.8	12.0%
Adjusted profit	293.6	245.6	19.6%
Adjusted EPS (in €)	0.67	0.56	19.3%
Free cash-flow	285.5	264.5	7.9%
R&D	174.4	166.9	4.5%
CAPEX as % of Revenue	12.4%	12.7%	(0.3 p.p.)

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