Amadeus IT Holding, S.A. and Subsidiaries

Consolidated and condensed interim financial statements for the six months period ended June 30, 2014, prepared in accordance with International Accounting Standard 34 and review report of independent auditors

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Translation of a report originally issued in Spanish based on our work performed in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". In the event of a discrepancy, the Spanish-language version prevails.

REPORT ON LIMITED REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the shareholders of Amadeus IT Holding, S.A. at the request of the Company's Board of Directors:

Report on the interim condensed consolidated financial statements

Introduction

We have performed a limited review of the accompanying interim condensed consolidated financial statements ("the interim financial statements") of Amadeus IT Holding, S.A. ("the Parent") and subsidiaries ("the Group") comprising the condensed consolidated statement of financial position at 30 June 2014 and the related condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows and explanatory notes thereto for the six-month period then ended. The Parent's directors are responsible for the preparation of these interim financial statements in accordance with the requirements of International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the European Union, for the preparation of interim condensed financial information, in conformity with Article 12 of Royal Decree 1362/2007. Our responsibility is to express a conclusion on these interim financial statements based on our limited review.

Scope of the review

Our review was performed in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A limited review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying certain analytical and other review procedures. A limited review is substantially less in scope than an audit and, consequently, it does not permit us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the accompanying interim financial statements.

Conclusión

As a result of our limited review, which under no circumstances may be considered to be an audit of financial statements, nothing came to our attention that might lead us to conclude that the accompanying interim financial statements for the six-month period ended 30 June 2014 were not prepared, in all material respects, in accordance with the requirements of International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the European Union, in conformity with Article 12 of Royal Decree 1362/2007, for the preparation of interim condensed financial statements.

Deloitte, S.L. Inscrita en el Registro Mercantil de Madrid, tomo 13.650, sección 8ª, folio 188, hoja M-54414, inscripción 96ª. C.I.F.: B-79104469.
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Emphasis matter paragraph

We draw attention to the situation described in Note 2 included in the accompanying interim condensed consolidated financial statements, which indicates that such interim financial statements do not include all the information that would be required in complete consolidated financial statements prepared in conformity with International Financial Reporting Standards as adopted by the European Union and, accordingly, the accompanying interim financial statements should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2013. This situation does not qualify our audit opinion,

Report on other legal and regulatory requirements

The accompanying interim consolidated directors' report for the six-month period ended 30 June 2014 contains the explanations which the Parent's directors consider appropriate about the significant events which took place in this period and their effect on the interim financial statements presented, of which it does not form part, and about the information required pursuant to Article 15 of Royal Decree 1362/2007. We have checked that the accounting information in the directors' report is consistent with that contained in the interim financial statements for the six-month period ended 30 June 2014. Our work was confined to checking the directors' report with the aforementioned scope, and did not include a review of any information other than that drawn from the accounting records of the Amadeus IT Holding, S.A. and subsidiaries.

Other matters paragraph

This report was prepared at the request of the Board of Directors in relation to the publication of the six-monthly financial report as required by Article 35 of Securities Market Law 24/1988, of 28 July, implemented by Royal Decree 1362/2007, of 19 October.

DELOITTE, S.L.

Javier Jiménez García

July 31, 2014

Consolidated and condensed statement of financial position (thousands of euros – KEUR)

ASSETS	Note	30/06/2014	31/12/2013
		UNAUDITED	AUDITED
Goodwill	5	2,498,211	2,068,338
Patents, trademarks and licenses		312,094	310,881
Technology and content		1,641,050	1,559,595
Contractual relationships		129,295	113,205
Other intangible assets		318	187
Intangible assets		2,082,757	1,983,868
Land and buildings		104,059	81,819
Data processing hardware and software		166,248	154,946
Other property, plant and equipment		68,388	67,857
Property, plant and equipment		338,695	304,622
Investments in associates and joint ventures		8,287	7,041
Other non-current financial assets	6	21,179	18,615
Non-current derivative financial assets	6	3,066	872
Deferred tax assets		18,543	27,779
Other non-current assets		114,881	110,617
Total non-current assets		**5,085,619**	**4,521,752**
Trade accounts receivable	6	319,369	227,918
Income taxes receivable		26,003	35,113
Trade and other receivables		345,372	263,031
Other current financial assets	6	18,070	13,423
Current derivative financial assets	6	4,511	5,098
Other current assets		143,766	132,932
Cash and cash equivalents	6 and 14	430,028	490,881
Total current assets		**941,747**	**905,365**
TOTAL ASSETS		**6,027,366**	**5,427,117**

Consolidated and condensed statement of financial position (thousands of euros – KEUR)

EQUITY AND LIABILITIES	Note	30/06/2014 UNAUDITED	31/12/2013 AUDITED
Share capital		4,476	4,476
Additional paid-in capital		912,533	909,885
Reserves		910,398	840,098
Treasury shares		(30,573)	(29,968)
Retained earnings		(100,502)	(447,902)
Profit for the period attributable to owners of the parent		356,097	562,646
Total capital and reserves		2,052,429	1,839,235
Available-for-sale financial assets		(7)	(7)
Cash flow hedges		35,423	39,226
Exchange differences on translation of foreign operations		(26,750)	(26,865)
Unrealised actuarial gains and losses		(14,045)	(14,238)
Unrealised gains reserve		(5,379)	(1,884)
Equity attributable to owners of the parent		2,047,050	1,837,351
Non-controlling interests		25,945	2,715
Equity	8	**2,072,995**	**1,840,066**
Non-current provisions		27,977	26,450
Non-current debt	6 and 9	1,661,679	1,427,341
Non-current derivative financial liabilities	6	628	3,588
Non-current financial liabilities		1,662,307	1,430,929
Deferred tax liabilities		625,573	600,896
Deferred revenue non-current		260,740	234,397
Other non-current liabilities		87,843	81,346
Total non-current liabilities		**2,664,440**	**2,374,018**
Current provisions		10,865	10,659
Current debt	6 and 9	287,629	270,868
Other current financial liabilities	6	10,810	5,402
Dividend payable	6 and 8	144,688	133,386
Current derivative financial liabilities	6	2,037	8,698
Current financial liabilities		445,164	418,354
Trade accounts payable	6	543,381	532,065
Income taxes payable		42,975	20,040
Trade and other payables		586,356	552,105
Deferred revenue current		76,703	31,891
Other current liabilities		170,843	200,024
Total current liabilities		**1,289,931**	**1,213,033**
TOTAL EQUITY AND LIABILITIES		**6,027,366**	**5,427,117**

Consolidated and condensed statement of comprehensive income (thousands of euros – KEUR)

Continuing operations	Note	30/06/2014	30/06/2013
		UNAUDITED	UNAUDITED
Revenue		1,730,881	1,595,074
Cost of revenue		(445,917)	(417,948)
Personnel and related expenses		(464,079)	(410,951)
Depreciation and amortization		(154,426)	(137,555)
Other operating expenses		(115,293)	(117,438)
Operating income		**551,166**	**511,182**
Financial income		989	641
Interest expense	13	(33,411)	(35,751)
Other financial expenses	13	(1,508)	(2,928)
Exchange gains / (losses)		1,372	404
Financial expense, net		**(32,558)**	**(37,634)**
Other income / (expense)		(470)	2,916
Profit before income taxes		**518,138**	**476,464**
Income taxes	11	(163,214)	(152,056)
Profit after taxes		**354,924**	**324,408**
Share in profit of associates and joint ventures accounted for using the equity method		1,380	2,308
PROFIT FOR THE PERIOD		**356,304**	**326,716**
Profit for the period attributable to:			
Non-controlling interests		207	435
Owners of the parent		356,097	326,281
Earnings per share basic and diluted [in Euros]	12	0.80	0.73
Items that will not be reclassified to profit and loss:			
Actuarial gains and losses		193	1,497
Items that will be reclassified to profit or loss when specific conditions are met:			
Cash flow hedges		(3,803)	(12,636)
Exchange differences on translation of foreign operations		115	(4,412)
		(3,688)	(17,048)
Other comprehensive expense for the period, net of tax		(3,495)	(15,551)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**352,809**	**311,165**
Total comprehensive income for the period attributable to:			
Non-controlling interests		207	435
Owners of the parent		352,602	310,730

Consolidated and condensed statement of changes in equity (thousands of euros – KEUR)

	Share capital	Additional paid-in capital, reserves and retained earnings	Treasury shares	Profit for the year attributable to owners of the parent	Unrealized gains reserves	Non-controlling interests	Total
Balance at December 31, 2012	**4,476**	**1,040,694**	**(30,588)**	**496,727**	**17,575**	**2,553**	**1,531,437**
Total Comprehensive income for the period	-	-	-	326,281	(15,551)	435	311,165
Dividend payable	-	(110,953)	-	-	-	-	(110,953)
Treasury shares acquisition	-	-	(4,736)	-	-	-	(4,736)
Treasury shares disposal	-	(3)	3	-	-	-	-
Recognition of share-based payment	-	4,903	-	-	-	-	4,903
Transfer to retained earnings and reserves	-	496,727	-	(496,727)	-	-	-
Other changes in equity	-	(50)	-	-	-	(183)	(233)
Balance at June 30, 2013	**4,476**	**1,431,318**	**(35,321)**	**326,281**	**2,024**	**2,805**	**1,731,583**
Balance at December 31, 2013	**4,476**	**1,302,081**	**(29,968)**	**562,646**	**(1,884)**	**2,715**	**1,840,066**
Total Comprehensive income for the period	-	-	-	356,097	(3,495)	207	352,809
Dividend payable (note 8)	-	(145,236)	-	-	-	-	(145,236)
Treasury shares acquisition (note 8)	-	-	(7,172)	-	-	-	(7,172)
Treasury shares disposal (note 8)	-	(6,567)	6,567	-	-	-	-
Recognition of share-based payment (note 8)	-	9,215	-	-	-	-	9,215
Transfer to retained earnings and reserves	-	562,646	-	(562,646)	-	-	-
Derecognition of non-controlling interests (note 8)	-	-	-	-	-	(1,448)	(1,448)
Additional non-controlling interests (note 7 and 8)	-	-	-	-	-	24,549	24,549
Other changes in equity	-	290	-	-	-	(78)	212
Balance at June 30, 2014	**4,476**	**1,722,429**	**(30,573)**	**356,097**	**(5,379)**	**25,945**	**2,072,995**

See the accompanying notes to the consolidated and condensed interim financial statements

Consolidated and condensed statement of cash flows (thousands of euros – KEUR)

	Note	30/06/2014	30/06/2013
		UNAUDITED	UNAUDITED
Cash flows from operating activities			
Operating income		551,166	511,182
Adjustments for:		151,474	134,719
Depreciation and amortization		154,426	137,555
Depreciation and amortization included in capitalization		(2,952)	(2,836)
Changes in working capital		(57,683)	(36,613)
Taxes paid		(121,691)	(74,964)
Net cash provided from operating activities		523,266	534,324
Cash flows from investing activities			
Subsidiaries and associates	7	(384,842)	(6,650)
Property, plant and equipment and intangible assets		(198,355)	(207,130)
Other financial assets		(11,281)	(2,525)
Cash paid for investments		(594,478)	(216,305)
Property, plant and equipment and intangible assets		341	830
Other financial assets		54	97
Cash received from disposals of assets		395	927
Dividend received		1,167	1,525
Interest received		834	636
Other cash received / (used) from investing activities		(349)	408
Other cash flows from investing activities		1,652	2,569
Net cash used in investing activities		(592,431)	(212,809)
Cash flows from financing activities			
Treasury shares acquisition	8	(7,172)	(4,736)
Acquisition of non-controlling interest in subsidiary		(1,448)	-
Financial liabilities received / (paid)		157,539	(162,370)
Proceeds		369,850	146,090
Repayments		(212,311)	(308,460)
Dividends paid and cash paid to holders of equity instruments		(133,386)	(111,088)
Interest paid		(13,305)	(15,946)
Net cash (used) / received in financing activities		2,228	(294,140)
Effect of exchange rate changes on cash and cash equivalents		222	1,683
Net increase / (decrease) in cash and cash equivalents		(66,715)	29,058
Cash and cash equivalents net at the beginning of period		490,575	399,569
Cash and cash equivalents net at the end of period	14	423,860	428,627

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1 GENERAL INFORMATION AND ACTIVITY

Amadeus IT Holding, S.A. (formerly known as WAM Acquisition, S.A. and hereinafter "the Company"), was incorporated on February 4, 2005, and registered at the Companies Register of Madrid. Its registered office is in Madrid, Calle Salvador de Madariaga, 1.

The Company's corporate object, as set out in article 2 of its by-laws, is the following:

a) transfer of data from and/or through computer reservation systems, including offers, reservations, tariffs, transport tickets and/or similar, as well as any other services, including information technology services, all of them mainly related to the transport and tourism industry, provision of computer services and data processing systems, management and consultancy related to information systems;

b) provision of services related to the supply and distribution of any type of product through computer means, including manufacture, sale and distribution of software, hardware and accessories of any type;

c) organization and participation as partner or shareholder in associations, companies, entities and enterprises active in the development, marketing, commercialisation and distribution of services and products through computer reservation systems for, mainly, the transport or tourism industry, in any of its forms, in any country worldwide, as well as the subscription, administration, sale, assignment, disposal or transfer of participations, shares or interests in other companies or entities;

d) preparation of any type of economic, financial and commercial studies, as well as reports on real estate issues, including those related to management, administration, acquisition, merger and corporate concentration, as well as the provision of services related to the administration and processing of documentation; and

e) acting as a holding company, for which purpose it may (i) incorporate or take holdings in other companies, as a partner or shareholder, whatever their nature or object, including associations and partnerships, by subscribing to or acquiring and holding shares or stock, without impinging upon the activities of collective investment schemes, securities dealers and brokers, or other companies governed by special laws, as well as (ii) establishing its objectives, strategies and priorities, coordinating subsidiaries' activities, defining financial objectives, controlling financial conduct and effectiveness and, in general, managing and controlling them.

The direct or, when applicable, indirect performance of all business activities that are reserved by Spanish law is excluded. If professional titles, prior administrative authorizations, entries with public registers or other requirements are required by legal dispositions to perform an activity embraced in the corporate object, such activity shall not commence until the required professional or administrative requirements have been fulfilled. The by-laws and other public information of the Company can be consulted on the website of the Company (www.amadeus.com).

Amadeus IT Holding, S.A. is the parent company of the Amadeus Group ("the Group"). The Group is a leading transaction processor for the global travel and tourism industry, providing advanced technology solutions to our travel provider and travel agency customers worldwide. Amadeus acts as an international network providing comprehensive real-time search, pricing, booking, ticketing and other processing solutions to travel providers and travel agencies through our Distribution segment, and we offer other travel providers (today, principally airlines) an extensive portfolio of technology solutions which automate certain mission-critical business processes, such as reservations, inventory management and departure control, through our IT Solutions segment.

Customer groups include providers of travel services and products such as airlines (network, domestic, low-cost and charter carriers), hotels (independent properties and chains), tour operators (mainstream, specialist and vertically integrated players), insurance companies, road and sea transport companies (car rental companies, railway companies, ferry lines, cruise lines), travel sellers and brokers (offline and online travel agencies) and travel buyers (corporations and travellers).

The Company's shares are traded on the Spanish electronic trading system ("Continuous Market") on the four Spanish Stock Exchanges (Madrid, Barcelona, Bilbao and Valencia). The Company's shares form part of the Ibex 35 index [AMS].

2 BASIS OF PRESENTATION AND COMPARABILITY OF THE INFORMATION

2.1 Basis of presentation

2.1.1 General information

The accompanying consolidated and condensed interim financial statements for the six months period ended June 30, 2014 ("interim financial statements"), have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS-EU"), in particular with International Accounting Standard (IAS) 34 about "Interim Financial Reporting", and with the requirements of the Real Decreto 1362/2007. The disclosure requirements of IAS 34 are based on the assumption that the reader of the interim financial statements is doing so together with the most recent consolidated annual accounts. As a consequence, the interim financial statements do not include all of the information and disclosures that would be required by IFRS-EU for complete consolidated annual accounts. The most recent consolidated annual accounts were authorized for issue by the Board of Directors of the Company on February 27, 2014.

The issue of these interim financial statements was authorized by the Board of Directors of the Company on July 31, 2014.

The Group presents negative working capital in the six months period ended June 30, 2014, and for the year ended December 31, 2013, which given the industry in which the Group operates and its financial structure, is not an unusual circumstance, and does not present an impediment for the normal development of its business.

2.1.2 Use of estimates

Use of estimates and assumptions, as determined by management, is required in the preparation of the interim financial statements in conformity with IFRS-EU. The estimates and assumptions made by management affect the carrying amount of assets and liabilities. Those with a significant impact in the interim financial statements are the same as those detailed in our consolidated annual accounts for the year ended December 31, 2013:

- Estimated recoverable amounts used for impairment testing purposes;
- Provisions;

- Pension and post–retirement benefits in accordance with IAS 34 have been calculated by using the actuarially determined pension cost at the end of the prior financial year adjusted for significant events if any;
- Income tax liabilities in accordance with IAS 34 have been calculated based on the estimated average annual effective income tax rate;
- Cancellation reserve;
- Doubtful debt provision;
- Share-based payments; and
- Business combinations.

The estimates and assumptions are based on the information available at the date of issuance of the interim financial statements, past experience and other factors which are believed to be reasonable at that time. The actual results might differ from the estimates.

2.2 Comparison of information

The presentation and classification of certain line items in the face of the consolidated and condensed statement of financial position, in the consolidated and condensed statement of comprehensive income, consolidated and condensed statement of changes in equity and in the consolidated and condensed statement of cash flows, have been revised and comparative information has been reclassified accordingly.

The presentation and classification of certain line items in the notes to the consolidated and condensed interim financial statements have been revised and comparative information has been reclassified accordingly.

2.3 Consolidation scope

On January 24, 2014, the Group has acquired, through its subsidiary Amadeus IT Group, S.A., 100% of the voting rights of UFIS Airport Solutions AS, and its group of companies ("UFIS").

On February 5, 2014, the Group has acquired 100% of the voting rights of NMTI Holdings, Inc. and its group of companies ("Newmarket"), through a reverse merger between the indirect subsidiary AMS-NM Acquisition, Inc. and NMTI Holdings, Inc. After the merger the surviving corporation was NMTI Holdings, Inc.

On March 26, 2014, the Group has acquired, through its subsidiary Amadeus IT Group, S.A., 95% additional interest on the share capital of Amadeus BH d.o.o. Sarajevo (hereinafter Amadeus Bosnia). At June 30, 2014, the Group owns 100% of the shares of this entity.

On June 23, 2014, the Group has acquired, indirectly through the wholly owned subsidiary Amadeus Corporate Business AG, 69.11% of the voting rights of i:FAO Aktiengesellschaft and its group of companies ("i:FAO").

On February 21, 2014, our wholly owned subsidiary Amadeus Scandinavia AB acquired the remaining 21.75% of the issued shares of Amadeus Sweden AB. The Group now holds 100% of the equity share capital of this entity.

In the six months period ended June 30, 2014, indirectly through the subsidiary Amadeus IT Group, S.A., the Group carried out the following equity investments in newly created companies:

- 100% interest in Corporate Business AG
- 100% interest in Amadeus Content Sourcing S.A.U.

2.4 Seasonality of interim results

Our business and operations are linked to the worldwide travel industry. Our transactional business model means that our financial performance is significantly driven by travel volumes (air passengers, air and non-air bookings on travel agencies, etc.), which are subject to a certain degree of seasonality during the year.

In addition, the different factors affecting the travel industry, such as the macro-economic environment (air traffic presents a strong correlation to GDP evolution) and other external factors that may impact travel volumes (geo-political events, national holidays, natural disasters, etc.) may have a different timing in different years and / or are unpredictable. Therefore, the figures for the six-month period ended June 30, 2014, are not fully representative of the performance for the full year.

In particular, our revenue in the Distribution segment is significantly influenced by the seasonality of the air booking volumes done through travel agencies, which are, as a general rule, slightly lower during the second half of the year. Additionally, our volumes are influenced by the timing of the contracts signed with our travel agencies, as well as their performance throughout the year.

In this respect, 2014 will include the impact from the migration of the local South Korean CRS (Topas) to the Amadeus platform. The full year impact of this contract has been estimated at approximately 15 million bookings. However, we only expect a small impact in 2014 of approximately 25% or less, as the travel agencies will be migrated on a one-by-one basis.

In our IT Solutions segment, revenue is influenced by the seasonality of passengers boarded (PB), which are usually higher during the second half of the year when important holiday periods take place. However, PB volume growth is significantly impacted in any particular period, by the implementation of airlines. The schedule of migrations has no specific seasonality and is determined by the progress of each of the processes not only on the Amadeus side but also on the airline's side.

In 2014, as a consequence of the high level of migration activity occurred during the last part of 2013, primarily in the Asia Pacific region, we are benefiting from the full year impact of these migrations. For the second half of the year, we might see some softening in the growth levels, as the base of comparison will be progressively including the impact of the 2013 migrations. In turn, this will be partially offset by the Korean Air migration scheduled for the second half of 2014.

Finally, the percentage variations in our revenue tend to be less pronounced than the variations in our air travel agency bookings or passengers boarded, given the non-transactional revenues also part of our Distribution and IT Solutions segments.

Our reported figures in 2014 will also be affected by the consolidation of the following acquisitions made during the first half of 2014:

— Newmarket, a US-based business operating in the Hotel IT space, that started to consolidate in February 5, 2014.
— UFIS, a Singapore-based business dedicated to providing airport technology which has been consolidated since February 1, 2014.
— i:FAO, a leading provider of travel management technology solutions for corporations in Germany, that has been consolidated as of June 30, 2014.

As a result of the above, overall revenue weight has generally been, in the past years, slightly higher during the first half of the year than during the second, and this is also the expectation for 2014. Additionally the following factors should be considered:

- According to the International Monetary Fund (IMF), advanced economies accounted for much of the marked uptick in global growth during the second half of 2013. However, the latest incoming data from April suggests a slight moderation in the global growth in the first half of 2014. Nevertheless, the outlook remains broadly the same as global growth is projected to strengthen to 3.6% in 2014 and then to increase further to 3.9% in 2015.
- Despite the above positive IMF prospects, if the economic moderation seen in early 2014 were to continue into the second half of 2014, booking activity could experience lower growth when compared to the second half of 2013 uptick. This would additionally be offset by the Topas effect described earlier.
- In the IT solutions business, the intense migration activity displayed during the second half of 2013 has a positive impact in the first half of 2014 although it sets a more challenging comparison base for the 2H.

Taking the above into consideration, we expect a more regular seasonality in 2014, with softer growth rates in the second half of the year than in the first half.

3 ACCOUNTING POLICIES

The same accounting policies have been applied to the interim financial statements as compared with the consolidated annual accounts for the year ended December 31, 2013.

The following new and revised standards adopted by the European Union, have become effective after the date of the most recent consolidated annual accounts on December 31, 2013, and are applicable to both the interim financial statements as of June 30, 2014, and to our next consolidated annual accounts on December 31, 2014:

- IFRS 10 “Consolidated financial statements”, IFRS 11 “Joint arrangements”, IFRS 12 “Disclosure of interest in other entities”, IAS 27 (Revised) “Separate financial statements” and IAS 28 (Revised) “Investment in associates and joint ventures”. This set of new and revised standards were issued in May 2011 and deal with the basis for consolidation, now defined as control with three elements: a) power over an investee, b) exposure, or rights, to variable returns from its involvement with the investee, and c) the ability to use its power over the investee to affect the amount of the investor’s returns. Also defines joint arrangements that are classified as joint operations or joint ventures, depending on the rights and obligations of the parties in the arrangement. And finally, the disclosures on subsidiaries, joint arrangements, associates and/or unconsolidated structured entities will be more extensive. The new and revised standards are effective for annual periods beginning on or after January 1, 2014, with earlier application permitted.

- “Amendments to IAS 32: Offsetting financial assets and financial liabilities”. The amendments will clarify the application of the offsetting requirements. The amendments are effective for annual periods beginning on or after January 1, 2014, with earlier application permitted.

- “Amendments to IFRS 10, IFRS 11 and IFRS 12: Transition Guidance”. The amendments also provide additional transition relief limiting the requirement to provide adjusted comparative information to only the preceding comparative period. Furthermore, for disclosures related to unconsolidated structured entities, the amendments will remove the requirement to present comparative information for periods before IFRS 12 is first applied. The amendments are effective for annual periods beginning on or after January 1, 2014, with earlier application permitted.

Notes (thousands of euros – KEUR)

— "Amendments to IFRS 10, IFRS 12 and IAS 27: Investment Entities". The amendments define an investment entity and to require that an investment entity should not consolidate investments in entities that it controls, but to measure those investments at fair value, with changes in fair value recognised in profit or loss. The amendments also require an investment entity to provide additional disclosures for IFRS about entities that it controls. The amendments are effective for annual periods beginning on or after January 1, 2014, with earlier application permitted.

— "Amendments to IAS 39: Novation of Derivatives and Continuation of Hedge Accounting". The amendments provide relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria. The amendments are effective for annual periods beginning on or after January 1, 2014, with earlier application permitted, and require retrospective application.

The adoption of the amendments and new standards as detailed above did not have any material effect on the consolidated and condensed interim financial statements of the Group.

4 SEGMENT REPORTING

The segment information has been prepared in accordance with the "management approach", which requires presentation of the segments on the basis of the internal reports about components of the entity which are regularly reviewed by the chief operating decision maker in order to allocate resources to a segment and to assess its performance.

The Group is organized into two operating segments on the basis of the different services offered by the Group:

— Distribution, where the primary offering is our GDS platform. It generates revenues mainly from booking fees the Group charges to travel providers for bookings made, as well as other non – booking revenues; and
— IT Solutions, where we offer a portfolio of technology solutions (primarily Altéa PSS) that automate mission-critical processes for travel providers. This segment generates revenues from the transactions processed in our platform, as well as from other non-transactional services.

The operating segments identified, the composition of those operating segments, and the accounting policies used in the measurement of the operating segments profit or loss, are consistent with those used and applied in the year ended December 31, 2013.

Information regarding the Group's operating segments and the reconciliation of the measure of profit or loss (Contribution) to the consolidated and condensed statement of comprehensive income as of June 30, 2014, and 2013 are set forth in the table below:

	30/06/2014			30/06/2013		
	Distribution	IT Solutions	Total	Distribution	IT Solutions	Total
Revenue	1,271,492	459,389	1,730,881	1,215,600	379,474	1,595,074
Contribution	582,474	315,651	898,125	565,265	266,213	831,478

The main reconciling items correspond to:

	30/06/2014	30/06/2013
Revenue	1,730,881	1,595,074
Contribution	898,125	831,478
Net indirect cost [(1)]	(195,485)	(185,577)
Depreciation and amortization [(2)]	(151,474)	(134,719)
Operating income	**551,166**	**511,182**

(1) Principally comprises indirect costs that are shared between the Distribution and IT Solutions operating segments, such as: (i) costs associated with our technology systems, including our processing of multiple transactions, and (ii) corporate support, including various corporate functions such as finance, legal, human resources, internal information systems, etc. Additionally it includes capitalization of expenses and incentives received from the French government in respect of certain IT Solutions / Distribution product development activities in Nice and which have not been allocated to an operating segment.

(2) Includes the capitalization of certain depreciation and amortization costs in the amount of KEUR 2,952 and KEUR 2,836, in the period ended June 30, 2014 and 2013, respectively.

The Group operates in the travel industry and, accordingly, events that significantly affect the industry could also affect the Group's operations and financial position.

Amadeus IT Group, S.A. is based in Spain and is the counterparty to all key contractual arrangements with airlines and other travel providers for Distribution and IT Solutions operating segments.

The table below represents a good measure of how the revenue of the Group is geographically distributed based on, where the travel agent in which bookings are reserved is located (for the Distribution operating segment), and attending to where the airline receiving the services is located (for the IT Solutions operating segment):

	30/06/2014	30/06/2013
Western Europe [(1)]	826,868	792,628
Central, Eastern and Southern Europe	143,558	139,819
Middle East and Africa	223,529	203,204
North America	162,864	121,755
Latin America	113,904	115,344
Asia & Pacific	260,159	222,324
Revenue	**1,730,881**	**1,595,074**

(1) Includes Spain revenue by an amount of KEUR 93,965 and KEUR 80,467 for the periods ended June 30, 2014 and 2013, respectively.

Notes (thousands of euros – KEUR)

5 GOODWILL

Reconciliation of the carrying amount of goodwill for the period ended June 30, 2014, and December 31, 2013, is as follows:

	30/06/2014	31/12/2013
Carrying amount at the beginning of the period	**2,068,338**	**2,065,435**
Additions	7	31
Additions due to acquisitions of subsidiaries (note 7)	433,405	9,249
Retirements	-	(98)
Transfers	-	(5,751)
Exchange rate adjustments	(3,539)	(528)
Carrying amount at the end of the period	**2,498,211**	**2,068,338**

For the period ended June 30, 2014, the “Additions due to acquisitions of subsidiaries” caption reflects the acquisitions of NMTI Holdings, Inc., through a reverse merger between the indirect subsidiary AMS-NM Acquisition, Inc. and NMTI Holdings, Inc., and acquisitions of UFIS Airport Solutions AS and i:FAO Aktiengesellschaft, through the subsidiaries Amadeus IT Group, S.A. and Amadeus Corporate Business AG, respectively, as detailed in note 7. For the year ended December 31, 2013, the “Additions due to acquisitions of subsidiaries” caption reflects the acquisitions of Amadeus IST, Amadeus Eesti AS and Travel Audience GmbH, carried out by the Group indirectly through its subsidiaries Amadeus IT Group, S.A. and Traveltainment GmbH.

The transfers for the year ended December 31, 2013, mainly relate to the completion of the purchase price allocation exercise for the business combination with Amadeus IST.

Goodwill derived from any acquisition is allocated for the purpose of impairment testing, based on Amadeus’ organizational structure and operations, to the cash-generating unit, or groups of cash generating units, that is/are expected to benefit from the synergies of the combination. The cash-generating units are the lowest level within the Group at which goodwill is monitored for internal management purposes. The initial allocation of goodwill acquired in the business combinations that have occurred during the six months period ended as of June 30, 2014, has not been completed as of the date of issuance of the consolidated and condensed interim financial statements as of June 30, 2014, because the Group has only used provisional values in the initial accounting of those business combinations. The amount of excess purchase price that has not been allocated at the end of the reporting period is:

	30/06/2014
Newmarket	351,501
i:FAO	64,115
UFIS	17,789
Total excess purchase price not allocated	**433,405**

The initial allocation of goodwill will be completed once the adjustments to the provisional values of the business combinations are completed within the measurement period.

Notes (thousands of euros – KEUR)

6 FINANCIAL ASSETS AND LIABILITIES AND FAIR VALUE MEASUREMENTS

The table below sets out the Group's classification of financial assets and liabilities at June 30, 2014:

	Held for trading (1)	Available for sale	Loans and Receivables	Amortized Cost	Hedges (2)	Total
Other non-current financial assets	-	7,574	13,605	-	-	21,179
Non-current derivative financial assets	-	-	-	-	3,066	3,066
Total non-current financial assets	-	7,574	13,605	-	3,066	24,245
Trade accounts receivable	-	-	319,369	-	-	319,369
Other current financial assets	-	-	18,070	-	-	18,070
Current derivative financial assets	54	-	-	-	4,457	4,511
Cash and cash equivalents	-	-	430,028	-	-	430,028
Total current financial assets	54	-	767,467	-	4,457	771,978
Non-current debt (note 9)	-	-	-	1,661,679	-	1,661,679
Non-current derivative financial liabilities	-	-	-	-	628	628
Total non-current financial liabilities	-	-	-	1,661,679	628	1,662,308
Current debt (note 9)	-	-	-	287,629	-	287,629
Other current financial liabilities	-	-	-	10,810	-	10,810
Dividend payable	-	-	-	144,688	-	144,688
Current derivative financial liabilities	227	-	-	-	1,810	2,037
Trade accounts payable	-	-	-	543,381	-	543,381
Total current financial liabilities	227	-	-	986,508	1,810	988,545

(1) Includes derivatives that are not designated as effective hedging instruments according to IAS 39

(2) Includes derivatives that are designated as effective according to IAS 39

Notes (thousands of euros – KEUR)

The table below sets out the Group's classification of financial assets and liabilities at December 31, 2013:

	Held for trading (1)	Available for sale	Loans and Receivables	Amortized Cost	Hedges (2)	Total
Other non-current financial assets	-	7,575	11,040	-	-	18,615
Non-current derivative financial assets	-	-	-	-	872	872
Total non-current financial assets	-	**7,575**	**11,040**	-	**872**	**19,487**
Trade accounts receivable	-	-	227,918	-	-	227,918
Other current financial assets	-	-	13,423	-	-	13,423
Current derivative financial assets	150	-	-	-	4,948	5,098
Cash and cash equivalents	-	-	490,881	-	-	490,881
Total current financial assets	**150**	**-**	**732,222**	-	**4,948**	**737,320**
Non-current debt (note 9)	-	-	-	1,427,341	-	1,427,341
Non-current derivative financial liabilities	-	-	-	-	3,588	3,588
Total non-current financial liabilities	-	-	-	**1,427,341**	**3,588**	**1,430,929**
Current debt (note 9)	-	-	-	270,868	-	270,868
Other current financial liabilities	-	-	-	5,402	-	5,402
Dividend payable	-	-	-	133,386	-	133,386
Current derivative financial liabilities	143	-	-	-	8,555	8,698
Trade accounts payable	-	-	-	532,065	-	532,065
Total current financial liabilities	**143**	-	-	**941,721**	**8,555**	**950,419**

(1) Includes derivatives that are not designated as effective hedging instruments according to IAS 39

(2) Includes derivatives that are designated as effective according to IAS 39

Notes (thousands of euros – KEUR)

6.1 Fair value measurements disclosures

The table below expresses the assets and liabilities that are measured at fair value on a recurring or non-recurring basis in the consolidated and condensed statement of financial position. These fair value measurements are categorized into different levels of fair value hierarchy based on the inputs to valuation techniques used.

	30/06/2014		
	Level 2	Level 3	Total
Interest rate swaps	-	-	-
Foreign currency forward	3,066	-	3,066
Non-current derivative financial assets	**3,066**	**-**	**3,066**
Foreign currency forward	4,457	-	4,457
Foreign currency forward and options held for trading	54	-	54
Current derivative financial assets	**4,511**	**-**	**4,511**
Foreign currency forward	628	-	628
Non-current derivative financial liabilities	**628**	**-**	**628**
Interest rate swaps	206	-	206
Foreign currency forward	1,604	-	1,604
Foreign currency forward held for trading	227	-	227
Current derivative financial liabilities	**2,037**	**-**	**2,037**
Contingent consideration at fair value (note 7)	-	3,033	3,033

The fair values of financial assets or liabilities traded on active liquid markets are fixed according to the prices quoted in those markets. If the market for a financial asset is not active or no market price is available, fair values are determined in accordance with generally accepted pricing valuation techniques which include discounted cash flows, standard valuation models based on market parameters, dealer quotes and use of comparable arm's length transactions.

The Group's foreign currency forward and options contracts are measured using quoted forward exchange rates. Interest rate swaps are measured discounting the cash flows estimated based on the applicable interest rate curves derived from quoted interest rates. As such, the financial assets or liabilities in our consolidated statement of financial position resulting from these derivative financial instruments that are measured at fair value, would fall within the level 2 category of the fair value hierarchy. Fair values reflect the credit risk of the instrument and include adjustments to take into account the credit risk of the Group entity and counterparty when appropriate.

The Group recognises transfers between levels of fair value hierarchy as of the end of the reporting period in which the transfer has occurred. There were no transfers between levels of fair value hierarchy during the six months period ended June 30, 2014.

The fair value categorised as level 3 arose from the consideration transferred in the acquisition of UFIS (note 7). This fair value measurement is considered as recurring fair value measurement.

The fair value of the contingent consideration is determined considering the expected payment using probability weighted average of pay-outs associated with each possible scenario. This method requires taking into account the range of possible outcomes, the pay-out associated with each possible outcome and the probability of each outcome arising.

The main unobservable input corresponds to the forecasted biannual combined revenue for the years 2013 and 2014 of the acquiree. The estimated fair value of the deferred consideration would increase if the forecasted annual revenue was higher.

Changing the significant unobservable input used to estimate the fair value of the contingent consideration, to reflect reasonably possible alternative assumptions, would have the effects shown in the table below. These effects have been calculated by recalibrating the values from the valuation technique using alternative estimates of unobservable input that might reasonably have been considered by a market participant to price the contingent consideration as of June 30, 2014.

	30/06/2014	
	Increase / (decrease) in unobservable inputs	**Favourable / (unfavourable) impact in profit or loss KEUR**
Forecasted combined revenue	5%	(153)
	(5%)	992

The financial assets in our consolidated and condensed statement of financial position that are classified as available for sale are other investments in equity instruments that do not have a quoted market price in an active market, and are measured at cost because their fair value cannot be measured reliably.

The Group estimates that the carrying amount of its financial assets and liabilities is a reasonable approximation of their fair value as at June 30, 2014, except for the bonds issue financial liability which has carrying amount of KEUR 750,000 (note 9) and a fair value of KEUR 811,176 (108.16% of its face value), and for the European Investment Bank unsecured senior loan which has carrying amount of KEUR 339,292 (note 9) and a fair value of KEUR 365,206 (104.34% of its face value). The fair value measurement of the bonds and the European Investment Bank unsecured senior loan are categorised within the level 1 and level 2 in the fair value hierarchy, respectively.

Notes (thousands of euros – KEUR)

7 BUSINESS COMBINATIONS AND OTHER EQUITY INVESTMENTS

7.1 Business combinations

During the six months period ended June 30, 2014, the Group has entered into business combinations that in aggregate, have had the effect that is presented in the table below:

	30/06/2014
Cash paid	404,520
Contingent consideration	3,033
Deferred consideration	309
Indemnification assets	(1,184)
Non-controlling interests	24,549
Fair value of previously held equity interests	11
Recognized amounts of identifiable assets acquired and liabilities assumed	(80,520)
Total	**350,718**
Total excess purchase price	**350,963**
Total bargain purchase price	**(245)**

The reconciliation between the aggregated cash paid in those business combinations that have occurred during the current period and the net cash invested in subsidiaries for the six months period ended June 30, 2014, is as follows:

	30/06/2014
Cash paid	404,520
Cash acquired	19,678
Net cash invested in subsidiaries	**384,842**

The Group has acquired on February 5, 2014, 100% of the voting rights of NMTI Holdings, Inc. and its group of companies (“Newmarket”), through a reverse merger between the indirect subsidiary AMS-NM Acquisition, Inc. and NMTI Holdings, Inc. After the merger, the surviving corporation was NMTI Holdings, Inc. Newmarket is based in Portsmouth, NH, U.S.A., and serves around 22,000 unique properties in 154 countries, operating in the group and event management segment of the hotel industry, where is a leading provider of cloud-based IT solutions.

The acquisition of Newmarket, is in line with the Group’s strategy of diversification into new businesses and significantly strengthens its presence in the hotel IT market.

Notes (thousands of euros – KEUR)

The acquisition date fair value of the consideration transferred in relation to this acquisition is set forth in the table below:

	Newmarket
Cash paid	333,539
Deferred consideration	309
Indemnification asset	(1,184)
Consideration transferred	**332,665**

The carrying amounts recognised as of the acquisition date for each major class of assets acquired and liabilities assumed, is:

	Newmarket
Goodwill	82,442
Intangible assets	39,709
Property, plant and equipment	4,430
Other non-current financial assets	140
Deferred tax assets	1,573
Total non-current assets	**128,294**
Trade accounts receivable	27,583
Other current assets	8,828
Cash and cash equivalents	7,054
Total current assets	**43,465**
Non-current debt	25,889
Other non-current financial liabilities	1,014
Deferred tax liabilities	10,747
Total non-current liabilities	**37,650**
Trade accounts payable	25,787
Deferred revenue current	44,717
Total current liabilities	**70,503**
Recognized amounts of identifiable assets acquired and liabilities assumed	**63,606**
Consideration transferred	332,665
Excess purchase price	**269,059**

The fair value of trade receivables acquired has been estimated as follows:

	Newmarket
Gross carrying amount	28,116
Allowance for doubtful accounts	(533)
Fair value of receivables	**27,583**

The deferred consideration represents the unpaid amounts as of June 30, 2014 of certain tax benefits to which the former owner of the acquiree is entitled pursuant the merger agreement. The undiscounted future payments that the Group will make under this arrangement are KEUR 309. The indemnification asset refers to the commitment by the former owner to make good for any payments arising from unpaid contingent consideration in business combinations that occurred before the transaction was completed.

The acquisition-related costs recognised as an expense under the "Other operating expenses" caption of the consolidated and condensed statement of comprehensive income for six months period ended June 30, 2014, amount to KEUR 435.

On January 24, 2014, the Group has acquired, through its subsidiary Amadeus IT Group, S.A., 100% of the voting rights of UFIS Airport Solutions AS, and its group of companies ("UFIS"). UFIS is one of the leading suppliers of integrated solutions for single and multi-terminal and multi-airport operations for the global airport industry. The acquisition accelerates the Group's presence in the airport IT market, contributing a portfolio of products and customers as well an experienced workforce.

The acquisition date fair value of the consideration transferred in relation to this acquisition is set forth in the table below:

	UFIS
Cash paid	15,787
Contingent consideration	3,033
Consideration transferred	**18,820**

The carrying amounts recognised as of the acquisition date for each major class of assets acquired and liabilities assumed, is:

	UFIS
Intangible assets	406
Property, plant and equipment	42
Other non-current financial assets	5
Total non-current assets	**453**
Trade accounts receivable	2,607
Other current assets	336
Cash and cash equivalents	585
Total current assets	**3,529**
Non-current debt	1,573
Total non-current liabilities	**1,573**
Current debt	604
Trade accounts payable	774
Total current liabilities	**1,378**
Recognized amounts of identifiable assets acquired and liabilities assumed	**1,031**
Consideration transferred	18,820
Excess purchase price	**17,789**

The fair value of trade receivables acquired has been estimated as follows:

	UFIS
Gross carrying amount	2,933
Allowance for doubtful accounts	(326)
Fair value of receivables	**2,607**

The contingent consideration arrangement requires the Group to pay, in cash, to the former owners of UFIS, an amount that is between KEUR nil and KEUR 3,186, based on the achievement on combined revenues for the years 2013 and 2014 (note 6).

The acquisition-related costs recognised as an expense under the "Other operating expenses" caption of the consolidated and condensed statement of comprehensive income for six months period ended June 30, 2014, amount to KEUR 263.

On June 23, 2014, the Group has acquired indirectly through its wholly owned subsidiary Amadeus Corporate Business AG, 69.11% of the voting rights of i:FAO Aktiengesellschaft and its group of companies ("i:FAO"), through a public takeover offer, for a total consideration paid in cash of KEUR 54,921. i:FAO is based in Frankfurt am Main, and its business objective is the development and marketing of a cloud based solution "Cytric" that is used as a tool for procurement, management, booking, and expense reporting of business travel. The integration of this software-as-a-service product into Amadeus distribution portfolio will strengthen our offering to travel management companies and corporations, while taking advantage of our international commercial network.

The carrying amounts recognised as of the acquisition date for each major class of assets acquired and liabilities assumed, is:

	i:FAO
Intangible assets	42
Property, plant and equipment	1,051
Other non-current financial assets	1,023
Total non-current assets	**2,116**
Trade accounts receivable	2,978
Other current assets	254
Cash and cash equivalents	11,885
Total current assets	**15,117**
Deferred tax liabilities	4
Total non-current liabilities	**4**
Current provisions	322
Trade accounts payable	744
Deferred revenue	807
Total current liabilities	**1,873**
Recognized amounts of identifiable assets acquired and liabilities assumed	**15,356**
Non-controlling interests (note 8)	24,549
Consideration transferred	54,921
Excess purchase price	**64,115**

The fair value of trade receivables acquired has been estimated as follows:

	i:FAO
Gross carrying amount	2,987
Allowance for doubtful accounts	(9)
Fair value of receivables	**2,978**

The fair value of the non-controlling interest has been estimated based on the price paid for tendered shares during the takeover process. This price approximates to the weighted average listed price of the shares during the three months prior to the launch of the public offering.

The acquisition-related costs recognised as an expense under the “Other operating expenses” caption of the consolidated and condensed statement of comprehensive income for six months period ended June 30, 2014, amount to KEUR 1,500.

The amounts provided above, for all the business combinations, correspond to the initial accounting for the acquisition of all entities, which as of the date of issue of our consolidated and condensed interim financial statements is still provisional. The Group will determine the acquisition-date fair value of identifiable assets acquired and the liabilities assumed, as well as any other necessary adjustment to the provisional amounts, over the measurement period as information is obtained. The Group does not expect that the goodwill will be deductible for income tax purposes.

Had Newmarket, UFIS and i:FAO been consolidated as of January 1, 2014, our consolidated and condensed statement of comprehensive income for the reporting period would show pro-forma revenue and profit for the period as follows:

	Amadeus Pro-forma	Newmarket (1)	i:FAO	UFIS
Revenue	1,746,487	7,551	7,885	170
Profit net of taxes	347,874	1,374	2,456	(108)

(1) Newmarket's profit net of taxes does not include the effect of certain one-off costs that were incurred by the former owners in relation with the acquisition by an amount of KEUR 12,153.

These amounts are calculated without adjusting the results to reflect additional depreciation and amortization that would have been charged assuming a fair value adjustment to intangible assets, interest expense for the debt levels of the Group after the business combinations, other homogenization adjustments, and any related tax effects.

The amount of revenue and profit that Newmarket, UFIS and i:FAO have contributed to the group since acquisition and is included in the consolidated and condensed statement of comprehensive income for the period, is as follows:

	Newmarket	i:FAO	UFIS
Revenue	34,193	-	1,706
Profit for the period	5,250	-	158

7.2 Other equity investments

In the six months period ended June 30, 2014, indirectly through its subsidiary Amadeus IT Group, S.A., the Group carried out the following equity investments:

Newly created companies:

- Corporate Business AG
- Amadeus Content Sourcing S.A.U.

8 EQUITY

8.1 Share Capital

As of June 30, 2014 the Company share capital amounts to KEUR 4,476 divided into 447,581,950 ordinary shares of a single series with a nominal value of EUR 0.01 per share. All shares are fully subscribed and paid.

At June 30, 2014 and December 31, 2013, the Company's shares are held as follows:

Shareholder	30/06/2014	31/12/2013	% of total voting rights at 30/06/2014	% of total voting rights at 31/12/2013
Free float	404,436,270	403,862,208	90.37%	90.24%
Air France Finance	22,578,223	22,578,223	5.04%	5.04%
Malta Pension Investments (1)	17,903,279	17,903,279	4.00%	4.00%
Iberia Líneas Aéreas de España, S.A. Operadora, Sociedad Unipersonal	-	-	-	-
Treasury shares (2)	2,389,076	2,963,138	0.53%	0.66%
Board Members	275,102	275,102	0.06%	0.06%
Total	**447,581,950**	**447,581,950**	**100.00%**	**100.00%**

(1) Malta Pension Investments is an independent company to Deutsche Lufthansa AG and its group of companies. It forms part of a group of companies owned by "Lufthansa Pension Trust e.V." and it is the entity to which Deutsche Lufthansa AG makes contributions to finance future retirement benefits of its employees in Germany and abroad. Deutsche Lufthansa AG and Malta Pension Investments entered into an Agreement by which Deutsche Lufthansa AG reserves the faculty to exercise the contractual rights of the signatory shareholders of the Relationship Agreement of Amadeus IT Holding, S.A. of 29 April 2010, mainly, the appointment of a Director at the Board of Amadeus IT Holding, S.A., within the terms and conditions of the Relationship Agreement.

(2) Voting rights suspended as the shares involved are treasury shares.

The Company’s shares are traded on the Spanish electronic trading system (“Continuous Market”) on the four Spanish Stock Exchanges (Madrid, Barcelona, Bilbao and Valencia). The Company’s shares form part of the Ibex 35 index [AMS].

8.2 Dividends and Additional paid-in capital

On June 26, 2014, the General Shareholders’ Meeting agreed to distribute a gross dividend of EUR 0.625 payable to each ordinary share which on payment date, had the right to be part of the distribution. Out of this amount, an interim dividend of EUR 0.30 per share, amounting to EUR 133,385,644, was paid in full on January 31, 2014, being therefore still pending of payment a complementary dividend of EUR 0.325 per share, amounting to EUR 144,687,684 (Treasury shares excluded). The amount payable by EUR 144,687,684 is presented as of June 30, 2014, as a deduction from “Equity” and under the “Dividend payable” caption in the consolidated and condensed statement of financial position, and has been paid on July 29, 2014.

The changes in the balance of the “Additional paid in capital” caption include the recognition of the share-based payments considered as equity-settled. The fair value of services received during the six months period ended June 30, 2014 and 2013, as consideration for the equity instruments granted, amount to KEUR 9,215 and KEUR 4,903, respectively.

8.3 Treasury shares

Reconciliation of the carrying amounts of the "Treasury shares" as of June 30, 2014 and December 31, 2013, is as follows:

	Treasury Shares	KEUR
Balance at December 31, 2013	**2,963,138**	**29,968**
Acquisition	224,722	7,172
Retirement	(798,784)	(6,567)
Balance at June 30, 2014	**2,389,076**	**30,573**

During the period, the Group acquired 224,722 of the Company's shares.

The historical cost for treasury shares retired (primarily for the settlement of the PSP and RSP) is deducted from the "Additional paid-in capital" caption of the consolidated and condensed statement of financial position.

8.4 Non-controlling interests

On February 21, 2014, our wholly owned subsidiary Amadeus Scandinavia AB acquired the remaining 21.75% of the issued shares of Amadeus Sweden AB for a purchase consideration of KEUR 1,448. The Group now holds 100% of the equity share capital of Amadeus Sweden AB. The carrying amount of the non-controlling interest in Amadeus Sweden AB on the date of the acquisition was KEUR 1,448. The Group derecognised the non-controlling interests corresponding to this investment.

On June 23, 2014, the Group has acquired indirectly through its wholly owned subsidiary Amadeus Corporate Business AG, 69.11% of the voting rights of i:FAO Aktiengesellschaft and its group of companies ("i:FAO"). The Group has recognised the non-controlling interest at fair value, based on the price paid for the shares acquired for an amount of KEUR 24,549 (see note 7).

9 CURRENT AND NON-CURRENT DEBT

The breakdown of carrying amounts of debt with financial institutions at June 30, 2014 and December 31, 2013, is set forth below:

	30/06/2014	31/12/2013
Unsecured Senior Credit Facility	150,551	299,755
Deferred financing fees	(5,166)	(6,171)
Unsecured Senior Term Loan Facility	366,086	-
Bonds	750,000	750,000
Deferred financing fees on Bonds	(3,237)	(4,023)
European Investment Bank	339,292	338,251
Deferred financing fees on European Investment Bank	(619)	(681)
Other debt with financial institutions	31,078	37,288
Obligations under finance leases	33,694	12,922
Total non-current debt	**1,661,679**	**1,427,341**
Unsecured Senior Credit Facility	208,751	219,794
Deferred financing fees	(1,004)	(1,391)
Accrued interest (1)	38,712	20,646
Other debt with financial institutions	30,480	23,377
Obligations under finance leases	10,690	8,442
Total current debt	**287,629**	**270,868**
Total debt	**1,949,308**	**1,698,209**

(1) Under the "Accrued Interest" caption, the Group includes the interest payable in relation to the interest rate derivatives (IRS) in the amount of KEUR 1,473 and KEUR 1,845 at June 30, 2014 and December 31, 2013, respectively.

At June 30, 2014, after taking into account the effect of interest rate swaps, approximately 71% (99% in December 31, 2013) of the Groups' outstanding debt is at fixed rate. The decrease in the ration in debt at fixed rate relates to the new Unsecured Senior Term Loan Facility for the acquisition of Newmarket which is a floating rate facility not hedged as of June 30, 2014.

The Group is required to meet two financial covenants, for the Unsecured Senior Credit Facility, the Unsecured Senior Term Loan Facility, the European Investment Bank senior loans and the Revolving Credit Facility, calculated on the basis of (i) the ratio of total Net Debt to EBITDA (Earnings before Interests, Taxes, Depreciation and Amortization), and (ii) the ratio of EBITDA to Net Interest Payable. As at June 30, 2014 and December 31, 2013, the Group is in compliance with the financial covenants.

9.1 Unsecured Senior Credit Facility

On May 6, 2014, the Group has repaid KEUR 104,514 and KUSD 79,492 (KEUR 58,204) from the Facility A.

The cost of the Unsecured Senior Credit Facility for the period has been 1.29%.

9.2 Unsecured Senior Term Loan Facility

On February 4, 2014 the Group has disposed of the funds that were available on December 18, 2013, by means of an unsecured senior term loan facility with a maximum principal amount of KUSD 500,000. The purpose of this facility was to finance the acquisition of NMTI Holdings, Inc. and its group of companies ("Newmarket"). The loan has scheduled repayments every six months starting on March 2017 and in its final maturity date on December 2018. The cost of the term loan facility for the period has been 1.65%.

The table below set out the Group's debt payable by maturity and currency as of June 30, 2014:

			Maturity					
			Current	Non-current				
		30/06/2014	30/06/14	30/06/15	30/06/16	30/06/17	2018 and beyond	Total non-current
Unsecured Senior Credit Facility[1]	EUR	161,417	80,708	80,709	-	-	-	80,709
	USD	197,885	128,043	69,842	-	-	-	69,842
Unsecured Senior Term Loan Facility	USD	366,086	-	-	73,218	146,434	146,434	366,086
Bonds	EUR	750,000	-	-	750,000	-	-	750,000
EIB	EUR	350,000	-	25,000	35,000	65,000	225,000	350,000
Accrued interest	EUR	38,049	38,049	-	-	-	-	-
	USD	663	663	-	-	-	-	-
Other debt with financial institutions	EUR	61,558	30,480	12,478	12,400	6,200	-	31,078
Leases	EUR	44,384	10,690	8,145	4,356	2,918	18,275	33,694
Total debt payable		1,970,042	288,633	196,174	874,974	220,552	389,709	1,681,409
Non-current deferred financing fees		(9,022)						
Current deferred financing fees		(1,004)						
Remaining fair value adjustment on EIB loan		(10,708)						
Total debt		**1,949,308**						

(1) The amortization calendar of the Unsecured Senior Facilities in USD could change if significant changes in the USD exchange rate take place.

10 RELATED PARTIES BALANCES AND TRANSACTIONS

Below is a summary of significant transactions and balances with related parties of the Company and the Group. All transactions with related parties are carried out on an arm's length basis.

10.1 Subsidiaries

Transactions between the Group and its subsidiaries, which are related parties of the Company, were eliminated on consolidation. Accordingly, they are not disclosed in this note.

10.2 Shareholders and significant influence

The shareholder of reference is Air France, and the entities with significant influence over the Group are Iberia and Lufthansa because both entities reserve the faculty and have appointed a Director of the Board of Amadeus IT Holding, S.A. as stated within the terms and conditions of the signatory shareholders of the Relationship Agreement of Amadeus IT Holding, S.A. dated April 29, 2010.

10.3 Board of Directors

The position of Member of the Board of Directors is remunerated in accordance with the Company's by-laws. The remuneration consists of a fixed remuneration to be determined by the General Shareholders' Meeting before the relevant financial year ends.

At meeting held on June 26, 2014, and June 20, 2013, the General Shareholders' Meeting approved a fixed remuneration, in cash or in kind, of up to KEUR 1,305 and KEUR 1,305 for the years ended December 31, 2014 and 2013, respectively; and it empowered the Board of Directors with the authority to resolve on how said remuneration was to be distributed among the members of the Board, following article 16 of the Company's bylaws. The Board of Directors of the Company may agree an unequal remuneration scheme distribution.

The compensation of the members of the Board of directors of the Company is set forth in the table below:

Board of Directors	**30/06/2014**	**30/06/2013**
Cash compensation	653	653
Total compensation	**653**	**653**

Notes (thousands of euros – KEUR)

At June 30, 2014 and 2013, investment held by the members of the Board of Directors in the share capital of the Company is as follows:

	30/06/2014	30/06/2013
Name	Shares	Shares
José Antonio Tazón García	275,000	342,510
David Webster	1	1
Bernard Bourigeaud	1	1
Roland Busch	100	-

10.4 Key Management Compensation

Remuneration of directors and other members of key management of the Group at June 30, 2014 and 2013 are as follows:

	30/06/2014	30/06/2013
Compensation in cash	5,129	5,235
Compensation in kind	239	245
Contributions to pension plan and collective life insurance policies	419	326
Share-based payments	8,259	-
Total	**14,046**	**5,806**

The number of shares held by the Group Management at June 30, 2014 and 2013 is the following:

	30/06/2014	30/06/2013
Key Management	711,559	541,991
Total shares	**711,559**	**541,991**

10.5 Other related parties

Under other related parties, the Group presents the transactions between the Group and its associates and joint-ventures.

Notes (thousands of euros – KEUR)

The charts below set forth the Group's transactions with the related parties that are described in sections 10.1 to 10.5 above as of June 30, 2014:

	30/06/2014			
Consolidated statement of comprehensive income	**Shareholders and significant influence**	**Board members and key management**	**Other related parties**	**Total**
Cost of revenue and other operating expenses	2,014	-	41,220	43,234
Personnel and related expenses	-	14,699	-	14,699
Total expenses	**2,014**	**14,699**	**41,220**	**57,933**
Interest income	-	-	35	35
Revenue	231,241	-	5,521	236,762
Total income	**231,241**	**-**	**5,556**	**236,797**

	30/06/2014			
Consolidated statement of financial position	**Shareholders and significant influence**	**Board members and key management**	**Other related parties**	**Total**
Dividends Receivable - Other current financial assets	-	-	1,350	1,350
Trade accounts receivable	33,159	-	7,252	40,410
Dividend payable	7,786	319	-	8,105
Trade accounts payable	13,073	-	16,389	29,462
Loans receivable – Other current/non-current financial assets	-	-	5,819	5,819

Notes (thousands of euros – KEUR)

The tables below set forth the Group's transactions with the related parties that are described in sections 10.1 to 10.5 above as of June 30, 2013 and December 31, 2013:

	30/06/2013			
Consolidated statement of comprehensive income	**Shareholders and significant influence**	**Board members and key management**	**Other related parties**	**Total**
Cost of revenue and other operating expenses	3,472	-	37,944	41,416
Personnel and related expenses	-	6,458	-	6,458
Total expenses	**3,472**	**6,458**	**37,944**	**47,874**
Dividends received-Share in profit from associates and joint ventures accounted for using the equity method	-	-	912	912
Revenue	243,088	-	5,843	248,931
Total income	**243,088**	**-**	**6,755**	**249,843**

	31/12/2013			
Consolidated statement of financial position	**Shareholders and significant influence**	**Board members and key management**	**Other related parties**	**Total**
Dividends Receivable - Other current financial assets	-	-	2,033	2,033
Trade accounts receivable	26,716	-	7,414	34,130
Dividend payable	6,773	244	-	7,017
Trade accounts payable	14,079	-	14,196	28,275
Loans receivable – Other current/non-current financial assets	-	-	39	39

Notes (thousands of euros – KEUR)

11 TAXATION

The effective tax rate has been calculated considering the best estimate available of the full-year effective tax rate and the tax rates currently in force in the different countries that conform the Group structure at the date of these interim financial statements. Due to the impact on the effective tax rate of non-deductible expenses as a percentage of income before taxes, any significant difference between the estimate and the final income before taxes achieved for the full-year could affect the final full-year effective tax rate.

The effective tax rate as of June 30, 2014, is 31.5% which is the expected effective tax rate for year-end 2014. The effective tax rate as of June 30, 2013 was 31.9%.

The entities in the Spanish Tax Consolidation Group, Amadeus IT Holding, S.A. and Amadeus IT Group, S.A., were notified in June 2014 that the Spanish Tax Authorities started a partial tax audit over corporate income tax corresponding to the years 2008 to 2010, to review the same taxable events that resulted on certain assessments that were signed on a contested basis during the last inspection covering the years 2005 to 2007, as well as a partial tax audit over withholding tax on salaries and professional income, referring to severance compensation paid for the period May 2009 to December 2011. Partial tax audit could be extended at any time to other concept and taxes, but it is not expected it happens.

The assessments which, in case, could be brought over the corporate income tax will be also signed on a contested basis, based on the allegations presented for previous years. With respect to withholding tax on salaries and professional income, up to date there have not been inspections allowing to conclude on the outcome of the current proceedings. In any case, the resolution of this matter should not have a material impact in the financial situation of the Group.

12 EARNINGS PER SHARE

Reconciliation of the ordinary shares outstanding and the weighted average number of shares outstanding as of June 30, 2014 and 2013, is as follows:

	30/06/2014		30/06/2013	
	Ordinary shares	Weighted average number of ordinary shares	Ordinary shares	Weighted average number of ordinary shares
Total shares issued	447,581,950	447,581,950	447,581,950	447,581,950
Treasury shares	(2,389,076)	(2,949,584)	(3,769,142)	(3,579,636)
Total shares outstanding	**445,192,874**	**444,632,366**	**443,812,808**	**444,002,314**

The basic earnings per share are calculated by dividing the profit attributable to owners of the parent by the weighted average number of ordinary shares in issue during the period, excluding ordinary shares purchased by the Group and held as treasury shares. The dilutive earnings per share are calculated increasing the ordinary shares outstanding to assume conversion of potentially dilutive ordinary shares. During the period there have been no operations that could have potentially dilutive effect on the Group's ordinary shares.

The calculation of "Basic and diluted earnings per share" (rounded to two digits) for the period of six months ended June 30, 2014 and 2013, is as follows:

Basic and diluted earnings per share			
30/06/2014		30/06/2013	
Profit attributable to the owners of the parent (KEUR)	Earnings per share (Euros)	Profit attributable to the owners of the parent (KEUR)	Earnings per share (Euros)
356,097	0.80	326,281	0.73

13 ADDITIONAL INFORMATION ON THE CONSOLIDATED AND CONDENSED STATEMENT OF COMPREHENSIVE INCOME

13.1 Interest expense and Other financial expenses

The “Interest expense” as of June 30, 2014 and 2013 mainly corresponds to the borrowings which are described in note 9. The breakdown of the “Interest expense” is as follows:

	30/06/2014	30/06/2013
Unsecured Senior Credit Facility	3,080	5,434
Unsecured Senior Term Loan Facility	2,451	-
European Investment Bank (EIB)	2,010	2,846
Interest from derivative instruments (IRS)	3,135	4,481
Bonds	18,131	18,131
Obligations under finance leases	646	446
Other debt with financial institutions	730	919
Subtotal	30,183	32,257
Deferred financing fees	2,263	2,496
Bank commissions, fees and other expenses	965	998
Interest expense	**33,411**	**35,751**

The breakdown of “Other financial expenses” as of June 30, 2014 and 2013 is as follows:

	30/06/2014	30/06/2013
Net interest on the Net Defined Benefit liability	881	941
Fair value changes of financial instruments	(103)	1,276
Others	730	711
Other financial expenses	**1,508**	**2,928**

Notes (thousands of euros – KEUR)

13.2 Employee distribution

The employee distribution by category and gender is as follows:

	30/06/2014		30/06/2013	
	Female	Male	Female	Male
CEO/SVP/VP	4	29	4	20
Amadeus Group Director	20	112	13	95
Non – TMF Level GM	-	-	6	16
Manager / Senior Manager	757	1,625	676	1,488
Staff	3,503	5,393	3,057	4,349

As of June 30, 2014 and 2013, the total number of employees was 11,443 and 9,724, respectively.

14 ADDITIONAL CONSOLIDATED STATEMENT OF CASH FLOWS RELATED DISCLOSURE

The components of Cash and cash equivalents net as of June 30, 2014 and 2013 were as follows:

	30/06/2014	30/06/2013
Cash on hand and balances with banks	155,942	82,892
Demand deposits	274,086	346,114
Cash and cash equivalents	**430,028**	**429,006**
Bank overdrafts	(6,168)	(379)
Total cash and cash equivalents net	**423,860**	**428,627**

15 SUBSEQUENT EVENTS

As of the date of issuance of these interim financial statements no subsequent events occurred after the reporting period.

Amadeus IT Holding, S.A. and Subsidiaries

Interim Consolidated Directors' Report for the six months period ended June 30, 2014

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1 Summary

1.1 Introduction

Highlights for first six months, ended June 30, 2014

- **Our air travel agency bookings increased by 3.8%, to 241.8 million**
- **In our IT Solutions business line, total Passengers Boarded increased by 15.6%, to 328.5 million**
- **Revenue increased by 8.5%, to €1,730.9 million[1]. Excluding the acquisitions of Newmarket International ("Newmarket") and UFIS Airport Solutions ("UFIS"), comparable growth stood at 6.3%**
- **EBITDA increased by 8.8%, to €702.6 million[1]. Excluding the acquisitions of Newmarket and UFIS, comparable growth stood at 6.9%**
- **Adjusted profit[2] increased to €380.6 million[1], up 8.9%. Excluding the acquisitions of Newmarket and UFIS, comparable growth stood at 7.4%**
- **Covenant net financial debt stood at €1,501.3 million (1.18 times to covenant last twelve months' EBITDA) at June 30, 2014**

Amadeus continued delivering positive results throughout the first half of 2014, posting an 8.5% revenue growth and an 8.8% EBITDA increase over prior year for the period. This performance was driven by the positive contributions of our two businesses and the consolidation of Newmarket and UFIS[1], acquired during the first half of 2014. The quality and strength of our businesses coupled with our focus on technology, allows Amadeus to continue to generate revenue growth and expand profitability in the context of a sound financial structure.

While the air travel agency booking industry continued to progress positively during the first half of 2014, posting a 2.6% increase over 2013, Amadeus' competitive positioning allowed for further market share gains, with a 0.3 p.p. gain to date (on the back of a 0.5 p.p. market share gain in the second quarter). This positive result was achieved in the context of a slower air travel agency booking industry growth during the second quarter (0.7%) than in the first quarter (4.4%), marked by seasonality effects. The underlying industry growth coupled with our market share gains in the first half of 2014, drove distribution volume and revenue growth by 3.8% and 4.6%, respectively. In turn, growth in our IT Solutions business was fuelled by our airline IT Altéa PB growth, driven by the large migrations in 2013 and by organic growth of our customer base. Passengers boarded processed by Altéa grew 15.6%, driving double-digit revenue growth in the IT solutions segment to 11.6% (excluding the consolidated results of Newmarket and UFIS).

While we continue to drive our existing businesses forward, we are also working hard to shape the future of travel, our fundamental commitment. We are also progressing on the execution of our diversification strategy. All our hotel, airport and rail initiatives are in strategic relationships with key industry players to drive innovation in these adjacent sectors. Our investment in R&D reached 15.1% of our revenue in the first half of 2014 and was dedicated to supporting long term growth through customer implementations, product evolution, portfolio expansion, investment in new opportunities and further TPF decommissioning.

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1. Newmarket and UFIS are consolidated by Amadeus with effect from February 5, 2014 and February 1, 2014, respectively.
2. Excluding after-tax impact of the following items: (i) amortisation of PPA and impairment losses, (ii) changes in fair value of financial instruments and non-operating foreign exchange gains (losses) and (iii) other non-recurring items. See note on Adjusted Profit in section 5.1.6.

As of June 30, 2014 our consolidated net financial debt was €1,501.3 million (based on covenants' definition in our senior credit agreement), representing 1.18x net debt / LTM EBITDA. The increase from 1.01x at year-end 2013 is due primarily to the acquisitions during the first half of 2014 (Newmarket, UFIS and i:FAO) and our interim dividend payment in January.

In June 2014, our shareholders approved a gross dividend of €0.625 per share for the year 2013, representing a 50% pay-out ratio which is equal to a total dividend of €279.7 million and represents a 25% increase over prior year. An interim dividend of €0.30 was paid on January 31, 2014 and the complementary dividend of €0.325 was paid on July 29, 2014.

1.2 Summary of operating and financial information

Summary of KPI *Figures in million euros*	Jan-Jun 2014	Jan-Jun 2014 (excl. M&A)[1]	Jan-Jun 2013	% Change[1]
Operating KPI				
Air TA Market Share	**40.3%**	**40.3%**	**40.0%**	**0.3 p.p.**
Air TA bookings (m)	241.8	241.8	233.1	3.8%
Non air bookings (m)	30.3	30.3	31.0	(2.4%)
Total bookings (m)	**272.1**	**272.1**	**264.1**	**3.0%**
Passengers Boarded (m)	**328.5**	**328.5**	**284.1**	**15.6%**
Financial results				
Distribution Revenue	1,271.5	1,271.5	1,215.6	4.6%
IT Solutions Revenue	459.4	423.5	379.5	11.6%
Revenue	**1,730.9**	**1,695.0**	**1,595.1**	**6.3%**
Distribution Contribution	583.6	583.6	565.3	3.2%
IT Solutions Contribution	315.7	303.2	266.2	13.9%
Contribution	**899.3**	**886.8**	**831.5**	**6.7%**
EBITDA[2]	**702.6**	**690.2**	**645.9**	**6.9%**
EBITDA margin (%)[2]	40.6%	40.7%	40.5%	0.2 p.p.
Adjusted profit[3]	**380.6**	**375.5**	**349.6**	**7.4%**
Adjusted EPS (euros)[4]	**0.86**	**0.84**	**0.79**	**7.3%**
Cash flow				
Capital expenditure	198.4	195.6	207.1	(5.5%)
Pre-tax operating cash flow[5]	446.6	n.a.	402.2	n.a.
	30/06/2014		31/12/2013	% Change
Indebtedness[6]				
Covenant Net Financial Debt	**1,501.3**		**1,210.7**	**24.0%**
Covenant Net Financial Debt / LTM Covenant EBITDA	1.18x		1.01x	

1. For comparability purposes, we have excluded the Newmarket and UFIS consolidated results, which are consolidated for the first time in the first half of 2014. The "% Change" column above shows the comparable growth, excluding the impact of the recent acquisitions, as explained in this note.
2. Our EBITDA and EBITDA margin were negatively impacted by extraordinary costs amounting to €1.5 million related to the acquisition of i:FAO and incurred in the first quarter of 2014. Excluding these costs, our reported EBITDA margin would be 40.7%, 0.2 p.p. higher than in the first half of 2013, and our EBITDA margin excluding Newmarket and UFIS' results would be 40.8%, 0.3 p.p. higher than the first half of 2013.
3. Excluding after-tax impact of the following items: (i) amortisation of PPA and impairment losses, (ii) changes in fair value of financial instruments and non-operating exchange gains (losses) and (iii) other non-recurring items. Our adjusted profit was negatively impacted by extraordinary (non-deductible) costs amounting to €1.5 million related to the acquisition of i:FAO and incurred in the first quarter of 2014.
4. EPS corresponding to the Adjusted profit attributable to the parent company. Calculated based on weighted average outstanding shares of the period. Our adjusted EPS was negatively impacted by extraordinary (non-deductible) costs amounting to €1.5 million related to the acquisition of i:FAO incurred in the first quarter of 2014.
5. Calculated as EBITDA less capital expenditure plus changes in our operating working capital.
6. Based on the definition included in the senior credit agreement covenants.

2 Operating Review

2.1 Key business highlights for the first half

The following are some selected business highlights for the first half of 2014:

Distribution

Airlines

- During the first half of 2014, Amadeus signed content agreements with 21 airlines including United Airlines. Under the new agreement with United Airlines, Amadeus subscribers around the world are guaranteed continued access to United's full range of content. The agreement also provides for access and booking of the carrier's ancillary offerings such as Economy Plus® extra-legroom premium seating. We have also signed with Germanwings that will enable the airline to distribute all of its published fares and the most demanded ancillary services in the travel agency channel. The Lufthansa subsidiary previously sold a limited range of its fares via Amadeus' travel agency partners, using full e-ticketing. Now, in addition, through this industry-first agreement, the airline will become the first in the world to also make its full range of published fares bookable using light ticketing[3] functionalities, making Germanwings the first carrier to offer both full and light ticketing to travel sellers.
- As part of the 21 agreements, Amadeus reached 2 agreements in the Asia Pacific region. New distribution agreements were signed with Garuda Indonesia, the national airline of Indonesia; and with Cathay Pacific, the international flag carrier of Hong Kong.
- Amadeus´ merchandising suite continued to gain momentum in the first half with 19 new airline signatures for the Amadeus Ancillary Services solution and 6 new airline signatures for the Amadeus Fare Family Solution, both in the indirect channel. In total, 58 airlines have already signed for the Amadeus Ancillary Services solution, and 12 for the Amadeus Fare Family Solution.
- Amadeus is working with two airlines, Finnair and Brussels Airlines, in the launch of the display module of the Fare Family solution with travel agency partners Finland Travel Bureau and Sirius Travel in test markets. Airlines will be able to package booking classes, fares and services into branded products for the travel agency channel, each associated with a name that reflects its attributes; significantly differentiate their offer from those of their competitors, through a comparison of fares that is based on service and value as well as price; and maximise revenues thanks to an upsell module, which provides relevant, targeted offers to travellers.
- Low-cost carriers and hybrids continued to be an area of growth for Amadeus, and distribution agreements were signed with 8 new airlines including Malindo Air, a joint venture between National Aerospace and Defence Industries of Malaysia and Lion Air of Indonesia Travel agency bookings for low-cost carriers increased 12% YoY during the first half.

Rail and others

- In June, Amadeus announced the new Amadeus Rail Display, developed in collaboration with SCNF, the French national rail company, which allows for distribution of the French national rail company offer through the travel agency channel. The new Amadeus Rail Display is an ergonomic and intuitive solution that frees

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[3] 'Light ticketing' is an evolution of the ticketless access level offered to low-cost and hybrid carriers to help to standardise the travel agency work flow (availability/pricing/booking/end of transaction/reporting) via the introduction of a virtual ticket number.

agents from traditional formats while maintaining their expert rail service, and provides travel agents with new tools to enhance their role in advising their clients.

- Hahn Air, the e-ticketing expert, has chosen Amadeus to introduce its rail offer "speed-alliance"® into the Amadeus Air-Rail Display, a solution that allows travel agencies using Amadeus Selling Platform to book air with additional rail content on the same screen for Eurostar, Thalys and Trenitalia. With the launch of the first phase, selected air routes of WestBahn in Austria and NTV in Italy can be booked worldwide.
- Four major airlines – Air France, Lufthansa, Qatar Airways and TAM – have recently implemented Amadeus Cars which will enable them to generate additional revenue by offering their clients car rental services through their websites. With these four new implementations, a total of 14 airlines worldwide now use Amadeus Cars. Amadeus Cars guarantees access to real-time rates and availability from 33 providers with over 37,000 locations worldwide.

Travel agencies

- TUI Travel, one of the world's leading leisure travel groups, operating in over 180 countries with more than 30 million customers, extended its multi-year agreement with Amadeus to continue their successful cooperation. In addition to providing access to flights information and enable reservations, Amadeus will support TUI Travel's differentiating strategy with leading innovative technology such as improved flight search capabilities and personalisation in both the online and packaging space.
- Amadeus signed a new multi-year agreement with Orbitz Worldwide, a leading global online travel company which uses technology to transform the way consumers around the world plan and purchase travel. Under the new agreement, Amadeus will deliver its industry-leading technology and global distribution system services to support Orbitz brands in North America from January 2015.
- During the first half, Amadeus made great strides in its strategy of growth in the Corporate Travel IT segment. During this period, Amadeus completed the acquisition of i:FAO through a tender offer process. Amadeus has secured 69.1% of i:FAO's share capital. i:FAO Group is a leading provider of travel management technology solutions for corporations in Germany.
- Amadeus also announced an industry first strategic technological agreement with SAP, to deliver to the market a cloud-based corporate travel solution, including online booking, expense and mobile capabilities. Amadeus will integrate the SAP Cloud for Travel and Expense solution with Amadeus e-Travel Management, creating an innovative unified user interface and a common workflow with a single end-to-end offering for corporate direct clients and resellers. The new offering, which is available to customers on a global scale, is sold under Amadeus' brand and delivers a unique end-to-end on demand solution from one single provider in the travel industry.
- On top of that, May saw the launch of Amadeus Corporate Suite, aimed at optimising business meeting planning. The new solution is a one-stop shop for corporate travel related services that will allow travellers to choose the most cost effective meeting prior to incurring costs. Amadeus Corporate Suite is a highly flexible, modular solution that can be adapted to different market requirements and integrated with the corporate travel IT platform of the customer's preferred local provider. While other self-booking solutions or open booking initiatives are purely focused on travel, Corporate Suite will provide users with the total cost of meetings – comparing travel and other alternatives such as videoconferencing – upfront and in just a few seconds.

IT Solutions

Airline IT

- On July 1, the first-ever scheduled international flights flown by Southwest Airlines took off heading to the Caribbean, also marking the successful full implementation of Amadeus' Altéa Suite, the next generation passenger services system for airlines. Southwest began selling seats on its inaugural international flights in January using the Altéa Reservation and Inventory modules. The first flight departed from Baltimore, Maryland, USA, for Aruba, with customer management powered by Altéa Departure Control. This marks the culmination of two years of behind-the-scenes IT collaboration and systems re-engineering by the Southwest and Amadeus teams.
- The commencement of international flying by Southwest follows the announcement in May that Southwest and Amadeus entered into a joint contract for Amadeus' Altéa Suite to support the carrier's U.S. domestic flying as well. Over the next few years, Southwest and Amadeus will work together to move the carrier fully to the Amadeus Altéa platform for both international and domestic flying. Amadeus currently provides Altéa technology and services to more than 120 airlines around the world.
- In July, Japan Airlines (JAL), one of the leading Asia-Pacific carriers which operates more than 200 aircrafts domestically and overseas, reached an agreement for Amadeus to provide the airline with its full Altéa suite of IT solutions for both its domestic and international routes. The agreement, which sees JAL become the latest oneworld airline to adopt Amadeus' Altéa, will allow the airline to replace its existing passenger service system, which was originally launched back in 1969. Under the terms of the contract, JAL will also manage its international websites by using Amadeus' suite of e-Commerce solutions.
- In May, Amadeus and Swiss International Air Lines, Switzerland's flag carrier, announced a long-term strategic agreement that will see the airline adopt the core modules of the Amadeus Altéa Suite, in order to enhance its reservation, inventory and departure control processes. By migrating to Amadeus' fully integrated PSS solution, SWISS will also benefit from more streamlined access to accurate passenger and flight data, as other Group member carriers Lufthansa, Air Dolomiti and Austrian Airlines have already implemented Amadeus' Altéa technology.
- In April, Amadeus was chosen by Lufthansa, Europe's largest airline and Germany's flag carrier, to power the airline's brand new shopping, booking and re-booking webpages with its suite of next generation e-Commerce solutions. Lufthansa.com, which receives over 210 million visitors per annum, now has a completely revamped shopping and booking flow that will streamline the purchasing experience for travellers by improved navigation and transparent pricing information. The new site has been designed to significantly enhance the airline's merchandising capabilities across both its domestic and international business.
- SeaPort Airlines, the Portland, Oregon-based regional airline also completed its successful migration to the Amadeus Altéa portfolio of airline IT solutions. The company's first flight using the new system was operated between Memphis and Jackson, Tennessee, on Sunday, March 23, 2014. The agreement between Amadeus and SeaPort Airlines to adopt the Amadeus Altéa portfolio was first announced in October 2013 and includes IT solutions for reservation, ticketing, inventory, e-commerce, and departure control.

Airport IT

- In May, Amadeus published an insight paper – *IT makes sense to share: making the case for the cloud in Common Use airport technology* – which highlighted that the industry is now ready to adopt next generation Common Use solutions to maximise the operational and commercial performance of the sector. According to the paper, rising business pressures from stakeholders and competitors mean airports must make the most efficient use of IT resources to operate effectively and work more collaboratively with airlines, whilst looking for alternative revenue streams to remain competitive. The paper indicates that modernising approaches to

Common Use systems is one route to alleviate these challenges in a world that has access to the latest models of cloud computing.

_ Back in March, Amadeus reinforced its commitment to developing the airport of the future with the launch of Amadeus Airport Common Use Service (ACUS), a next-gen airport platform capable of carrying out all passenger processing functions. The cloud-based Software as a Service (SaaS) solution platform will allow airlines and ground handlers to share the physical space and the IT resources of the airport, eliminating hosting and development burden. Amadeus ACUS' key features include:

- Application virtualization technology - reduces airports' need for on-site equipment, saving costs and space
- Delivered via SaaS model, centrally hosted in a state-of-the-art data centre – allows scalability and re-silience for any size airport, airline and ground handler.
- Based on secure network connectivity and 4G communications – fast and easy to deploy and maintain, able to run operations both on and off the airport
- Connection to all airline Departure Control System and airport applications – cost effective and central-ised connectivity for airlines expanding their network to new airports whilst lowering network costs
- Complete end-to-end solution delivery – from software to end-user hardware with 24-7 on-site support
- Compatible with industry standards (CUPPS and PCI) – providing a secure and reliable solution

_ Amadeus continued its expansion into the Airport IT space with the acquisition in January of UFIS Airport Solutions, a leading information technology player. UFIS brings to Amadeus a complementary suite of airport technology solutions based on UFIS' 25 years of unique Airport IT software development expertise, as well as a set of important customer relationships worldwide. UFIS' products and services offerings are complementary to Amadeus' Airport IT product set, bringing specific expertise in the areas of Airport Operational Databases, Resource Management Systems, Flight Information Display Systems, Collaborative Decision Making tools and Hub Management solutions.

_ During the first half Amadeus has signed 9 new ground handlers increasing the total figure to 75. These ground handlers across the world, have found in Amadeus Altéa Ground Handler the answer to overcoming many operational challenges. This achievement today means that Amadeus has the leading portfolio of ground handlers signed to its Departure Control System across all continents.

Hotel

_ Amadeus completed the acquisition of US based Newmarket International for USD 500 million. Newmarket, which serves around 22,000 unique properties in 154 countries, operates in the group and event management segment of the hotel industry, which is estimated to account for 30-40% of a full-service hotel's revenues. The newly acquired company will be operated as a stand-alone business within Amadeus' Global Hotel Group which will integrate many aspects of Amadeus' robust products and services over time.

_ Amadeus also announced the strategic technology relationship signed with Intercontinental Hotel Group. This a significant achievement in our stated mission in Hotel IT, to build a community model for the hotel industry. The combination of IHG's industry insight and expertise with Amadeus' technology capabilities and broad travel experience will ensure IHG continues to offer the most innovative and efficient technological solutions at all stages of the Guest Journey.

_ In April, Amadeus launched a new-generation hotel distribution marketplace for the travel industry that will bring buyers and sellers of hotel reservations together more efficiently. The marketplace can be accessed via Amadeus' travel agency retail platform (Amadeus Selling Platform), our corporate online booking tool (Amadeus e-Travel Management) and by any third party through our web services. The 'multisource' marketplace now provides seamlessly integrated content from all hotel sources into one format within the platform, so bookers can access all their favourite providers through a single interface.

Payments

- CyberSource, a Visa Inc. company (NYSE:V), and one of the world's leading providers of eCommerce payment management services, has formed a strategic global partnership with Amadeus to bring an integrated travel reservation and fraud management solution to airlines, travel agencies and other travel organizations worldwide. The combined solution will help travel businesses worldwide maximize revenue, reduce costs and improve the customer payment experience across multiple channels, such as online, mobile, face to face and call center.
- Together with Continuum Commerce Solutions, a leading provider of DCC (Dynamic Currency Conversion) and MCP (Multi-Currency Pricing) solutions and RBS's FXmicropay™ a leading FX provider to the travel, e-commerce and payment industries, Amadeus is collaborating on a new product to offer the travel sector a world class multi-currency payment solution. The new multi-currency payments module, fully integrated into the Amadeus Payment Platform, will feature Dynamic Currency Conversion and Multi-Currency Pricing options. It will allow the travel merchant to make a push-offer to the traveller in order to select their home currency with which to settle the payment in.
- Amadeus also launched a joint initiative with Wirecard to offer Wirecard's processing services through the Amadeus Payment Platform, an IT solution that offers payment transaction management for sales performed across all channels, through a wide range of methods of payment.

Rail

- In May, BeNe Rail International (BeNe RI), an international distribution technology joint venture set up by NS[4] and SNCB/NMBS[4], agreed to enter into a long-term strategic IT partnership with Amadeus to create a new rail community IT platform as part of Amadeus' Total Rail solution. This unique platform is based on the concept of a community model whereby a third party IT expert, Amadeus, develops and hosts applications for several rail companies to share in common and benefit from synergies.
- The platform proposes a solution to cover all end-to-end processes for rail travel in Europe. Hosted and run from Amadeus' Data Centre in Erding (Germany), the solution enables BeNe RI to remain in control of its individual distribution strategies and channels. Amadeus will bring BeNe RI numerous advantages including increased flexibility and performance, with the aim of enhancing customer satisfaction. The platform will be rolled out across BeNe RI over several phases during the next few years.

Additional news from the first semester

- On April 1, a major industry study written by Oxford Economics and commissioned by Amadeus was published, predicting a 5.4% annual growth of travel over the next 10 years, outpacing global GDP. The report also predicts that large emerging markets will be driving this growth, with China to surpass the United States to become the world's largest outbound travel market this year and the biggest domestic market by 2017. The report indicates that growth will not be exclusive to China, with forecasts showing that other large emerging markets such as Russia, Brazil, India, Indonesia and Turkey will each also average more than 5% annual growth over the next 10 years.
- In March, Amadeus and the European Travel Commission (ETC) signed a strategic partnership to promote Europe as a tourism destination. This partnership agreement falls within the "Destination Europe 2020" strategy, a joint initiative between the European Commission and ETC to strengthen the image of Europe in

[4] NS: Nederlandse Spoorwegen (Dutch Railways), SNCB/NMBS:Société Nationale des Chemins de fer Belges/Nationale Maatschappij der Belgische Spoorwegen (Belgian Railways), CFL: Société Nationale des Chemins de fer Luxembourgeois (Luxembourg Railways)

long-haul markets through promotional activities and the implementation of new technologies in cooperation with major industry stakeholders.

_ Announced at the beginning of the year, Air France, KLM and Lufthansa were the first international airlines to receive approval from the Civil Aviation Administration of China (CAAC) to use Amadeus under the new CRS (Computer Reservations System) regulations. For the first time, the authorised airlines will be bookable, via Amadeus through a pre-selected group of travel agencies in Beijing. This preliminary group of travel agencies will soon be expanded to include other locations like Shanghai and Guangzhou.

_ We have continued progressing and in June, Amadeus gained approval from IATA for Billing and Settlement Plan (BSP) certification within mainland China. With this, Amadeus already has approval for BSP certification within greater China (including Taiwan, Hong Kong and Macau). That means Amadeus is one step closer to allowing authorised travel agents the ability to fulfil the entire billing and ticketing process of travel products offered by foreign BSP airlines.

2.2 Key ongoing R&D projects

R&D investment in the first half of 2014 relates primarily to:

_ Customer implementation efforts:

- Migration development work in relation to Altéa implementations carried out in the first half of the year (namely Southwest –the international passengers business- and a large number of migrations to the DCS module). Also, the contracted pipeline scheduled for migration in the second half of this year (notably Korean Air) and the coming years (such as Southwest –the domestic passengers business-, Alitalia and Swiss Air). Additionally, implementation costs in relation to new customers adopting e-commerce and standalone solutions.
- Implementation of our new Revenue Accounting module in our launch customer British Airways.
- Implementation efforts in relation to our DCS solution for ground handlers, including those implemented in the first half of the year as well as those scheduled to be implemented in the second half of this year and in the coming years.
- Preparation work to migrate travel agencies in Korea from the local reservation system, Topas, to the Amadeus platform.
- Implementation of customers to our portfolio of solutions for airlines and travel agencies, including the addition of low cost carriers to the platform and the expansion of our customer base in ancillary services products.

_ Expansion of the airline IT portfolio, including revenue management, and the evolution of our existing portfolio (ancillary services, payment services, new or improved functionalities such as enhanced shopping solutions).

_ Increased investment in new initiatives (hotel, rail, airport IT, payments, mobile and travel intelligence) to expand our current portfolio of solutions:

- Development of new modules of our airport IT suite of products, including those contracted by the Copenhagen and Munich airports.
- Initial costs associated with our recently announced agreements with IHG and BeneRail within the scopes of our hotel and rail businesses, respectively.
- Investment in mobile, payments and travel intelligence, where we continue to work with different industry partners.

_ Expansion of the Distribution business IT portfolio:

- Solutions for travel agencies, such as a new generation front office, search engines, shopping and booking solutions or ancillary services, specific tools for Travel Management companies and corporations, including mobile tools, and the creation of the Total Travel Record (the future evolution of the PNR, containing all traveller information with cross-sell, cross-channel, multi-GDS data and related customer management functionalities).
- Solutions for airlines, such as availability, schedules, ancillary services, merchandising capabilities, mobile functionality and XML development in compliance with NDC standards.
- Regionalisation investment, with the aim to better adapt part of our product portfolio to specific regions.

_ Ongoing TPF decommissioning, which implies the progressive migration of the company's platform to next-generation technologies such as Linux and Unix (today, close to 90% of Amadeus' software is supported by next-generation open systems, which allow for improved efficiency, greater flexibility in terms of the architecture and scalability of the platform), other cross-area technologies such as the Amadeus Collaborative Technology (a corporate program built to enhance the Amadeus system and which will bring a new technical platform and architecture for a new selling platform, shared by our two businesses) and system performance projects aiming to maximise service levels and system reliability.

3 Presentation of financial information

The consolidated financial information included in this document has been prepared in accordance with International Financial Reporting Standards (IFRS) and has been subject to a limited review by the auditors.

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.

- **Acquisition of Newmarket**

On February 5, 2014 Amadeus acquired, 100% of the voting rights of NMTI Holdings, Inc. and its group of companies ("Newmarket"). The purchase consideration was €332.7 million. The transaction was fully financed by a new bank loan facility, which was drawn down on February 4, 2014. Newmarket was consolidated into Amadeus' books from February 5, 2014, following the approval of the acquisition by the US Federal Trade Commission in January 2014.

Newmarket continued its positive performance in the second quarter of 2014 with reported high-single digit revenue growth and double-digit EBITDA growth, driving revenue and EBITDA growth to high-single digit and double-digit, respectively, in the first half of 2014.

- **Acquisition of UFIS**

In addition, Amadeus acquired 100% of the voting rights of UFIS Airport Solutions AS, and its group of companies ("UFIS") on January 24, 2014. The purchase consideration was €18.8 million. The transaction was fully financed with cash. UFIS was consolidated into Amadeus' books from February 1, 2014.

UFIS delivered sound results in the first half of 2014 vs. the first half of 2013, with double-digit revenue and EBITDA growth.

- **Acquisition of i:FAO**

On June 23, 2014 Amadeus acquired 69.11% of the voting rights of i:FAO Aktiengesellschaft and its group of companies ("i:FAO") through a public takeover offer, for a total consideration paid in cash of €54.9 million. i:FAO's assets and liabilities have been consolidated into the Amadeus' statement of financial position as of June 30, 2014. The i:FAO results will be consolidated in our income statement starting July 1, 2014.

For purposes of comparability, our financial results are shown as reported (including the Newmarket and UFIS consolidated results with effect from February 5, 2014 and February 1, 2014, respectively) as well as excluding the Newmarket and UFIS consolidated results, in two separate columns, in the tables displayed throughout this report. In addition, the "% Change" column in these tables shows the growth between the periods of 2014 and 2013, excluding the Newmarket and UFIS consolidated results.

The financial statements of Newmarket, UFIS and i:FAO consolidated into Amadeus' books are provisional and subject to changes in the next quarters. Also, a purchase price allocation exercise will be carried out during 2014. As a consequence, the balances of the consolidated assets and liabilities of Newmarket, UFIS and i:FAO may be adjusted, and income or loss effects may arise.

As a result of the tender offer process launched and its associated costs in relation to the acquisition of i:FAO, we incurred extraordinary (non-deductible) costs amounting to €1.5 million in the first quarter of 2014. These costs have negatively impacted our operating results, in particular our EBITDA, EBITDA margin, Operating income, Profit, Adjusted profit, EPS and adjusted EPS.

Financial KPI excluding the extraordinary costs related to the acquisition of i:FAO

Figures in million euros	Jan-Jun 2014	Jan-Jun 2014 (excl. M&A)[1]	Jan-Jun 2013	% Change[1]
EBITDA	704.1	691.7	645.9	7.1%
EBITDA margin (%)	40.7%	40.8%	40.5%	0.3 p.p.
Operating income	552.7	544.7	511.2	6.6%
Profit	357.8	354.6	326.7	8.5%
Adjusted profit	382.1	377.0	349.6	7.8%
EPS	0.80	0.80	0.73	8.5%
Adjusted EPS	0.86	0.85	0.79	7.7%

1. For comparability purposes, we have excluded the Newmarket and UFIS consolidated results, which are consolidated for the first time in the first half of 2014. The "% Change" column above shows the comparable growth, excluding the impact of the recent acquisitions, as explained in this note.

4 Operating and financial performance by business

EBITDA *Figures in million euros*	**Jan-Jun 2014**	**Jan-Jun 2014 (excl. M&A)[1]**	**Jan-Jun 2013**	**% Change[1]**
Distribution revenue	1,271.5	1,271.5	1,215.6	4.6%
IT Solutions revenue	459.4	423.5	379.5	11.6%
Group Revenue	**1,730.9**	**1,695.0**	**1,595.1**	**6.3%**
Distribution contribution[2]	583.6	583.6	565.3	3.2%
Distribution contribution margin (%)[2]	45.9%	45.9%	46.5%	(0.6 p.p.)
IT Solutions contribution	315.7	303.2	266.2	13.9%
IT Solutions contribution margin (%)	68.7%	71.6%	70.2%	1.4 p.p.
Total Contribution	**899.3**	**886.8**	**831.5**	**6.7%**
Net indirect costs[2]	(195.1)	(195.1)	(185.6)	5.1%
Extraordinary costs associated with M&A[2]	(1.5)	(1.5)	0.0	
EBITDA	**702.6**	**690.2**	**645.9**	**6.9%**
EBITDA Margin (%)	40.6%	40.7%	40.5%	0.2 p.p

1. For comparability purposes, we have excluded the Newmarket and UFIS consolidated results, which are consolidated for the first time in the first half of 2014. The "% Change" column above shows the comparable growth, excluding the impact of the recent acquisitions, as explained in this note.
2. For purposes of comparability, the contribution of the Distribution business and the net indirect costs in the first half of 2014 have been adjusted to exclude extraordinary costs of €1.5 million associated with the acquisition of i:FAO, posted in the first quarter of 2014. The contribution margin, as a percentage of revenue, in the first half of 2014, shown in the table above, is also impacted by this adjustment.

Revenue increased 6.3%, to €1,695.0 million, in the first half of 2014, excluding the consolidated results of Newmarket and UFIS. This increase was driven by the strong performance of both our businesses: (i) growth of €55.9 million, or 4.6%, in our Distribution business, and (ii) an increase of €44.0 million, or 11.6%, in our IT Solutions business.

For the first half period, reported EBITDA amounted to €702.6 million. Excluding the consolidated results of Newmarket and UFIS, our EBITDA amounted to €690.2 million, representing a 6.9% increase vs. the first half of 2013 and an EBITDA margin of 40.7%.

EBITDA was negatively impacted by extraordinary costs amounting to €1.5 million related to the acquisition of i:FAO in the first quarter of 2014. Excluding these costs, our EBITDA (excluding the consolidated results of Newmarket and UFIS) grew by 7.1%, and our EBITDA margin was 40.8%, 0.3 p.p. higher than the first half of 2013.

The increase in EBITDA was supported by growth in the contributions of both our Distribution and IT Solutions businesses, partly offset by an increase in net indirect costs.

4.1 Distribution

Distribution *Figures in million euros*	Jan-Jun 2014	Jan-Jun 2013	% Change
Operating KPI			
Air TA market share	40.3%	40.0%	0.3 p.p.
Total bookings (m)	272.1	264.1	3.0%
Financial results			
Revenue	1,271.5	1,215.6	4.6%
Net operating costs[1]	(687.9)	(650.3)	5.8%
Contribution[1]	**583.6**	**565.3**	**3.2%**
As % of Revenue[1]	**45.9%**	**46.5%**	**(0.6 p.p.)**

1. For purposes of comparability, the contribution of the Distribution business in the first half of 2014 has been adjusted to exclude extraordinary costs associated with the acquisition of i:FAO, posted in the first quarter of 2014. The contribution margin, as a percentage of revenue, in the first half of 2014, shown in the table above, is also impacted by this adjustment.

Our Distribution business continued delivering positive results during the first half of 2014, driven by higher booking volumes, fuelled by market share gains, an improvement in our average pricing and an increase in non-booking revenue.

As a result, our Distribution revenue increased by 4.6% to €1,271.5 million in the first half of 2014. Contribution grew by 3.2% to €583.6 million, and represented 45.9% of revenue.

Our Distribution business is not impacted by the consolidation of Newmarket and UFIS, which are fully consolidated in the IT Solutions business.

4.1.1 Evolution of operating KPI

During the second quarter of 2014, the volume of air bookings processed through travel agencies connected to Amadeus increased by 2.2%. Our market share increased by 0.5 p.p. in the second quarter and reached a global share of 40.7%[5]. The air TA booking industry, negatively impacted by the Easter timing effect, moderated its growth to 0.7%.

For the first half of 2014, our air bookings grew by 3.8% and our market share gain[5] was 0.3 p.p.

Operating KPI	Apr-Jun 2014	Apr-Jun 2013	% Change	Jan-Jun 2014	Jan-Jun 2013	% Change
Air TA booking Industry growth	**0.7%**	**2.9%**		**2.6%**	**0.7%**	
Air TA market share	**40.7%**	**40.2%**	**0.5 p.p.**	**40.3%**	**40.0%**	**0.3 p.p.**

[5] Market share is calculated based on the total volume of travel agency air bookings processed by the global or regional CRS. Excludes air bookings made directly through in-house airline systems or single country operators, the latter primarily in China, Japan, South Korea and Russia. Also excludes bookings of other types of travel products, such as hotel rooms, car rentals and train tickets.

Air TA bookings (m)	116.3	113.8	2.2%	241.8	233.1	3.8%
Non air bookings (m)	14.8	15.5	(4.3%)	30.3	31.0	(2.4%)
Total bookings (m)	**131.1**	**129.3**	**1.4%**	**272.1**	**264.1**	**3.0%**

Air TA booking Industry

Air travel agency bookings grew by 2.6% in the first half of 2014, with a marked seasonality between the first quarter and the second quarter of the year. Growth slowed to 0.7% in the second quarter of 2014, from 4.4% in the first quarter of 2014, impacted by the Easter timing effect. All regions experienced a positive low to mid-single digit performance in the first half of the year, except for Latin America, where the industry declined (mainly dragged by the negative performance of Argentina and Venezuela, both impacted by an unfavourable macro environment). The industry in Western Europe, highly influenced by the Easter timing effect in the second quarter and despite a stronger first quarter, experienced an overall moderate growth in the first half of the year.

Amadeus bookings

Our air TA bookings increased by 2.2% in the second quarter of 2014, driving our first half growth to 3.8%. Amadeus continued outperforming the industry, driven by our market share gains of 0.5 p.p. in the quarter. As of June 30, 2014 our global market share was 40.3%, 0.3 p.p. higher than that of 2013.

Our bookings from Western Europe, which remain the most significant contributor to our total air bookings, were impacted by the Easter timing effect in the second quarter, following the industry trend. In addition, some of the countries in Western Europe in which Amadeus has significant presence reported softer growth rates. In turn, Amadeus' relative exposure to North America continued increasing, as bookings in the region grew significantly, fuelled by market share gains. Our bookings in Middle East and Africa and Asia Pacific were supported by market share gains. In Latin America, our volumes were negatively impacted by the overall underperformance of the industry.

Amadeus Air TA Bookings ***Figures in million***	**Jan-Jun 2014**	**% of Total**	**Jan-Jun 2013**	**% of Total**	**% Change**
Western Europe	102.1	42.2%	101.1	43.4%	0.9%
North America	33.8	14.0%	29.3	12.6%	15.5%
Asia & Pacific	33.0	13.7%	32.0	13.7%	3.1%
Middle East and Africa	33.2	13.7%	30.3	13.0%	9.5%
Central, Eastern and Southern Europe	23.6	9.8%	23.8	10.2%	(0.6%)
Latin America	16.1	6.7%	16.5	7.1%	(2.6%)
Total Air TA Bookings	**241.8**	**100.0%**	**233.1**	**100.0%**	**3.8%**

With regards to non-air distribution, bookings decreased by 4.3% in the second quarter of 2014 and 2.4% in the first half of 2014, driven by the decrease in rail bookings and despite an increase in hotel bookings, which continue to perform well.

4.1.2 Revenue

Distribution revenue was 4.6% higher in the first half of 2014 than in the same period of 2013. This increase was the result of growth in both booking revenue and non-booking revenue:

- Increase in booking revenue, driven by a combination of volume growth (3.0% increase in total bookings) and a positive pricing impact, despite a negative FX impact due to the depreciation of the USD vs.

the Euro. Pricing increased vs. 2013, mainly as a consequence of (i) positive booking mix, as the weight of global bookings over our total bookings increased, and (ii) positive product mix in the non-air volumes, as the contribution of rail bookings, with low unit booking fee, to the total non-air volumes decreased in the year in comparison to previous year.

- Non-booking revenue growth, supported by higher revenue from travel agencies (growth in products and services sold to travel agencies, such as solutions for corporations and TMCs), and a positive performance of our subsidiary Traveltainment in the leisure business.

4.1.3 Contribution

The contribution of our Distribution business amounted to €583.6 million in the first half of 2014, an increase of 3.2% vs. the same period in 2013. As a percentage of revenue, this represents a margin of 45.9%.

The increase in the contribution of the business was the result of the combination of 4.6% revenue growth, as explained in section 4.1.2 above, and an increase of 5.8% in our net operating costs. The increase in operating costs was mainly attributable to:

- Higher incentive payments to travel agencies, driven by growth in air TA booking volumes in the period (+3.8%) as well as an increase in unit incentive fees, as expected, as a consequence of the competitive situation and the mix of travel agencies generating our bookings.
- Higher distribution fees, driven by volume growth experienced in countries where we operate through third party distributors.
- An increase of our commercial support, driven by the expansion of our product portfolio (e.g. new solutions for corporations and travel management companies and within the new businesses), customer base and geographic reach. In addition, expenses in relation to local taxes increased.
- An increase in R&D expenditure devoted to new products and solutions for travel agencies, corporations and airlines, including sophisticated booking and search engines, amongst others, most of which is subject to capitalisation. Capitalisations in the period slowed down as a consequence of a reduction in the capitalisation ratio, which is impacted by the intensity of the development activity, the mix of projects undertaken and the different stages in which the ongoing projects are.
- The annual salary reviews.

4.2 IT Solutions

IT Solutions *Figures in millions*	Jan-Jun 2014	Jan-Jun 2014 (excl. M&A)[1]	Jan-Jun 2013	% Change[1]
Operating KPI				
Passengers Boarded (PB) (m)	328.5	328.5	284.1	15.6%
Financial results				
Revenue	459.4	423.5	379.5	11.6%
Net operating costs	(143.7)	(120.3)	(113.3)	6.2%
Contribution	**315.7**	**303.2**	**266.2**	**13.9%**
As % of Revenue	**68.7%**	**71.6%**	**70.2%**	**1.4 p.p.**

1. For comparability purposes, we have excluded the Newmarket and UFIS consolidated results, which are consolidated for the first time in the first half of 2014. The "% Change" column above shows the comparable growth, excluding the impact of the recent acquisitions, as explained in this note.

Our IT Solutions business posted significant growth in the first half of 2014. Revenue grew by 11.6% in the first half of the year (excluding the consolidated results of Newmarket and UFIS), supported by the increase in both IT Transactional revenue, in turn fuelled by growth in PB volumes, and non-transactional revenue. Contribution (excluding the consolidated results of Newmarket and UFIS) increased by 13.9% or €37.0 million, to €303.2 million. Margin expanded to 71.6% from 70.2% in the first half of 2013.

4.2.1 Evolution of operating KPI

Total number of passengers boarded increased by 15.5% to 175.9 million in the second quarter of 2014 vs. the second quarter of 2013, driven by the Altéa migrations implemented in the year as well as the full-year impact of those implemented in 2013 (such as Garuda Indonesia, Thai Airways and Sri Lankan Airlines) and organic growth.

During the first half of 2014, the volume of passengers boarded reached 328.5 million, 15.6% higher than the first half of 2013, fuelled by the above mentioned Altéa migrations and organic growth (+4.3%).

Operating KPI	Apr-Jun 2014	Apr-Jun 2013	% Change	Jan-Jun 2014	Jan-Jun 2013	% Change
Passengers Boarded (PB) (m)	175.9	152.4	15.5%	328.5	284.1	15.6%
Airlines migrated (as of June 30)[1]				119	108	

1. Airlines migrated to at least the Altéa Inventory module, in addition to the Reservations module.

As of June 30, 2014, 46.1% of our total PB were generated by Western European airlines, a decrease vs. the same period in 2013, given the increase in the weight of our PB volumes in Asia & Pacific. This increase was driven by the contribution of Asian airlines added to our platform over the last 12 months. This shift towards Asia & Pacific will continue, as we have a number of migrations of Asian carriers scheduled for the coming months (such as Korean Air in the second half of 2014 and Japan Airlines in the coming years). In turn, the Middle East and Africa region was impacted by (i) the slowdown in the passengers processed by some of our customers, and (ii) one airline that is no longer using the Altéa platform.

Amadeus PB *Figures in million*	Jan-Jun 2014	% of Total	Jan-Jun 2013	% of Total	% Change

for the six months period ended June 30, 2014 (Millions of euros)

Western Europe	151.4	46.1%	145.4	51.2%	4.1%
Asia & Pacific	77.2	23.5%	43.7	15.4%	76.7%
Middle East and Africa	49.5	15.1%	47.7	16.8%	3.8%
Latin America	34.1	10.4%	32.2	11.3%	6.0%
Central, Eastern and Southern Europe	16.3	5.0%	15.2	5.3%	7.5%
Total PB	**328.5**	**100.0%**	**284.1**	**100.0%**	**15.6%**

4.2.2 Revenue

During the second quarter of 2014, our IT Solutions business continued its growth trend, with a 12.5% increase in revenue (excluding the consolidated results of Newmarket and UFIS). On the same basis, revenue growth was 11.6% in the first half of the year.

Migrations to Altéa continue to represent the main growth driver, mostly driven by the successful migrations that took place during 2013 and the first half of 2014, whilst we continue working on the contracted implementations scheduled for the coming years.

- Our IT transactional revenue continued to show a strong performance, mostly driven by the above mentioned migrations (Altéa PB volume growth of 15.6%), as well as the growth experienced in the e-commerce and standalone solutions revenue lines. Average IT transactional revenue per PB remained broadly stable.
- Revenue from direct distribution slightly declined as expected, as a consequence of the migration of some of our existing users of our Reservations module (notably Thai Airways) to the Inventory module of our Altéa Suite in 2013.
- Non-transactional revenue continued its positive trend, mainly driven by higher revenue from customised development and services.

4.2.3 Contribution

The contribution of our IT Solutions business increased by 13.9%, to €303.2 million in the first half of 2014, excluding the consolidated results of Newmarket and UFIS. On the same basis, as a percentage of revenue, the contribution margin of our IT Solutions business expanded to 71.6%, from 70.2% in the first half of 2013.

The increase in the contribution of our IT Solutions business was driven by revenue growth, as explained in section 4.2.2 above, partially offset by an increase of 6.2% in net operating costs. The increase in operating costs was mainly due to:

- An increase in our R&D expenditure associated with customer implementations and new functionalities (such as revenue accounting, revenue management and portfolio expansion), most of which is subject to capitalisation. Capitalisations in the period slowed down as a consequence of a reduction in the capitalisation ratio, which is impacted by the intensity of the development activity, the mix of projects undertaken and the different stages in which the ongoing projects are.
- Contained growth in commercial costs, as a result of the combination of an increase in commercial support in the new businesses, driven by the expansion of the offering and the intense commercial activity undertaken during the period, including the noteworthy signature of agreements with industry partners, and cost efficiencies achieved in our airline IT business.
- The annual salary reviews.

4.3 EBITDA

In the first half of 2014, our EBITDA (excluding the consolidated results of Newmarket and UFIS) grew by 6.9%, to €690.2 million, and EBITDA margin expanded to 40.7%. Excluding the extraordinary costs associated with the acquisition of i:FAO, growth stood at 7.1% and margin was 40.8%, 0.3 p.p. higher than the first half of 2013. Margin expansion was mainly driven by the increasing weight of the IT segment, with a higher contribution margin, which has expanded in the period.

Growth in EBITDA was driven by the increase in the contributions from both Distribution and IT Solutions, partially offset by higher net indirect costs, which grew by 5.1% in the first half of 2014 vs. 2013, mainly due to:

- An increase in computing and data communication expenses, driven by higher volume of transactions and connectivity activity around the globe and an increase in the usage of software licenses to support the development area.
- Higher cross-area R&D expenditure, focused on system performance to sustain the highest possible reliability and service levels to our client base, as well as to maximise the level of efficiency whilst minimising the environmental impact in our development activity.
- Investment in our data centre to ensure the highest possible level of the data security.
- Additional FTEs in the corporate function (finance, HR) to support our business expansion (e.g. new businesses), and geographical expansion (e.g. US and Asia & Pacific).
- Integration costs associated with the intense M&A activity undertaken in the period, as well as the impact of the acquisition of Hitit in 2013.
- The annual salary reviews.

5 Consolidated financial statements

5.1 Group income statement

Income Statement ***Figures in million euros***	**Apr-Jun 2014**	**Apr-Jun 2014 (excl. M&A)[1]**	**Apr-Jun 2013**	**% Change[1]**	**Jan-Jun 2014**	**Jan-Jun 2014 (excl. M&A)[1]**	**Jan-Jun 2013**	**% Change[1]**
Revenue	**863.3**	**841.0**	**800.1**	**5.1%**	**1,730.9**	**1,695.0**	**1,595.1**	**6.3%**
Cost of revenue	(219.2)	(216.5)	(204.7)	5.8%	(445.9)	(442.0)	(417.9)	5.8%
Personnel and related expenses	(239.4)	(229.8)	(211.1)	8.9%	(464.1)	(449.4)	(411.0)	9.4%
Other operating expenses[2]	(52.0)	(50.1)	(60.3)	(16.9%)	(115.3)	(110.5)	(117.4)	(5.9%)
Depreciation and amortisation	(79.5)	(76.7)	(69.8)	9.9%	(154.4)	(149.9)	(137.6)	9.0%
Operating income	**273.3**	**267.8**	**254.2**	**5.3%**	**551.2**	**543.2**	**511.2**	**6.3%**
Net financial expense	(14.9)	(13.3)	(20.5)	(35.3%)	(32.6)	(29.7)	(37.6)	(21.1%)
Other income (expense)	(1.0)	(1.0)	3.2	n.m.	(0.5)	(0.5)	2.9	n.m.
Profit before income taxes	**257.3**	**253.5**	**236.9**	**7.0%**	**518.1**	**513.1**	**476.5**	**7.7%**
Income taxes	(81.1)	(79.7)	(75.6)	5.4%	(163.2)	(161.3)	(152.1)	6.1%
Profit after taxes	**176.3**	**173.8**	**161.3**	**7.8%**	**354.9**	**351.8**	**324.4**	**8.4%**
Share in profit from associates and JVs	0.9	0.9	1.1	(24.6%)	1.4	1.4	2.3	(40.2%)
Profit for the period	**177.1**	**174.7**	**162.4**	**7.6%**	**356.3**	**353.1**	**326.7**	**8.1%**
Key financial metrics								
EBITDA[2]	**351.3**	**343.0**	**322.5**	**6.3%**	**702.6**	**690.2**	**645.9**	**6.9%**
EBITDA margin (%)[2]	40.7%	40.8%	40.3%	0.5 p.p.	40.6%	40.7%	40.5%	0.2 p.p.
Adjusted profit[3]	**189.2**	**185.6**	**173.4**	**7.1%**	**380.6**	**375.5**	**349.6**	**7.4%**
Adjusted EPS (euros)[4]	**0.43**	**0.42**	**0.39**	**6.9%**	**0.86**	**0.84**	**0.79**	**7.3%**

1. For comparability purposes, we have excluded the Newmarket and UFIS consolidated results, which are consolidated for the first time in the first half of 2014. The "% Change" column above shows the comparable growth, excluding the impact of the recent acquisitions, as explained in this note.
2. We incurred extraordinary, non-deductible, costs amounting to €1.5 million related to the acquisition of i:FAO incurred in the first quarter of 2014. These costs were accounted for in Other operating expenses, and are therefore negatively impacting our EBITDA, EBITDA margin, Profit, Adjusted Profit, EPS and Adjusted EPS. Excluding these costs, our reported EBITDA margin would be 40.7%, 0.2 p.p. higher than the first half of 2013, and our EBITDA margin excluding Newmarket and UFIS' results would be 40.8%, 0.3 p.p. higher than the first half of 2013.
3. Excluding after-tax impact of the following items: (i) amortisation of PPA and impairment losses, (ii) changes in fair value of financial instruments and non-operating exchange gains (losses) and (iii) other non-recurring items. Our adjusted profit was negatively impacted by extraordinary (non-deductible) costs amounting to €1.5 million related to the acquisition of i:FAO incurred in the first quarter of 2014.
4. EPS corresponding to the Adjusted profit attributable to the parent company. Calculated based on weighted average outstanding shares of the period. Our adjusted EPS was negatively impacted by extraordinary (non-deductible) costs amounting to €1.5 million related to the acquisition of i:FAO incurred in the first quarter of 2014.

5.1.1 Revenue

Revenue in the second quarter of 2014 increased by 5.1%, from €800.1 million in the second quarter of 2013 to €841.0 million, excluding the consolidated results of Newmarket and UFIS. For the first half of 2014, revenue on the same basis increased 6.3%, to €1,695.0 million. Revenue growth was driven by strong underlying growth in both our business lines:

- Growth of €16.3 million, or 2.7%, in our Distribution business in the second quarter of 2014, mainly driven by our air TA bookings increase - which were fuelled by market share gains - and an improvement in our average pricing. For the first half period, Distribution revenue grew by 4.6%.
- An increase of €24.6 million, or 12.5%, in our IT Solutions business in the second quarter of 2014, driven by growth in our IT transactional revenue, supported by significant passengers volume increase, and higher non–transactional revenue. IT Solutions revenue increased by 11.6% in the first half period (on the same basis).

Revenue Figures in million euros	Apr-Jun 2014	Apr-Jun 2014 (excl. M&A)[1]	Apr-Jun 2013	% Change[1]	Jan-Jun 2014	Jan-Jun 2014 (excl. M&A)[1]	Jan-Jun 2013	% Change[1]
Distribution	619.8	619.8	603.4	2.7%	1,271.5	1,271.5	1,215.6	4.6%
IT Solutions	243.5	221.2	196.6	12.5%	459.4	423.5	379.5	11.6%
Revenue	**863.3**	**841.0**	**800.1**	**5.1%**	**1,730.9**	**1,695.0**	**1,595.1**	**6.3%**

1. For comparability purposes, we have excluded the Newmarket and UFIS consolidated results, which are consolidated for the first time in the first half of 2014. The "% Change" column above shows the comparable growth, excluding the impact of the recent acquisitions, as explained in this note.

5.1.2 Group operating costs

5.1.2.1 Cost of revenue

These costs are mainly related to: (i) incentive fees per booking paid to travel agencies, (ii) distribution fees per booking paid to those local commercial organisations which are not majority owned by Amadeus, (iii) distribution fees paid to Amadeus Altéa customers for certain types of air bookings made through their direct sales channels, and (iv) data communication expenses relating to the maintenance of our computer network, including connection charges.

Cost of revenue increased by 5.8% from €204.7 million in the second quarter of 2013 to €216.5 million in the second quarter of 2014, excluding the consolidated results of Newmarket and UFIS. For the first half period, cost of revenue amounted to €442.0 million on the same basis, an increase of 5.8% vs. the same period of 2013. As a percentage of revenue, cost of revenue represented 26.1% in the first half 2014, in line with the percentage rate reported in 2013.

This increase was mainly due to (i) higher air booking volumes in the Distribution business, (ii) growth in distribution fees driven by the higher weight over our total volumes of some of the countries where Amadeus has non-fully owned ACOs (third party distribution), in particular in the Middle East and North Africa region, which reported significant air booking volume growth, and (iii) increase in our unit incentive, driven by client mix and competitive pressure.

In turn, data communication costs increased in the period, driven by higher volume of transactions and connectivity activity around the globe.

5.1.2.2 Personnel and related expenses and other operating expenses

Personnel and related expenses increased by 8.9% in the second quarter of 2014 excluding the consolidated results of Newmarket and UFIS, driving growth for the first half of the year to 9.4% on the same basis (from €411.0 million in the first half of 2013 to €449.4 million in the first half of 2014).

During 2013, a large number of employees who were previously working as contractors in our development centres were hired as permanent staff, resulting in a shift of operating costs from Other operating expenses to Personnel expenses.

Our combined operating expenses cost line, including both Personnel expenses and Other operating expenses, increased by 3.2% in the second quarter of 2014 vs. the same quarter of 2013 (excluding the Newmarket and UFIS consolidated results), or 6.0% in the first six months of the year vs. the first half of 2013 (on the same basis).

Personnel expenses + Other operating expenses Figures in million euros	Apr-Jun 2014	Apr-Jun 2014 (excl. M&A)[1]	Apr-Jun 2013	% Change[1]	Jan-Jun 2014	Jan-Jun 2013 (excl. M&A)[1]	Jan-Jun 2013	% Change[1]
Personnel expenses + Other operating expenses	(291.4)	(280.0)	(271.4)	3.2%	(579.4)	(559.9)	(528.4)	6.0%

1. For comparability purposes, we have excluded the Newmarket and UFIS consolidated results, which are consolidated for the first time in the first half of 2014. The "% Change" column above shows the comparable growth, excluding the impact of the recent acquisitions, as explained in this note.

The increase in these cost lines in aggregate at June 30, 2014 was driven by the combination of:

- Extraordinary costs amounting to €1.5 million related to the acquisition of i:FAO in the first quarter of 2014, included in Other operating expenses. Excluding these costs, the combined operating expenses cost line above grew by 5.7% in the first half of 2014 (excluding the Newmarket and UFIS consolidated costs).
- An increase of 6% in average FTEs (permanent staff and contractors) in the first half of 2014 vs. the same period of 2013.
- The annual salary reviews on a global basis.
- The slowdown in capitalised expense in the first half of the year.
- These effects were partially offset by efficiencies reached in our unitary cost, driven by the transfer of part of our development activity to countries with a lower unit cost.

The increase in average FTEs was mainly driven by:

- Higher headcount in R&D across all our development sites, with a significant reinforcement of our teams in Bangalore and US. This increase focused on:
  - Ongoing projects such as Revenue Management, as well as new projects related to functionality enhancements and portfolio expansion, such as ancillary services and enhanced shopping and search solutions. Notably, development efforts in the airport IT and hotel areas, as well as in payments, rail and travel intelligence.
  - Implementation work in all business areas, notably in airport IT, as we work on the implementation of the large number of contracts signed with ground handlers during 2013 and 2014 to our DCS offering for ground handlers, and in airline IT, in relation to our Revenue Accounting solution. Also,

sustained level of implementation activity to our Altéa suite, with nine airlines scheduled to be migrated to our DCS module in the second half of 2014, in addition to the contracted pipeline to Reservations and Inventory (e.g. Korean Air and Southwest –the domestic passengers business-).

- Ongoing TPF decommissioning, which implies the progressive migration of the company's platform to open systems through next-generation technologies, such as Linux and Unix, as well as system performance projects aiming to maximise service levels and system reliability.

- Increase of our commercial and technical support driven by the expansion of our product portfolio, customer base and geographical reach (e.g. the US and Asia & Pacific).
- The addition of employees from Amadeus IT Services Turkey (former Hitit Loyalty), the market leader in the airline loyalty space, in terms of customers, acquired by Amadeus in 2013.

5.1.2.3 Depreciation and Amortisation

D&A increased by 10.1% in the second quarter of 2014, or 9.1% in the first half period, net of capitalised D&A, and excluding the consolidated results of Newmarket and UFIS.

Ordinary D&A increased by 15.1% in the second quarter of 2014, or 14.0% in the first half (both excluding the consolidated results of Newmarket and UFIS). This increase is mainly driven by higher amortisation of intangible assets, in turn mostly linked to the amortisation of capitalised development expenses on our balance sheet, as the associated product / contract started generating revenues during the year (for example, those costs related to Altéa migrations which were implemented in the period, as well as to certain projects related to product development). Additionally, depreciation expense was also higher in the quarter vs. the second quarter of previous year.

Depreciation and Amortisation Figures in million euros	**Apr-Jun 2014**	**Apr-Jun 2014 (excl. M&A)[1]**	**Apr-Jun 2013**	**% Change[1]**	**Jan-Jun 2014**	**Jan-Jun 2014 (excl. M&A)[1]**	**Jan-Jun 2013**	**% Change[1]**
Ordinary depreciation and amortisation	(60.9)	(59.9)	(52.0)	15.1%	(117.9)	(116.3)	(102.1)	14.0%
Amortisation derived from PPA	(18.6)	(16.8)	(17.7)	(5.3%)	(36.6)	(33.6)	(35.5)	(5.5%)
Depreciation and amortisation	**(79.5)**	**(76.7)**	**(69.8)**	**9.9%**	**(154.4)**	**(149.9)**	**(137.6)**	**9.0%**
Capitalised depreciation and amortisation[2]	1.5	1.5	1.4	3.5%	3.0	3.0	2.8	4.1%
Depreciation and amortisation post-capitalisations	**(78.0)**	**(75.2)**	**(68.3)**	**10.1%**	**(151.5)**	**(147.0)**	**(134.7)**	**9.1%**

1. For comparability purposes, we have excluded the Newmarket and UFIS consolidated results, which are consolidated for the first time in the first half of 2014. The "% Change" column above shows the comparable growth, excluding the impact of the recent acquisitions, as explained in this note.
2. Included within the other operating expenses caption in the Group Income Statement.

5.1.3 Operating income

Operating Income for the second quarter of 2014 increased by €13.6 million or 5.3%, driving our Operating Income in the first half to €543.2 million, 6.3% higher than that of 2013, both excluding the consolidated results of Newmarket and UFIS. The increase was driven by growth in our Distribution and IT Solutions business lines, partially offset by an increase in the indirect costs line and higher D&A charges.

EBITDA amounted to €343.0 million in the second quarter of 2014 excluding the consolidated results of Newmarket and UFIS, representing a 6.3% increase vs. the second quarter of 2013 and a 40.8% margin over revenue.

For the first half period, EBITDA amounted to €690.2 million on the same basis, 6.9% higher than that of 2013. EBITDA margin expanded to 40.7%, mainly driven by the increasing weight of the IT segment, with higher margins.

Both EBITDA and Operating income were negatively impacted by extraordinary costs related to the acquisition of i:FAO in the first quarter of 2014. Excluding these costs, our EBITDA and operating income grew by 7.1% and 6.6%, respectively, excluding the consolidated results of Newmarket and UFIS, and our EBITDA margin stood at 40.8%, 0.3 p.p. higher than in the first half of 2013.

The table below shows the reconciliation between Operating income and EBITDA.

EBITDA Figures in million euros	Apr-Jun 2014	Apr-Jun 2014 (excl. M&A)[1]	Apr-Jun 2013	% Change[1]	Jan-Jun 2014	Jan-Jun 2014 (excl. M&A)[1]	Jan-Jun 2013	% Change[1]
Operating income[2]	**273.3**	**267.8**	**254.2**	**5.3%**	**551.2**	**543.2**	**511.2**	**6.3%**
Depreciation and amortisation	79.5	76.7	69.8	9.9%	154.4	149.9	137.6	9.0%
Capitalised depreciation and amortisation	(1.5)	(1.5)	(1.4)	3.5%	(3.0)	(3.0)	(2.8)	4.1%
EBITDA[2]	**351.3**	**343.0**	**322.5**	**6.3%**	**702.6**	**690.2**	**645.9**	**6.9%**
EBITDA margin (%)[2]	40.7%	40.8%	40.3%	0.5 p.p.	40.6%	40.7%	40.5%	0.2 p.p.

1. For comparability purposes, we have excluded the Newmarket and UFIS consolidated results, which are consolidated for the first time in the first half of 2014. The "% Change" column above shows the comparable growth, excluding the impact of the recent acquisitions, as explained in this note.
2. Our EBITDA and EBITDA margin, as well as our Operating income, were negatively impacted by extraordinary costs amounting to €1.5 million related to the acquisition of i:FAO incurred in the first quarter of 2014. Excluding these costs, our EBITDA and Operating income grew by 7.1% and 6.6%, respectively, excluding Newmarket and UFIS' results, and our EBITDA margin would be 40.8%, 0.3 p.p. higher than the first half of 2013.

5.1.4 Net financial expense

Net financial expense Figures in million euros	Apr-Jun 2014	Apr-Jun 2014 (excl. M&A)[1]	Apr-Jun 2013	% Change[1]	Jan-Jun 2014	Jan-Jun 2014 (excl. M&A)[1]	Jan-Jun 2013	% Change[1]
Financial income	0.4	0.4	0.4	4.7%	1.0	1.0	0.6	53.4%
Interest expense	(16.6)	(14.9)	(17.8)	(16.6%)	(33.4)	(30.6)	(35.8)	(14.5%)
Other financial expenses	(0.7)	(0.7)	(2.9)	(74.9%)	(1.5)	(1.5)	(2.9)	(48.9%)
Exchange gains (losses)	1.9	1.9	(0.2)	n.m.	1.4	1.4	0.4	n.m.
Net financial expense	**(14.9)**	**(13.3)**	**(20.5)**	**(35.3%)**	**(32.6)**	**(29.7)**	**(37.6)**	**(21.1%)**

1. For comparability purposes, we have excluded the Newmarket and UFIS consolidated results, which are consolidated for the first time in the first half of 2014. The "% Change" column above shows the comparable growth, excluding the impact of the recent acquisitions, as explained in this note.

Net financial expense decreased by 35.3% in the second quarter of 2014, or 21.1% in the first half of the year, from €37.6 million in the first half of 2013 to €29.7 million in the first half of 2014, excluding the consolidated results of Newmarket and UFIS.

This decrease is mainly explained by a 14.5% lower interest expense (excluding the consolidated results of Newmarket and UFIS), in turn mostly driven by (i) a reduction in the average gross debt outstanding (excluding the new loan signed for the acquisition of Newmarket), (ii) higher capitalised interest on the loans granted by the EIB, and (iii) lower deferred financing fees.

5.1.5 Income taxes

Income taxes for the first half of 2014 amounted to €163.2 million vs. €152.1 million for the first half of 2013 (excluding the consolidated results of Newmarket and UFIS, income taxes amounted to €161.3 million). The income tax rate for the first half of 2014 was 31.5%, below the 31.9% income tax rate in the first half of 2013.

5.1.6 Profit for the period. Adjusted profit

As a result of the above, profit in the first half of 2014 amounted to €356.3 million, an increase of 8.2% vs. a profit of €326.7 million in the first half of 2013. Excluding the consolidated results of Newmarket and UFIS, profit for the period increased by 8.1%.

Excluding the extraordinary (non-deductible) costs related to the acquisition of i:FAO, our profit grew by 8.5%, excluding the consolidated results of Newmarket and UFIS.

5.1.6.1 Adjusted profit

Adjusted profit ***Figures in million euros***	**Apr-Jun 2014**	**Apr-Jun 2014 (excl. M&A)[1]**	**Apr-Jun 2013**	**% Change[1]**	**Jan-Jun 2014**	**Jan-Jun 2014 (excl. M&A)[1]**	**Jan-Jun 2013**	**% Change[1]**
Reported profit	**177.1**	**174.7**	**162.4**	**7.6%**	**356.3**	**353.1**	**326.7**	**8.1%**
Adjustments								
Impact of PPA[2]	12.7	11.5	12.1	(5.3%)	24.9	23.0	24.3	(5.5%)
Non-operating FX results and mark-to-market[3]	(1.3)	(1.2)	1.0	n.m.	(1.0)	(1.0)	0.6	n.m.
Non-recurring items	0.7	0.7	(2.2)	n.m.	0.3	0.3	(2.0)	n.m.
Adjusted profit	**189.2**	**185.6**	**173.4**	**7.1%**	**380.6**	**375.5**	**349.6**	**7.4%**

1. For comparability purposes, we have excluded the Newmarket and UFIS consolidated results, which are consolidated for the first time in the first half of 2014. The "% Change" column above shows the comparable growth, excluding the impact of the recent acquisitions, as explained in this note.
2. After tax impact of amortisation of intangible assets identified in the purchase price allocation exercises.
3. After tax impact of changes in fair value of financial instruments and non-operating exchange gains (losses).

After adjusting for (i) non-recurring items and (ii) accounting charges related to the PPA (purchase price allocation) amortisation and other mark-to-market items, adjusted profit increased by 7.1% in the second quarter of 2014 and by 7.4%, to €375.5 million, in the first half 2014, both excluding the consolidated results of Newmarket and UFIS.

Excluding the extraordinary (non-deductible) costs related to the acquisition of i:FAO, our adjusted profit grew by 7.8% in the first half of 2014, excluding the consolidated results of Newmarket and UFIS.

for the six months period ended June 30, 2014 (Millions of euros)

5.1.6.2 Earnings per share (EPS)

Earnings per share	Apr-Jun 2014	Apr-Jun 2014 (excl. M&A)[1]	Apr-Jun 2013	% Change[1]	Jan-Jun 2014	Jan-Jun 2014 (excl. M&A)[1]	Jan-Jun 2013	% Change[1]
Weighted average issued shares (m)	447.6	447.6	447.6		447.6	447.6	447.6	
Weighted average treasury shares (m)	(2.9)	(2.9)	(3.7)		(2.9)	(2.9)	(3.6)	
Outstanding shares (m)	**444.6**	**444.6**	**443.9**		**444.6**	**444.6**	**444.0**	
EPS (euros)[2]	**0.40**	**0.39**	**0.37**	**7.4%**	**0.80**	**0.79**	**0.73**	**8.0%**
Adjusted EPS (euros)[3]	**0.43**	**0.42**	**0.39**	**6.9%**	**0.86**	**0.84**	**0.79**	**7.3%**

1. For comparability purposes, we have excluded the Newmarket and UFIS consolidated results, which are consolidated for the first time in the first half of 2014. The "% Change" column above shows the comparable growth, excluding the impact of the recent acquisitions, as explained in this note.
2. EPS corresponding to the Profit attributable to the parent company. Calculated based on weighted average outstanding shares of the period.
3. EPS corresponding to the Adjusted profit attributable to the parent company. Calculated based on weighted average outstanding shares of the period.

The table above shows EPS for the period, based on the profit attributable to the parent company (after minority interests, which amounted to a profit of €0.2 million in the first half of 2014 vs. €0.4 million in the same period of 2013), both on a reported basis and excluding the consolidated results of Newmarket and UFIS.

Excluding the extraordinary (non-deductible) costs related to the acquisition of i:FAO, our reported EPS grew by 8.5% in the first half of 2014, and our adjusted EPS grew by 7.7%, both excluding the consolidated results of Newmarket and UFIS.

6 Other financial information

6.1 R&D investment

R&D investment (including both capitalised and non-capitalised expenses) increased by 5.1% in the second quarter of 2014 vs. the same period in 2013, excluding the Newmarket and UFIS consolidated investment. R&D investment increased by 4.7% on the same basis in the first six months of 2014 vs. the same period in 2013. As a percentage of revenue, R&D investment amounted to 15.1% as of June 30, 2014.

The increase in R&D is explained by:

- Increased resources devoted to the new businesses, in particular (i) airport IT, linked to the contracts signed in the year as well as to portfolio development, (ii) hotel, including resources dedicated to our agreement with IHG, (iii) rail, with teams dedicated to our partners, such as BeneRail, and (iv) payments, mobile and travel intelligence.
- Higher investment carried out as a result of the high level activity in terms of ongoing projects (portfolio expansion or product evolution initiatives, such as revenue management and search solutions, and implementation activity related to the contracted pipeline to Altéa). Preparation work to migrate travel agencies in Korea from the local reservation system, Topas, to the Amadeus platform.
- Ongoing investment in the TPF decommissioning and increased efforts on system performance to sustain the highest possible reliability and service levels to our client base.

It should be noted that a significant part of our research and development costs are linked to activities which are subject to capitalisation. The intensity of the development activity and the different stages in the ongoing projects have an effect on the capitalisation ratio in any given quarter, therefore impacting the level of operating expenses that are capitalised on our balance sheet.

R&D investment *Figures in million euros*	Apr-Jun 2014	Apr-Jun 2014 (excl. M&A)[1]	Apr-Jun 2013[2]	% Change[1]	Jan-Jun 2014	Jan-Jun 2014 (excl. M&A)[1]	Jan-Jun 2013[2]	% Change[1]
R&D investment[3]	**135.9**	**132.4**	**125.9**	**5.1%**	**261.2**	**255.5**	**244.1**	**4.7%**
R&D as of % of Revenue	15.7%	15.7%	15.7%	0.0 p.p.	15.1%	15.1%	15.3%	(0.2 p.p.)

1. For comparability purposes, we have excluded the Newmarket and UFIS consolidated results, which are consolidated for the first time in the first half of 2014. The "% Change" column above shows the comparable growth, excluding the impact of the recent acquisitions, as explained in this note.
2. Following a review of the costs incurred in a number of projects, certain costs which were previously not reported as R&D were identified as such and are reported under the R&D investment figure above since January 2014. For comparability purposes, the 2013 figures have been adjusted to include such costs (which amounted to €9.6 million in the first half of 2013). The change in the category assigned to these costs from non-R&D to R&D does not have any impact on our operating costs, segment contribution margins, EBITDA or Profit in the Income Statement, nor in our cash generation in the Cashflow Statement.
3. Net of Research Tax Credit.

6.2 Capital expenditure

The table below details the capital expenditure in the period, both in property, plant and equipment ("PP&E") and intangible assets. Based on the nature of our investments in PP&E assets, the figures may show variations on a quarterly basis, depending on the timing of certain investments. The same applies to our investments in contractual relationships where payments to travel agencies may take place in different periods, based on the timing of the renegotiations. In turn, our capitalised R&D investment may fluctuate depending on the level of capitalisation ratio, which is impacted by the intensity of the development activity, the mix of projects undertaken and the different stages in which the ongoing projects are.

Capex in the second quarter of 2014 amounted to €93.9 million (excluding the consolidated investment of Newmarket and UFIS), 10.7% below that in the same period of 2013. For the six month period, capex (on the same basis) declined by €11.5 million or 5.5% vs. 2013. As a percentage of revenue, capex represented 11.5%, below 13.0% in the first half of 2013.

The decline in capex was driven by a reduction of €13.0 million in capex in intangible assets, partially offset by an increase of €1.5 million in investment in PP&E.

The decrease in capex in intangible assets was driven by:

_ A decline in capitalised R&D, due to a reduction in the capitalisation ratio, which fluctuates depending on the intensity of the development activity, the mix of projects undertaken and the different stages in which the ongoing projects are, and
_ Lower payments in relation to the purchase of software licenses, mainly due to timing differences in the dates of the payments.

In turn, the increase in capex in PP&E was mostly due to higher payments in relation to the purchase of hardware equipment.

Capital Expenditure ***Figures in million euros***	**Apr-Jun 2014**	**Apr-Jun 2014 (excl. M&A)[1]**	**Apr-Jun 2013**	**% Change[1]**	**Jan-Jun 2014**	**Jan-Jun 2014 (excl. M&A)[1]**	**Jan-Jun 2013**	**% Change[1]**
Capital Expenditure in PP&E	18.8	18.4	16.4	12.2%	30.7	30.0	28.5	5.4%
Capital Expenditure in intangible assets	77.0	75.5	88.8	(15.0%)	167.7	165.6	178.6	(7.3%)
Capital Expenditure	**95.9**	**93.9**	**105.2**	**(10.7%)**	**198.4**	**195.6**	**207.1**	**(5.5%)**
As % of Revenue	11.1%	11.2%	13.2%	(2.0 p.p)	11.5%	11.5%	13.0%	(1.4 p.p)

1. For comparability purposes, we have excluded the Newmarket and UFIS consolidated results, which are consolidated for the first time in the first half of 2014. The "% Change" column above shows the comparable growth, excluding the impact of the recent acquisitions, as explained in this note.

7 Other additional information

7.1 Explanatory notes to the stand-alone statement of income

The stand-alone statement of income of the issuing Entity for the six-month period ended June 30, 2014 and 2013, respectively, is as follows:

Stand-alone Statement of Income *Figures in million euros*	**30/06/2014**	**30/06/2013**
	UNAUDITED	**UNAUDITED**
Services rendered	0.7	0.6
Dividends received from Group companies	224.8	52.3
Financial Income from Group companies	18.8	18.8
Net trade revenue	244.3	71.7
Operating Expenses	(2.9)	(3.0)
Operating Profit / (Loss)	**241.4**	**68.7**
Financial expenses	(19.1)	(19.0)
Financial Profit / (Loss)	**(19.1)**	**(19.0)**
Profit / (Loss) before Tax	**222.3**	**49.7**
Corporate Income Tax	0.7	0.8
Net Profit / (Loss)	**223.0**	**50.5**

The main variations for the first half of 2014 compared to the same period of 2013, are as follows:

- Net trade revenues include, mainly, the dividends received from Amadeus IT Group, S.A., amounting to €224.8 million and €52.3 million in 2014 and 2013, respectively.
  Additionally, in 2014 and 2013, the financial income from Group Companies corresponds to the accrued interests of the loan given to Amadeus IT Group, S.A., amounting to €746.2 million, with the funds obtained by the loan received, by the same amount, from Amadeus Capital Markets, S.A.
- The financial result in 2014 and 2013 registers mainly the financial expenses of the loan received from Amadeus Capital Markets, S.A.; this entity handed over to the Company the funds obtained by the issuance of bonds in the Euro market on July 4, 2011 amounting to €750.0 million.
- Therefore, the profit has increased in €172.5 million up to €223.0 million in the first half of 2014 compared to the €50.5 million for the same period of 2013.

7.2 Key risk factors and uncertainties

There are a number of risks and uncertainties of diverse nature, both related to our business and the industry in which we operate, as well as to the financial markets, which could affect our financial condition and our results of operations in the second half of 2014. The most significant are described below.

In addition to a number of hedging instruments to manage our interest rate and exchange rate related risks (as described below), Amadeus continuously evaluates and puts in place a number of processes towards the identification, control and management of potential risks, and designs specific systems in order to manage and mitigate such risks.

7.2.1 Risks related to the current macro-economic environment

Our business and operations are dependent on the worldwide travel and tourism industry, which is highly sensitive to general economic conditions and trends. The global economy and the financial system improved noticeably during the last part of 2013 and throughout the first half of the year. In parallel the air traffic industry growth has been very positive in the period, outperforming the 2013 levels (growth of 5.8% up to May 2014 compared to 4.3% in the same period of 2013, and with 5.4% of the December full year 2013).

That said, air traffic and the distribution business have different seasonality (as explained in another part of this report) and should not be taken as the only affecting factor.

The Forecast of IATA (March Industry Financial Monitor) points to a growth in demand of 5.8% , in line with the current levels, but as mentioned above, a healthier growth vs the 2013 overall air traffic growth. By regions the growth is unevenly split with Middle East and Africa showing the highest growth levels (+13%) and US the lowest (+2.8%) with the rest of the regions in the 5-7% range. Also geo-political tensions in Ukraine could pose and additional risk to this growth.

According to the latest update provided by the International Monetary Fund in April 2014, the latest data suggests some a slight moderation in the first half of the GDP growth rates. Overall, however, the outlook remains broadly the same as in October 2013 WEO, with global growth expected to strengthen by 3.6% in 2014 and further to 3.9% in 2015. By economic regions, a major impulse has come from the US, and despite some moderation indications for the first half of 2014, it is still expected to grow (+2.8%) above the average growth of advanced economies (+2.2%). In the euro area, growth is expected to be limited (1.2%) as high debt and tight credit still hold back domestic demand, notwithstanding with some upside risk in Germany and UK. Finally growth in emerging markets is expected to pick up modestly (+4.9%), as these economies are adjusting to a more difficult financial environment, where international investors are more sensitive to policy weakness and some vulnerabilities that have appeared.

Indeed, the industry in which we operate is exposed to the macro-economic environment; and any significant variation on the current expectation could have an impact on our performance.

Nevertheless, Amadeus ability to increase market share: (i) in the distribution business, like the additional Topas project (migration of the South Korean CRS travel agency network) signed in 2011 and that will be implemented in 2014 (ii) in the IT Solutions business, through the signature of new contracts, like the new wins of Southwest Airlines and Swiss together with its successful transactional business model, should continue to provide resiliency, bring additional growth, and extend visibility beyond the overall industry growth.

7.2.2 Execution risk related to the migration of airlines onto the Amadeus Altéa platform

An important part of our future growth is linked to a number of existing contracts within the IT Solutions business. Under these contracts, we have to undertake complex work in order to migrate our clients onto the Amadeus Altéa platform. Successful execution of these migration processes is key. We have a strong implementation track record, having successfully migrated more than 115 airlines in the past (including some large and complex carriers), and we have significant in-house expertise. However, failure to deliver could lead to potentially losing customers, which could negatively impact our future growth.

7.2.3 Risk related to the financial markets: risks derived from interest rate and exchange rate fluctuations

- Interest Rate Fluctuations

As of June 30, 2014, our total financial debt, based on the covenants' definition in our new unsecured senior credit agreement, amounted to €1,931.3 million. Based on the current capital structure of the group, 38% of our total covenant financial debt is subject to floating interest rates, indexed to the EURIBOR or the USD LIBOR, and we are therefore exposed to potential interest rate movements during the second half of the year.

- In order to hedge this exposure and fix the amount of interest to be paid, we have entered into derivative agreements. After hedges the portion of debt subject to floating interest rates is 29%.

- Currency Exchange Rate Fluctuations

The reporting currency in the Group's consolidated financial statements is the Euro (EUR). As a result of the multinational nature of its business, the Group is subject to foreign exchange rate risks derived from the fluctuations of many currencies. The target of the Group's foreign exchange hedging strategy is to protect the EUR value of the consolidated foreign currency denominated operating cash flows. The instruments used to achieve this goal depend on the denomination currency of the operating cash flow to be hedged:

- The strategy for USD exposures makes use of natural hedge by matching future USD denominated operating cash inflows with the USD payments of principals of the USD denominated debt.
- Aside from the USD, the main foreign currency exposures are expenditures denominated in AUD, BRL, COP, GBP, INR, SEK and THB. For these exposures, a natural hedge strategy is not possible. In order to hedge a significant portion of the aforementioned short exposures (net expenditures) the Group will engage into derivative contracts with banks: basically FX-forwards, non-deliverable forwards (NDFs) currency options and combinations of currency options.

7.3 Environmental Matters

Amadeus' operations involve relatively low environmental risks and impacts compared with other industries. Nonetheless, with a workforce of more than 12,000 people, presence in 195 countries and operating in a high energy intensity industry, we acknowledge our responsibility to minimize the company's environmental impact and at the same time make our contribution to the sustainability of the travel industry.

Our environmental strategy is made up of three pillars:

7.3.1 Minimising the environmental impact of Amadeus' operations

Our environmental strategy addresses the impact of our operations and the concerns of stakeholders in the travel industry, including customers, employees, partners, regulatory bodies and the society in general.

We believe our first and most important responsibility is to address the environmental impact of our operations. Fortunately, for most cases we find a common economic and environmental interest that facilitates action in reducing resource consumption and environmental impact. Our Environmental Management System includes a systematic approach by which we:

- Measure resource consumption
- Identify best practices
- Implement actions and
- Follow up results

The items covered by the EMS include electricity, paper, water, waste and greenhouse gas emissions.

Additionally, our numerous sites across the world take their own environmental initiatives that range from activities as diverse as car-pooling, recycling campaigns, reduce paper used in office through the use of specific software, etc.

7.3.2 Helping our customers improve their environmental performance

A principal component of Amadeus' value proposition is primarily based on increasing operational efficiencies for our customers. Often, the increased efficiencies mean more productivity, reduced costs, better use of infrastructure and environmental benefits.

In the following paragraphs we describe two examples of Amadeus solutions that contribute to improve the environmental performance of our customers.

i. Amadeus Altéa Departure Control Flight Management

Thanks to optimization tools, Amadeus Altéa Departure Control System (DCS) Flight Management (FM) allows customers saving a significant amount of fuel and greenhouse gas emissions, compared with less sophisticated technologies currently in the market.

The savings achieved were measured analysing a sample of more than 40,000 flights from Finnair, of which approximately half were using Amadeus solution and the other half the previous system used by Finnair. The analysis proved a higher precision from Altéa DCS when estimating the estimated zero fuel weight of the aircraft (EZFW) which translates into improvements in the estimation of the fuel needed for each flight, resulting in significant savings in costs, fuel and emissions.

ii. Amadeus Sequence Manager

Airport Sequence Manager optimises the flight departure process. The solution relies on sophisticated sequencing algorithms to calculate the Target Start-Up Approval Time (TSAT) for each departing flight. This allows the aircraft "to leave the stand at the last possible moment, reducing fuel burn, economic costs and environmental impact, and it enables better allocation of resources. Runway capacity can therefore be optimised at times of congestion, or de-icing processes taken into account during winter season. As a collaborative tool, Amadeus Airport Sequence Manager creates a shared situational awareness among all airport partners.

Amadeus launched Airport Sequence Manager in collaboration with Munich Airport – one of the busiest European airports, with nearly 400,000 aircraft movements per year.

7.3.3 Cooperation with industry stakeholders in sustainability projects in our sector

The environmental sustainability in our sector is a common objective for all industry stakeholders. In the environmental area we take advantage of our technology, expertise and network to make our contribution towards industry sustainability.

We include below some examples of our participation with other stakeholders in the industry in relation to environmental sustainability objectives.

i. Industry standards for carbon calculation per passenger in aviation

The calculation of emissions per passenger in aviation is complicated for various reasons and for this reason different calculation methodologies offer considerably different emissions estimations for the same itinerary. It is important that an standard calculation methodology complies with neutrality, global reach and legitimacy requirements.

The International Civil Aviation Organisation (ICAO) and Amadeus reached an agreement by which Amadeus uses ICAO's carbon calculator to show our customers the CO2 estimations in our distribution platforms; and by doing this we promote the use of ICAO's carbon calculator and help raising environmental awareness in the sector.

ii. Participation in common projects with industry stakeholders

It's fundamental that industry stakeholders work together and agree on strategies and responsibilities towards sustainability. From Amadeus we participate in various forums and specific projects with trade associations like the World Travel and Tourism Council or United Nations World Tourism Organisation (UNWTO).

Regarding our sustainability efforts it's important for us to receive feedback from external sustainability indexes, in order to understand how do we perform as compared to other companies, to identify areas of focus for the future and to improve the quality and transparency of our non-financial reporting. In September 2012 Amadeus entered the Dow Jones Sustainability Index (DJSI) and achieved the highest score in our sector. In the environmental area, Amadeus reached 90 points out of a total maximum of 100. In addition, in 2013 Amadeus remained again in the DJSI and early in 2014 Amadeus was included in the Sustainability Year Book and received the Bronze Class Sustainability award. Finally, Amadeus in 2013 participated in the Carbon Disclosure Project, which collects carbon emissions information from companies across the world and evaluates performance in terms of disclosure of information (0-100) and performance (A-E) Amadeus score in the Carbon Disclosure Project for 2013 was 79 B.

Finally, the Amadeus risk and opportunity analysis regarding climate change depicts that our main risks are physical, regulatory and reputational risks. On the other hand our opportunities are linked to the possibility of launching new products and services and improving our competitive positioning.

7.4 Treasury Shares

Reconciliation of the carrying amounts of the "Treasury shares" as of June 30, 2014 and December 31, 2013, is as follows:

	Treasury Shares	€ million
Balance at December 31, 2013	**2,963,138**	**29.9**
Acquisition	224,722	7.2
Retirement	(798,784)	(6.5)
Balance at June 30, 2014	**2,389,076**	**30.6**

During the period, the Group acquired 224,722 of the Company's shares.

The historical cost for treasury shares retired (primarily for the settlement of the PSP and RSP) is deducted from the "Additional paid-in capital" caption of the consolidated and condensed statement of financial position.

7.5 Subsequent Events

As of the date of issuance of this interim consolidated Directors' Report no subsequent events occurred after the reporting period.

8 Key terms

_ "ACH": refers to "Airlines Clearing House"
_ "ACO": refers to "Amadeus Commercial Organisation"
_ "Air TA bookings": air bookings processed by travel agencies using our distribution platform
_ "CRS" : refers to " Computerised Reservation System"
_ "DCS": refers to "Departure Control System"
_ "EMD": refers to "electronic miscellaneous document"
_ "EPS": refers to "Earnings Per Share"
_ "EIB": refers to "European Investment Bank"
_ "FTE": refers to "full-time equivalent" employee
_ "GDS": refers to a "global distribution system", i.e. a worldwide computerised reservation system (CRS) used as a single point of access for reserving airline seats, hotel rooms and other travel-related items by travel agencies and large travel management corporations
_ "Distribution industry": includes the total volume of air bookings processed by GDSs, excluding (i) air bookings processed by the single country operators (primarily in China, Japan, South Korea and Russia) and (ii) bookings of other types of travel products, such as hotel rooms, car rentals and train tickets
_ "IATA": the "International Air Transportation Association"
_ "ICH": the "International Clearing House"
_ "IFRIC": refers to "International Financial Reporting Interpretation Committee"
_ "IPO": refers to "Initial Public Offering"
_ "JV": refers to "Joint Venture"
_ "KPI": refers to "key performance indicators"
_ "LATAM": refers to "Latin America"
_ "LTM": refers to "last twelve months"
_ "n.a.": refers to "not available"
_ "n.m.": refers to "not meaningful"
_ "PB": refers to "passengers boarded", i.e. actual passengers boarded onto flights operated by airlines using at least our Amadeus Altéa Reservation and Inventory modules
_ "p.p.": refers to "percentage point"
_ "PPA": refers to "purchase price allocation"
_ "PP&E": refers to "Property, Plant and Equipment"
_ "RTC": refers to "Research Tax Credit"
_ "TA": refers to "travel agencies"
_ "TPF": refers to "Transaction Processing Facility", a software license from IBM
_ "XML": refers to "eXtensible Markup Language"

9 Appendix: Financial tables

9.1 Statement of financial position (condensed)

Statement of Financial Position *Figures in million euros*	**30/06/2014**	**31/12/2013**
Property, plant and equipment	338.7	304.6
Intangible assets	2,082.8	1,983.9
Goodwill	2,498.2	2,068.3
Other non-current assets	166.0	164.9
Non-current assets	5,085.6	4,521.8
Current assets	511.7	414.5
Cash and equivalents	430.0	490.9
Total assets	**6,027.4**	**5,427.1**
Equity	2,073.0	1,840.1
Non-current debt	1,661.7	1,427.3
Other non-current liabilities	1,002.8	946.7
Non-current liabilities	2,664.4	2,374.0
Current debt	287.6	270.9
Other current liabilities	1,002.3	942.2
Current liabilities	1,289.9	1,213.0
Total liabilities and equity	**6,027.4**	**5,427.1**
Net financial debt (as per financial statements)	**1,519.3**	**1,207.3**

As of June 30, 2014 goodwill amounted €2,498.2 million, an increase of €429.9 million vs. December 31, 2013. This increase was driven by the goodwill generated in the acquisition of Newmarket, UFIS and i:FAO, as explained in section 3 of this report.

9.2 Financial indebtedness

Indebtedness *Figures in million euros*	**30/06/2014**	**31/12/2013**
Covenants definition[1]		
Senior Loan (EUR)	161.4	265.9
Senior Loan (USD)[2]	197.9	253.6
Debt associated with the acquisition of Newmarket[2]	366.1	0.0
Long term bonds	750.0	750.0
EIB loan	350.0	350.0
Other debt with financial institutions	61.6	60.7
Obligations under finance leases	44.4	21.4
Covenant Financial Debt	**1,931.3**	**1,701.6**
Cash and cash equivalents	(430.0)	(490.9)
Covenant Net Financial Debt	**1,501.3**	**1,210.7**
Covenant Net Financial Debt / LTM Covenant EBITDA[3]	**1.18x**	**1.01x**
Reconciliation with financial statements		
Net financial debt (as per financial statements)	**1,519.3**	**1,207.3**
Interest payable	(38.7)	(20.6)
Deferred financing fees	10.0	12.3
EIB loan adjustment	10.7	11.7
Covenant Net Financial Debt	**1,501.3**	**1,210.7**

1. Based on the definition included in the senior credit agreement.
2. The outstanding balances denominated in USD have been converted into EUR using the USD / EUR exchange rate of 1.3658 and 1.3791 (official rate published by the ECB on Jun 30, 2014 and Dec 31, 2013, respectively).
3. LTM' covenant EBITDA as defined in the senior credit agreement.

Amadeus continued deleveraging in the second quarter of 2014, from 1.22x net debt / LTM EBITDA as of March 31, 2014 to 1.18x as of June 30, 2014. By comparison to December 31, 2013, our leverage increased from 1.01x.

As explained in section 3 of this report, Amadeus signed a new bank loan facility amounting to USD 500 million, which was drawn down on February 4, 2014, to finance the acquisition of Newmarket. In addition, net cash generation in the first six months of the year was reduced by the acquisitions of UFIS and i:FAO, which were fully financed with cash.

In May 2014, Amadeus made a voluntary repayment of €67.3 million, corresponding to the portion of the EUR denominated tranche initially scheduled to be paid in November 2014.

Reconciliation with net financial debt as per our financial statements

Under the covenant terms, Covenant Financial Debt (i) does not include the accrued interest payable (€38.7 million at June 30, 2014) which is treated as debt in our financial statements, (ii) is calculated based on its nominal value, while in our financial statements our financial debt is measured at amortised cost, i.e., after deducting the deferred financing fees (that correspond mainly to fees paid upfront in connection with the set-up of new credit agreements and amount to €10.0 million at June 30, 2014) and (iii) does not include an adjustment for the difference between the nominal value of the loan granted by the EIB at below-market interest rate and its fair value (€10.7 million at June 30, 2014).

9.3 Group cash flow

Consolidated Statement of Cash Flows ***Figures in million euros***	**Apr-Jun 2014**	**Apr-Jun 2013**	**% Change**	**Jan-Jun 2014**	**Jan-Jun 2013**	**% Change**
EBITDA	351.3	322.5	8.9%	702.6	645.9	8.8%
Change in working capital	(38.0)	(9.7)	n.m.	(57.7)	(36.6)	57.6%
Capital expenditure	(95.9)	(105.2)	(8.9%)	(198.4)	(207.1)	(4.2%)
Pre-tax operating cash flow	**217.4**	**207.6**	**4.7%**	**446.6**	**402.2**	**11.0%**
Taxes	(103.8)	(66.8)	55.4%	(121.7)	(75.0)	62.3%
Equity investments	(41.1)	(6.7)	n.m.	(386.3)	(6.7)	n.m.
Non-operating cash flows	(9.4)	1.6	n.m.	(10.2)	1.2	n.m.
Cash flow from extraordinary items	0.1	0.5	(76.6%)	0.3	0.8	(58.9%)
Cash flow	**63.1**	**136.2**	**(53.6%)**	**(71.2)**	**322.6**	**n.m.**
Interest and financial fees paid	(6.2)	(8.1)	(23.3%)	(12.5)	(15.3)	(18.5%)
Debt payment	(174.7)	(151.9)	15.0%	157.5	(162.4)	n.m.
Cash to shareholders	(7.2)	(4.7)	52.0%	(140.6)	(115.8)	21.3%
Change in cash	**(124.9)**	**(28.5)**	**n.m.**	**(66.7)**	**29.1**	**n.m.**
Cash and cash equivalents, net[1]						
Opening balance	548.8	457.2	20.0%	490.6	399.6	22.8%
Closing balance	423.9	428.6	(1.1%)	423.9	428.6	(1.1%)

1. Cash and cash equivalents are presented net of overdraft bank accounts.
2. Cash generation in the first half of 2014 has been impacted by the acquisition of Newmarket, UFIS and i:FAO, as explained in section
3. The related cash outflow is included in the Cashflow statement above under Equity investments.