

## Results for the nine months ended September 30, 2018

### Highlights

## Amadeus maintains a positive growth trend in third quarter

The positive performance of Amadeus' Distribution and IT Solutions businesses supported our financial performance in the first nine months of the year.

#### First nine months of the year highlights

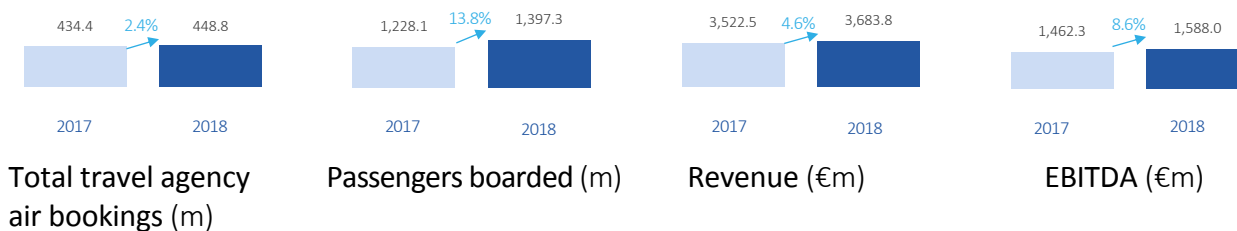
- Revenue increased 4.6%<sup>1</sup>, to €3,683.8 million
- EBITDA grew 8.6%<sup>2</sup>, to €1,588.0 million
- In the Distribution segment, travel agency air bookings grew 2.4% to 444.8 million
- In IT Solutions, Passengers Boarded increased 13.8% to 1,397.3 million

Amadeus IT Group S.A achieved an adjusted profit of €886.6 million in the first nine months of 2018. This represents growth of 5.1%<sup>1</sup> compared to the same period last year. Amadeus' revenue grew 4.6%<sup>1</sup> to €3,683.8 million, while EBITDA increased 8.6%<sup>1</sup> to €1,588.0 million.

As in the first half of the year, in the third quarter, both our revenue and EBITDA continued to be negatively impacted by the USD/Euro exchange rate fluctuation, albeit to a lesser extent than in the first two quarters of the year. In the first three quarters of the year, revenue expanded by 7.7%<sup>1</sup> excluding currency effects (which are fundamentally derived from the USD/Euro exchange fluctuation relative to last year). In the nine month period, EBITDA excluding IFRS 16<sup>2</sup> and forex effects (caused by the fluctuation of multiple currencies in the period) grew at a high single-digit pace and delivered a small EBITDA margin expansion.

## Operating and financial highlights

Nine months ended 30 September 2018



<sup>1</sup> Compared to Jan-Sep 2017 figures restated for IFRS 15 and IFRS 9, applied from January 1, 2018.

<sup>2</sup> We are early adopters of IFRS 16, which we applied since January 1, 2018. 2017 figures will not be restated for IFRS 16. In the first nine months of 2018, IFRS 16 had a positive €33.2 million impact on EBITDA.

“We are confident that we will maintain the positive growth trend for the rest of the year”

Luis Maroto, President & CEO of Amadeus, commented:

“The strength and resilience of our core businesses has contributed, once again, to Amadeus’ good financial performance. In Distribution, we signed or renewed distribution agreements with 11 carriers, including Aerolíneas Argentinas, Norwegian and Porter Airlines, amounting to a total of 35 for the first nine months of the year.

“We also achieved important milestones in our NDC (New Distribution Capability) strategy, with further players joining our NDC-X program during the quarter, both on the Distribution and IT side. We also increased our customer base on our Airline IT business, with carriers such as Bangkok Airways signing up for the full Altéa Suite. In terms of upselling, Southwest Airlines signed up for the full Amadeus Sky Suite by Optym, and we expanded our partnership with Finnair, who contracted both Amadeus Network Revenue Management and Passenger Recovery.

“In Hospitality, the roll-out of the Guest Reservation System (GRS) with InterContinental Hotels Group is almost complete, with over 95% of its hotels already migrated. This implementation, along with the acquisition of TravelClick as we announced in August, will be a significant driver of growth for our hospitality business in the near future.

“We remain optimistic and are confident that we will continue this positive growth trend for the rest of the year”.

## Financial highlights for the first nine months of the year

As part of our share repurchase program (announced in December 2017), at the close of September the company had acquired 4,114,744 shares for an amount of €262.3 million. This is part of the first tranche of the program (January 1, 2018 to March 31, 2019, non-cancellable) during which we will buy shares for up to €500 million.

Net financial debt, as per our credit facility agreements’ terms, amounted to €1,891.6 million at September 30, 2018 (representing 0.95x times last-twelve-month EBITDA). Proforma for TravelClick’s acquisition, closed on October 4, 2018, net financial debt as per the credit facility agreements’ definition would represent 1.56 times last-twelve-month EBITDA<sup>3</sup> at September 30, 2018. Accordingly in October, we announced the cancellation of the second tranche of the program, cancellable if the circumstances so required at company’s discretion, of €500 million and set to have started in April 2019.

## Business highlights for the first nine months of the year

### Distribution

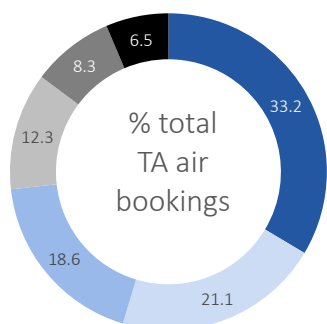
– Revenue increased 2.8% to €2,279.3 million

<sup>3</sup> Calculated using an acquisition price of \$1,520 million and an estimated TravelClick’ 2017 recurring EBITDA of \$86 million. Translated to Euro using a USD/€ exchange rate of 1.1576 (source: ECB September 30, 2018). Net financial debt and last-twelve-month EBITDA based on the credit facility agreements’ definition.

- Travel agency air bookings grew 2.4% to 444.8 million (8.0% excluding Western Europe)

Revenue growth was impacted by negative foreign exchange effects in the first nine months of 2018.

Asia & Pacific and North America continued to be our fastest growing regions for travel agency air bookings in the first nine months of the year. Amadeus' bookings in Western Europe declined over the period, impacted by the industry weakness and the slippage of market share at some European mid-size online travel agencies because of increased competition in the market. Excluding Western Europe, Amadeus bookings grew 8.0% in the first nine months of the year.



Jan-Sep 2018

#### Amadeus TA air bookings (figures in millions)

	Jan-Sep 2018	% of total	Jan-Sep 2017	% of total	% change
Western Europe	147.6	33.2%	158.2	36.4%	(6.7%)
Asia & Pacific	93.9	21.1%	82.1	18.9%	14.4%
North America	83.0	18.6%	76.6	17.6%	8.3%
Middle East & Africa	54.8	12.3%	53.1	12.2%	3.2%
Central, Eastern & Southern Europe	36.8	8.3%	35.8	8.2%	2.8%
Latin America	28.7	6.5%	28.5	6.6%	0.7%
<b>Total TA air bookings</b>	<b>444.8</b>	<b>100.0%</b>	<b>434.4</b>	<b>100.0%</b>	<b>2.4%</b>

During the third quarter of 2018, we signed 11 new contracts or renewals of content agreements with airlines, including Aerolíneas Argentinas, Copa Airlines, Porter Airlines and Norwegian. The Norwegian agreement welcomes Norwegian Air Argentina, a new carrier serving a market where the airline has recently received regulatory approval for over 150 routes. With the addition of Norwegian Air Argentina, subscribers to Amadeus' inventory can now access over 110 low cost carriers (LCCs) and hybrid carriers' content worldwide. In total, from January to September we signed 35 new contracts or renewals of content agreements with airlines.

In August, we announced that we renewed and expanded our partnership with Carlson Wagonlit Travel (CWT). CWT will now have access to extensive travel content on the Amadeus Travel Platform and the latest technology including Amadeus Selling Platform Connect.

CWT was also among the travel sellers that joined Amadeus' NDC-X program in August, along with American Express Global Business Travel, BCD Travel and American Airlines. They joined other announced partners including Flight Centre and Travix. This program brings together all of Amadeus' NDC activities – as an IT provider and an aggregator – under one roof, so that all relevant travel content from any source (EDIFACT, NDC, proprietary APIs and other aggregated content) can be distributed via any user interface or device.

150

Airlines had contracted  
Amadeus Ancillary  
Services as of  
September 30, 2018

Our merchandising solutions continued to gather interest from our customers. During the first nine months of the year, seven airlines signed up for Amadeus Airline Ancillary Services for the indirect channel. During that same period, four carriers contracted Amadeus Fare Families, including Porter Airlines which also implemented the solution in the quarter together with Vistara. In total, at the end of September, 150 airlines had signed up for Amadeus Airline Ancillary Services (and 119 of them had already implemented it, including Turkish Airlines which implemented the solution during the third quarter) and 79 had contracted Amadeus Fare Families (of which 66 had already implemented).

### IT Solutions

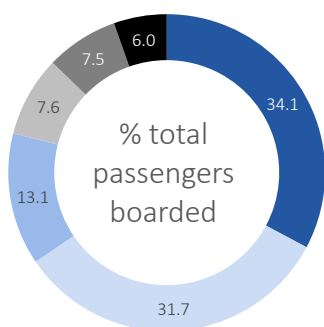
- Revenue grew 7.6% to €1,404.5 million
- Amadeus passengers boarded increased to 1,397.3 million, 13.8% more than in the same period of 2017

IT Solutions revenue increased by 7.6% in the first nine months of 2018, impacted by negative foreign exchange effects. Excluding that impact, growth was driven by the healthy performance of both Airline IT and our new businesses.

### Airline IT

The implementations completed both in 2017 (including Southwest Airlines, Japan Airlines and Malaysia Airlines for Altéa, and Viva Air Perú and GoAir for New Skies) and in 2018 (Maldivian Airlines and Aeromar in Altéa) were the main drivers of growth in our passengers boarded, which increased 13.8% in the first nine months of the year. Organic growth of 7.8% also contributed to this positive performance.

Our international footprint continued to expand as, at the close of September, 59.9% of our passengers boarded were generated outside of Europe.



Jan-Sep 2018

### Total passengers boarded (figures in millions)

	Jan-Sep 2018	% of total	Jan-Sep 2017	% of total	% change
Western Europe	475.8	34.1%	469.6	38.2%	1.3%
Asia and Pacific	443.2	31.7%	365.1	29.7%	21.4%
North America	183.7	13.1%	117.9	9.6%	55.8%
Latin America	105.7	7.6%	110.8	9.0%	(4.6%)
Middle East & Africa	105.2	7.5%	97.1	7.9%	8.4%
Central, Eastern & Southern Europe	83.8	6.0%	67.5	5.5%	24.1%
<b>Total passengers boarded</b>	<b>1,397.3</b>	<b>100.0%</b>	<b>1,228.1</b>	<b>100.0%</b>	<b>13.8%</b>

At the end of the third quarter of 2018, 206 customers had contracted either of the Amadeus Passenger Service Systems (Altéa or New Skies) and 197 had implemented them.

In October, Bangkok Airways signed up for the full Altéa suite, including the reservation, inventory, ticketing and departure control modules. Once

206

carriers had contracted  
Altéa or New Skies as  
of September 30, 2018

implemented, the Altéa suite will help Bangkok Airways enhance customer experience by delivering more consistent and personalized customer service, develop new revenue streams, and improve operational efficiency.

During the quarter, Maldivian Airlines and Aeromar migrated to Altéa. Additionally, Aeromar also implemented Amadeus Flex Pricer and Amadeus Payments solutions. These solutions will allow Aeromar to provide a clearer display of all available fares over a range of dates, helping the passenger to easily complete the booking while providing a wider variety of payment options.

Avianca became the first airline in Latin America to implement the Amadeus Altéa NDC solution. Thanks to this, Avianca will be able to provide its travel agency and metasearch customers with a more personalized product, as the solution will integrate ancillary services into the new NDC booking flow, allowing Avianca to upsell to third parties and ultimately the traveler.

In August, Easyjet contracted Amadeus SkySYM by Optym to improve the reliability of its flight schedules. SkySYM simulates airline schedules in the planning stage to improve schedule reliability and ensure smooth operations on the actual day of the flight. It can also automatically adjust flight schedules in order to improve on-time performance.

Southwest Airlines signed up for the full Amadeus Sky Suite by Optym with a 10-year agreement in October. The suite of five industry-first solutions gives Southwest Airlines the most comprehensive and advanced technology for all its network planning, simulation, forecasting and optimization needs. These tools will enable the carrier to increase the efficiency and network optimization of its more than 4,000 flights a day within the U.S. and 10 additional countries.

Also in October, Finnair expanded its collaboration with Amadeus and contracted Amadeus Network Revenue Management. The solution will allow the airline to improve accuracy when forecasting customer demand, as well as to better optimize its origin and destination network. Amadeus Network Revenue Management harnesses big data from multiple sources and applies modern scientific algorithms to determine customer purchasing behaviour and willingness to pay. Finnair also contracted Amadeus Passenger Recovery.

### New Businesses – Hospitality

We have progressed in the roll-out of the Guest Reservation System with InterContinental Hotels Group, which is now almost complete. Over 95% of its hotels have successfully migrated to the platform with the remaining hotels scheduled to migrate over the coming weeks.

In August, Amadeus announced its agreement to acquire TravelClick for \$1.52 billion. TravelClick provides innovative cloud-based solutions, including an independent and mid-size hotel Central Reservation System (CRS) and Guest Management Solution (GMS), as well as business intelligence and media solutions. The addition of TravelClick's solutions to the Amadeus portfolio will create a hospitality leader providing a broad range of innovative technology to

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Over 95% of the hotels  
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migrated to the new  
Guest Reservation  
System

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hotels and chains of all sizes across the globe. In October, following the required regulatory approvals, Amadeus announced it had completed the acquisition.

#### **New Businesses – Airport IT**

Charleston County Aviation Authority (Charleston, South Carolina, U.S.) contracted Amadeus to implement Amadeus EASE™ passenger processing system for the airport's Terminal Capacity Enhancement Pilot Project at the Charleston International Airport. The Amadeus solution will allow the airport to optimize its ticket counter and gate resources by allowing any of their airline tenants to operate and process passengers at any resource, at any time, with no impact on the airlines technical or business processes.

The new Paine Field Airport (Everett, Washington, U.S.), scheduled to open in January and constructed to provide air service to residents north of Seattle, will adopt Amadeus Airport Operational Database, Flight Information Display System, EASE™ passenger processing system and Common Use Self Service kiosks. Additionally, Amadeus will provide a 24 screen video wall for their ticket lobby that run the Amadeus Advertising Display System.

Bozeman Yellowstone International Airport BZN (Bozeman, Montana, U.S.) will adopt Amadeus EASE™ passenger processing system to enhance airport capacity in light of new air service starting in December this year. The solution will facilitate the sharing of ticket counter and gate resources amongst the airport's five airline tenants, allowing them to operate in their own native passenger processing applications.

#### **New Businesses – Rail**

In September, we expanded our distribution agreement with SNCF, the French national railway. Thanks to this agreement, travel agencies beyond Europe will have access to SNCF rail content for the first time. From January 2019, agents in important markets such as Middle East & Africa, North America or Asia Pacific will be able to book SNCF's full range of fares through Amadeus.

#### **Other announcements**

In September, Amadeus was included in the EuroStoxx 50, Europe's leading blue-chip index of listed companies in the Eurozone.

That same month, and for the seventh consecutive year, Amadeus was included in the Dow Jones Sustainability Indices (DJSI), in both the World and Europe categories. The DJSI evaluates sustainability practices from the economic, environmental and social perspectives.

In October, Standard & Poor's confirmed its 'BBB' long-term and 'A-2' short-term ratings for Amadeus, with a positive outlook.

## Summary of operating and financial information

### Summary of KPI (€million)

	Jan-Sep 2018	Jan-Sep 2017 <sup>1</sup>	Change %
<b>Summary of KPI (€millions)</b>			
<b>Operating KPI</b>			
TA air bookings (m)	444.8	434.4	2.4%
Total bookings (m)	491.7	481.9	2.0%
Passengers boarded (m)	1,397.3	1,228.1	13.8%
<b>Financial results</b>			
Distribution revenue	2,279.3	2,217.8	2.8%
IT Solutions revenue	1,404.5	1,304.7	7.6%
Revenue	3,683.8	3,522.5	4.6%
EBITDA	1,588.0	1,462.3	8.6%
EBITDA margin (%)	43.2%	41.5%	1.7 p.p.
Adjusted profit <sup>2</sup>	886.6	843.8	5.1%
Adjusted EPS (euros) <sup>3</sup>	2.06	1.93	7.1%
<b>Cash flow</b>			
Capital expenditure	506.2	438.4	15.5%
Free cash flow <sup>4</sup>	802.1	788.6	1.7%
<b>Indebtedness<sup>5</sup></b>			
	Sep 30, 2018	Dec 31, 2017	Change
Net financial debt	1,891.6	2,083.3	(9.2%)
Net financial debt/LTM EBITDA	0.95x	1.12x	

<sup>1</sup> 2017 figures have been restated for IFRS 15 and IFRS 9.

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

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

<sup>4</sup> Calculated as EBITDA minus capital expenditure plus changes in our operating working capital minus taxes paid minus interests and financial fees paid.

<sup>5</sup> Based on the credit facility agreements' definition.

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## Notes to the editors:

Travel powers progress. Amadeus powers travel. Amadeus' solutions connect travelers to the journeys they want through travel agents, search engines, tour operators, airlines, airports, hotels, cars and railways.

We have developed our technology in partnership with the travel industry for over 30 years. We combine a deep understanding of how people travel with the ability to design and deliver the most complex, trusted, critical systems our customers need. We help connect over 1.6 billion people a year to local travel providers in over 190 countries.

We are one company, with 16,000 employees across 70 offices. We have a global mindset and a local presence wherever our customers need us.

Our purpose is to shape the future of travel. We are passionate in our pursuit of better technology that makes better journeys.

Amadeus is an IBEX 35 company, listed on the Spanish Stock Exchange under AMS.MC.

To find out more about Amadeus, visit [www.amadeus.com](http://www.amadeus.com).

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### Contact details

Alba Redondo, Amadeus, Corporate Communications

T: +34 686747619

E: [alba.redondo@amadeus.com](mailto:alba.redondo@amadeus.com)