

## Results for the three months ended March 31, 2018

### Highlights

## Amadeus continues strong growth momentum into 2018

Competitive gains in both Distribution and IT Solutions powered growth in revenues and profitability in the first quarter of the year.

#### First quarter of the year highlights (three months ended March 31, 2018)

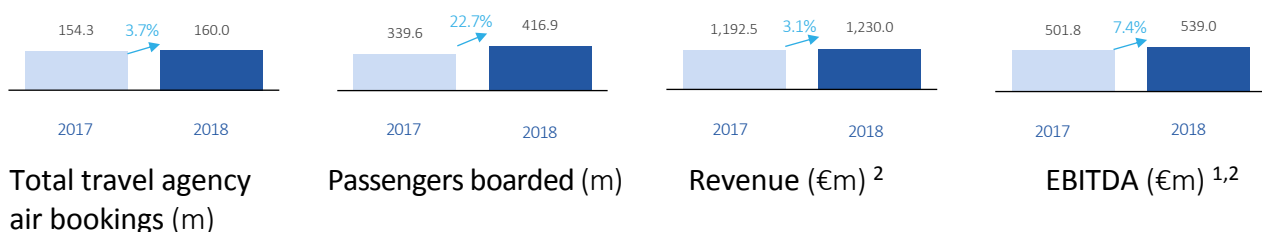
- Revenue increased 3.1%, to €1,230.0 million (8.2% growth excluding foreign exchange effects)
- EBITDA grew 7.4%, to €539.0 million (7.9% growth excluding foreign exchange and IFRS 16 effect<sup>1</sup>)
- In the Distribution segment, travel agency air bookings reached 160.0 million, which represents growth of 3.7%
- In IT Solutions, Passengers Boarded increased 22.7% to 416.9 million

Amadeus IT Group, S.A achieved an adjusted profit of €305.6 million for the first three months of 2018. This represents an increase of 4.3% compared to the same period last year. Amadeus' revenue grew 3.1% from January to March compared to the first quarter of 2017, reaching €1,230.0 million, while EBITDA increased 7.4% to €539.0 million.

Our financial performance in the quarter was negatively impacted by the US dollar depreciation relative to the Euro, but underlying business performance continued to be very strong. Excluding foreign exchange effects, both revenue and EBITDA grew at a high single-digit growth rate.

## Operating and financial highlights

Three months ended 31 March 2018



<sup>1</sup> We have also applied IFRS16 from Jan 1, 2018, giving rise to new assets and liabilities for our operating leases as of January 1, 2018 and consequently impacting the recognition of operating lease costs in the P&L. 2017 figures are not impacted for the application of this standard.  
<sup>2</sup> 2017 figures have been restated for IFRS 15 and IFRS 9, which we applied since January 2018

“We look at the rest of the year with confidence and expect to maintain a positive growth trend”

Luis Maroto, President & CEO of Amadeus, commented:

“Amadeus has started the year with positive financial results. The solid operating performance of our businesses contributed to an 8.2% increase of our revenues and 7.9%<sup>3</sup> increase of EBITDA, when excluding FX, which has been a negative headwind these first three months of the year”.

“Air volumes in our Distribution segment grew at a steady pace. We also continued to secure and expand content for our subscribers by renewing or signing content agreements with nine airlines.”

“In IT Solutions, we saw progress throughout our customer base, with new contracts such as the one with Philippine Airlines for Altéa or the one with ASA Cape Verde Airports, which contracted ACUS Mobile during the quarter. We also progressed well on our upselling efforts, with existing customers like Qantas contracting further Amadeus solutions. Our international footprint continued to expand: 65.3% of our passengers boarded<sup>4</sup> were generated outside Europe. In Airport IT, we now serve 280 customers around the world.”

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

+20.7%

increase in total  
dividend

In June 2018, the Board of Directors will submit to the General Shareholders' Meeting for approval a final gross dividend of €1.135 per share, representing a 20.7% increase in comparison with the dividend in 2016. An interim dividend of €0.48 per share (gross) was paid in January.

As part of our share repurchase program (announced in December 2017), at the close of March we had acquired 2,165,144 shares for an amount of €130.6 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.

Consolidated debt as per our financial covenants' terms amounted to €2,026.9 million at March 31, 2018 (1.07 times last-twelve-month covenant EBITDA).

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

### Distribution

- Revenue increased 2.1% to €795.5 million (mid- to-high single digit growth excluding FX effect)
- Travel agency air bookings grew 3.7% to 160.0 million

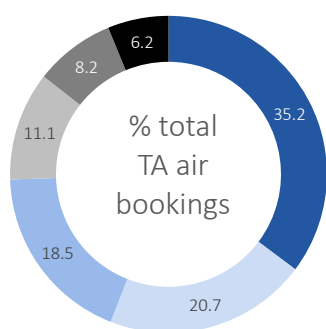
Revenue growth was highly impacted by negative foreign exchange effects in the first quarter of 2018. Excluding foreign exchange effects, and despite the negative impact from a lower number of working days in the period relative to

<sup>3</sup> We have applied IFRS16 from Jan 1, 2018, giving rise to new assets and liabilities for our operating leases as of January 1, 2018 and consequently impacting the recognition of operating lease costs in the P&L. 2017 figures are not impacted for the application of this standard.

<sup>4</sup> Passengers boarded (PB): actual passengers boarded onto flights operated by airlines using at least Amadeus Altéa Reservation and Inventory modules or Navitaire's New Skies solution.

last year (due to the timing of Easter and New Year's Day), Distribution revenue grew at a mid to high single-digit rate.

Asia Pacific, Central and Eastern and South Europe and North America were our fastest growing regions in terms of travel agency air bookings. Western European bookings decreased compared to the first quarter of 2017, dragged by the industry decline in Western Europe, impacted by the timing of Easter and a number of effects.



Jan-March 2018

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

	Jan-Mar 2018	% of total	Jan-Mar 2017	% of total	% change
Western Europe	56.3	35.2	60.3	39.1	-6.6
Asia & Pacific	33.1	20.7	28.0	18.1	18.3
North America	29.7	18.5	27.0	17.5	9.8
Middle East & Africa	17.8	11.1	18.0	11.7	-0.9
Central, Eastern & Southern Europe	13.2	8.2	11.6	7.5	13.1
Latin America	9.9	6.2	9.4	6.1	6.3
<b>Total TA Air bookings</b>	<b>160.0</b>	<b>100.0</b>	<b>154.3</b>	<b>100.0</b>	<b>3.7</b>

During the first quarter of 2018, we signed nine new contracts or renewals of distribution agreements with airlines, including Eva Air and Uni Airways. Subscribers to Amadeus' inventory can now access over 110 low cost carriers (LCCs) and hybrid carriers' content worldwide. LCC and hybrid carriers' bookings grew 11% in the first three months of the year.

We signed an agreement with Air France KLM in March that enables distribution through a Private Channel. Thanks to this agreement, those Amadeus travel seller customers that have a deal with the airline group will be able to access content through Amadeus without a surcharge, which started to be levied from April 2018.

Our merchandising solutions continued to gain new customers. During the first three months of the year, five airlines signed up for Amadeus Airline Ancillary Services for the indirect channel, and six carriers contracted Amadeus Fare Families, including Virgin Atlantic. In total, at the end of March, 148 airlines had signed up for Amadeus Airline Ancillary Services (and 120 of them had already implemented it) and 72 had contracted Amadeus Fare Families (of which 57 had already implemented it).

148

Airlines had contracted Amadeus Airline Ancillary Services as of March 31, 2018

### IT Solutions

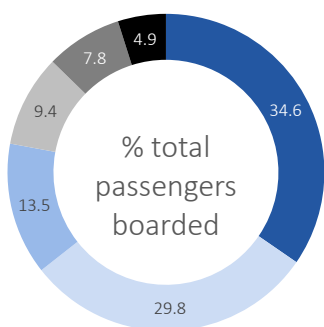
- Revenue grew 5.1% to €434.5 million (low double-digit growth excluding FX effect)
- Amadeus passengers boarded increased to 416.9 million, 22.7% more than in the same quarter of 2017

IT Solutions revenue increased by 5.1% in the first quarter of 2018, highly impacted by negative foreign exchange effects. Excluding foreign exchange

impacts, revenue increased at a low double-digit rate, supported by the positive performances of Airline IT and our new businesses.

### Airline IT

Passengers boarded grew 22.7% thanks to the impact from 2017 migrations and organic growth of 7.7%, which benefitted from the timing of Easter. Last year's implementations contributed to expanding our international footprint, with 65.3% of our passengers boarded generated outside Europe in the first quarter.



Jan-March 2018

### Total passengers boarded (figures in millions)

	Jan-Mar 2018	% of total	Jan-Mar 2017	% of total	% change
● Asia & Pacific	144.4	34.6	116.5	34.3	23.9
● Western Europe	124.3	29.8	122.3	36.0	1.6
● North America	56.3	13.5	17.6	5.2	219.8
● Latin America	39.2	9.4	36.7	10.8	6.8
● Middle East & Africa	32.5	7.8	29.5	8.7	10.3
● Central, Eastern & Southern Europe	20.3	4.9	17.1	5.0	18.7
<b>Total passengers boarded</b>	<b>416.9</b>	<b>100.0</b>	<b>339.6</b>	<b>100</b>	<b>22.7</b>

At the end of the first quarter of 2018, 204 customers had contracted one of the Amadeus Passenger Service Systems (Altéa or New Skies) and 195 had implemented them.

Philippine Airlines (PAL) signed an agreement with Amadeus in March to deliver an extensive transformation of the airline's core technology systems. PAL will adopt the full Altéa Suite, including Reservation, Inventory and Departure Control. This will allow PAL's customers to enjoy a smoother experience, from booking to boarding.

KC International Airlines, the new Cambodian carrier, signed up and implemented New Skies during the first quarter of the year.

We also had important advances in our upselling activity. Finnair contracted Amadeus Anytime Merchandising. Including this, at the end of the first quarter of 2018, 9 airlines had contracted Amadeus Anytime Merchandising.

Also, Qantas, launch customer of Altéa in 2000, chose Amadeus as partner for its digital redesign. As part of this ambitious process, completed in March, Qantas implemented Amadeus e-Personalize, Amadeus Affinity Shopper and Amadeus Flex Pricer Premium. Together, these technologies will enhance Qantas' digital customer experience by tailoring the search and booking experience for each visitor; giving Qantas Frequent Flyers an easier way to use their points; inspiring travelers with a range of options without needing to specify dates or destination; and displaying available fares in a user-friendly manner.

204

carriers had contracted  
Altéa  
or New Skies as  
of March 31, 2018

During the first quarter we also collaborated with Lufthansa on its new biometric boarding solution using facial recognition. This innovative pilot, enabled through a collaboration with Amadeus, U.S. Customs and Border Protection (CBP), Los Angeles World Airports Authority (LAWA), and Vision Box, is now available for Lufthansa flights at Los Angeles International Airport (LAX). The airline intends to expand this solution to additional U.S. gateways and other passenger touchpoints.

#### **New Businesses – Hospitality IT**

We continue to progress on our Hospitality strategy. We are advancing in the roll-out of the Guest Reservation System (GRS) with InterContinental Hotels Group, with more than 1,000 hotels now migrated to the platform and full deployment expected by late 2018 to early 2019.

#### **New Businesses – Airport IT**

Our Airport IT customers also showed confidence in our solutions. ASA Cape Verde Airports, already a customer of Amadeus' Airport Common Use Service (ACUS) since 2016, contracted ACUS Mobile. With this cloud-based solution, travelers are able to check-in and drop their bags off at hotels and resorts in Cape Verde, giving them more time to explore the islands or relax. Bags will be securely transported to the airport by the ground handling firm.

#### **New Businesses – Payments**

We launched a new solution, with Finnair as pilot customer, to facilitate payments of bookings made through airlines' call centers. Rather than having to discuss payment details over the phone, with Amadeus Agent Pay airline agents send their customers a link, via SMS or email, to a secure webpage, so that the traveller can then complete the payment from their smartphone, tablet or PC. Meanwhile the ticket is kept on hold, and issued automatically once the payment is complete. Finnair is using it not only for its call center but also for its chat-based customer service agents.

We launched

## **Agent Pay**

with Finnair to secure  
payments in airlines call  
centers

## Summary of operating and financial information

### Summary of KPI (€million)

	Jan-Mar 2018	Jan-Mar 2017 <sup>1</sup>	Change
<b>Operating KPI</b>			
TA air competitive position <sup>2</sup>	43.6%	43.5%	0.1 p.p.
TA air bookings (m)	160.0	154.3	3.7%
Non air bookings (m)	17.1	17.0	0.7%
<b>Total bookings (m)</b>	<b>177.1</b>	<b>171.3</b>	<b>3.4%</b>
Passengers boarded (m)	416.9	339.6	22.7%
<b>Financial results</b>			
Distribution revenue	795.5	779.0	2.1%
IT Solutions revenue	434.5	413.5	5.1%
<b>Revenue</b>	<b>1,230.0</b>	<b>1,192.5</b>	<b>3.1%</b>
<b>EBITDA</b>	<b>539.0</b>	<b>501.8</b>	<b>7.4%</b>
EBITDA margin (%)	43.8%	42.1%	1.7 p.p.
<b>Adjusted profit<sup>3</sup></b>	<b>305.6</b>	<b>292.9</b>	<b>4.3%</b>
<b>Adjusted EPS (euros)<sup>4</sup></b>	<b>0.71</b>	<b>0.67</b>	<b>6.6%</b>
<b>Cash flow</b>			
Capital expenditure	162.9	155.1	5.0%
Free cash flow <sup>5</sup>	305.1	285.5	6.9%
<b>Indebtedness<sup>6</sup></b>			
	<b>Mar 31, 2018</b>	<b>Dec 31, 2017</b>	<b>Change</b>
<b>Covenant Net Financial Debt</b>	<b>2,026.9</b>	<b>2,083.3</b>	<b>(2.7%)</b>
Covenant Net Financial Debt/LTM Covenant EBITDA	1.07x	1.12x	

<sup>1</sup> 2017 figures have been restated for IFRS 15 and IFRS 9. See Management Review for details on these accounting changes as well as for a reconciliation to the 2017 reported figures.

<sup>2</sup> Competitive position is measured as our TA air bookings in relation to the TA air booking industry, defined as the total volume of travel agency air bookings processed by the global Central Reservation System (CRS). Excludes air bookings made directly through in-house airline systems or single country operators, the latter primarily in China, Japan and Russia

<sup>3</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>4</sup> EPS corresponding to the Adjusted profit attributable to the parent company. Calculated based on weighted average outstanding shares of the period.

<sup>5</sup> Calculated as EBITDA minus capital expenditure plus changes in our operating working capital minus taxes paid minus interests and financial fees paid.

<sup>6</sup> Based on the definition included in the senior credit agreement covenants.

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## Notes to the editors:

Amadeus is a leading provider of advanced technology solutions for the global travel industry. Customer groups include travel providers (e.g. airlines, hotels, rail and ferry operators, etc.), travel sellers (travel agencies and websites), and travel buyers (corporations and travel management companies).

The Amadeus group employs around 15,000 people worldwide, across central sites in Madrid (corporate headquarters), Nice (development) and Erding (operations), as well as 70 local Amadeus Commercial Organisations globally.

The group operates a transaction-based business model.

Amadeus is listed on the Spanish Stock Exchange under the symbol “AMS.MC” and is a component of the IBEX 35 index.

To find out more about Amadeus please visit [www.amadeus.com](http://www.amadeus.com), and [www.amadeus.com/blog](http://www.amadeus.com/blog) for more on the travel industry.

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