

BASE PROSPECTUS

amaDEUS

AMADEUS IT GROUP, S.A.

(incorporated with limited liability in The Kingdom of Spain)

EUR 4,000,000,000

Euro Medium Term Note Programme

Under the EUR 4,000,000,000 Euro Medium Term Note Programme (the **Programme**) described in this base prospectus (the **Base Prospectus**), Amadeus IT Group, S.A. (**Amadeus IT Group** or the **Issuer**) may from time to time issue notes (the **Notes**) denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below).

This Base Prospectus has been approved by the Luxembourg Commission de Surveillance du Secteur Financier (the **CSSF**), which is the Luxembourg competent authority for the purpose of Directive 2003/71/EC, as amended (the **Prospectus Directive**) and relevant implementing measures in Luxembourg, as a base prospectus for the purposes of Article 5.4 of the Prospectus Directive and in compliance with relevant implementing measures in Luxembourg for the purpose of giving information with regard to the issue of Notes issued under the Programme described in this Base Prospectus during the period of twelve months after the date hereof. Application has been made for such Notes to be admitted during the period of twelve months after the date hereof to listing on the official list and to trading on the regulated market of the Luxembourg Stock Exchange. The Programme also permits Notes to be issued on the basis that they will be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the Issuer.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the **Securities Act**) or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States or to, or for the account or the benefit of, U.S. persons (as defined in Regulation S under the Securities Act (**Regulation S**)) except in certain transactions exempt from or not subject to the registration requirements of the Securities Act. The Notes are subject to certain restrictions on transfer; see “Subscription and Sale.”

The Issuer has been rated Baa2 and BBB respectively, by Moody’s Investors Service Limited (**Moody’s**) and Standard & Poor’s Credit Market Services Italy Srl (**Standard & Poor’s**). Tranches of Notes issued under the Programme may be rated or unrated. Where Tranches of Notes are rated, such rating will be specified in the relevant Final Terms.

Moody’s and Standard & Poor’s are both established in the EEA and registered under Regulation (EC) No 1060/2009 (the **CRA Regulation**). A list of rating agencies can be found at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>. **A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.**

This Base Prospectus is available for inspection at the website of the Luxembourg Stock Exchange (www.bourse.lu).

The CSSF assumes no responsibility for the economic and financial soundness of the transactions contemplated by this Base Prospectus or the quality or solvency of the Issuer in accordance with Article 7(7) of the Luxembourg law of 10 July 2005 on prospectuses for securities, as amended.

Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the ability of the Issuer to fulfil its obligations under the Notes are discussed under “Risk Factors” below.

Arranger

BNP PARIBAS

Dealers

Barclays
CM-CIC Market Solutions
Crédit Agricole CIB
DZ BANK AG
J.P. Morgan
NatWest Markets

UniCredit Bank

BNP PARIBAS
Commerzbank
CITIGROUP
HSBC
MUFG
Santander Corporate and Investment Banking
(SCIB)

9 July 2019

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IMPORTANT NOTICES

Responsibility for this Base Prospectus

The Issuer accepts responsibility for the information contained in this Base Prospectus and any Final Terms and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

Final Terms/Drawdown Prospectus

Each Tranche (as defined herein) of Notes will be issued on the terms set out herein under “*Terms and Conditions of the Notes*” (the **Conditions**) as completed by a document specific to such Tranche called final terms (the **Final Terms**) or in a separate prospectus specific to such Tranche (the **Drawdown Prospectus**) as described under “*Final Terms and Drawdown Prospectuses*” below.

Other relevant information

This Base Prospectus must be read and construed together with any supplements hereto and with any information incorporated by reference herein and, in relation to any Tranche of Notes which is the subject of Final Terms, must be read and construed together with the relevant Final Terms. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise.

The Issuer has confirmed to the Dealers named under “*Subscription and Sale*” below that this Base Prospectus contains all information which is (in the context of the Programme, the issue, offering and sale of the Notes) material; that such information is true and accurate in all material respects and is not misleading in any material respect; that any opinions, predictions or intentions expressed herein are honestly held or made and are not misleading in any material respect; that this Base Prospectus does not omit to state any fact necessary to make such information, opinions, predictions or intentions (in the context of the Programme, the issue, offering and sale of the Notes) not misleading in any material respect; and that all proper enquiries have been made to verify the foregoing.

Unauthorised information

No person is or has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other document entered into in relation to the Programme or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer, the Arranger or any Dealer.

None of the Arranger, the Dealers or any of their respective affiliates has authorised the whole or any part of this Base Prospectus and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Base Prospectus. Neither the delivery of this Base Prospectus or any Final Terms nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer since the date thereof or, if later, the date upon which this Base Prospectus has been most recently supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Restrictions on distribution

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer and the Dealers do not represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Dealers which is intended to permit a public offering of any Notes or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes.

In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the United States, the United Kingdom, Spain, Republic of Italy, France, Japan, Belgium and Singapore (see “*Subscription and Sale*”). The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**) or the securities laws of any state in the United States and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) (see “*Subscription and Sale*”).

Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor’s currency;
- (d) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured and appropriate addition of risk to a potential investor’s overall portfolio. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor’s overall investment portfolio.

Neither this Base Prospectus nor any Final Terms constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer, the Dealers or any of them that any recipient of this Base Prospectus or any Final Terms should subscribe for or purchase any Notes. Each recipient of this Base Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

NOTIFICATION UNDER SECTION 309B OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE, AS MODIFIED OR AMENDED FROM TIME TO TIME (THE SFA)

Unless otherwise stated in the relevant Final Terms, all Notes shall be “prescribed capital markets” products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations 2018**)) and Excluded Investment Products (as defined in the Monetary Authority of Singapore (the **MAS**) Notice SFA 04-N12: Notice on the Sale of Investment Product and the MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Programme limit

The maximum aggregate principal amount of Notes outstanding at any one time under the Programme will not exceed EUR 4,000,000,000 (and for this purpose, any Notes denominated in another currency shall be translated into euro at the date of the agreement to issue such Notes (calculated in accordance with the provisions of the Dealer Agreement)). The maximum aggregate principal amount of Notes which may be outstanding at any one time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Dealer Agreement as defined under “*Subscription and Sale*”)

Certain definitions

In this Base Prospectus, unless otherwise specified, references to a **Member State** are references to a member state of the European Economic Area, references to **EUR**, **€** or **euro** are to the currency introduced at the start of the third stage of the European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro, as amended.

References to the **Group** or **Amadeus** are to the Issuer together with its consolidated subsidiaries. A glossary regarding the activities of the Group is set out on pages 39 to 41 of this Base Prospectus.

The language of the Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

Ratings

Tranches of Notes issued under the Programme will be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the rating(s) described above or the rating(s) assigned to Notes already issued. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Final Terms. Whether or not each credit rating applied for in relation to a relevant Tranche of Notes will be (1) issued by a credit rating agency established in the EEA and registered (or which has applied for registration and not been refused) under the CRA Regulation, or (2) issued by a credit rating agency which is not established in the EEA but will be endorsed by a CRA which is established in the EEA and registered under the CRA Regulation or (3) issued by a credit rating agency which is not established in the EEA but which is certified under the CRA Regulation will be disclosed in the Final Terms. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EEA and registered under the CRA Regulation unless (1) the rating is provided by a credit rating agency operating in the EEA before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration has not been refused, or (2) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a

credit rating agency established in the EEA and registered under the CRA Regulation or (3) the rating is provided by a credit rating agency not established in the EEA which is certified under the CRA Regulation.

Rounding

Certain figures included in this Base Prospectus have been subject to rounding adjustments; accordingly, figures in this Base Prospectus, including financial, statistical and operating information, may not be an arithmetic aggregation of the figures which precede them.

Forward-looking statements

This Base Prospectus includes forward-looking statements that reflect the Group's intentions, beliefs or current expectations and projections about the Group's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies, plans, opportunities, trends and the markets in which the Group operates or intends to operate. Forward-looking statements involve all matters that are not historical fact. These and other forward-looking statements can be identified by the words "may", "will", "would", "should", "expect", "intend", "estimate", "anticipate", "project", "future", "potential", "believe", "seek", "plan", "aim", "objective", "goal", "strategy", "target", "continue" and similar expressions or their negatives. These forward-looking statements are based on numerous assumptions regarding the Group's present and future business and the environment in which the Group expects to operate in the future. Forward-looking statements may be found in sections of this Base Prospectus entitled "*Risk Factors*", "*Description of the Group*", in the documents incorporated by reference in this Base Prospectus and elsewhere in this Base Prospectus.

These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions and other factors that could cause the Group's actual results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies, plans or opportunities, as well as those of the markets the Group serves or intends to serve, to differ materially from those expressed in, or suggested by, these forward-looking statements.

Additional factors that could cause the Group's actual results, financial condition, liquidity, performance, prospects, opportunities or achievements or industry results to differ include, but are not limited to, those discussed under "*Risk Factors*".

In light of these risks, uncertainties and assumptions, the forward-looking events described in this Base Prospectus may not occur. Additional risks that the Group may currently deem immaterial or that are not presently known to the Group could also cause the forward-looking events discussed in this Base Prospectus not to occur. Except as otherwise required by Spanish, Luxembourg and other applicable securities laws and regulations and by any applicable stock exchange regulations, the Group undertakes no obligation to update publicly or revise publicly any forward-looking statements, whether as a result of new information, future events, changed circumstances or any other reason after the date of this Base Prospectus. Given the uncertainty inherent in forward-looking statements, prospective investors are cautioned not to place undue reliance on these statements.

MiFID II product governance / target market

The Final Terms in respect of any Notes will include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the **MiFID Product Governance Rules**), any

Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

EEA Retail Investors

If the Final Terms in respect of any Notes includes a legend entitled “Prohibition of Sales to EEA Retail Investors”, the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); or (ii) a customer within the meaning of Directive 2016/97/EU, as amended or superseded (the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive. Consequently, no key information document required by Regulation (EU) No 1286/2014, as amended (the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA will be prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Benchmarks

Amounts payable on Floating Rate Notes may be calculated by reference to one of the Euro Interbank Offered Rate (**EURIBOR**) or the London Interbank Offered Rate (**LIBOR**) as specified in the relevant Final Terms, which are provided by the European Money Markets Institute (**EMMI**) and ICE Benchmark Administration Limited (**ICE**), respectively. As at the date of this Base Prospectus, ICE and EMMI are included in the European Securities and Markets Authorities' register of administrators and benchmarks under Article 36 of the Regulation (EU) No. 2016/1011 (the **Benchmarks Regulation**).

Supplements to the Base Prospectus

If at any time the Issuer shall be required to prepare a supplement to this Base Prospectus pursuant to the Luxembourg law of 10 July 2005 on prospectuses for securities, as amended, the Issuer shall prepare and make available an appropriate supplement to this Base Prospectus or a further base prospectus, which, in respect of any subsequent issue of Notes to be listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Luxembourg Stock Exchange's regulated market, shall constitute a supplement to the Base Prospectus, as required by the Luxembourg law of 10 July 2005 on prospectuses for securities, as amended.

Alternative performance measures (as defined in the ESMA Guidelines on Alternative Performance Measures) (APMs)

The financial data incorporated by reference in this Base Prospectus (which reference includes any information incorporated by reference herein), in addition to the conventional financial performance measures established by the International Financial Reporting Standards, as adopted by the EU (**IFRS-EU**), contains certain APMs that include EBITDA, covenant net financial debt and adjusted profit, and its corresponding ratios. These measures are presented for purposes of providing investors with a better understanding of Amadeus' financial performance, cash flows or financial position as they are used by Amadeus when managing its business.

Such measures should not be considered as a substitute for those required by IFRS-EU.

An explanation of each APM's components and calculation method can be found on pages 120 to 121 (incorporated by reference herein) of the audited consolidated annual accounts (including the auditors' report thereon and notes thereto and the Consolidated Directors' Report) of the Issuer in respect of the year ended 31 December 2018 prepared in accordance with IFRS-EU.

Stabilisation

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or person(s) acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

RISK FACTORS

Any investment in the Notes is subject to a number of risks. Prior to investing in the Notes, prospective investors should carefully consider all the information set forth in this Base Prospectus, the applicable Final Terms and any documents incorporated by reference into this Base Prospectus, as well as their own personal circumstances, before deciding to invest in any Notes. Prospective investors should have particular regard to, among other matters, the considerations set out in this section of this Base Prospectus.

The Issuer believes that each of the following risk factors, many of which are beyond the control of the Issuer or are difficult to predict, may materially affect its financial position and its ability to fulfil its obligations under Notes issued under the Programme. The Issuer is not in a position to express a view on the likelihood of any such contingency occurring. In addition, there may be other factors that a prospective investor should consider that are relevant to its own particular circumstances or generally.

Risk factors that are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

The following is not an explanation of all risks which investors may face when making an investment in the Notes, but are the material risks that the Issuer believes to be the most relevant to an assessment by a prospective investor of whether to consider an investment in the Notes. Additional risks and uncertainties relating to the Issuer that are not currently known to the Issuer, or that they currently deem immaterial, may individually or cumulatively also have a material adverse effect on the business, prospects, results of operations and/or financial position of the Issuer and, if any such risk should occur, the price of the Notes may decline and investors could lose all or part of their investment.

Before making an investment decision with respect to any Notes, prospective investors should consult their own stockbroker, bank manager, lawyer, accountant or other financial, legal and tax advisers and carefully review the risks entailed by an investment in the Notes and consider such an investment decision in the light of the prospective investor's personal circumstances and in light of the information in this Base Prospectus.

Words and expressions defined in "Terms and Conditions of the Notes" shall have the same meanings in this section. Please refer to the section entitled "Glossary" for the meaning of certain technical and industry terms.

Risks Related to the Group's Industry

Substantially all of the Group's revenue is derived from the worldwide travel and tourism industry and factors that negatively impact that industry, particularly the airline industry, could have a material adverse effect on the Group's business, prospects, financial condition and results of operations

The worldwide travel and tourism industry, particularly the airline industry, is highly sensitive to general economic conditions and trends, including, but not limited to, trends in consumer and business confidence, the availability and cost of consumer finance, interest and exchange rates, fuel prices, unemployment levels and the cost of travel. The global economy and financial system experienced a period of volatility and uncertainty starting from 2008, which contributed towards a global recession affecting all of the Group's markets and resulted in a fall in demand for travel worldwide. Any recovery from this recession has been fragile and fears over the status of the global economy persist, particularly over a potential macroeconomic slowdown in China. As at the date of this Base Prospectus, global financial markets are still volatile and highly susceptible to substantive shocks as was demonstrated following the UK's remain-or-leave referendum on the UK's membership of the European Union held on 23 June 2016, when the UK voted to withdraw from the European Union (also see "– *The result of the United Kingdom's referendum on withdrawal from the European Union may have a negative effect on global economic conditions, financial markets and the Group's business*").

In addition to general economic conditions, the global travel and tourism industry is highly susceptible to other factors that are entirely outside the Group's control, including:

- global security issues, political instability, acts or threats of terrorism such as those that have recently taken place in Europe, hostilities or war and other political issues;
- increased security measures at ports of travel that reduce the convenience of certain modes of transport;
- world energy prices, particularly fuel price escalations;
- prolonged work stoppages or labour unrest;
- changes in attitudes towards the environmental impact of carbon emissions caused by air travel;
- changes in the laws and regulations governing or otherwise affecting the travel and tourism industry;
- epidemics or pandemics, such as the outbreak of the H1N1 influenza virus or the Ebola virus;
- natural disasters, such as hurricanes, volcanic eruptions, earthquakes and tsunamis; and
- aircraft, train and other travel-related accidents,

as well as other factors that increase the cost of travel, hotel accommodation and travel-related services or that otherwise adversely affect airline passenger numbers, hotel occupancy rates or domestic, regional and international travel patterns or volumes. The overall impact on the travel and tourism industry of the above and similar factors can also be influenced by travellers' perception of, and reaction to, the scope, severity and timing of such factors.

Substantially all of the Group's revenue is derived from the worldwide travel and tourism industry and because a significant portion of such revenue is derived from fees generated by airline bookings, the Group's earnings are particularly sensitive to factors affecting the volume of air travel. The recent global economic crisis impacted the airline industry. Although the global economy is experiencing a gradual recovery, there can be no assurance as to the ongoing extent or speed of this recovery, that the recovery will be sustained in the short to medium term or that it will continue to result in a corresponding increase in the volume of air travel.

If air and non-air travel volumes become depressed or decline, as a result of any of the factors described above or otherwise, it could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

The result of the United Kingdom's referendum on withdrawal from the European Union may have a negative effect on global economic conditions, financial markets and the Group's business

On 23 June 2016, the UK voted in a national referendum to withdraw from the European Union and on 29 March 2017, the UK formally served notice to the European Council of its desire to withdraw. This process is unprecedented in European Union history and one that could involve months or years of negotiation to agree a withdrawal agreement in accordance with Article 50 of the Treaty on European Union. At the date of this Base Prospectus, the United Kingdom parliament has not ratified the EU-UK Withdrawal Agreement agreed between the United Kingdom government and the European Union in November 2018 and the final result of the negotiations is unknown.

The effects of the UK's withdrawal will depend on any agreements the UK makes to retain access to European Union markets, either during a transitional period or more permanently. While the long-term effects of this withdrawal are difficult to predict, immediately following the referendum, the UK and global

stock and foreign exchange markets had a period of significant volatility, including a steep devaluation of the British pound sterling. This issue may continue to adversely affect European or worldwide economic market conditions and could contribute to instability in global financial and foreign exchange markets, including volatility in the value of the British pound sterling or the euro.

If the EU-UK Withdrawal Agreement is not passed by parliament, there is the risk of a no-deal Brexit in October 2019, which would probably mean that the trade relationship between the European Union and the UK would be regulated by World Trade Organisation (WTO) rules. The government of the United Kingdom and the European Commission have published a series of technical documents that cover some of the key areas of concern in the event of a no-deal scenario. These documents seek to minimise any adverse impact as much as possible, including changes to existing agreements. However, WTO rules would mean that UK-EU trade, which is currently fluid, would become cross-border trade, subject to customs controls and tariffs. In the event of a no-deal scenario, an economic downturn is forecasted for the United Kingdom.

These developments have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, which, in turn, may have an adverse impact on the travel and tourism industry. In addition, there are indications that the referendum result has had an adverse impact on airlines operating in the UK, some of which are customers of the Group. Any of these factors could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

Trends in pricing between airlines, competing GDS providers and travel agencies have reduced, and could, in the future, further reduce, the Group's revenue and margins

The Group derives a significant majority of its revenue from the booking fees it charges to airlines for reservations made through its GDS platform. As a result of the emergence and growth of low-cost airlines, consolidation in the airline industry and the recent economic downturn, among other factors, airlines are seeking to reduce operating costs, including distribution costs.

Faced with this need to reduce distribution costs, airlines have launched diverse initiatives to reduce the booking fees they pay to GDS providers. Such initiatives include withholding part of their content (fares and associated economic terms) for distribution exclusively through their direct distribution channels (for example, the relevant airline's website) or offering travellers more attractive terms for content available through those direct channels (for instance, Lufthansa announced a new commercial strategy whereby it introduced a levy of €16 on every first issue ticket for Lufthansa, Austrian Airlines, Brussels Airlines and Swiss International Airlines on all bookings made via a GDS from September 2015). Some other airlines, such as IAG, AirFrance and KLM, have followed a similar approach. As a result, new economic models for distribution through GDS providers have arisen in recent years. The acceptance and implementation of such models by GDS providers has been influenced by the specific competitive conditions faced by the airlines in the markets where the GDS providers operate, regulatory changes and the relationships between airlines, GDS providers and travel agencies.

The emergence of these new economic models has led to increased pricing competition among GDS providers in the markets where such models have been widely adopted. Any intensification in the pricing competition in the markets in which the Group operates could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

Travel providers, particularly low-cost airlines, have sought, and continue to seek, alternative distribution models, including direct distribution models, which may adversely affect the Group's business, prospects, financial condition and results of operations

Many airlines and other travel providers have sought, and continue to seek, to decrease their reliance on the indirect distribution channel, such as GDS providers. This trend has been particularly evident among low-cost airlines, some of which sell their tickets exclusively through direct distribution channels, such as their websites. Low-cost airlines have significantly increased their market share over the past decade and their

tendency to rely on direct distribution methods has been one of the key factors that has contributed towards an increase, in recent years, in the number of airline bookings made through direct channels.

Travel providers may seek to reduce their reliance on GDS providers and other third-party distributors by:

- establishing or improving their own travel distribution websites, some of which may offer benefits to customers, such as bonus miles or loyalty points, lower or zero transaction and processing fees, priority waitlist clearance, e-ticketing and/or discounted prices for sales through these channels, the benefits of which may not always be available through GDS platforms;
- forming joint ventures and alliances to create multi-supplier travel distribution websites, such as Orbitz in the United States;
- electing to make all or part of their inventory unavailable to GDS providers or available only in exchange for agreed reductions in the booking fees charged by GDS providers, whether through direct reductions, surcharges on travel agencies or otherwise;
- applying alternative global distribution methods developed by new entrants to the marketplace which incorporate new technologies that are purported to be more cost-effective to travel providers because they avoid or reduce the incentive fees paid to travel agencies;
- creating commercial relationships with online and offline travel agencies to increase travel booked with those providers directly, rather than through a GDS platform; and
- working directly with major Internet, social media and/or mobile-based businesses to drive higher booking volumes directly to their own websites or inventories, reducing the volume of business transacted via GDSs and other travel intermediaries.

The Internet has become a major distribution channel for the global travel and tourism industry. This trend is expected to continue going forward. If direct distribution were to account for an increasing proportion of the total number of air bookings made worldwide in the coming years, it could limit the Group's ability to take advantage of organic growth in the worldwide market for air travel and/or cause fewer air TA bookings to be made through its GDS platform, either of which could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

Industry consolidation could affect the Group's business, prospects, financial condition and results of operations

Recent years have seen a consolidation in the global travel and tourism industry. As the industry continues to consolidate, the Group may seek to participate in this consolidation and grow its business through acquisitions (also see “– *Risks Related to Group's Business – The Group may engage in acquisitions, investments and disposals as part of the Group's strategy*”). The Group can provide no assurance that it will complete any acquisitions or, if it does, that such acquisitions will be successfully managed or integrated with the Group's existing business, will be completed on favourable terms or will fully realise the anticipated benefits. The failure or delay of the Group's management to respond to the challenges of industry consolidation and the risks associated with acquisitions could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

Risks Related to the Group's Business

The GDS market is highly competitive, and the Group is subject to competition from traditional participants in the GDS market, direct distribution by travel providers and new technologies that may challenge the GDS business model

The evolution of the global travel and tourism industry, the introduction of new technologies and standards and the expansion of existing technologies in key markets could, among other factors, contribute to an intensification of competition in the business areas and regions in which the Group operates. Any such increase could require the Group to increase spending on marketing activities or product development, to decrease its booking or transaction fees and other charges (or defer planned increases in such fees and charges), to increase incentive or full content payments and/or to take other actions that could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

A GDS provider has two broad categories of customers: (i) travel providers, such as full service and low-cost airlines, hotels, rail operators, cruise and ferry operators, car rental companies and tour operators, and (ii) travel agencies (both online and offline). The competitive positioning of a GDS provider depends on the success it achieves with both customer categories. Other factors that may affect the competitive success of a GDS provider include the timeliness and accuracy of the travel inventory and related information offered, the reliability and ease of use of the technology, the incentives paid to travel agencies, the transaction fees charged to travel providers and the range of products and services available to travel providers and travel agencies. The Group's existing GDS provider rivals could seek to capture market share by offering more competitive terms to travel providers or increasing the incentive fees paid to travel agencies, which would have a material adverse effect on the Group's business, prospects, financial condition and results of operations to the extent they gain market share from the Group or oblige it to respond by lowering its prices or increasing the incentives the Group pays.

The Group's Distribution business area principally faces competition from:

- its existing international GDS provider rivals, principally Travelport, owner of the Galileo, Apollo and Worldspan GDS platforms, and Sabre, owner of the Sabre GDS, at an international level, and Abacus in the APAC region;
- a number of local CRSs (primarily in China, Japan and Russia), which are mainly owned by airlines and which tend to operate exclusively in their home markets (see "Glossary" above for further details on these single country operators);
- direct distribution and other alternative forms of distribution by travel providers;
- new participants that seek to enter the GDS market, particularly as new channels for travel distribution develop (such as aggregator or "meta-search" sites); and
- software developments, in particular possible multi-GDS software solutions that allow travel agencies to compare the results of some or all GDS providers simultaneously.

The Group can provide no assurance that it will be able to compete successfully against its current and future competitors in the GDS market, some of whom may, in the future, achieve greater brand recognition than the Group enjoys, have greater financial, marketing, personnel and other resources than the Group has or be able to secure services and products from travel providers on more favourable terms than the Group is. If the Group fails to overcome these competitive pressures, it may lose market share, which could, in turn, have a material adverse effect on its business, prospects, financial condition and results of operations.

The Group's ability to maintain and grow its IT Solutions business area may be negatively affected by competition from existing third-party IT providers, new participants that seek to enter the IT solutions market and by a reluctance on the part of customers to concentrate mission-critical IT solutions with a single supplier

The Group's IT Solutions business area, particularly its Altéa and New Skies product offering for airlines, principally faces competition from existing third-party IT providers, such as Sabre Airline Solutions (a division within the Sabre group), SITA and other vendors, such as Unisys Corporation, ITA Software, Inc., Lufthansa Systems (a subsidiary of Lufthansa), PROS Holdings, Inc. and Datalex (Ireland) Ltd. The Group may also face competition from new participants that seek to enter the airline IT solutions market. Factors that may affect the competitive success of the Group's IT Solutions business area generally, and its Altéa product offering specifically, include its pricing structure, its ability to keep pace with technological developments, the effectiveness and reliability of its implementation and system-migration processes, its ability to tailor the Altéa modules for larger airlines and to offer a fully integrated "one-stop" solution for small- and mid-sized airlines, the effectiveness and reliability of the Group's systems, the range of additional "bolt-on" modules offered within the Altéa Suite, the cost and efficiency of its system upgrades and customer support services. The Group's failure to compete effectively on price, efficiency, reliability, customer support or other factors upon which its competitors seek to gain market share could have a material adverse effect on its business, prospects, financial condition and results of operations.

Due to competition from third-party providers and the fact that many of the solutions the Group offers through its Altéa Suite are deemed critical to the operations of its customers, the Group may have difficulty selling additional IT products and services, such as additional Altéa modules, to such customers if they view the concentration of IT products and services with a single supplier unfavourably. This may inhibit the Group's cross-selling and up-selling efforts. If the Group fails to attract new business for its IT Solutions business area, it would have a material adverse effect on its business, prospects, financial condition and results of operations.

Travel agencies are the primary channel of distribution for the services offered through the Group's GDS platform, and if the Group is unable to maintain its current base of travel agency customers, attract new customers or if the bargaining position of travel agency customers improves through consolidation within the industry or otherwise, it could have a material adverse effect on the Group's business, prospects, financial condition and results of operations

Travel agencies (both online and offline) are the primary channel of distribution for the Group's GDS platform. While the Group's relationships with most travel agencies are managed on a day-to-day basis by its local ACOs, the relationships with certain large multinational travel agency groups and TMCs, such as Carlson Wagonlit Travel, AMT American Express Travel and BCD Travel B.V., are managed centrally by a specialised team dedicated to the management of large client accounts, which is based in Madrid and supported by local units. The agreements between the Group (or the relevant local ACO) and its travel agency customers are generally for a term of three to five years, with a minimum guaranteed term of one year, commencing at the time of connection of the relevant travel agent's systems to the Group's GDS platform. In certain of the countries and regions in which the Group operates, including the European Union, the Group is required to include early termination rights in its agreements with smaller travel agencies and/or are limited in prescribing the penalties to be imposed in the event of early termination. There can be no assurance that the Group will be able to maintain its current base of travel agencies and other customers (such as TMCs and other corporate travel departments), or that it will be able to continue to attract new travel agencies and other customers. Any failure to do so could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

In recent years, travel agencies have been consolidating and forming consortia, thus improving their bargaining position with respect to GDS providers, including the Group, allowing them to negotiate for improved incentive arrangements, such as reduced subscription fees and the provision of on-site computer equipment. Any significant increase in the incentive arrangements that the Group is required to provide to

maintain its existing travel agency customers and to attract new travel agency customers would also have a negative impact on the Group's business, prospects, financial condition and results of operations.

The sales cycle for the Group's IT solutions is between 12 months and several years and may not result in the capture of new business, and the Group's implementation of IT solutions for new and upgrading customers is subject to long lead times and significant risks, the materialisation of which could harm the Group's reputation, business, prospects, financial condition and results of operations

The sales cycle for the Group's IT solutions can take between 12 months and several years. During this extended sales cycle, the Group expends resources with a view to obtaining new customers and/or increased sales with no assurance that a sale will be made. The length of the sales cycle for a particular IT product or service depends on a number of factors, many of which are customer specific. These factors include the customer's product and technical requirements and the level of competition the Group faces for that customer's business. Any lengthening of the sales cycle could delay the Group's recognition of revenue and could cause it to expend more resources than anticipated. If the Group is unsuccessful in closing sales or if it experiences significant delays in closing such sales, it could have an adverse effect on the Group's business, prospects, financial condition and results of operations.

Where the Group is successful in capturing new business, the implementation of its IT solutions can involve complex, large-scale projects that require substantial support operations, significant resources and reliance on certain factors that may not be under its control. For example, the success of the Group's implementation projects is heavily dependent upon the stability, functionality, interconnection and scalability of the customer's pre-existing information technology infrastructure, which may involve significant up-front investment of time and financial resources from that customer. If weaknesses or problems in such infrastructure exist, the Group may not always be able to correct or compensate for such weaknesses or problems. In addition, implementation of the Group's IT solutions can be highly complex and can require substantial efforts and cooperation on the part of the customers and the Group. If the Group is unable to manage the implementation of its IT solutions successfully, such that they do not meet customer needs or expectations, its reputation, business, prospects, financial condition and results of operations could be negatively impacted. Moreover, if an implementation project for a large customer were to be substantially delayed or cancelled, the Group may be subject to penalties under the relevant contract and lose revenue, any of which could, in turn, adversely affect the Group's business, prospects, financial condition and results of operations.

In addition, the implementation of the Group's Altéa IT solutions can be lengthy. The length of an airline migration depends on the modules being implemented and the size and complexity of the airline customer. On average, the migration to the Group's Altéa Inventory module takes less than one year from when activities are initiated in the case of small- and medium-sized airlines and between one and three years in the case of large airlines. The migration to the Group's Altéa Departure Control module (as described in "*Description of the Group — Transactional IT solutions – Altéa PSS*"), which also requires implementation at the airports from which the airline operates, usually takes between nine and 18 months. The financial condition of an airline may change, sometimes significantly, between the date on which they contract for the Group's Altéa solutions and completion of the implementation phase and, as a consequence, an airline may notify the Group that it is no longer able to complete the migration. Although the Group would normally be entitled to recover significant compensation in such circumstances, the inability to complete a contracted migration could adversely affect the Group's business, prospects, financial condition and results of operations.

The Group's business depends on contracts with travel providers for the provision of distribution services and/or IT solutions and agreements with travel agencies, non-wholly-owned local ACOs and other local third-party distributors, and the termination of any of these contractual arrangements could have a material adverse effect on the Group's business, prospects, financial condition and results of operations

The Group's business relies on contracts with travel providers for the provision of distribution services and/or IT solutions, agreements with travel agencies and, in some markets, with non-wholly-owned local ACOs or other local third-party distributors.

In the Group's Distribution business area, for example, the Group typically enters into GDAs, with airlines for a one-year term subject to automatic renewal at the end of each year until one party terminates giving the requisite notice. In addition, the Group enters into content agreements with selected airlines, typically for a term of three to five years. Similarly, the Group's IT Solutions business area is based on IT contracts with a typical duration of between ten and 15 years. The Group also enters into commercial agreements with travel agencies, for a duration of between three and ten years in the case of centrally-held contracts with major travel agency customers and of between one and five years in the case of contracts with local travel agency offices.

Additionally, the Group uses over 71 local ACOs to establish and maintain commercial and customer service relationships with travel agencies and other customers and to provide customer support and training in the markets they serve. The termination of the contractual arrangements with such local ACOs could impact the Group's ability to market its distribution and IT solutions in the relevant markets.

If the Group is unable to renew or replace on competitive terms any of its agreements with travel providers for the provision of distribution services and/or IT solutions, with travel agencies or with local ACOs on expiry or early termination, it could have a material adverse effect on its business, prospects, financial condition and results of operations. Moreover, if, on any such expiry or termination, the Group were to lose an existing customer to one of its competitors, it would result in a loss of market share which could, in turn, have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

The Group depends on a relatively small number of airlines for a significant portion of its revenue and may be adversely affected by changes in the financial condition of, by further consolidation of, or by the strengthening of, alliances between one or more of these airlines

Adverse economic conditions have in the past contributed towards the financial problems suffered by several major airlines such as Delta Air Lines, Inc. (**Delta Airlines**), Northwest Airlines, Inc. (**Northwest Airlines**), Swiss Air AG and Alitalia–Compagnia Aerea Italia S.p.A., and other major airlines may face similar difficulties in the future.

In part as a defensive measure, airlines have in recent years been consolidating and/or strengthening their alliance activities, thus improving their bargaining position with respect to GDS providers and providers of IT solutions, including the Group. Examples of airline consolidation include the merger between Air France and KLM in May 2004, the merger between Delta Airlines and Northwest Airlines in October 2008, which created the world's largest airline, and the business combination of British Airways Plc and Iberia agreed in April 2010. This improved bargaining position has affected the negotiation of the contractual terms governing the relationship between these airlines and their GDS providers. While the recent consolidation in the industry has either benefited or had no material negative impact on the Group, it can provide no assurance that further consolidation between airlines would not adversely affect its business.

As the Group obtains a significant portion of its Distribution and IT Solutions business areas' revenue from a relatively small number of airlines, if one or more of its airline travel providers were to suffer a business failure, be acquired by or merged with another airline, significantly strengthen its or their alliance activities, or enter into financial difficulties, it could result in the loss of an existing customer and/or an increase in the

concentration and bargaining power of the key players in the airline industry, either of which could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

Any sustained and significant reduction in, or complete withdrawal of, the Group's major air travel suppliers' inventory from its GDS platform or termination or failure to renew significant IT service contracts by such major air travel suppliers could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

Defects or errors in the Group's distribution and/or IT solutions, particularly its Altéa and New Skies IT offerings for the airline industry, could harm the Group's reputation, impair its ability to sell its products and result in significant costs to the Group, and its insurance coverage may not sufficiently cover such costs

The Group's distribution and IT solutions, particularly its Altéa Suite and New Skies offerings, are complex and may contain undetected defects or errors, particularly where the product or product enhancement has been more recently developed, as is the case for a number of the Altéa solutions. The Group has not suffered significant harm from any defects or errors to date, but it has found defects in certain of its solutions from time to time, which have been corrected as appropriate. The Group, or its customers, may discover additional defects in the future, and such defects could be material. The Group may not be able to detect and correct defects or errors before the final implementation of its distribution and IT solutions. Consequently, the Group or its customers may discover defects or errors after its distribution and IT solutions have been implemented. The Group may in the future need to issue corrective releases of its products to correct such defects and errors. The occurrence of any defects or errors, even if discovered and resolved in a timely manner, could result in:

- lost or delayed market acceptance and reduced sales of the Group's solutions;
- delays in payments to the Group by customers;
- customer losses and contract cancellations;
- harm to the Group's reputation;
- diversion of the Group's resources;
- legal claims, including product liability claims, against the Group;
- increased maintenance and support expenses; and
- increased insurance costs.

The agreements with the Group's airline customers pursuant to which the Group provides IT solutions or systems typically contain provisions designed to limit its liability for defects and errors and damages relating to such defects and errors, but these provisions may not be enforced by a court or otherwise effectively protect the Group from legal claims. In the event that the Group is required to satisfy a legal claim, its IT liability insurance may not be adequate to cover all of the costs resulting from such legal claims. Moreover, the Group can provide no assurance that its current IT liability insurance coverage will continue to be available on commercially acceptable terms and the insurer may, in any event, deny coverage on any future claim. The successful assertion against the Group of one or more large claims that exceed available insurance coverage or that result in changes to its insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements) could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

While the Group considers that its insurance coverage is consistent with IT industry standards in Spain and Western Europe in light of the activities it conducts, the Group can provide no assurance that its insurance

coverage will adequately protect it from all the risks that may arise or in amounts sufficient to prevent material loss.

In addition, the Group's management has decided not to purchase insurance coverage for business interruption and other risks of the Group's Distribution business area, such as misquoting fares and losing booking records. Instead, the Group seeks to limit its liability through contractual provisions in agreements with travel providers, travel agencies and local ACOs. In the event that these provisions were not enforced by a court or otherwise fail to effectively protect the Group from legal claims, this could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

System and technology disruptions or under-performance may cause the Group to lose customers or business opportunities and to incur liabilities

Substantially all of the Group's data and transaction processing services are centralised in its data processing facility located in Erding (near Munich, Germany) and the Group operates a disaster recovery centre located approximately 30 kilometres from this core facility, which is designed to ensure the continuity of the relevant services and the recovery of data in the event of a complete systems failure at the Erding facility for those of the Group's customers that have subscribed to use this back-up facility.

The Group's inability to maintain and improve the efficiency, reliability and integrity of its technologies and systems at its Erding facility and elsewhere may result in system disruptions. Delayed response times, unreliable service levels, insufficient system capacity, prolonged or frequent service outages or the Group's inability to retain qualified staff or to avoid system interruptions may inhibit its provision of distribution and/or IT solutions to customers in a timely and cost-effective manner, which could, in turn, result in the Group losing customers or incurring liabilities, which would have a negative impact on its business, prospects, financial condition and results of operations.

In addition to the risks from inadequate maintenance or upgrading, the Group's information technologies and systems (including its disaster recovery centre) are vulnerable to damage or disruption resulting from various causes, including:

- natural disasters, wars and acts of terrorism;
- power losses, computer systems failure, Internet, telecommunications and data network failures, operator error, loss and corruption of data and other similar events;
- sabotage, computer viruses, unauthorised access by individuals seeking to disrupt operations or misappropriate information and other physical or electronic breaches of security; and
- failure of third-party systems, software or services that the Group relies on to maintain its own operations.

Any disaster, calamity or other event, whether natural or man-made, that causes significant damage to, or materially disrupts the functioning of, the Group's data processing facility, disaster recovery centre or other IT infrastructure could significantly curtail the Group's ability to conduct its distribution and IT solutions activities and could have a material adverse effect on its business, prospects, financial condition and results of operations.

In addition, any disruption to the Group's information technologies or systems (including its e-commerce business) caused by computer viruses, cyber attacks or unauthorised intrusions may cause the Group to suffer reputational damage and to incur liabilities.

Moreover, in the Group's IT Solutions business area, the contracts the Group enters into with its customers typically stipulate minimum service level commitments, with a generally higher degree of specificity regarding systems performance in IT contracts with airline customers. If, as a result of a system interruption

at the Group's data processing facility or disaster recovery centre, the Group were to breach one of these minimum service level commitments and fail to remedy that breach within the defined cure period, if any, the relevant counterparty may have the right to terminate the contract under which such services are provided, and the Group would be required to make penalty payments to the relevant counterparty. While the Group seeks to cap its maximum potential liability under each contract, the minimum service level commitments are set at similar levels across the Group's portfolio of contractual arrangements and it is therefore likely that, in the event of a system disruption that is sufficiently severe to cause a breach of service level commitments, the Group would be required to make penalty payments under a significant number of its IT Solutions contracts. If these penalty payments were to result in the loss of a significant customer or group of customers or to materially exceed the Group's available liability insurance coverage, or were to result in material changes to the Group's insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), it would have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

Any adverse change in, or disruption or interruption to, the Group's relationships with non-air travel providers, such as hotels, could adversely affect the Group's access to travel offerings, reduce the revenue generated by its Distribution business area and adversely affect its growth plans

The Group's Distribution business area relies on the relationships it develops and maintains with non-air travel providers, such as hotels, rail companies, cruise and ferry operators, car rental companies and tour operators. The Group depends on these travel providers to enable it to realise its objective of offering its customers comprehensive access to a wide range of travel services and products. The Group can provide no assurance that it will be able to maintain its existing relationships with non-air travel providers on their current terms (or similar terms) or that it will be able to build new relationships with additional non-air travel suppliers, particularly in the highly fragmented hotel industry and any failure to do so could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

The Group may engage in acquisitions, investments and disposals as part of the Group's strategy

As part of the Group's strategy, the Group may engage in acquisitions, investments and total or partial disposals of interests. There can be no assurance that the Group will identify suitable acquisition opportunities, obtain the financing necessary to complete and support such acquisitions or investments, acquire businesses on satisfactory terms, or that any acquired business will prove to be profitable. In addition, acquisitions, investments and divestments involve a number of risks associated with unanticipated events, including difficulties in relation to the operational integration of such new businesses in the Group or the disintegration of such businesses from the Group and risks arising from provisions in contracts that are triggered by a change of control of an acquired company or from provisions in contracts relating to the units to be divested.

Any disposal of interest may also adversely affect the Group's financial condition if such disposal results in a loss to the Group. See "Description of the Group – History – Acquisition of TravelClick" for an overview of the Group's acquisition of TravelClick.

The Group is dependent upon third-party systems and service providers and relies on several communications companies internationally to provide network connections between its data processing facility and its customers

The Group's businesses are dependent on certain third-party computer systems, service providers and software companies, such as IBM, HP, Microsoft, Oracle, among others, and the Group relies on several communications companies internationally, such as Telefónica, SITA, British Telecom and T-Systems (Deutsche Telekom) to provide network connections between the Group's data processing facility in Erding and its customers.

The Group's success is dependent on its ability to maintain effective relationships with its third-party technology and service suppliers. If the Group's arrangements with any such third party were to be

terminated or impaired, the Group may not be able to find an alternative source of technology or systems support on commercially reasonable terms or on a timely basis or at all, which could result in significant additional cost and/or business disruption. In addition, some of the Group's agreements with third-party technology and service providers are terminable at short notice and, in many cases, provide limited recourse for service interruptions. The occurrence of any of the foregoing could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

The Group is reliant upon information technology and innovation to operate its businesses and maintain its competitiveness, and any inability to adapt to technological developments or industry trends could harm the Group's business

The Group develops and sells sophisticated distribution and IT solutions, including those used for reservations, passenger management, communications, procurement, administrative systems, hardware platforms and operating systems. The Group continuously needs to improve and upgrade the systems and infrastructure underlying its products and services to remain competitive and to offer customers of its distribution and IT solutions new products and services, while maintaining the efficiency, reliability and integrity of its systems and infrastructure.

The industry in which the Group operates is characterised by rapid technological development and changing customer requirements. The Group must introduce new functionality that enhances its existing distribution products and services, through its GDS platform, and its IT solutions, particularly through its Altéa Suite, in order to maintain or improve its competitive position, keep pace with technological developments, satisfy the requirements of each customer and to continue promoting brand awareness for the Group's product line. The success of new products is dependent on several factors, including proper identification of the needs of users of the Group's GDS platform and IT solutions, cost of developing new products, timely completion and implementation of new products, differentiation of new products from those of the Group's competitors and market acceptance of new products. Any technologies and systems the Group does develop may not achieve acceptance in the marketplace sufficient to generate material revenue or may be rendered obsolete or non-competitive by products introduced by the Group's competitors. The Group's competitors may be investing heavily in product development, and they may develop and market new products and services that will compete with, and may reduce the demand for, the Group's distribution and IT solutions.

The Group can provide no assurance that it will be successful in developing or otherwise acquiring, marketing and licensing new functionality, or in delivering updates and upgrades that meet changing industry standards and customer demands. In addition, the Group may experience difficulties that could delay or prevent the successful development, marketing and licensing of such functionality. If the Group is unable to develop or acquire new functionality, enhance its existing GDS platform and IT solutions, particularly its Altéa Suite, or to adapt to changing industry requirements to meet market demand, the Group's business, prospects, financial condition and results of operations could be adversely affected.

In addition, because certain of the Group's products are intended to operate on a variety of technology platforms, the Group must continue to modify and enhance such products to keep pace with changes affecting these platforms. Any inability to operate effectively with existing or future platforms could reduce the demand for these products or result in customer dissatisfaction, either of which could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

Interest rate fluctuations may adversely impact the Group's results of operations

Fluctuations in interest rates modify the fair value of the Group's assets and liabilities that accrue at a fixed interest rate and the cash flows from assets and liabilities pegged to a variable interest rate and, accordingly, affect the Group's equity and profitability, respectively.

In order to hedge its exposure to interest rate movements and fix the amount of interest to be paid by it in the coming years, the Group typically enters into derivative agreements with financial institutions. By fixing the spread on the Group's debt in this manner, however, its fair value is sensitive to changes in interest rates.

Interest rates are sensitive to numerous factors outside of the Group's control, including, but not limited to, government and central bank monetary policy in the jurisdictions in which the Group operates. An increase in interest rates could have an adverse effect on the Group's business, prospects, financial condition and results of operations.

While the Group seeks to manage its exposure to interest rate risk, it can provide no assurance that its current or future hedging will sufficiently protect it from the adverse effects of interest rate movements. Moreover, the success of the Group's hedging is highly dependent on the accuracy of its assumptions and forecasts. Any errors affecting such assumptions and forecasts and, therefore, the Group's interest hedging strategy, could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

Fluctuations in the exchange rate of the euro, the US dollar and other foreign currencies may adversely impact the Group's results of operations

The Group faces exposure to adverse movements in currency exchange rates as a result of both transaction risk and translation risk.

Transaction risk arises on net cash flows denominated in currencies other than the euro, the Group's functional currency. Although most of the Group's revenue is denominated in euros, the Group is exposed to movements in currency exchange rates due to the fact that a significant portion of its revenue is denominated in currencies other than the euro, with most of the revenue derived from countries in Central and South America, North America and the APAC region being denominated in US dollars. A significant portion of the Group's expenses is also denominated in currencies other than the euro, such as the US dollar-denominated incentive fees the Group pays to certain travel agencies and part of its personnel and social security costs, including the Group's personnel costs for employees in North America. The Group is also exposed, to a more limited extent, to movements in currency exchange rates of other currencies relative to the euro, the most significant being British pounds sterling, Australian dollars, Swedish krona, Brazilian Real, Indian Rupee and Thai Baht.

The euro and the US dollar are the Group's two most significant surplus currencies, insofar as the net operating cash flows in these currencies are typically positive, with the revenue generated in each currency typically exceeding the Group's operating expenses denominated in such currency. The British pound sterling, Australian dollars, Swedish krona, Brazilian Real, Indian Rupee and Thai Baht tend to be deficit currencies for the Group meaning that the operating costs exceed revenue in these currencies, with British pounds sterling generally representing the Group's most significant deficit currency. Changes in the exchange rates of these currencies against the euro could result in an increase in the Group's consolidated operating expenses or a reduction in its revenue.

The Group seeks to manage its operating exposure to the US dollar (which has a positive effect when the US dollar appreciates against the euro or a negative effect when the US dollar depreciates against the euro) through the use of currency derivatives, including foreign exchange forwards and currency options with a hedging horizon of up to three years. Notwithstanding this hedge of its cash flows, the Group's operating profit is exposed to fluctuations in the US dollar-euro exchange rate.

For the deficit cash flow exposures denominated in British pound sterling, Australian dollars, Swedish krona, Brazilian Real, Indian Rupee and Thai Baht, the Group seeks to cover a significant portion of its exposure by contracting currency derivatives, including foreign exchange forwards and currency options with a hedging horizon of up to three years.

While the Group seeks to manage its foreign exchange risk, it can provide no assurance that its current or future hedging will sufficiently protect it from the adverse effects of currency exchange rate movements. Moreover, the success of the Group's hedging is highly dependent on the accuracy of the Group's assumptions and forecasts. Any errors affecting such assumptions and forecasts and, therefore, the Group's

hedging strategy, could have a material adverse effect on its business, prospects, financial condition and results of operations.

The Group's ability to identify, attract, train, retain and motivate key executives, senior management, consultants and skilled personnel, and to maintain good relations with its employees, is crucial to the Group's profitability and future growth

The management of the Group's operations depends on a number of key employees. The loss of the services of certain of these key employees, particularly to competitors, could have a materially adverse effect on the results of operations or financial condition of the Group. In addition, as the Group's business develops and expands, the Group believes its future success will depend on its ability to attract and retain highly skilled and qualified personnel, which is not guaranteed.

The Group believes that it has, in general, good relations with its employees and unions at all of the Group's sites. The degree of unionisation of the Group's workforce varies from country to country (and is only one feature of the Group's employee relationships in Europe). Collective bargaining with members of the unions that represent the Group's employees in Europe takes place on a regular basis and a breakdown in these bargaining processes or other negotiations with employees could disrupt the Group's operations and adversely affect its business performance, particularly if any of the Group's central sites in Madrid (Spain), Sophia Antipolis (France) or Erding (Germany) were to be significantly impacted. The Group's operations have from time to time experienced limited protests and the Group can provide no assurance that it will be able to avoid industrial action in future. Any widespread or drawn-out industrial action or dispute could materially affect the Group's business, prospects, financial condition and results of operations.

The Group's intellectual property rights may not be protected effectively, which could allow the Group's competitors to duplicate its products and services, which could, in turn, make it more difficult for the Group to compete with them effectively

The Group's ability to compete successfully depends, in part, upon its technology and other intellectual property, including its brands. Among the Group's significant assets are its software and other proprietary information and intellectual property rights. The Group relies on a combination of copyright, trademark and patent laws, trade secrets, confidentiality procedures and contractual provisions to protect these assets. The Group's software and related documentation, however, are protected principally under trade secret and copyright laws which afford only limited protection. The Group may, from time to time, need to take legal action to enforce its intellectual property rights, to protect its trade secrets or to determine the validity and scope of the proprietary rights of others, and such enforcement actions could result in the invalidation or impairment of the intellectual property rights it asserts.

Unauthorised use of the Group's intellectual property due to its failure to adequately protect such intellectual property or otherwise could result in harm to the Group's reputation or in its competitors offering similar products and services to the Group's own products and services without the investment in product development that the Group has made over the years. In addition, the Group can provide no assurance that any legal remedies available to it would adequately compensate it for the damage caused by such unauthorised use. The unauthorised use of the Group's intellectual property could have a material adverse impact on the Group's business, prospects, financial condition and results of operations.

Future taxation of the digital economy

The introduction of new levies at domestic and/or EU level (commonly referred to as Digital Services Tax) on the provision of certain digital services (online advertising services, online intermediation services and data transmission services) could partially impact certain services provided by the Group, giving rise to double taxation scenarios.

The potential changes in international tax systems arising from the new challenges of the digital economy (currently under analysis by the OECD), with significant changes in the determination of the nexus and rules

for profit allocation, with a review of the notion of permanent establishment where economic presence prevails over physical presence, could give rise to new methods, both for the quantification of profits and the criteria for their allocation in the different jurisdictions from a tax perspective, affecting the Group's transfer pricing policy. Any of the above could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

The Group relies on the value of its brands and it may not be successful in maintaining and enhancing awareness of its brands among its existing and target customers

The Group believes that maintaining and expanding its portfolio of product and service brands are important aspects of its efforts to attract and expand its customer base. The Group's brands may be negatively impacted by, among other things, unreliable service levels, poor customer support, the loss or unauthorised disclosure of personal data or other bad publicity relating to the Group's business. If the Group were to be unable to maintain or enhance awareness of its brands among its existing and target customers, it could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

The Group's international operations may expose it to additional risks not encountered when doing business in Western Europe, the Group's primary market

Outside of Western Europe, the Group's home and primary market, the Group currently operates in over 190 countries in CESE and the MEA and APAC regions, Central and South America and North America and the Group intends to continue to expand its presence outside of Western Europe in future years. The Group is subject to certain risks as a result of having international operations that are not generally encountered when doing business in Western Europe and which could adversely affect its business, prospects, financial condition and results of operations. These risks include:

- preference of local populations for local providers;
- differences in business practices, such as potentially longer payment cycles and differing accounting practices;
- lack of appropriate infrastructure, or delays in the development of such infrastructure, to support the Group's technology, including the Internet as a broadcast, advertising and commerce medium;
- difficulties in staffing and managing operations due to distance, time zones, language and cultural differences, including issues associated with establishing management, distribution and support systems and infrastructure;
- differences in general employment conditions and the degree of employee unionisation and activism;
- increased risk of piracy and limits on the Group's ability to enforce its intellectual property and other contractual rights in foreign jurisdictions;
- differences in, and unexpected changes to, legal or regulatory requirements, including laws on taxation, consumer protection, pricing and discounts;
- restrictive government policies, such as trade protection measures and restrictions on travel generally, more burdensome visa requirements and restrictions and other requirements affecting inward investment;
- currency exchange and other restrictions on the withdrawal of the Group's international investments and earnings, including potentially substantial withholding tax and other tax liabilities or other restrictions on the repatriation of cash generated by the Group's international operations;

- exposure to international diplomatic relations and local economic and political conditions, epidemics, natural disasters or security issues (including terrorism, political instability and war); and
- the risk of nationalisation or expropriation of assets in certain of the countries in which the Group operates.

The occurrence of any of the risks discussed in this Base Prospectus, or any other risks, that have a particularly detrimental effect in Western Europe, could result in the Group being more adversely affected than its competitors that are less dependent on the Western European market

Western Europe is typically the largest market for the Group's Distribution business area and the majority of the Group's FTEs are currently located in Western Europe. In addition, the Group's corporate headquarters is located in Madrid (Spain). The Group's principal product development centre is located in Sophia Antipolis (near Nice, France) and its core data processing centre and back-up facility is located in Erding (near Munich, Germany). Due to this concentration of the Group's revenue, employees and central business operations in Western Europe, the occurrence of any of the risks discussed in this Base Prospectus, or any other risks, that have a particularly detrimental effect in Western Europe compared with other regions, could result in the Group's business, prospects, financial condition and results of operations being more adversely affected than those of the Group's competitors that are less dependent on the Western European market.

Third parties may claim, with or without merit, that the Group has infringed their intellectual property rights, which could expose the Group to substantial damages and restrict its operations

While the Group does not believe that any of its products or services infringes the proprietary rights of third parties in any material respect, there can be no assurance that the Group will not face intellectual property claims from third parties with respect to current or future products. Any claims against the Group, with or without merit, could require it to spend significant time and money in litigation, to divert management resources, to delay or cancel the development or release of new products or services, to pay damages, to develop new intellectual property or to acquire licences to intellectual property that is the subject of infringement claims, and successful claims could potentially block the Group's ability to use or license products in the EU and elsewhere. The resolution of these matters could result in a loss of intellectual property protections that relate to certain parts of the Group's business. Any of the foregoing could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

The Group may be involved in litigation and arbitration proceedings, which could have a material adverse effect on the Group's business, prospects, financial condition and results of operations

From time to time the Group may be involved in legal proceedings in the ordinary course of its business. An unfavourable outcome in respect of one or more of such proceedings could, to the extent such outcome is not covered by any of the Group's insurance policies, have a material adverse effect on the Group's financial condition and results of operations.

Risks Related to the Group's Regulatory Environment

The Group's businesses are regulated in several jurisdictions in which the Group operates and any failure to comply with such regulations or material changes to such regulations could have a material adverse effect on the Group's business, prospects, financial condition and results of operations

The Group operates in a regulated industry, both in Spain and internationally. It is subject to laws and regulations that significantly affect its activities and the solutions it offers to its customers, including EU and national laws governing (i) specific regulations for the provision of GDS services, (ii) competition/antitrust law, (iii) consumer protection, (iv) privacy and data protection, (v) tax matters, (vi) the sale of "packaged" travel products and services directly to consumers, (vii) payments regulations and (viii) trade sanctions and export control laws.

Given the international scope of the Group's operations and the nature of the products and services it provides, the various regulatory regimes to which the Group is subject may conflict with one another. Differences between the regulatory requirements in the jurisdictions in which the Group operates can present a significant challenge in operational terms, requiring the Group to tailor its products, services and business practices to different, and sometimes conflicting, regulatory regimes. It may not be possible for the Group, in all circumstances, to ensure full compliance with conflicting regulatory requirements in different jurisdictions. Furthermore, while certain jurisdictions, such as the EU, have opted to continue to regulate the GDS industry, other jurisdictions, such as the United States, have largely deregulated the sector. The Group cannot guarantee that it will be successful in adapting its business policies and practices to all regulated and deregulated environments. Also, while the Group does not, at present, consider that it has a "parent carrier" for the purposes of EU regulation, the Group can provide no assurance that this will remain the case following any future investigation by the EU competition authorities based on the Group's shareholder structure at the time of any such investigation.

While the Group believes that it complies in all material respects with applicable regulations in the EU and the other jurisdictions in which it operates, it may nevertheless be the subject of legal challenges alleging a failure by the Group to comply with such requirements (as interpreted by the relevant regulatory authorities). Any such failure to comply may subject the Group to fines, penalties and potential criminal sanctions, any of which could, in turn, have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

Regulatory changes in the jurisdictions in which the Group operates could have a material adverse effect on the Group's business, prospects, financial condition and results of operations

Regulatory changes in the jurisdictions in which the Group operates could have a negative impact on the Group's business and limit its ability to compete by restricting the Group's flexibility to respond to competitive conditions, which could result in a loss of market share.

In a number of the jurisdictions in which the Group operates, regulations governing CRSs, such as the Group's GDS platform, are, or have recently been, subject to comprehensive review and in some instances this has resulted in a substantial overhaul of the previous regime. In the EU, for example, the Regulation of the European Parliament and of the Council on Code of Conduct for CRSs came into force on 29 March 2009, repealing and replacing the prior CRS Code of Conduct established under Council Regulation (EEC) No. 2299/89.

Additionally, there are, and it is likely that there will continue to be, an increasing number of laws and regulations pertaining to the Internet and e-commerce, which may relate to liability for information retrieved from, or transmitted over, the Internet, user privacy, taxation and the quality of products and services. Furthermore, the growth and development of e-commerce may prompt calls for more stringent customer protection laws that may impose additional burdens on online business generally. In addition, the expansion of the Group in the payments area may trigger the application of payments regulations in certain jurisdictions, which may have an adverse impact on its business and increase the Group's costs to comply with such regulations, if applicable.

Any unfavourable amendment to, or withdrawal or change in the interpretation of, existing law and regulations applicable to the Group, or any enactment of new law and regulations applicable to the Group, could, among other things, decrease demand for its products and services; increase its costs; subject it to additional liabilities; limit the Group's ability to establish relationships with new customers; impair the enforceability of agreements with its existing customers; prohibit or limit it from offering services or products or establishing or changing its fees; reduce the value of marketing information that the Group sells to its providers and customers; subject the Group to rules that do not apply to its competitors or otherwise generally inhibit its ability to operate its business effectively. Any of the foregoing could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

The Group's processing, storage, use and disclosure of personal data is regulated and any unauthorised access to, or disclosure of, such data or any failure to comply with industry standards relating to the processing of credit card payments, could adversely affect the Group's business, prospects, financial condition and results of operations

In the processing of its transactions, the Group receives and stores a large volume of personally identifiable information, which is increasingly subject to regulation in numerous jurisdictions around the world. Such regulations are typically intended to protect the privacy and security of personal information, including credit card information, that is collected, processed and transmitted in or from the governing jurisdiction. The Group could be adversely affected if it is unable to comply with such regulations, if such regulations were to be expanded to require changes in the Group's business practices or if governing jurisdictions interpret or implement such regulations in a manner that negatively affects the Group's business, prospects, financial condition and results of operations. The Group continues to work on the implementation of the necessary changes on its current business practices resulting from the new European General Data Protection Regulation, respecting the travel industry standards.

The secure transmission of confidential and personally identifiable information over the Internet is essential in maintaining customer and supplier confidence in the Group's Distribution and IT Solutions business areas. The Group receives and handles a large volume of personally identifiable information in the course of its ordinary activities and the Group relies on licensed encryption and authentication technology to effect the secure transmission of this confidential information. It is possible that advances in computer capabilities, new innovations or other developments could result in a compromise or breach of the technology used by the Group to protect customer transaction data. The Group incurs substantial expense to protect against and remedy security breaches and their consequences. However, businesses that handle personal data have been subject to investigations, lawsuits and adverse publicity due to allegedly improper disclosure of personally identifiable information and the Group cannot guarantee that its security measures will prevent all attempted security breaches. A party (whether internal, external, an affiliate or an unrelated third party) that is able to circumvent the Group's security systems could steal proprietary information or cause significant interruptions in the Group's operations. Substantial or ongoing data breaches, whether instigated internally or externally, on the Group's system or other Internet-based systems, could significantly harm the Group's business, damage its reputation, expose it to potential litigation, losses and liability and/or cause existing customers and prospective customers to lose confidence in the Group's security measures, which would have a negative effect on the value of the Group's brands. These concerns and other privacy and security developments that are difficult to anticipate could adversely affect the Group's business, prospects, financial condition and results of operations.

Finally, participants in the payment card industry have proposed standards related to the processing of credit card payments, as well as target dates by which they require vendors to be compliant. The participants have stated that they may take actions against vendors who are not compliant by the target date, including imposing cash penalties for violations or prohibiting them from processing transactions on participant cards. To the extent any of the Group's businesses are not compliant by the industry-proposed target dates, the Group's business, prospects, financial condition and results of operations could be materially adversely affected.

Adverse competition law rulings could restrict the Group's ability to expand or to operate its business as it wishes and could expose it to fines or other penalties

In its review of the merger of Travelport and Worldspan, L.P. in 2007, the European Commission (the **Commission**) held that there were separate national product markets downstream between GDS providers and travel agencies and a separate Europe-wide product market upstream, between GDS providers and airlines. However, in its decision, the Commission specifically noted that the GDS markets were dynamic and evolving and the decision is not, in any event, binding on any future decisions by the Commission, the national authorities of its member states or any other competition authority. In addition, since that decision, the importance of the direct distribution channel and other non-GDS channels (such as aggregators) in the travel and tourism industry has continued to grow. That notwithstanding, if the GDS business in the EU

were to continue to be considered in this way, the Group would be deemed the largest player in terms of GDS-processed air bookings in a significant number of EU member states in the theoretical national markets between GDS providers and travel agents, and the largest player in terms of GDS-processed air bookings in the theoretical Europe-wide market between GDS providers and airlines. Likewise, based on this analysis, the Group could be deemed the largest player in terms of GDS-processed air bookings in one or both theoretical markets in a number of other jurisdictions outside the EU.

While the Group is prudent in its competitive behaviour and seeks, at all times, to comply with applicable competition law, it has in the past been subject to, and cannot exclude the possibility of, future litigation and/or investigations by competition authorities or the Commission into its competitive behaviour in any market. The Group's management believes it has strong grounds on which to challenge any finding of anti-competitive behaviour. Were any finding to be made against the Group, however, it could be required to pay damages and fines, which could be substantial, and/or required to alter any behaviour determined to be abusive or anti-competitive, all of which could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

Furthermore, in 2011, the US Department of Justice (**DOJ**) launched an investigation into GDSs. While the Group's management believes it has always complied with the appropriate regulatory requirements in the US and elsewhere and the investigation is focused on the US, where the Group has a limited presence, a negative outcome of such investigation could have a material adverse effect on the Group's business, prospects, financial condition and results of operations, especially in the US.

Risks Related to the Group's Financing

The Group's leverage could adversely affect its ability to raise additional capital to fund its operations and limit its ability to react to changes in the economy or the Group's industry

The current level of indebtedness could have important consequences for the Group, including the following:

- its ability to obtain additional financing for working capital, capital expenditures, acquisitions or general corporate purposes may be impaired;
- the requirement to make debt service payments on its amortising and other debt, which will reduce the funds available to fund working capital, capital expenditures, dividend payments and future business opportunities and activities;
- exposure to increased hedging costs as the Group's hedging products are rolled over;
- reduced flexibility in planning for, or responding to, changing conditions in the Group's industry, including increased competition; and
- vulnerability to general economic downturns and adverse developments affecting the Group's industry or its business.

If the Group were to incur additional indebtedness, it could make it more difficult for it to satisfy its debt service and other payment obligations, which could, in turn, increase the severity of these risks.

The Group may not be able to generate sufficient cash to service all of its indebtedness and may be forced to take other actions to satisfy its obligations in respect of such indebtedness, which may be costly and may not succeed

The Group's ability to make scheduled payments on or to refinance its debt obligations depends on its financial condition and operating performance, which are both subject to prevailing economic and competitive conditions and certain financial, business and other factors, some of which are beyond the

Group's control. Accordingly, the Group can provide no assurance that it will maintain a level of cash flows from operating activities sufficient to permit the making of scheduled payments of interest.

If the Group's cash flows and capital resources are insufficient to fund its debt service obligations, the Group may be forced to reduce or delay investments and capital expenditures, or to sell assets, seek additional capital or restructure or refinance its indebtedness. These alternative measures may be costly, may not be successful and may not permit the Group to satisfy all of its scheduled debt service obligations. If the Group's operating performance and capital resources prove insufficient, the Group could face substantial liquidity problems and might be required to dispose of material assets or businesses to meet debt service and other payment obligations. In such circumstances, there can be no guarantee that the net proceeds from any such disposals would be sufficient to meet any debt service and other payment obligations then due.

Any failure to pay amounts due and payable under the credit documentation would give rise to an event of default, with the same consequences for breach of covenant described below.

The Group's credit documentation contains restrictions that limit the Group's flexibility in operating its business

The terms of the Group's credit documentation include various covenants that limit its ability to engage in specified types of transactions. Among other things, they limit the Group's ability to:

- incur additional indebtedness in certain circumstances;
- make substantial changes to the general nature of the business of the Group (taken as a whole);
- divest of certain assets or create security interests over the Group's assets to secure other debt obligations; and
- sell or otherwise dispose of all or substantially all of the Group's assets.

In addition, the Issuer is required to maintain a rating with Standard & Poor's and/or Moody's for its long-term senior unsecured debt which is not credit enhanced by a third party (on a public or private basis), although this does not have to be an investment grade rating.

Under the terms of the Group's credit documentation it is also required to satisfy and maintain certain financial ratios, including a maximum total leverage ratio. The Group's ability to satisfy these ratios can be affected by factors and events beyond its control, and the Group can provide no assurance that it will satisfy each of these ratios on all of the relevant testing dates.

A breach of any of these financial or general covenants could result in a default under the terms of the Group's credit documentation, the occurrence of which could entitle the lenders to declare all amounts outstanding under the credit documentation to be immediately due and payable and to terminate all commitments to extend further credit. If the Group's lenders were to accelerate the repayment of borrowings under the scenario described above, the Group can provide no assurance that it would be capable of raising funds in the debt or equity markets to refinance such amounts or have sufficient assets to repay all such amounts or that the Group would be able to remain solvent following any such acceleration.

Additionally, certain of the Group's financing agreements contain change of control provisions. If any person or entity (or group of persons or entities acting in concert) were to gain control of the Issuer through the acquisition of more than 30% of the voting rights exercisable at its general shareholders' meeting, it would also give rise to a mandatory prepayment event under the terms of the Group's credit documentation, with the possible consequences described above.

Risks Relating to the Notes

Notes may not be a suitable investment for all investors.

Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the relevant Notes and be familiar with the behavior of any relevant financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

There is no active trading market for the Notes

The Notes are new securities which may not be widely distributed and for which there is currently no active trading market. If a market does develop, it may not be very liquid. Therefore, there is no assurance as to the liquidity of any market in the Notes, a holder of the Notes' ability to sell their Notes or the prices at which they would be able to sell their Notes. If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. It is possible that the market for the Notes will be subject to disruptions. Any such disruption may have a negative effect on holders of the Notes, regardless of the Issuer's prospects and financial performance. As a result, there is no assurance that there will be an active trading market for the Notes and if no active trading market develops, a holder of the Notes may not be able to resell its holding of the Notes at a fair value, if at all. Although application has been made for the Notes to be issued under the Programme to be admitted to listing on the official list and to trading on the regulated market of the Luxembourg Stock Exchange or application may be made for the Notes to be listed, traded and/or quoted on such further stock exchanges and/or quotation systems as may be agreed with the Issuer, there is no assurance that such application will be accepted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for the Notes.

Exchange rates and exchange controls

The Issuer will pay principal and interest on the Notes in euro (the **Specified Currency**). This presents certain risks relating to currency conversions if a holder of the Notes' financial activities are denominated principally in a currency or currency unit (the **Investor's Currency**) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's

Currency-equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes.

Government or monetary authorities have imposed from time to time, and may in the future impose, exchange controls that could affect exchange rates as well as the availability of the Specified Currency in which a Note is payable at the time of payment of the principal or interest in respect of such Note.

The Notes may be redeemed prior to maturity

In the event that the Issuer was obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Kingdom of Spain or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Notes in accordance with the Conditions. If the Issuer redeems the Notes in such circumstances, the redemption price will be equal to 100 per cent. of the principal amount of the Notes plus any accrued interest and additional amounts due.

In addition, if the applicable Final Terms specify that the Notes are redeemable at the Issuer's option, the Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. In such circumstances a holder of the Notes may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Notes and may only be able to do so at a significantly lower rate. This optional redemption feature is likely to limit the market value of the Notes. During any period when the Issuer may elect to redeem the Notes, the market value of the Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, holders of the Notes will have to rely on their procedures for transfer, payment and communication with the Issuer

The Notes will be represented by the Global Notes except in certain limited circumstances described in the Permanent Global Note. The Global Notes will be deposited with a common depository or, as the case may be, common safekeeper for Euroclear and Clearstream, Luxembourg (together, the ICSDs). Except in certain limited circumstances described in the Permanent Global Note, holders of the Notes will not be entitled to receive definitive Notes. The ICSDs will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by the Global Notes, investors will be able to trade their beneficial interests only through the ICSDs and their respective participants.

The Issuer will discharge its payment obligations under the Notes by making payments to or to the order of the common depository or, as the case may be, common safekeeper for the ICSDs for distribution to its account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of the ICSDs to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes.

Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by the ICSDs to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Notes will not have a direct right under the Global Notes to take enforcement action against the Issuer in the event of a default under the Notes but will have to rely upon their rights under the Deed of Covenant.

Legal investment considerations may restrict certain investments

The investment activities of certain investors may be subject to law or review or regulation by certain authorities. Each potential investor should determine for itself, on the basis of professional advice where appropriate, whether and to what extent (i) the Notes are lawful investments for it, (ii) the Notes can be used

as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of the Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

Credit ratings may not reflect all risks

The Issuer has been assigned a rating of Baa2 by Moody's and BBB by Standard & Poor's. The ratings of the Issuer may not reflect the potential impact of all risks related to the Notes issued under the Programme, including the structure, market and other factors that may affect the value of the Notes. Any Notes issued under the Programme may be rated or unrated. There is no assurance that any credit rating assigned to the Issuer or an issue of Notes will continue for any period of time or that it will not be reviewed, revised, suspended or withdrawn entirely by the relevant credit rating agency. If any credit rating assigned to the Issuer or an issue of Notes is lowered or withdrawn, the market value of the Notes may be reduced. Future events, including those affecting the Issuer, its subsidiaries and the Group, the markets they serve or the Group's industry generally, could have an adverse impact on the ratings of the Issuer or the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). The list of registered and certified rating agencies published by ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Base Prospectus.

Potential Conflicts of Interest

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and its affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge its credit exposure to the Issuer consistent with its customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

In addition, potential conflicts of interest may arise between the Calculation Agent, if any, for a Tranche of Notes and the Noteholders, including with respect to certain discretionary determinations and judgements that such Calculation Agent may make pursuant to the Conditions that may influence the amount receivable upon redemption of the Notes.

Change of law

The Conditions of the Notes, and any non-contractual obligations arising out of or in connection with the Notes, are based on English law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Base Prospectus.

Risks related to the structure of a particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

Notes subject to optional redemption by the Issuer

An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Fixed Rate Notes

Investment in Notes that bear interest at a fixed rate involves the risk that subsequent changes in market interest rates may adversely affect the value of such Notes.

Floating Rate Notes

Investments in Notes that bear interest at a floating rate comprise (i) a reference rate and (ii) a margin to be added or subtracted, as the case may be, from such rate. Typically, the relevant margin will not change throughout the life of the Notes but there will be a periodic adjustment (as specified in the applicable Final Terms or Drawdown Prospectus, as the case may be) of the reference rate (e.g. every three months or six months) which itself will change in accordance with general market conditions. Accordingly, the market value of floating rate Notes may be volatile if changes, particularly short-term changes, to market interest rates evidenced by the relevant reference rate can only be reflected in the interest rate of such Notes upon the next periodic adjustment of the relevant reference rate.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/ Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

The value of and return on any Notes linked to a benchmark may be adversely affected by ongoing national and international regulatory reform in relation to benchmarks

Reference rates and indices such as EURIBOR or LIBOR and other interest rate or other types of rates and indices which are deemed to be “benchmarks” (each a **Benchmark** and together, the **Benchmarks**), to which interest on securities may be linked, have become the subject of regulatory scrutiny and recent national and international regulatory guidance and proposals for reforms. This has resulted in regulatory reform and changes to existing Benchmarks. Such reform of Benchmarks includes Regulation (EU) 2016/1011 (the **BMR**) which was published in the Official Journal of the EU on 29 June 2016 and has applied from 1 January 2018. The BMR applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. The Benchmarks Regulation applies to the provision of Benchmarks, the contribution of input data to a Benchmark and the use of a Benchmark within the EU. Among other things, it (i) requires Benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities (such as the Issuer) of Benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

The Benchmarks Regulation could have a material impact on any Notes linked to or referencing a benchmark, in particular, if the methodology or other terms of the Benchmark are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant Benchmark.

Specifically, the sustainability of LIBOR has been questioned as a result of the absence of relevant active underlying markets and possible disincentives (including possibly as a result of benchmark reforms) for market participants to continue contributing to such Benchmarks. On 27 July 2017, the Chief Executive of the United Kingdom Financial Conduct Authority (**FCA**), which regulates LIBOR, announced that it does not intend to continue to persuade, or use its powers to compel, panel banks to submit rates for the calculation of LIBOR to the administrator of LIBOR after 2021. In a further speech on 12 July 2018, the FCA emphasised that market participants should not rely on the continued publication of LIBOR after the end of 2021, which indicates that the continuation of LIBOR on the current basis is not guaranteed after 2021. Whilst the announcement related to LIBOR, similar concerns may be applicable to EURIBOR. The FSB also made certain recommendations to reform major interest rate Benchmarks, such as key interbank offered rates. It is not possible to predict whether, and to what extent, panel banks will continue to provide LIBOR or EURIBOR submissions to the administrator of LIBOR or EURIBOR going forwards. This may cause LIBOR or EURIBOR to perform differently than it did in the past and may have other consequences which cannot be predicted.

In addition to this announcement in relation to LIBOR, there have been other recent national and international regulatory guidance and proposals for reform of interest rates and indices which are deemed to be Benchmarks, including LIBOR and EURIBOR. Some of these reforms are already effective whilst others are still to be implemented. These reforms could include, among other things, reforms to other Benchmarks similar to those reforms announced in relation to LIBOR, and any such reforms may cause such Benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on the value or liquidity of, and return on, any Floating Rate Notes or any other Notes which are linked to or reference a Benchmark.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of Benchmarks, could increase the costs and risks of administering or otherwise participating in the settling of a Benchmark and complying with any such regulations or requirements. Such factors may have the following effects on certain Benchmarks including EURIBOR and LIBOR: (i) discourage market participants from continuing to administer or contribute to the Benchmark; (ii) trigger changes in the rules or methodologies used in the Benchmark; or (iii) lead to the disappearance of the Benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to or referencing a Benchmark.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation reforms in making any investment decision with respect to any Notes linked to or referencing a Benchmark.

Fallback arrangements in respect of Benchmarks may have a material adverse effect on the value and liquidity of and return on affected Notes

Investors should be aware that in the case of Floating Rate Notes, the Conditions of the Notes provide for certain fallback arrangements in the event that a published Benchmark, including an inter-bank offered rate such as LIBOR, EURIBOR or other relevant reference rates ceases to exist or be published or another Benchmark Event (as defined in the Terms and Conditions of the Notes) occurs. These fallback arrangements include the possibility that the Rate of Interest could be determined by an Independent Adviser, without any separate consent or approval of the Noteholders, by reference to a Successor Rate or an Alternative Rate and that an Adjustment Spread may be applied to such Successor Rate or Alternative Rate to reduce or eliminate, to the fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the relevant benchmark or screen rate (as applicable) originally specified with the Successor Rate or the Alternative Rate (as the case may be), together with the making of certain Benchmark Amendments to the Terms and Conditions of such Notes. The use of a Successor Rate or an Alternative Rate may, however, result in interest payments that are lower than, or otherwise do not correlate over time with, the payments that could have been made on the Notes if the relevant Benchmark continued to be available in its current form.

In certain circumstances the ultimate fallback for the purposes of calculation of interest for a particular Interest Period may result in the Rate of Interest for the last preceding Interest Period being used. This may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the Relevant Screen Page. In addition, due to the uncertainty concerning the availability of any Successor Rate or Alternative Rate, the relevant fallback provisions may not operate as intended at the relevant time.

Any such consequences could have a material adverse effect on the value or liquidity of and return on any such Notes. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant reference rate could affect the ability of the Issuer to meet its obligations under the Floating Rate Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Floating Rate Notes. Investors should consider these matters when making their investment decision with respect to the relevant Floating Rate Notes.

Modification, waivers and substitution

The Conditions contain provisions for the calling of meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

Risks related to the Spanish withholding tax regime in Notes

The Issuer considers that, pursuant to the provisions of the Royal Decree 1065/2007, as amended, they are not obliged to withhold taxes in Spain on any interest paid on the Notes to any Noteholder, irrespective of whether such Noteholder is tax resident in Spain. The foregoing is subject to the Paying Agent complying with certain information procedures described in "*Taxation—Reporting obligations*" below. The Issuer and the Paying Agent will, to the extent applicable, comply with the relevant procedures to facilitate the collection of information concerning the Notes. The procedures may be modified, amended or supplemented to, among other reasons, reflect a change in applicable Spanish law, regulation, ruling or interpretation thereof.

Under Royal Decree 1065/2007, as amended, in order for the Issuer to make payments free from Spanish withholding tax, it is required that the securities: (i) are regarded as listed debt securities issued under Law 10/2014; and (ii) are initially registered at a foreign clearing and settlement entity that is recognised under Spanish regulations or under those of another OECD member state. The Issuer expects that the Notes will meet the requirements referred to in (i) and (ii) above and that, consequently, payments made by the Issuer to Noteholders should be paid free of Spanish withholding tax, provided the Paying Agent complies with the procedural requirements referred to above. In the event a payment in respect of the Notes issued by the Issuer is subject to Spanish withholding tax, the Issuer will pay the relevant Noteholder such additional amounts as may be necessary in order that the net amount received by such Noteholder after such withholding equals the sum of the respective amounts of principal, premium, if any, and interest, if any, which would otherwise have been receivable in respect of the Notes in the absence of such withholding, except as provided in "*Terms and Conditions of the Notes—Taxation*".

Notwithstanding the above, if despite the procedures arranged between the Issuer and the Paying Agent to facilitate the collection of information concerning the Notes, the relevant information is not received by the Issuer on each Payment Date, the Issuer will withhold tax at the then-applicable rate (as at the date of this Base Prospectus, 19 per cent.) from any payment of interest made in respect of the Notes. The Issuer will not pay any additional amounts with respect to any such withholding.

If the Spanish Tax Authorities maintain a different opinion as to the application by the Issuer of withholding to payments made to Spanish tax residents (individuals and entities subject to *Corporate Income Tax (Impuesto sobre Sociedades)*), the Issuer will be bound by the opinion and, with immediate effect, will make the appropriate withholding. If this is the case, identification of Noteholders may be required and the procedures, if any, for the collection of relevant information will be applied by the Issuer (to the extent required) so that it can comply with its obligations under the applicable legislation as interpreted by the Spanish Tax Authorities. If procedures for the collection of the Noteholders information are to apply, the Noteholders will be informed of such new procedures and their implications.

Notwithstanding the above, in the case of Notes held by Spanish tax resident individuals (and, by Spanish entities subject to Corporate Income Tax if the Notes are deemed to have been placed totally or partially in Spain according to the criteria set out by the Spanish Directorate General of Taxes (*Dirección General de Tributos*) in the tax ruling dated 27 July 2004) and deposited with a Spanish resident entity acting as depositary or custodian, payments in respect of such Notes may be subject to withholding by such depositary or custodian (currently 19%) and according to Condition 12 (*Taxation*) no additional amounts will be payable by the Issuer in such circumstances.

The Proposed Financial Transaction Tax (the EU FTT)

The European Commission published in February 2013 a proposal (the *Commission's Proposal*) for a Directive for a common EU FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (excluding Estonia, the participating Member States). Estonia has since stated that it will not participate.

The Commission's Proposal has a very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission's Proposal the EU FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

In the ECOFIN meeting of 17 June 2016, the EU FTT was discussed between the EU Member States. It has been reiterated in this meeting that participating Member States envisage introducing an FTT by the so-called enhanced cooperation process.

The proposed Directive defines how the EU FTT would be implemented in participating Member States. It involves a minimum 0.1% tax rate for transactions in all types of financial instruments, except for derivatives that would be subject to a minimum 0.01% tax rate.

On 3 December 2018, the finance ministers of France and Germany outlined a joint proposal for a limited FTT based on a system already in place in France. Under the new proposal, the tax obligation would apply only to transactions involving shares issued by domestic companies with a market capitalisation of over €1 billion.

However, the Commission's Proposal remains subject to negotiation between participating Member States and the scope of any such tax is uncertain. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate and participating Member States may withdraw.

Prospective Noteholders are advised to seek their own professional advice in relation to the FTT.

The proposed Spanish financial transactions tax

On 18 January 2019, the Spanish Council of Ministers approved a draft bill (the ***Draft Bill***), according to which, due to the delay in the EU FTT being approved, the intention is to implement a Spanish financial transactions tax (the ***Spanish FTT***). However, the Spanish Council of Ministers stated that Spain will continue to participate in the enhanced co-operation for the approval of the EU FTT and, if finally approved, Spain will adapt the Spanish FTT to align it with the EU FTT.

According to the Draft Bill, the Spanish FTT is to be aligned with the French and Italian financial transactions taxes. Specifically, it is proposed that a Spanish FTT, at a rate of 0.2%, would apply to certain acquisitions of listed shares issued by Spanish companies whose market capitalisation exceeds €1 billion, regardless of the jurisdiction of residence of the parties involved in the transaction.

The Draft Bill was sent to Parliament for debate and approval. However, early general elections were called for 28 April 2019 and the legislative process was suspended.

On 30 April 2019, the interim Government (headed by the centre-left party PSOE) submitted to the European Commission the "Update of the Stability Programme 2019-2022" (*Actualización del Programa de Estabilidad 2019-2022*). This report is not equivalent to a draft law but it includes the economic projections for 2019-2022 and confirms the intention of the new Government to approve the Spanish FTT, stating that "the creation of the Tax on Financial Transactions will be relaunched". The income derived from the Spanish FTT in the report is included in the economic projections for 2020 and not for 2019.

However, the parliamentary process to approve the Spanish FTT law will need to be reinitiated once the new Parliament and the new Government are formed and the new Government once more sends the Draft Bill to Parliament for final approval. As a result, some of the proposed measures could be substantially modified (or even abandoned) during the legislative process. While, according to the current drafting of the Draft Bill, the Spanish FTT would not apply in relation to an issue of Notes under the Programme, there can be no assurance that any such Spanish FTT would not apply to an issue of Notes in the future. Prospective holders of the Notes are advised to seek their own professional advice in relation to the Spanish FTT.

Risks Relating to Spanish Insolvency Law

Law 22/2003 (*Ley Concursal*) dated 9 July 2003 (**Law 22/2003** or the **Insolvency Law**) provides, among other things, that: (i) any claim may become subordinated if it is not reported to the insolvency administrators (*administradores concursales*) within one month from the last official publication of the court order declaring the insolvency (if the insolvency proceeding is declared as abridged, the term to report would be reduced); (ii) claims of those persons especially related to the insolvent company that is subject of the Spanish insolvency proceeding will be classified as subordinated creditors, subject to certain exceptions; (iii) provisions in a contract granting one party the right to terminate by reason only of the other's insolvency may not be enforceable; and (iv) accrual of interest (other than interest accruing under secured liabilities up to an amount equal to the value of the asset subject to the security) shall be suspended as from the date of the declaration of insolvency and any amount of interest accrued up to such date (other than any interest accruing under secured liabilities up to an amount equal to the value of the asset subject to the security) shall become subordinated.

GLOSSARY

As used in this Base Prospectus:

AACO refers to Arab Air Carriers Organisation.

Abacus refers to Abacus International Pte Ltd, an international GDS provider to the travel industry.

ACO refers to an Amadeus Commercial Organisation.

air TA bookings refers to air bookings processed and billed using the Group's GDS platform, for which the Group receives revenue in the form of booking fees.

Altéa or **Altéa Suite** refers to the Group's Altéa suite of airline IT solutions as more fully described under "*Description of the Group— Transactional IT solutions – Altéa PSS*".

Altéa Inventory refers to both the Altéa Inventory IT solution and the Altéa Reservation IT solution, taken together, both of which form part of the Group's Altéa Suite.

Altéa Reservation refers to the Altéa Reservation IT solution used on a stand-alone basis.

Amadeus GTD refers to Amadeus Global Travel Distribution, S.A., the parent company of the Group prior to the acquisition of that company by WAM Acquisition, S.A. in 2005.

APAC refers to the Asia-Pacific region, comprising Australia, Bangladesh, Bhutan, Cambodia Riel, China, the Cook Islands, Fiji, French Polynesia, Hong Kong, India, Indonesia, Japan, the Republic of Korea (South Korea), the Lao People's Democratic Republic, Macau, Malaysia, the Republic of Maldives, Mongolia, Myanmar, Nepal, New Caledonia, New Zealand, Niue, Norfolk Island, North Korea, the Republic of the Philippines, the Independent State of Samoa, Singapore, Sri Lanka, Taiwan, Thailand, Tonga, Vietnam and the Wallis and Futuna Islands.

ATA refers to Air Transport Association.

Axess refers to Axess International Network Inc., a local CRS provider to the travel industry operating in Japan.

BC Partners refers to BC Partners Limited.

Central and South America refers to Central and South America, comprising Anguilla, Antigua and Barbuda, Argentina, Aruba, The Bahamas, Barbados, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominica, the Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Montserrat, The Netherlands Antilles, Nicaragua, Panama, Paraguay, Peru, Puerto Rico, St. Kitts and Nevis, St. Lucia, St. Vincent, Trinidad and Tobago, the United States Virgin Islands, Uruguay and Venezuela.

CESE refers to Central, Eastern and Southern Europe, comprising Albania, Armenia, Azerbaijan, Belarus, Bosnia-Herzegovina, Bulgaria, Croatia, Cyprus, The Czech Republic, Estonia, Georgia, Greece, Hungary, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Macedonia, Malta, Moldova, Montenegro, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, Tajikistan, Turkey, Turkmenistan, Ukraine and Uzbekistan.

Cinven refers to Cinven Limited.

CRS refers to a computerised reservation system, which operates similar functions to a GDS.

full-time equivalent or **FTE** refers to the equivalent of one person working eight hours a day, five days a week and, accordingly, a part-time employee working four hours a day, five days a week would represent 0.5 FTEs and a part-time employee working eight hours a day, two days a week would represent 0.4 FTEs.

GDA refers to a global distribution agreement.

GDS refers to a global distribution system, a worldwide computerised reservation network used as a single point of access for reserving airline seats, hotel rooms, rental cars and other travel-related items by online and offline travel agencies and large corporations.

GDS-processed air bookings refers to air travel agency bookings processed by the GDS providers operating on a global scale, being Abacus, Sabre, Travelport and the Group, and include all bookings processed by these GDS providers, excluding cancelled bookings. GDS-processed air bookings do not include bookings processed by single country operators, primarily in China, Japan, South Korea and Russia.

Group refers to Amadeus IT Group, S.A. and its consolidated subsidiaries.

IATA refers to the International Air Transportation Association.

Iberia refers to Iberia Líneas Aéreas de España, Sociedad Anónima Operadora, Sociedad Unipersonal.

Infini refers to INFINI Travel Information, Inc., a local CRS provider to the travel industry operating in Japan.

INR refers to Indian Rupees the lawful currency of India.

Lufthansa refers to Deutsche Lufthansa AG, the parent company of Lufthansa Commercial Holding.

MEA refers to the Middle East and Africa, comprising Afghanistan, Algeria, Angola, Bahrain, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, the Central African Republic, Chad, Congo Brazzaville, the Democratic Republic of Congo, Côte d'Ivoire, Djibouti, Egypt, Equatorial Guinea, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea Bissau, Iraq, Iran, Israel, Jordan, Kenya, Kuwait, Lebanon, Liberia, Libyan Arab Jamahiriya, Madagascar, Malawi, Mali, Mauritania, Mauritius, Morocco, Mozambique, Namibia, Niger, Nigeria, Oman, Pakistan, Palestine, Qatar, Rwanda, Sao Tome and Principe Islands, Saudi Arabia, Senegal, Seychelles Islands, Sierra Leone, Somalia, South Africa, Sudan, Syrian Arab Republic, Tanzania, Togo, Tunisia, Uganda, United Arab Emirates, Yemen Arab Republic, Zambia and Zimbabwe.

North America refers to North America, comprising Bermuda, Canada, Guam, Kiribati, the Marshall Islands, Mexico, Micronesia, the Northern Mariana Islands, Palau, Tuvalu and the United States.

PB or **passenger boarded** refers to actual passengers boarded onto flights operated by airlines using the Group's Altéa Inventory and, in some cases, Altéa Departure Control solutions.

PNR or **passenger name record** refer to the reference code for a booking recorded in an airline's reservation system, and a single PNR may refer to one or more passengers travelling on one or more air segments, although they most frequently relate to a single passenger booked on two air segments (*i.e.*, the outbound and inbound flights).

PSS refers to passenger service systems.

RMS refers to the Group's Hotel Revenue Management System.

Sabre refers to Sabre Inc., an international GDS provider to the travel industry.

SAS refers to SAS AB.

single country operators or **local CRS providers** refer to the following CRS providers: TravelSky (China), Axess and Infini (Japan), TOPAS (South Korea) and Sirena (mainly Russia and the CIS).

Sirena refers to Sirena-Travel (operated by TAIS, a wholly-owned subsidiary of Ultitek, Ltd.), a local CRS provider operating mainly in Russia and the CIS.

TMC refers to a travel management company.

TOPAS refers to Topas Co., Ltd., a local CRS provider to the travel industry operating in South Korea.

Travelport refers to Travelport Limited, an international GDS provider to the travel industry.

TravelSky refers to TravelSky Technology Limited, a local CRS provider to the travel industry operating in China.

TravelTainment refers to TravelTainment AG.

Western Europe refers to Western Europe, comprising Andorra, Austria, Belgium, Denmark, the Faroe Islands, Finland, France, French Guiana, Germany, Greenland, Guadeloupe, Iceland, the Republic of Ireland, Italy, Luxembourg, Martinique, Mayotte, Norway, Portugal, La Réunion, Spain, Sweden, Switzerland, The Netherlands and the United Kingdom

OVERVIEW OF THE PROGRAMME

This overview is a general description of the Programme which does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus including any documents incorporated by reference and, in relation to the terms and conditions of any particular Tranche of Notes, the relevant Final Terms or Drawdown Prospectus.

Words and expressions defined in the “Terms and Conditions of the Notes” below or elsewhere in this Base Prospectus have the same meanings in this overview.

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|---|--|
| Issuer: | Amadeus IT Group, S.A. |
| LEI Code: | 9598004A3FTY3TEHNN09 |
| Description: | Euro Medium Term Note Programme |
| Size: | 1. Up to €4,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate principal amount of Notes outstanding at any one time. The Issuer may increase the size of the Programme in accordance with the terms of the Dealer Agreement (as defined in the section entitled “ <i>Subscription and Sale</i> ” below). |
| Risk Factors: | Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the abilities of the Issuer to fulfil its obligations under the Notes are discussed under “ <i>Risk Factors</i> ” above. |
| Arranger: | BNP Paribas |
| Dealers: | Banco Santander, S.A., Barclays Bank PLC, Barclays Bank Ireland PLC, BNP Paribas, Citigroup Global Markets Limited, Citigroup Global Markets Europe AG, Crédit Industriel et Commercial S.A., Commerzbank Aktiengesellschaft, Crédit Agricole Corporate and Investment Bank, DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main, HSBC Bank PLC, HSBC France, J.P. Morgan Securities plc, MUFG Securities (Europe) N.V., NatWest Markets N.V., UniCredit Bank AG and any other Dealer appointed from time to time either generally in respect of the Programme or in relation to a particular Tranche of Notes in accordance with the Dealer Agreement. |
| Fiscal Agent: | BNP Paribas Securities Services, Luxembourg Branch |
| Luxembourg Listing and Paying Agent: | BNP Paribas Securities Services, Luxembourg Branch |
| Final Terms or Drawdown Prospectus: | Notes issued under the Programme may be issued either (1) pursuant to this Base Prospectus and associated Final Terms or (2) pursuant to a Drawdown Prospectus. The terms and conditions applicable to any particular Tranche of Notes will be the Terms and Conditions of the Notes as completed to the extent described in the relevant Final Terms or, as the case may be, the relevant Drawdown Prospectus. |

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|-----------------------------------|---|
| Listing and Trading: | Application has been made for Notes to be admitted during the period of twelve months after the date hereof to listing on the official list and to trading on the regulated market of the Luxembourg Stock Exchange. The Programme also permits Notes to be issued on the basis that they will be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the Issuer. Unlisted Notes will not be issued under the Programme. |
| Clearing Systems: | Euroclear and/or Clearstream, Luxembourg (together, the Clearing Systems) and/or, in relation to any Tranche of Notes, any other clearing system as may be specified in the relevant Final Terms. |
| Issuance in Series: | Notes will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that the issue date and the amount of the first payment of interest may be different in respect of different Tranches. |
| Forms of Notes: | Notes may only be issued in bearer form. Each Tranche of Notes will initially be in the form of either a Temporary Global Note or a Permanent Global Note, in each case as specified in the relevant Final Terms. Each Global Note which is not intended to be issued in new global note form (a Classic Global Note or CGN), as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and each Global Note which is intended to be issued in new global note form (a New Global Note or NGN), as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a common safekeeper for Euroclear and/or Clearstream, Luxembourg. Each Temporary Global Note will be exchangeable for a Permanent Global Note or, if so specified in the relevant Final Terms, for Definitive Notes. If the TEFRA D Rules are specified in the relevant Final Terms as applicable, certification as to non-U.S. beneficial ownership will be a condition precedent to any exchange of an interest in a Temporary Global Note or receipt of any payment of interest in respect of a Temporary Global Note. Each Permanent Global Note will be exchangeable for Definitive Notes in accordance with its terms. Definitive Notes will, if interest-bearing, have Coupons attached and, if appropriate, a Talon for further Coupons. |
| Benchmark Discontinuation: | On the occurrence of a Benchmark Event, an Independent Adviser may, subject to certain conditions, in accordance with Condition 8 and without any separate consent or approval of the Noteholders, determine a Successor Rate, failing which an Alternative Rate and, in either case, an Adjustment Spread, if any, and any Benchmark Amendments. |
| Currencies: | Notes may be denominated in euro or in any other currency or currencies as may be agreed between the Issuer and the relevant Dealer, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. |

Status of the Notes:

Notes will be issued on an unsubordinated basis. The Notes issued by the Issuer constitute direct, general, unsubordinated and unconditional obligations of the Issuer and upon the declaration of insolvency (*concurso*) of the Issuer by a Spanish insolvency court, the credit rights of the Noteholders of such Notes against the Issuer (subject to any applicable legal and statutory exceptions or unless they qualify as subordinated credit rights under Article 92 of the Spanish Insolvency Law or equivalent legal provisions which may replace it in the future) rank *pari passu* and rateably without any preference among such obligations of the Issuer in respect of the Notes issued by the Issuer of the same issue and at least *pari passu* with all other unsubordinated and unsecured indebtedness of the Issuer, present or future;

Issue Price:

Notes may be issued at any price, as specified in the relevant Final Terms. The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.

Maturities:

Any maturity, subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements.

Where Notes have a maturity of less than one year and either (a) the issue proceeds are received by the Issuer in the United Kingdom or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom, such Notes must: (i) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (ii) be issued in other circumstances which do not constitute a contravention of section 19 of the Financial Services and Markets Act 2000 (the **FSMA**) by the Issuer.

No money market instruments having a maturity of less than twelve months will be offered to the public or admitted to trading on a regulated market under this Base Prospectus.

Redemption:

Notes may be redeemable at par or at such other Redemption Amount, which shall not be less than par, as may be specified in the relevant Final Terms.

Optional Redemption:

Notes may be redeemed before their stated maturity at the option of the Issuer (either in whole or in part) and/or the Noteholders to the extent (if at all) specified in the relevant Final Terms as further described in Condition 10(c) (*Redemption and Purchase – Redemption at the option of the Issuer*), Condition 10(d) (*Redemption and Purchase – Residual maturity call option*), Condition 10(f) (*Redemption and Purchase – Redemption at the*

option of Noteholders) and Condition 10(g) (*Redemption and Purchase – Redemption following a Substantial Purchase Event*) respectively.

Tax Redemption:

Except as described in “*Optional Redemption*” above, early redemption at the option of the Issuer will only be permitted for tax reasons as described in Condition 10(a) (*Redemption and Purchase – Scheduled redemption*).

Change of Control Put Event:

The Notes may be redeemed either in whole or in part before their stated maturity at the option of the Noteholders to the extent (if at all) specified in the relevant Final Terms, as the result of a Change of Control Put Event, as described in Condition 10(f) (*Redemption and Purchase – Redemption at the option of Noteholders*).

Interest:

Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate and the method of calculating interest may vary between the issue date and the maturity date of the relevant Series.

Denominations:

Notes will be issued in such denominations as may be specified in the relevant Final Terms, subject to a minimum denomination of EUR 100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency at the date of issue) in the case of Notes to be admitted to trading on a regulated market for the purposes of MiFID II and in compliance with all applicable legal and/or regulatory and/or central bank requirements.

Negative Pledge:

The Notes will have the benefit of a negative pledge as described in Condition 5 (*Negative Pledge*).

Cross Default:

The Notes will have the benefit of a cross default as described in Condition 13(c) (*Events of Default – Cross default of the Issuer or Subsidiaries*).

Taxation:

All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of The Kingdom of Spain or any political subdivision therein or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, the Issuer will, save in certain limited circumstances provided in Condition 12 (*Taxation*), pay such additional amounts as will result in the holders of Notes or Coupons receiving such amounts as they would have received in respect of such Notes or Coupons had no such withholding or deduction been required.

Governing Law:

The Notes and any non-contractual obligations arising out of or in connection with the Notes are governed by English law except for Condition 4 (*Status of the Notes*) which is governed by Spanish law.

| | |
|---|--|
| Rating of the Notes: | Notes issued under the Programme may be rated or unrated. Where a Tranche of Notes is rated, such rating will be specified in the relevant Final Terms. A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the relevant rating organisation. |
| Enforcement of Notes in Global Form: | In the case of Global Notes, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in the relevant Global Note will acquire rights directly against the Issuer, governed by a Deed of Covenant in respect of the Issuer dated 9 July 2019, copies of which will be available for inspection at the specified office of the Fiscal Agent. |
| Representation of Noteholders: | The Fiscal Agency Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interests. |
| Selling Restrictions: | For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States of America, the United Kingdom, The Netherlands, Spain, Japan, France , Italy and Singapore. See “ <i>Subscription and Sale</i> ” below. |
| United States Selling Restrictions: | Regulation S. TEFRA C/TEFRA D/TEFRA not applicable, as specified in the applicable Final Terms. |

INFORMATION INCORPORATED BY REFERENCE

The following documents shall be deemed to be incorporated by reference in, and to form part of, this Base Prospectus:

1. the translated English language audited consolidated annual accounts (including the auditors' report thereon and notes thereto and the Consolidated Directors' Report) of the Issuer in respect of the year ended 31 December 2018 prepared in accordance with IFRS-EU (the **Issuer 2018 Financial Statements**);
2. the translated English language audited consolidated annual accounts (including the auditors' report thereon and notes thereto and the Consolidated Directors' Report) of the Issuer in respect of the year ended 31 December 2017 prepared in accordance with IFRS-EU (the **Issuer 2017 Financial Statements**);
3. the supplement dated 22 August 2018 to the base prospectus dated 21 December 2017 (the **2018 Supplement**);
4. the terms and conditions of the Notes set out on pages 53 to 83 of the base prospectus dated 21 December 2017 relating to the Programme under the heading "*Terms and Conditions of the Notes*" (the **2017 Conditions**);
5. the terms and conditions of the Notes set out on pages 46 to 70 of the base prospectus dated 28 September 2016 relating to the Programme under the heading "*Terms and Conditions of the Notes*" (the **2016 Conditions**);
6. the terms and conditions of the Notes set out on pages 47 to 70 of the base prospectus dated 30 September 2015 relating to the Programme under the heading "*Terms and Conditions of the Notes*" (the **2015 Conditions**); and
7. the terms and conditions of the Notes set out on pages 46 to 68 of the base prospectus dated 21 November 2014 relating to the Programme under the heading "*Terms and Conditions of the Notes*" (the **2014 Conditions**).

The tables below set out the relevant page references for the Issuer 2018 Financial Statements and the Issuer 2017 Financial Statements:

| Issuer 2018 Financial Statements | Page reference |
|--|-----------------------|
| Consolidated Statement of Financial Position | 12-13 |
| Consolidated Statement of Comprehensive Income | 14 |
| Consolidated Statement of changes in Equity | 15-16 |
| Consolidated Statement of Cash Flows | 17 |
| Notes to the Annual Accounts | 18-102 |
| Auditor's report | 3-7 |
| Consolidated directors' report | 112-219 |

Note: the page numbers in the above table refer to the page numbers of the corresponding pdf file.

| Issuer 2017 Financial Statements | Page reference |
|--|-----------------------|
| Consolidated Statement of Financial Position | 11-12 |
| Consolidated Statement of Comprehensive Income | 13 |
| Consolidated Statement of changes in Equity | 14 |
| Consolidated Statement of Cash Flows | 15 |
| Notes to the Annual Accounts | 16-96 |
| Auditor's report | 3-9 |
| Consolidated directors' report | 106-167 |

Note: the page numbers in the above table refer to the page numbers of the corresponding pdf file.

| 2018 Supplement | Page reference |
|------------------------------------|-----------------------|
| Amendments to Terms and Conditions | 8 |

Note: the page numbers in the above table refer to the page numbers of the corresponding pdf file.

Copies of the documents specified above as containing information incorporated by reference in this Base Prospectus may be inspected, free of charge, at during normal business hours at the registered office of the Issuer at calle Salvador de Madariaga 1, 28027 Madrid, Spain. Copies of such documents are also available for inspection on the website of the Luxembourg Stock Exchange (www.bourse.lu).

Any statement contained in a document that is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement. In addition, any statement contained herein or in a document that is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained in any supplement to the Base Prospectus, or in any document which is subsequently incorporated by reference herein by way of such supplement, modifies or supersedes such earlier statement. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Base Prospectus shall not form part of this Base Prospectus.

The information incorporated by reference that is not included in the cross-reference list, is considered as additional information and is not required by the relevant schedules of the Commission Regulation (EC) 809/2004.

FINAL TERMS AND DRAWDOWN PROSPECTUSES

In this section, the expression “necessary information” means, in relation to any Tranche of Notes, the information necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and of the rights attaching to the Notes. In relation to the different types of Notes which may be issued under the Programme, the Issuer has included in this Base Prospectus all of the necessary information except for information relating to the Notes which is not known at the date of this Base Prospectus and which can only be determined at the time of an individual issue of a Tranche of Notes.

Any information relating to the Notes which is not included in this Base Prospectus and which is required in order to complete the necessary information in relation to a Tranche of Notes will be contained either in the relevant Final Terms or in a Drawdown Prospectus.

For a Tranche of Notes which is the subject of Final Terms, those Final Terms will, for the purposes of that Tranche only, complete this Base Prospectus and must be read in conjunction with this Base Prospectus. The terms and conditions applicable to any particular Tranche of Notes which is the subject of Final Terms are the Conditions described in this Base Prospectus as completed to the extent described in the relevant Final Terms.

The terms and conditions applicable to any particular Tranche of Notes which is the subject of a Drawdown Prospectus will be the Conditions as supplemented, amended and/or replaced to the extent described in the relevant Drawdown Prospectus in relation to such Tranche of Notes only. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise.

FORMS OF THE NOTES

Each Tranche of Notes will initially be in the form of either a temporary global note (the **Temporary Global Note**), without interest coupons, or a permanent global note (the **Permanent Global Note**), without interest coupons, in each case as specified in the relevant Final Terms. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a **Global Note**) which is not intended to be issued in new global note (NGN) form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a depository or a common depository for Euroclear Bank SA/NV (**Euroclear**) and/or Clearstream Banking, S.A. (**Clearstream, Luxembourg** and together with Euroclear, the **ICSDs**) and/or any other relevant clearing system and each Global Note which is intended to be issued in NGN form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream, Luxembourg.

On 13 June 2006, the European Central Bank (the **ECB**) announced that Notes in NGN form are in compliance with the “Standards for the use of EU securities settlement systems in ESCB credit operations” of the central banking system for the euro (the **Eurosystem**), provided that certain other criteria are fulfilled. At the same time the ECB also announced that arrangements for Notes in NGN form will be offered by the ICSDs as of 30 June 2006 and that debt securities in global bearer form issued through the ICSDs after 31 December 2006 will only be eligible as collateral for Eurosystem operations if the NGN form is used.

The relevant Final Terms will also specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) (the **TEFRA C Rules**) or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (the **TEFRA D Rules**) are applicable in relation to the Notes or, if TEFRA is not applicable.

Temporary Global Note exchangeable for Permanent Global Notes

If the relevant Final Terms specifies the form of Notes as being “Temporary Global Note exchangeable for a Permanent Global Note”, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for interests in a Permanent Global Note, without interest coupons, not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure (in the case of first exchange) the delivery of a Permanent Global Note to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

- (i) presentation and (in the case of final exchange) presentation and surrender of the Temporary Global Note to or to the order of the Fiscal Agent; and
- (ii) receipt by the Fiscal Agent of a certificate or certificates of non-U.S. beneficial ownership.

The principal amount of Notes represented by the Permanent Global Note shall be equal to the aggregate of the principal amounts specified in the certificates of non-U.S. beneficial ownership provided, however, that in no circumstances shall the principal amount of Notes represented by the Permanent Global Note exceed the initial principal amount of Notes represented by the Temporary Global Note.

If:

- (a) the Permanent Global Note has not been delivered or the principal amount thereof increased by 5.00 p.m. (London time) on the seventh day after the bearer of the Temporary Global Note has requested exchange of an interest in the Temporary Global Note for an interest in a Permanent Global Note; or

- (b) the Temporary Global Note (or any part thereof) has become due and payable in accordance with the Conditions or the date for final redemption of the Temporary Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer of the Temporary Global Note in accordance with the terms of the Temporary Global Note on the due date for payment,

then the Temporary Global Note (including the obligation to deliver a Permanent Global Note) will become void at 5.00 p.m. (London time) on such seventh day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the bearer of the Temporary Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Temporary Global Note or others may have under the Deed of Covenant).

The Permanent Global Note will become exchangeable, in whole but not in part only and at the request of the bearer of the Permanent Global Note, for Bearer Notes in definitive form (**Definitive Notes**) if either of the following events occurs:

- (i) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business; or
- (ii) any of the circumstances described in Condition 13 (*Events of Default*) occurs.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the Final Terms), in an aggregate principal amount equal to the principal amount of Notes represented by the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

- (a) Definitive Notes have not been duly delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer has requested exchange of the Permanent Global Note for Definitive Notes; or
- (b) the Permanent Global Note was originally issued in exchange for part only of a Temporary Global Note representing the Notes and such Temporary Global Note becomes void in accordance with its terms; or
- (c) the Permanent Global Note (or any part thereof) has become due and payable in accordance with the Conditions or the date for final redemption of the Permanent Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer in accordance with the terms of the Permanent Global Note on the due date for payment,

then the Permanent Global Note (including the obligation to deliver Definitive Notes) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on the date on which such Temporary Global Note becomes void (in the case of (b) above) or at 5.00 p.m. (London time) on such due date ((c) above) and the bearer of the Permanent Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Permanent Global Note or others may have under the Deed of Covenant).

Temporary Global Note exchangeable for Definitive Notes

If the relevant Final Terms specifies the form of Notes as being “Temporary Global Note exchangeable for Definitive Notes” and also specifies that the TEFRA C Rules are applicable or that TEFRA is not applicable,

then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole but not in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes.

If the relevant Final Terms specifies the form of Notes as being “Temporary Global Note exchangeable for Definitive Notes” and also specifies that the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever the Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

- (a) Definitive Notes have not been duly delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer has requested exchange of the Temporary Global Note for Definitive Notes; or
- (b) the Temporary Global Note (or any part thereof) has become due and payable in accordance with the Conditions or the date for final redemption of the Temporary Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer in accordance with the terms of the Temporary Global Note on the due date for payment,

then the Temporary Global Note (including the obligation to deliver Definitive Notes) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the bearer of the Temporary Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Temporary Global Note or others may have under the Deed of Covenant).

Permanent Global Note exchangeable for Definitive Notes

If the relevant Final Terms specifies the form of Notes as being “Permanent Global Note exchangeable for Definitive Notes”, then the Notes will initially be in the form of a Permanent Global Note which will be exchangeable in whole, but not in part, for Definitive Notes if either of the following events occurs:

- (i) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business; or
- (ii) any of the circumstances described in Condition 13 (*Events of Default*) occurs.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the Final Terms), in an aggregate principal amount equal to the principal amount of Notes represented by the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

- (a) Definitive Notes have not been duly delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer has requested exchange of the Permanent Global Note for Definitive Notes; or
- (b) the Permanent Global Note (or any part thereof) has become due and payable in accordance with the Conditions or the date for final redemption of the Permanent Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer in accordance with the terms of the Permanent Global Note on the due date for payment,

then the Permanent Global Note (including the obligation to deliver Definitive Notes) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date ((b) above) and the bearer of the Permanent Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Permanent Global Note or others may have under the Deed of Covenant).

Rights under Deed of Covenant

Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Temporary Global Note or a Permanent Global Note which becomes void will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Temporary Global Note or Permanent Global Note became void, they had been the holders of Definitive Notes in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

Terms and Conditions applicable to the Notes

The terms and conditions applicable to any Definitive Note will be endorsed on that Note and will consist of the Conditions and the provisions of the relevant Final Terms which complete those Conditions.

The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under “*Summary of Provisions Relating to the Notes while in Global Form*” below.

Legend concerning United States persons

In the case of any Tranche of Bearer Notes having a maturity of more than 365 days, unless the applicable Final Terms specify that TEFRA is not applicable, the Notes in global form, the Notes in definitive form and any Coupons and Talons appertaining thereto will bear a legend to the following effect:

“Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code.”

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which, as completed by the relevant Final Terms, will be endorsed on each Note in definitive form issued under the Programme. The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under “*Summary of Provisions Relating to the Notes while in Global Form*” below.

1. Introduction

- (a) *Programme*: Amadeus IT Group, S.A. (the **Issuer**) has established a Euro Medium Term Note Programme (the **Programme**) for the issuance of up to EUR 4,000,000,000 in aggregate principal amount of notes (the **Notes**).
- (b) *Final Terms*: Notes issued under the Programme are issued in series (each a **Series**) and each Series may comprise one or more tranches (each a **Tranche**) of Notes. Each Tranche is the subject of a final terms (the **Final Terms**) which completes these terms and conditions (the **Conditions**). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as completed by the relevant Final Terms. In the event of any inconsistency between these Conditions and the relevant Final Terms, the relevant Final Terms shall prevail.
- (c) *Agency Agreement*: The Notes are the subject of an issue and paying agency agreement dated 9 July 2019 (the **Agency Agreement**) between the Issuer, BNP Paribas Securities Services, Luxembourg Branch as fiscal agent (the **Fiscal Agent**, which expression includes any successor fiscal agent appointed from time to time in connection with the Notes) and the paying agents named therein (which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes, each a **Paying Agent** (which expression shall include the Fiscal Agent)).
- (d) *Public Deed of Issuance*: If required by Spanish law, the Issuer will execute a public deed (*escritura pública*) (the **Public Deed of Issuance**) before a Spanish Notary Public in relation to the Notes on or prior to the Issue Date of the Notes. The Public Deed of Issuance will contain, among other information, the terms and conditions of the Notes.
- (e) *The Notes*: All subsequent references in these Conditions to ‘Notes’ are to the Notes which are the subject of the relevant Final Terms. Copies of the relevant Final Terms are available for viewing at the Specified Office of the Fiscal Agent, the initial Specified Office of which is set out below.
- (f) *Summaries*: Certain provisions of these Conditions are summaries of the Agency and are subject to their detailed provisions. The holders of the Notes (the **Noteholders**) and the holders of the related interest coupons, if any, (the **Couponholders** and the **Coupons**, respectively) are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement. Copies of the Agency Agreement are available for inspection by Noteholders during normal business hours at the Specified Office of the Fiscal Agent, the initial Specified Office of which is set out below.

2. Interpretation

- (a) *Definitions*: In these Conditions the following expressions have the following meanings:

Accrual Yield has the meaning given in the relevant Final Terms;

Additional Business Centre(s) means the city or cities specified as such in the relevant Final Terms;

Additional Financial Centre(s) means the city or cities specified as such in the relevant Final Terms;

Business Day means:

- (a) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre; and
- (b) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre;

Business Day Convention, in relation to any particular date, has the meaning given in the relevant Final Terms and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (a) **Following Business Day Convention** means that the relevant date shall be postponed to the first following day that is a Business Day;
- (b) **Modified Following Business Day Convention** or **Modified Business Day Convention** means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;
- (c) **Preceding Business Day Convention** means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (d) **FRN Convention, Floating Rate Convention** or **Eurodollar Convention** means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred **provided, however, that:**
 - (i) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
 - (ii) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
 - (iii) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and
- (e) **No Adjustment** means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

Calculation Agent means the Fiscal Agent or such other Person specified in the relevant Final Terms as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Final Terms;

Calculation Amount has the meaning given in the relevant Final Terms;

A **Change of Control** shall occur in the event that any Person or number of Persons acting in concert:

- (a) acquires or holds the right to exercise more than 30 per cent. of the voting rights exercisable at a general meeting of the shareholders of the Issuer; or
- (b) whether by the ownership of share capital or the possession of voting power, contract or otherwise, acquires or has the ability, directly or indirectly, to appoint or dismiss all or the majority of the members of the board of directors or other governing body of the Issuer;

Change of Control Period means the period (i) beginning on the earlier of (x) the date of the first public announcement or statement of the Issuer, any person acting on behalf of the Issuer, any actual or potential bidder or any adviser acting on behalf of any actual or potential bidder relating to any potential Change of Control or (y) the date of the first public announcement of the Change of Control having occurred, and (ii) ending on the 120th day (inclusive) after the occurrence of the relevant Change of Control;

Clearstream, Luxembourg means Clearstream Banking, S.A.;

Coupon Sheet means, in respect of a Note, a coupon sheet relating to the Note;

Day Count Fraction means, in respect of the calculation of an amount for any period of time (the **Calculation Period**), such day count fraction as may be specified in these Conditions or the relevant Final Terms and:

- (a) if **Actual/Actual (ICMA)** is so specified, means:
 - (i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (ii) where the Calculation Period is longer than one Regular Period, the sum of:
 - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;
- (b) if **Actual/Actual (ISDA)** is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (c) if **Actual/365 (Fixed)** is so specified, means the actual number of days in the Calculation Period divided by 365;

- (d) if **Actual/360** is so specified, means the actual number of days in the Calculation Period divided by 360;
- (e) if **30/360** is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows

$$\text{Day Count Fraction} = \frac{[360x(Y_2 - Y_1)] + [30x(M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

Y₁ is the year, expressed as a number, in which the first day of the Calculation Period falls;

Y₂ is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

M₁ is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

M₂ is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

D₁ is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

D₂ is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30;

- (f) if **30E/360** or **Eurobond Basis** is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360x(Y_2 - Y_1)] + [30x(M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

Y₁ is the year, expressed as a number, in which the first day of the Calculation Period falls;

Y₂ is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

M₁ is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

M₂ is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

D₁ is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

D₂ is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30; and

- (g) if **30E/360 (ISDA)** is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360x(Y_2 - Y_1)] + [30x(M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

Y₁ is the year, expressed as a number, in which the first day of the Calculation Period falls;

Y₂ is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

M₁ is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

M₂ is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

D₁ is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case **D₁** will be 30; and

D₂ is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case **D₂** will be 30,

provided, however, that in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period;

Discount Rate will be as set out in the applicable Final Terms;

Early Redemption Amount (Tax) means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

Early Termination Amount means, in respect of any Note, its principal amount or such other amount as may be specified under “Early Redemption Amount” in the relevant Final Terms, or as determined in accordance with these Conditions;

EURIBOR means, in respect of any Specified Currency and any Specified Period, the interest rate benchmark known as the Euro interbank offered rate which is calculated and published by the designated distributor (currently Thomson Reuters) in accordance with the requirements from time to time of the European Banking Federation based on estimated interbank borrowing rates for a number of designated currencies and maturities which are provided, in respect of each such currency, by a panel of contributor banks (details of historic EURIBOR rates can be obtained from the designated distributor);

Euroclear means Euroclear Bank SA/NV;

Extraordinary Resolution has the meaning given in the Agency Agreement;

FA Selected Bond means a government security or securities selected by the Financial Adviser as having an actual or interpolated maturity comparable with the remaining term of the Notes that would be utilised, at the time of selection and in accordance with customary financial practice, in

pricing new issues of corporate debt securities denominated in the same currency as the Notes and of a comparable maturity to the remaining term of the Notes;

Final Redemption Amount means, in respect of any Note, its principal amount or such higher amount as may be specified in the relevant Final Terms;

Financial Adviser means the entity so specified in the applicable Final Terms or, if not so specified or such entity is unable or unwilling to act, any financial adviser selected by the Issuer.

First Interest Payment Date means the date specified in the relevant Final Terms;

Fixed Coupon Amount has the meaning given in the relevant Final Terms;

Group means Amadeus IT Group, S.A. and its consolidated Subsidiaries;

Indebtedness means any indebtedness of any Person for money borrowed or raised including (without limitation) any indebtedness for or in respect of:

- (a) amounts raised by acceptance under any acceptance credit facility;
- (b) amounts raised under any note purchase facility;
- (c) the capitalised amount of any liability in respect of leases or hire purchase contracts which would, in accordance with applicable law and generally accepted accounting principles, be treated as finance or capital leases; and
- (d) amounts raised under any other transaction (including, without limitation, any forward sale or purchase agreement or the sale of receivables and other assets on a “with recourse” basis);

in each case required by the applicable generally accepted accounting principles to be shown as a borrowing in the audited consolidated balance sheet of the Group;

Interest Amount means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

Interest Commencement Date means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Final Terms;

Interest Determination Date has the meaning given in the relevant Final Terms;

Interest Payment Date means the First Interest Payment Date and any other date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

- (a) as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (b) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

Interest Period means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

ISDA Definitions means the 2006 ISDA Definitions (as amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series (as specified in the relevant Final Terms) as published by the International Swaps and Derivatives Association, Inc.);

Issue Date has the meaning given in the relevant Final Terms;

LIBOR means, in respect of any Specified Currency and any Specified Period, the interest rate benchmark known as the London interbank offered rate which is calculated and published by the designated distributor (currently Thomson Reuters) in accordance with the requirements from time to time of ICE Benchmark Administration Limited (or any other person which takes over the administration of that rate) based on estimated interbank borrowing rates for a number of designated currencies and maturities which are provided, in respect of each such currency, by a panel of contributor banks (details of historic LIBOR rates can be obtained from the designated distributor);

Make-whole Exemption Period will be as set out in the applicable Final Terms;

Margin has the meaning given in the relevant Final Terms;

Material Subsidiary means, at any time, a Subsidiary of the Issuer whose net assets represent not less than 10 per cent. of the consolidated net assets of the Group as calculated by reference to the then latest audited or unaudited accounts of such Subsidiary and the then latest audited consolidated accounts of the Group, or (b) whose gross revenues represent not less than 10 per cent. of the consolidated gross revenues of the Group as calculated by reference to the then latest audited or unaudited accounts of such Subsidiary and the then latest audited consolidated accounts of the Group;

Maturity Date has the meaning given in the relevant Final Terms;

Maximum Redemption Amount has the meaning given in the relevant Final Terms;

Minimum Redemption Amount has the meaning given in the relevant Final Terms;

Moody's means Moody's Investors Service Limited;

Optional Redemption Amount (Call) means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

Optional Redemption Amount (Put) means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

Optional Redemption Date (Call) has the meaning given in the relevant Final Terms;

Optional Redemption Date (Put) has the meaning given in the relevant Final Terms;

Participating Member State means a Member State of the European Economic Area which adopts the euro as its lawful currency in accordance with the Treaty;

Payment Business Day means:

- (a) if the currency of payment is euro, any day which is:
 - (i) in the case of Notes in definitive form only, a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and

- (ii) in the case of payment by transfer to an account, a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or
- (b) if the currency of payment is not euro, any day which is:
 - (i) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
 - (ii) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre;

Person means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

Principal Financial Centre means, in relation to any currency, the principal financial centre for that currency **provided, however, that:**

- (a) in relation to euro, it means the principal financial centre of such Member State of the European Economic Area as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent; and
- (b) in relation to New Zealand dollars, it means either Wellington or Auckland as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent;

Put Option Notice means a notice which must be delivered to the Fiscal Agent by any Noteholder of a Definitive Note wanting to exercise a right to redeem such Definitive Note at the option of the Noteholder;

Put Option Receipt means a receipt issued by the Paying Agent to a depositing Noteholder upon deposit of a Note with such Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

Rate of Interest means the rate or rates (expressed as a percentage *per annum*) of interest payable in respect of the Notes specified in the relevant Final Terms or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Final Terms;

Rating Agency means S&P and/or Moody's and/or Fitch and/or any other rating agency of equivalent international standing specified from time to time by the Issuer and its successors or affiliates, which has a current rating of the Issuer or of the Notes, as the case may be, at any relevant time;

A Rating Downgrade shall occur in respect of a Change of Control if:

- (a) within the Change of Control Period any rating previously assigned to the Issuer or to the Notes, as the case may be, by any Rating Agency immediately prior to the Change of Control is:
 - (i) withdrawn (other than for administrative reasons of the Rating Agency); or
 - (ii) changed from an investment grade rating (BBB- by S&P or Fitch/Baa3 by Moody's, or their respective equivalents for the time being, or better) to a non-investment

grade rating (BB+ by S&P or Fitch /Ba1 by Moody's, or their respective equivalents for the time being, or worse); or

- (iii) if any such rating was below investment grade rating (as described above), lowered one full notch (for example, from BB+ by S&P or Fitch /Ba1 by Moody's to BB by S&P or Fitch/Ba2 by Moody's, or their respective equivalents);

or

- (b) at the time of the occurrence of a Change of Control, the Issuer or the Notes, as the case may be, have not been rated and no Rating Agency assigns within the Change of Control Period:
 - (i) an investment grade rating (as described above) to the Issuer or the Notes; or
 - (ii) in the event that a Rating Agency does not assign an investment grade rating to the Issuer or the Notes after having been requested to do so, a rating at least equal to the lowest rating assigned to the Issuer or the Notes, as the case may be, at the time of withdrawal of the last of the ratings of the Issuer or the Notes prior to such Change of Control (the **Latest Available Rating**);

provided that a Rating Downgrade otherwise arising by virtue of a particular reduction in rating shall not be deemed to have occurred in respect of a particular Change of Control if the Rating Agency referred to in (a) or (b) above making the reduction in rating to which this definition would otherwise apply does not announce or publicly confirm, or inform the Issuer in writing, that the reduction, withdrawal or failure to assign an investment grade rating or a rating at least equal to the Latest Available Rating was the result of any event or circumstance comprised in or arising as a result of, or in respect of, the applicable Change of Control;

Redemption Amount means, as appropriate, the Final Redemption Amount, the Early Redemption Amount (Tax), the Optional Redemption Amount (Call), the Optional Redemption Amount (Put), the Early Termination Amount or such other amount in the nature of a redemption amount as may be specified in the relevant Final Terms;

Redemption Margin will be as set out in the applicable Final Terms;

Reference Banks has the meaning given in the relevant Final Terms or, if none, four major banks selected by the Calculation Agent in the market that is most closely connected with the Reference Rate;

Reference Bond shall mean the bond so specified in the applicable Final Terms or, if not so specified or if no longer available, the FA Selected Bond;

Reference Bond Price means, with respect to any date of redemption: (a) the arithmetic average of the Reference Government Bond Dealer Quotations for such date of redemption, after excluding the highest and lowest such Reference Government Bond Dealer Quotations; or (b) if the Financial Adviser obtains fewer than four such Reference Government Bond Dealer Quotations, the arithmetic average of all such quotations;

Reference Bond Rate means, with respect to any date of redemption, the rate per annum equal to the annual or semi-annual yield (as the case may be) to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reference Bond, assuming a price for the Reference Bond (expressed as a percentage of its nominal amount) equal to the Reference Bond Price for such date of redemption;

Reference Date will be set out in the relevant notice of redemption, such date to fall no earlier than the date falling 30 days prior to the date of such notice;

Reference Government Bond Dealer means each of five banks selected by the Issuer or its affiliates, which are (a) primary government securities dealers, and its successors, or (b) market makers in pricing corporate bond issues;

Reference Government Bond Dealer Quotations means, with respect to each Reference Government Bond Dealer and any date for redemption, the arithmetic average, as determined by the Calculation Agent, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its nominal amount) at the Quotation Time specified in the applicable Final Terms on the Reference Date quoted in writing to the Calculation Agent by such Reference Government Bond Dealer;

Reference Price has the meaning given in the relevant Final Terms;

Reference Rate means EURIBOR or LIBOR as specified in the relevant Final Terms in respect of the currency and period specified in the relevant Final Terms;

Regular Period means:

- (a) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;
- (b) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where **Regular Date** means the day and month (but not the year) on which any Interest Payment Date falls; and
- (c) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where **Regular Date** means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

Relevant Date means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the Principal Financial Centre of the currency of payment by the Fiscal Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

Relevant Financial Centre has the meaning given in the relevant Final Terms;

Relevant Indebtedness means any Indebtedness which is in the form of or represented by any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which is, or is capable of being, listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market);

Relevant Screen Page means the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the relevant Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring

the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

Relevant Time has the meaning given in the relevant Final Terms;

Remaining Term Interest means with respect to any Note, the aggregate amount of scheduled payment(s) of interest on such Note for the remaining term of such Note determined on the basis of the rate of interest applicable to such Note from and including the date on which such Note is to be redeemed by the Issuer in accordance with Condition 10(c) (*Redemption at the option of the Issuer*);

Reserved Matter means any proposal to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment, to change the currency of any payment under the Notes or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution;

S&P means Standard & Poor's Credit Market Services Italy Srl;

Security Interest means any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction;

Specified Currency has the meaning given in the relevant Final Terms;

Specified Denomination(s) has the meaning given in the relevant Final Terms;

Specified Office has the meaning given in the Agency Agreement;

Specified Period has the meaning given in the relevant Final Terms;

Subsidiary means, in relation to any Person (the **first Person**) at any particular time, any other Person (the **second Person**):

- (a) whose affairs and policies the first Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second Person or otherwise; or
- (b) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person;

Substantial Part means an aggregate amount equal to or greater than 10 per cent. of the aggregate value of the consolidated assets or of the consolidated net revenues of the Group, as calculated on the basis of the latest audited or unaudited consolidated publicly available consolidated financial statements of the Group preceding the date of the event described in Condition 13(e) (*Events of Default – Security enforced*);

Substantial Purchase Event means an event that shall be deemed to have occurred if at least 80 per cent. of the aggregate principal amount of the Notes is purchased by the Issuer or any Subsidiary of the Issuer (and in each case is cancelled in accordance with Condition 10(k) (*Cancellation*)).

Talon means a talon for further Coupons;

TARGET2 means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto;

TARGET Settlement Day means any day on which TARGET2 is open for the settlement of payments in euro;

Thomson Reuters means Thomson Reuters Corporation;

Treaty means the Treaty establishing the European Communities, as amended; and

Zero Coupon Note means a Note specified as such in the relevant Final Terms.

(b) *Interpretation:* In these Conditions:

- (i) If the Notes are Zero Coupon Notes, references to Coupons and Couponholders are not applicable;
- (ii) if Talons are specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;
- (iii) if Talons are not specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Talons are not applicable;
- (iv) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 12 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;
- (v) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 12 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;
- (vi) references to Notes being “outstanding” shall be construed in accordance with the Agency Agreement;
- (vii) if an expression is stated in Condition 2(a) (*Interpretation – Definitions*) to have the meaning given in the relevant Final Terms, but the relevant Final Terms gives no such meaning or specifies that such expression is “not applicable” then such expression is not applicable to the Notes; and
- (viii) any reference to the Agency Agreement shall be construed as a reference to the Agency Agreement, as amended and/or supplemented up to and including the Issue Date of the Notes.

3. **Form, Denomination and Title**

The Notes are in bearer form in the Specified Denomination(s) with Coupons and, if specified in the relevant Final Terms, Talons attached at the time of issue. In the case of a Series of Notes with more than one Specified Denomination, Notes of one Specified Denomination will not be exchangeable for Notes of another Specified Denomination. Title to the Notes and the Coupons will pass by delivery. The holder of any Note or Coupon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or any notice of any previous loss or theft thereof) and no Person shall be liable for so treating such holder. No person shall have any right to enforce any term or condition of any Note under the Contracts (Rights of Third Parties) Act 1999.

4. **Status of the Notes**

The Notes issued by the Issuer constitute direct, general, unsubordinated and unconditional obligations of the Issuer and upon the declaration of insolvency (*concurso*) of the Issuer Group by a Spanish insolvency court, the credit rights of the Noteholders of such Notes against the Issuer (subject to any applicable legal and statutory exceptions or unless they qualify as subordinated credit rights under Article 92 of the Spanish Insolvency Law or equivalent legal provisions which may replace it in the future) rank *pari passu* and rateably without any preference among such obligations of the Issuer in respect of the Notes issued by the Issuer of the same issue and at least *pari passu* with all other unsubordinated and unsecured indebtedness of the Issuer, present or future.

In the event of insolvency (concurso) of the Issuer, under Law 22/2003, claims relating to the Notes issued by the Issuer (unless they qualify by law as subordinated credits under Article 92 of Law 22/2003 or equivalent legal provision which replaces it in the future, and subject to any applicable legal and statutory exceptions) will be ordinary credits (créditos ordinarios) as defined in Law 22/2003. Ordinary credits rank below credits against the insolvency state (créditos contra la masa) and credits with a privilege (créditos privilegiados). Ordinary credits rank above subordinated credits. Accrued and unpaid interest due in respect of the Notes issued by the Issuer at the commencement of an insolvency proceeding (concurso) of the Issuer will qualify as subordinated credits.

5. **Negative Pledge**

So long as any Note remains outstanding, the Issuer shall not, and the Issuer shall procure that none of its Material Subsidiaries will, create or permit to subsist any Security Interest upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure any Relevant Indebtedness of Relevant Indebtedness without (a) at the same time or prior thereto securing the Notes equally and rateably therewith or (b) providing such other security for the Notes as may be approved by an Extraordinary Resolution of Noteholders, provided that any Material Subsidiary acquired after 21 November 2014 may have an outstanding Security Interest with respect to Relevant Indebtedness of such Material Subsidiary so long as:

- (i) such Security Interest was outstanding on the date on which such Material Subsidiary became a Subsidiary, was not created in contemplation of such Material Subsidiary becoming a Subsidiary and does not extend to any assets or property of the Issuer; and
- (ii) the nominal amount of the Relevant Indebtedness (or indemnity in respect of such Relevant Indebtedness) is not increased after the date that such Material Subsidiary became a Subsidiary.

6. **Fixed Rate Note Provisions**

- (a) *Application:* This Condition 6 is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Accrual of interest:* The Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 11 (*Payments*)

Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6 (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after

the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

- (c) *Fixed Coupon Amount:* The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.
- (d) *Calculation of interest amount:* The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount. For this purpose a **sub-unit** means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

7. **Floating Rate Note Provisions**

- (a) *Application:* This Condition 7 is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Accrual of interest:* The Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 11 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 7 (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).
- (c) *Screen Rate Determination:* If Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis:
 - (i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
 - (ii) if Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight-line linear interpolation by reference to two rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date, where:
 - (A) one rate shall be determined as if the relevant Interest Period were the period of time for which rates are available next shorter than the length of the relevant Interest Period; and
 - (B) the other rate shall be determined as if the relevant Interest Period were the period of time for which rates are available next longer than the length of the relevant Interest Period;

provided, however, that if no rate is available for a period of time next shorter or, as the case may be, next longer than the length of the relevant Interest Period, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate;

- (iii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (iv) if, in the case of (i) above, such rate does not appear on that page or, in the case of (iii) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Calculation Agent will:
 - (A) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and
 - (B) determine the arithmetic mean of such quotations; and
- (v) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by major banks in the Principal Financial Centre of the Specified Currency, selected by the Calculation Agent, at approximately 11.00 a.m. (local time in the Principal Financial Centre of the Specified Currency) on the first day of the relevant Interest Period for loans in the Specified Currency to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; ***provided, however, that*** if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period.

- (d) *ISDA Determination:* If ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where “ISDA Rate” in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:
 - (i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Final Terms;
 - (ii) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the relevant Final Terms;
 - (iii) the relevant Reset Date (as defined in the ISDA Definitions) is either (A) if the relevant Floating Rate Option is based on the LIBOR for a currency, the first day of that Interest Period or (B) in any other case, as specified in the relevant Final Terms; and

- (iv) if Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight-line linear interpolation by reference to two rates based on the relevant Floating Rate Option, where:
- (A) one rate shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period; and
 - (B) the other rate shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period

provided, however, that if there is no rate available for a period of time next shorter than the length of the relevant Interest Period or, as the case may be, next longer than the length of the relevant Interest Period, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

- (e) *Maximum or Minimum Rate of Interest:* If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.
- (f) *Calculation of Interest Amount:* The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a **sub-unit** means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.
- (g) *Publication:* The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Paying Agents and each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation as soon as practicable after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination.
- (h) *Notifications etc:* All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Paying Agents, the Noteholders and the Couponholders and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

8. **Benchmark Discontinuation**

If the Issuer (in consultation with the Calculation Agent) determines that a Benchmark Event (as defined below) has occurred in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, with a view to the Independent Adviser determining, no later than three Business Days prior to the relevant Interest Determination Date, a Successor Rate, failing which an Alternative Rate (in accordance with Condition 8(a)) and, in either case, an Adjustment Spread if any (in accordance with Condition 8(b)) and any Benchmark Amendments (in accordance with Condition 8(c) below).

(a) *Successor Rate or Alternative Rate:*

If the Independent Adviser determines that:

- (i) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 8(b) below) subsequently be used in place of the Original Reference Rate to determine the Interest Rate (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the subsequent operation of this Condition 8); or
- (ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 8(b)) subsequently be used in place of the Original Reference Rate to determine the Interest Rate (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the subsequent operation of this Condition 8).

Provided that, if the Issuer (i) is unable to appoint an Independent Adviser or (ii) the Independent Adviser does not determine a Successor Rate or an Alternative Rate, the fallback provisions set out in Condition 7 and the applicable Final Terms, as the case may be, shall continue to apply. For the avoidance of doubt, the proviso to this Condition 8(a) shall apply to the relevant next succeeding Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 8(a).

(b) *Adjustment spread*

If the Independent Adviser determines (i) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be).

(c) *Benchmark Amendments*

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 8 the Independent Adviser determines: (i) that amendments to these Conditions and/or the Agency Agreement are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the **Benchmark Amendments**) and (ii) the terms of the Benchmark Amendments, then the Issuer and the Paying Agent shall, subject to giving notice thereof in accordance with Condition 8(d), without any requirement for the consent or approval of Noteholders, vary these Conditions and/or the Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 8(c), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(d) *Notice*

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 8 will be notified promptly by the Issuer to the Paying Agents and, in accordance with Condition 19 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any and will be binding on the Issuer, the Paying Agents and the Noteholders.

(e) *Survival of Original Reference Rate Provisions*

Without prejudice to the obligations of the Issuer under Condition 8(a) to (d), the Original Reference Rate and the fallback provisions provided for in Condition 7 and the applicable Final Terms, as the case may be, will continue to apply unless and until the Calculation Agent has been notified of the Successor Rate or the Alternative Rate (as the case may be), and any Adjustment Spread and Benchmark Amendments, in accordance with this Condition 8.

(f) *Definitions*

In this Condition 8, the following expressions shall have the following meanings:

Adjustment Spread means either a spread or quantum (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser determines is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders and Couponholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be) and is the spread, quantum, formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);
- (ii) the Independent Adviser determines is recognised or acknowledged as being the industry standard for over-the counter derivative transactions or is in customary market usage in the debt capital market for transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be);
- (iii) or if the Independent Adviser determines that no such industry standard is recognised or acknowledged, the Independent Adviser determines to be appropriate.

Alternative Rate means an alternative benchmark or screen rate which the Independent Adviser determines has replaced the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in the same Specified Currency as the Notes.

Benchmark Amendments has the meaning given to it in Condition 8(c).

Benchmark Event means:

- (i) the Original Reference Rate ceasing to be published for a period of at least 5 Business Days or ceasing to exist; or
- (ii) a public statement by the administrator of the Original Reference Rate that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where

no successor administrator has been appointed that will continue publication of the Original Reference Rate); or

- (iii) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or
- (iv) a public statement by the supervisor of the administrator of the Original Reference Rate that means the Original Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences; or
- (v) it has or will become unlawful for any Paying Agent, Calculation Agent, the Issuer or any other party to calculate any payments due to be made to any Noteholder using the Original Reference Rate.

Independent Adviser means an independent financial institution of recognised standing or an independent financial adviser with appropriate expertise appointed by the Issuer (at its own expense).

Original Reference Rate means:

- (i) the originally-specified benchmark or screen rate (as applicable) used to determine the Interest Rate (or any component part thereof) on the Notes; or
- (ii) any Successor Rate or Alternative Rate which has been determined in relation to such benchmark or screen rate (as applicable) pursuant to the operation of this Condition 8,

as applicable.

Relevant Nominating Body means, in respect of a benchmark or screen rate (as applicable):

- (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

Successor Rate means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

9. **Zero Coupon Note Provisions**

- (a) *Application:* This Condition 9 is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Late payment on Zero Coupon Notes:* If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:
 - (i) the Reference Price; and

- (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

10. **Redemption and Purchase**

- (a) *Scheduled redemption:* Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Condition 11 (*Payments*).
- (b) *Redemption for tax reasons:* The Notes may be redeemed at the option of the Issuer in whole, but not in part:
 - (i) at any time (if the Floating Rate Note Provisions are not specified in the relevant Final Terms as being applicable); or
 - (ii) on any Interest Payment Date (if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable),

on giving not less than 30 nor more than 60 days' notice to the Noteholders, or such other period(s) as may be specified in the relevant Final Terms, (which notice shall be irrevocable), at their Early Redemption Amount (Tax), together with interest accrued (if any) to the date fixed for redemption, if (1) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 12 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Kingdom of Spain or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes and (2) such obligation cannot be avoided by the Issuer taking reasonable measures available to it;

provided, however, that no such notice of redemption shall be given earlier than:

- (1) where the Notes may be redeemed at any time, 90 days (or such other period as may be specified in the relevant Final Terms) prior to the earliest date on which the Issuer would be obliged to pay such additional amounts; or
- (2) where the Notes may be redeemed only on an Interest Payment Date, 60 days (or such other period as may be specified in the relevant Final Terms) prior to the Interest Payment Date occurring immediately before the earliest date on which the Issuer would be obliged to pay such additional amounts.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver or procure that there is delivered to the Fiscal Agent (1) a certificate signed by two directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (2) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts. Upon the expiry of any such notice as is referred to in this Condition 10(b), the Issuer shall be bound to redeem the Notes in accordance with this Condition 10(b).

- (c) *Redemption at the option of the Issuer:* If the Call Option is specified in the relevant Final Terms as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the relevant Final Terms, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the Issuer's giving not less than 30 nor more than 60 days' notice to the Noteholders, or such other period(s) as may be specified in the relevant Final Terms (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the Optional Redemption Amount (Call) plus accrued interest (if any) to such date).

The Optional Redemption Amount will either be the specified percentage of the nominal amount of the Notes stated in the applicable Final Terms or, if Make-whole Amount is specified in the applicable Final Terms, will be the higher of (a) 100 per cent. of the principal amount outstanding of the Notes to be redeemed; and (b) the sum of the present values of the principal amount outstanding of the Notes to be redeemed and the Remaining Term Interest on such Notes (exclusive of interest accrued to the date of redemption) discounted to the date of redemption on an annual basis at (i) the Reference Bond Rate plus the Redemption Margin; or (ii) the Discount Rate, in each case as may be specified in the applicable Final Terms. If the Make-whole Exemption Period is specified as applicable and the Issuer gives notice to redeem the Notes during the Make-whole Exemption Period, the Optional Redemption Amount will be 100 per cent. of the principal amount outstanding of the Notes to be redeemed.

- (d) *Residual maturity call option:* If the Residual Maturity Call Option is specified in the relevant Final Terms as being applicable, the Issuer may, on giving not less than 30 nor more than 60 days' irrevocable notice to the Noteholders (which notice shall specify the date fixed for redemption), redeem all (but not only some) of the outstanding Notes comprising the relevant Series at their principal amount together with interest accrued to, but excluding, the date fixed for redemption, which shall be no earlier than (i) three months before the Maturity Date in respect of Notes having a maturity of not more than ten years or (ii) six months before the Maturity Date in respect of Notes having a maturity of more than ten years.

For the purpose of the preceding paragraph, the maturity of not more than ten years or the maturity of more than ten years shall be determined as from the Issue Date of the first Tranche of the relevant Series of Notes.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 10(d).

- (e) *Partial redemption:* If the Notes are to be redeemed in part only on any date in accordance with Condition 10(c) (*Redemption and Purchase – Redemption at the option of the Issuer*), the Notes to be redeemed shall be selected by the drawing of lots in such place as the Fiscal Agent approves and in such manner as the Fiscal Agent considers appropriate, subject to compliance with applicable law, the rules of each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and the notice to Noteholders referred to in Condition 10(c) (*Redemption and Purchase – Redemption at the option of the Issuer*) shall specify the serial numbers of the Notes so to be redeemed. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or be less than the minimum so specified.
- (f) *Redemption at the option of Noteholders:*
- (i) *Put Option – General:* If the Put Option is specified in the relevant Final Terms as being applicable, the Issuer shall, at the option of the holder of any Note redeem such Note on the Optional Redemption Date (Put) specified in the relevant notice given by any holder of a

Note to the Issuer in accordance with Condition (18) (*Notices*) at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date.

- (ii) *Put Option – Change of Control:* If the Change of Control Put Option is specified in the Final Terms, then if, at any time while any Note remains outstanding:
 - (A) there occurs a Change of Control; and
 - (B) within the Change of Control Period a Rating Downgrade in respect of that Change of Control occurs ((A) and (B) together, a **Change of Control Put Event**),

each Noteholder will have the option (the **Change of Control Put Option**) to require the Issuer to redeem the Notes of that Noteholder on the Optional Redemption Date (Put) specified in the relevant notice given by any holder of a Note to the Issuer in accordance with Condition (18) (*Notices*) at their principal amount together with accrued interest to but excluding the Optional Redemption Date (Put).

- (iii) *Notice of Change of Control:* Promptly upon the Issuer becoming aware that a Change of Control Put Event has occurred, the Issuer, shall give notice (a **Change of Control Put Event Notice**) to the Noteholders in accordance with Condition 19 (*Notices*) specifying the nature of the Change of Control Put Event and the circumstances giving rise to it, as well as the procedure for exercising the Change of Control Put Option.
- (iv) *Exercise of Put Option:* In order to exercise either of the options contained in this Condition 10(f), the holder of a Note must, if the Note is in definitive form and held outside of Euroclear and Clearstream Luxembourg, not less than 30 nor more than 60 days before the relevant Optional Redemption Date (Put) (or such other period(s) as may be specified in the relevant Final Terms), deposit with the Fiscal Agent such Note together with all unmatured Coupons relating thereto and a duly completed Put Option Notice in the form obtainable from the Fiscal Agent. The Fiscal Agent with which a Note is so deposited shall deliver a duly completed Put Option Receipt to the depositing Noteholder. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 10(f), may be withdrawn; **provided, however, that** if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the Fiscal Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by the Fiscal Agent in accordance with this Condition 10(f), the depositor of such Note and not the Fiscal Agent shall be deemed to be the holder of such Note for all purposes.

If the Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, in order to exercise either of the options contained in this Condition 9(f) the holder of a Note must, not less than 30 nor more than 60 days before the relevant Optional Redemption Date (Put) (or such other period(s) as may be specified in the relevant Final Terms), give notice to the Fiscal Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg, (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depository or common safekeeper, as the case may be, for them to the Fiscal Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time.

- (g) *Redemption following a Substantial Purchase Event:* If a Substantial Purchase Event is specified in the Final Terms as being applicable and a Substantial Purchase Event has occurred and is continuing, then the Issuer may, subject to having given not less than 15 nor more than 30 days' notice to the Fiscal Agent and the Noteholders (which notice shall be irrevocable), redeem the Notes in whole, but not in part, at any time, in each case at their principal amount, together with any accrued and unpaid interest up to (but excluding) the date of redemption.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 10(g).

- (h) No other redemption: The Issuer shall not be entitled to redeem the Notes otherwise than as provided in paragraphs (a) to (g) above.
- (i) Early redemption of Zero Coupon Notes: Unless otherwise specified in the relevant Final Terms, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:
- (i) the Reference Price; and
 - (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the Final Terms for the purposes of this Condition 10(h) or, if none is so specified, a Day Count Fraction of 30E/360.

- (j) *Purchase:* The Issuer or any of its Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price, **provided that** all unmatured Coupons are purchased therewith.
- (k) *Cancellation:* All Notes so redeemed or purchased by the Issuer or any of its Subsidiaries and any unmatured Coupons attached to or surrendered with them shall be cancelled and may not be reissued or resold.

11. **Payments**

- (a) *Principal:* Payments of principal shall be made only against presentation and (**provided that** payment is made in full) surrender of Notes at the Specified Office of the Fiscal Agent outside the United States by cheque drawn in the currency in which the payment is due on, or by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency.
- (b) *Interest:* Payments of interest shall, subject to paragraph (h) below, be made only against presentation and (**provided that** payment is made in full) surrender of the appropriate Coupons at the Specified Office of the Fiscal Agent outside the United States in the manner described in paragraph (a) above.
- (c) *Payments in New York City:* Payments of principal or interest may be made at the Specified Office of the Fiscal Agent in New York City if (i) the Issuer has appointed a Fiscal Agent outside the United States with the reasonable expectation that such Fiscal Agent will be able to make payment of the full amount of the interest on the Notes in the currency in which the payment is due when due, (ii) payment of the full amount of such interest at the offices of such Fiscal Agent is illegal or effectively precluded by exchange controls or other similar restrictions and (iii) payment is then

permitted by applicable United States law without involving in the opinion of the Issuer, adverse tax consequences to the Issuer.

- (d) *Payments subject to fiscal laws:* All payments in respect of the Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 12 (*Taxation*). No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (e) *Deductions for unmatured Coupons:* If the relevant Final Terms specifies that the Fixed Rate Note Provisions are applicable and a Note is presented without all unmatured Coupons relating thereto:
 - (i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; **provided, however, that** if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;
 - (ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:
 - (A) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the **Relevant Coupons**) being equal to the amount of principal due for payment; **provided, however, that** where this sub-paragraph would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and
 - (B) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; **provided, however, that**, if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in paragraph (a) above against presentation and (**provided that** payment is made in full) surrender of the relevant missing Coupons.

- (f) *Unmatured Coupons void:* If the relevant Final Terms specifies that this Condition 11(f) is applicable or that the Floating Rate Note Provisions are applicable, on the due date for final redemption of any Note or early redemption in whole of such Note pursuant to Condition 10(b) (*Redemption and Purchase – Redemption for tax reasons*), Condition 10(c) (*Redemption and Purchase – Redemption at the option of the Issuer*), Condition 10(d) (*Redemption and Purchase – Residual maturity call option*), Condition 10(f) (*Redemption and Purchase – Redemption at the option of Noteholders*), Condition 10(g) (*Redemption and Purchase – Redemption following a Substantial Purchase Event*) or Condition 12 (*Taxation*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.
- (g) *Payments on business days:* If the due date for payment of any amount in respect of any Note or Coupon is not a Payment Business Day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.

- (h) *Payments other than in respect of matured Coupons:* Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Notes at the Specified Office of the Fiscal Agent outside the United States (or in New York City if permitted by paragraph (c) above).
- (i) *Partial payments:* If the Fiscal Agent makes a partial payment in respect of any Note or Coupon presented to it for payment, it will endorse thereon a statement indicating the amount and date of such payment.
- (j) *Exchange of Talons:* On or after the maturity date of the final Coupon which is (or was at the time of issue) part of a Coupon Sheet relating to the Notes, the Talon forming part of such Coupon Sheet may be exchanged at the Specified Office of the Fiscal Agent for a further Coupon Sheet (including, if appropriate, a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to Condition 14 (*Prescription*)). Upon the due date for redemption of any Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.

12. **Taxation**

- (a) *Gross up:* All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges (collectively, the **Taxes**) of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Kingdom of Spain, or any political subdivision therein or any authority therein or thereof having power to tax (each a **Taxing Authority**), unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, the Issuer shall pay such additional amounts as will result in receipt by the Noteholders and the Couponholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note or Coupon presented for payment:
 - (i) by or on behalf of a Noteholder which is liable to such Taxes in respect of such Note or Coupon by reason of its having some connection with the jurisdiction by which such taxes, duties, assessments or charges have been imposed, levied, collected, withheld or assessed other than the mere holding of the Note or Coupon; or
 - (ii) by or on behalf of a Noteholder which is liable to such Taxes in respect of such Note or Coupon by reason of the Issuer not having received in a timely manner a duly executed and completed certificate required in order to comply with Spanish Law 10/2014 of 26 June, on supervision and solvency of credit entities (**Law 10/2014**) as well as Royal Decree 1065/2007 of 27 July, regulating tax management and inspection activities and procedures (as amended by the Spanish Royal Decree 1145/2011, of 29 July, which is in force as from 31 July 2011) (**RD 1065/2007**); or
 - (iii) by or on behalf of a Noteholder which is liable to such Taxes in respect of such Note or Coupon by reason of the Issuer, or the Fiscal Agent on its behalf, should the exemption of Law 10/2014 not be applicable, not having received in a timely manner a valid certificate of tax residence duly issued by the tax authorities of the country of tax residence of the beneficial owner of the Notes confirming that the Noteholder is (i) resident for tax purposes in a Member State of the European Union, not considered as a tax haven pursuant to Spanish law, other than Spain; or (ii) resident for tax purposes in a jurisdiction with which Spain has entered into a tax treaty to avoid double taxation, which makes provision for full exemption from tax imposed in Spain on interest and within the meaning of the referred tax treaty; as it is required by the applicable tax laws and regulations of the relevant Taxing

Authority as a precondition to exemption from, or reduction in the rate of deduction or withholding of, Taxes imposed by such relevant Taxing Authority; or

- (iv) more than 15 days after the Relevant Date except to the extent that the holder of such Note or Coupon would have been entitled to such additional amounts on presenting such Note or Coupon for payment on the last day of such period of 15 days.
- (v) Notwithstanding any other provision of these Conditions, in no event will the Issuer be required to pay any additional amounts in respect of a Note or Coupon for, or on account of, any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any amended or successor version thereto, any current or future regulations or agreements thereunder, or any official interpretations thereof or any law, fiscal or regulatory legislation, rules, guidance or practices implementing an intergovernmental approach thereto.

- (b) *Taxing jurisdiction:* If the Issuer becomes subject at any time to any taxing jurisdiction other than the Kingdom of Spain, references in these Conditions to the Kingdom of Spain shall be construed as references to the Kingdom of Spain and/or such other jurisdiction.

13. **Events of Default**

If any of the following events occurs and is continuing:

- (a) *Non-payment:* the Issuer fails to pay any amount of principal in respect of the Notes on the due date for payment thereof or fails to pay any amount of interest in respect of the Notes in each case within five days of the due date for payment thereof; or
- (b) *Breach of other obligations:* the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Notes and such default remains unremedied for 30 days after written notice thereof, addressed to the Issuer by any Noteholder, has been delivered to the Issuer or to the Specified Office of the Fiscal Agent; or
- (c) *Cross-default of the Issuer or Subsidiaries:*
 - (i) any Indebtedness of the Issuer or any of its Subsidiaries is not paid when due or (as the case may be) within any applicable grace period; or
 - (ii) any such Indebtedness becomes due and payable prior to its stated maturity as a result of an event of default, howsoever described;

provided that the amount of Indebtedness referred to in sub-paragraph (i) and/or sub-paragraph (ii) above individually or in the aggregate exceeds at any time €100,000,000 (or its equivalent in any other currency or currencies); or

- (d) *Unsatisfied judgment:* one or more judgment(s) or order(s) (from which no further appeal or judicial review is permissible under applicable law) for the payment of an aggregate amount in excess of €100,000,000 (or its equivalent in any other currency or currencies) is rendered against any of the Issuer or any of its Subsidiaries and continue(s) unsatisfied and unstayed for a period of 30 days after the date(s) thereof or, if later, the date therein specified for payment; or
- (e) *Security enforced:* a secured party takes possession, or a receiver, manager or other similar officer is appointed, over the whole of the undertaking, assets and revenues of the Issuer or

any of its Material Subsidiaries or, if over less than the whole of the undertaking, assets and revenues, then provided that such undertaking, assets and revenues represents a Substantial Part; or

- (f) *Insolvency, etc.:* (i) the Issuer or any of its Material Subsidiaries becomes insolvent or is unable to pay its debts as they fall due, (ii) an administrator or liquidator of the Issuer or any of its Material Subsidiaries or the whole or any part of the undertaking, assets and revenues of any of the Issuer or any of its Material Subsidiaries is appointed (or application for any such appointment is made), (iii) the Issuer or any of its Material Subsidiaries takes any action for a readjustment or deferment of any of its obligations generally or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of any of its Indebtedness given by it or (iv) the Issuer or any of its Material Subsidiaries ceases or threatens to cease to carry on all or substantially all of its business (in each case, otherwise than for the purposes of or pursuant to an arm's-length disposal to one or more third parties, an amalgamation, a reorganisation or a restructuring, in each case whilst solvent); or
- (g) *Winding up, etc.:* an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer or any of its Material Subsidiaries (otherwise than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent); or
- (h) *Analogous event:* any event occurs which under the laws of The Kingdom of Spain has an analogous effect to any of the events referred to in paragraphs (d) to (g) above; or
- (i) *Failure to take action etc.:* any action, condition or thing at any time required to be taken, fulfilled or done in order (i) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under and in respect of the Notes (ii) to ensure that those obligations are legal, valid, binding and enforceable and (iii) to make the Notes and the Coupons admissible in evidence in the courts of the Kingdom of Spain is not taken, fulfilled or done; or
- (j) *Unlawfulness:* it is or will become unlawful for the Issuer to perform or comply with any of its material obligations under or in respect of the Notes;

then any Note may, by written notice addressed by the holder thereof to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, be declared immediately due and payable, whereupon it shall become immediately due and payable at its Early Termination Amount together with accrued interest (if any) without further action or formality.

14. **Prescription**

Claims for principal shall become void unless the relevant Notes are presented for payment within ten years of the appropriate Relevant Date. Claims for interest shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date.

15. **Replacement of Notes and Coupons**

If any Note or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Fiscal Agent (and, if the Notes are then admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a paying agent in any particular place, the paying agent having its specified office in the place required by such competent authority, stock exchange and/or quotation system), subject to all applicable laws and competent authority, stock exchange and/or quotation system requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on

such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

16. **Agents**

In acting under the Agency Agreement and in connection with the Notes and the Coupons, the Fiscal Agent acts solely as agents of the Issuer and does not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders.

The Fiscal Agent and its initial Specified Office is listed below. The initial Calculation Agent (if any) is specified in the relevant Final Terms. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent and to appoint a successor Fiscal Agent or Calculation Agent and additional or successor paying agents; **provided, however, that:**

- (a) the Issuer shall at all times maintain a Fiscal Agent;
- (b) if a Calculation Agent is specified in the relevant Final Terms, the Issuer shall at all times maintain a Calculation Agent; and
- (c) if and for so long as the Notes are admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a paying agent in any particular place, the Issuer shall maintain a paying agent having its specified office in the place required by such competent authority, stock exchange and/or quotation system.

Notice of any change in any of the Fiscal Agent or in its Specified Office shall promptly be given to the Noteholders.

17. **Meetings of Noteholders; Modification and Waiver**

- (a) *Meetings of Noteholders:* The Agency Agreement contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer and shall be convened by it upon the request in writing of Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be two or more Persons holding or representing one more than half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, two or more Persons being or representing Noteholders whatever the principal amount of the Notes held or represented; **provided, however, that** Reserved Matters may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which two or more Persons holding or representing not less than three-quarters or, at any adjourned meeting, one quarter of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders and Couponholders, whether present or not. A modification of any of these Conditions in accordance with Condition 8 (*Benchmark Discontinuation*) does not need to be approved by an Extraordinary Resolution of Noteholders in order to be effective.

In addition, a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. of the aggregate principal amount of the Notes outstanding who for the time being are entitled to receive notice of a meeting of Noteholders will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

- (b) *Modification:* The Notes, these Conditions may be amended without the consent of the Noteholders or the Couponholders to correct a manifest error. In addition, the parties to the Agency Agreement may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Noteholders, to any such modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or it is, in the opinion of such parties, not materially prejudicial to the interests of the Noteholders.

18. **Further Issues**

The Issuer may from time to time, without the consent of the Noteholders or the Couponholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Notes.

19. **Notices**

Notices to the Noteholders shall be valid if published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*) and, if the Notes are admitted to trading on the Luxembourg Stock Exchange and it is a requirement of applicable law or regulations, a leading newspaper having general circulation in Luxembourg (which is expected to be *Luxemburger Wort*) or published on the website of the Luxembourg Stock Exchange (www.bourse.lu) or in either case, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the date of first publication (or if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers). Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders.

Until such time as any definitive Notes are issued, there may, so long as any global Note is held in its entirety on behalf of Euroclear and/or Clearstream, Luxembourg be substituted for such publication as aforesaid the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the Noteholders in accordance with their respective rules and operating procedures. Any such notice shall be deemed to have been given to the Noteholders on the day on which the notice was given to Euroclear and/or Clearstream, Luxembourg, as appropriate.

Notices to be given by any Noteholder shall be in writing and shall be given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Fiscal Agent. Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Fiscal Agent through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Fiscal Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

20. **Currency Indemnity**

If any sum due from the Issuer in respect of the Notes or the Coupons or any order or judgment given or made in relation thereto has to be converted from the currency (the **first currency**) in which the same is payable under these Conditions or such order or judgment into another currency (the **second currency**) for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes, the Issuer shall indemnify each Noteholder, on the written demand of such Noteholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Noteholder may in the ordinary

course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

21. **Rounding**

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions or the relevant Final Terms), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.), (b) all United States dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount, and (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

22. **Governing Law and Jurisdiction**

- (a) *Governing law:* The Notes and any non-contractual obligations arising out of or in connection with the Notes are governed by English law, except for Condition 4 (*Status of the Notes*) which is governed by Spanish law.
- (b) *English courts:* The courts of England have exclusive jurisdiction to settle any dispute (a **Dispute**) arising out of or in connection with the Notes (including any non-contractual obligation arising out of or in connection with the Notes).
- (c) *Appropriate forum:* The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that they will not argue to the contrary.
- (d) *Rights of the Noteholders to take proceedings outside England:* Condition 22(b) (*Governing Law and Jurisdiction – English courts*) is for the benefit of the Noteholders only. As a result, nothing in this Condition 22 prevents any Noteholder from taking proceedings relating to a Dispute (**Proceedings**) in any other courts with jurisdiction. To the extent allowed by law, Noteholders may take concurrent Proceedings in any number of jurisdictions.
- (e) *Service of process:* The Issuer agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to the Issuer's agent for service of process at Freshfields Bruckhaus Deringer LLP, 65 Fleet Street, London EC4Y 1HS (marked for the attention of the Dispute Resolution Department Managing Partner (matter partner initials: AA)) or at any address of the Issuer in Great Britain at which service of process may be served on it. If such person is not or ceases to be effectively appointed to accept service of process on behalf of the Issuer, the Issuer shall, on the written demand of any Noteholder addressed to the Issuer and delivered to the Issuer appoint a further person in England to accept service of process on its behalf and, failing such appointment within 15 days, any Noteholder shall be entitled to appoint such a person by written notice addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent. Nothing in this paragraph shall affect the right of any Noteholder to serve process in any other manner permitted by law. This Condition applies to Proceedings in England and to Proceedings elsewhere.

FORM OF FINAL TERMS

MIFID II product governance/ Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer[‘s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[‘s/s’] target market assessment) and determining appropriate distribution channels.

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS - The Notes are not intended to be offered, sold or otherwise made available to and, with effect from such date, should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); (ii) a customer within the meaning of Directive 2016/97/EU (as amended, **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the **Prospectus Directive**). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]¹

[Notification under Section 309B of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the SFA) – In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the CMP Regulations 2018), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309(1) of the SFA), that the Notes [are] [are not] prescribed capital markets products (as defined in the CMP Regulations 2018) and are [Excluded]/ [Specified] Investment Products (as defined in the Monetary Authority of Singapore (the MAS) Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]²

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme.

Final Terms dated [●]

AMADEUS IT GROUP, S.A.

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

under the EUR 4,000,000,000 Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the Base Prospectus 9 July 2019 [and the Supplement[s] to the Base Prospectus dated [●]] which [together] constitute[s] a base prospectus (the **Base Prospectus**) for the purposes of the

¹ Legend to be included on front of the Final Terms (i) if the Notes potentially constitute “packaged” products and no key information document will be prepared or the Issuer wishes to prohibit offers to EEA retail investors for any other reason, in which case the selling restriction should be specified to be “Applicable”.

² Legend to be included on front of the Final Terms if the Notes do not constitute prescribed capital markets products as defined under the CMP Regulations 2018.

Prospectus Directive. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus.]

(The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.)

[Terms used herein shall be deemed to be defined as such for the purposes of the [2014/2015/2016/2017] Conditions (the **Conditions**) incorporated by reference in the Base Prospectus dated 9 July 2019. This document constitutes the Final Terms relating to the issue of Notes described herein for the purposes of Article 5.4 of Directive 2003/71/EC (the **Prospectus Directive**) and must be read in conjunction with the Base Prospectus dated 9 July 2019 [and the Supplement[s] to the Base Prospectus dated [●]] which [together] constitute[s] a base prospectus (the **Base Prospectus**) for the purposes the Prospectus Directive, save in respect of the Conditions which are set forth in the base prospectus dated [21 November 2014/30 September 2015/28 September 2016/21 December 2017][and in the supplement dated 22 August 2018] and are incorporated by reference in the Base Prospectus.]

Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing on the website of the Luxembourg Stock Exchange (www.bourse.lu).

The expression **Prospectus Directive** means Directive 2003/71/EC, as amended and relevant implementing measures in the relevant Member State.

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote guidance for completing the Final Terms.]

1. (i) Series Number: [●]
- (ii) Tranche Number: [●]
- (iii) [Date on which the Notes become fungible: [Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the *[insert description of notes with which the new issuance is fungible, including series number, aggregate nominal amount and issue date]* on [[●]/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 20 below [which is expected to occur on or about [●]].]
2. Specified Currency or Currencies: [●]
3. Aggregate Nominal Amount: [●]
 - (i) Series: [●]
 - (ii) Tranche: [●]
4. Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [●]] (*if applicable*)

5. (i) Specified Denominations: [●]
- No Notes may be issued which have a minimum denomination of less than €100,000 (or equivalent in another currency) and Notes must be issued in integral multiples of the specified minimum denomination*
- (ii) Calculation Amount: [●]
6. (i) Issue Date: [●]
- (ii) Interest Commencement Date: [[●]/Issue Date/Not Applicable]
7. Maturity Date: [●]
8. Interest Basis: [[●] per cent. Fixed Rate]
- [●][●] [EURIBOR/LIBOR]+/- [●] per cent. Floating Rate]
- [Zero Coupon]
- (see paragraph [13/14/15] below)
9. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [●]/[100] per cent. of their nominal amount.
10. Change of Interest or Redemption/Payment Basis: [*Specify the date when any fixed to floating rate change occurs or refer to paragraphs 13 and 14 below and identify there*]/[Not Applicable]
11. Put/Call Options: [Issuer Call]
- [Residual Maturity Call]
- [Investor Put]
- [Change of Control Put]
- [Substantial Purchase Event]
- [See paragraph [16/17/18/19/20] below]
- [Not Applicable]
12. [Date of [Board] approval for the issuance of Notes]: [●]
- (N.B Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)*

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13. **Fixed Rate Note Provisions** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate[(s)] of Interest: [●] per cent. *per annum* payable in arrear on each Interest Payment Date
- (ii) Interest Payment Date(s): [●] in each year
- (iii) Fixed Coupon Amount[(s)]: [●] per Calculation Amount
- (iv) Broken Amount(s): [●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]
- (v) Day Count Fraction: [Actual/Actual (ICMA) / Actual/Actual (ISDA) / Actual/365 (Fixed) / Actual/360 / 30/360 / 30E/360 / 30E/360 (ISDA)]
- (vi) Unmatured Coupons: [Condition 11(f) (*Payments – Unmatured Coupons void*) applicable]/[Not Applicable]
14. **Floating Rate Note Provisions** [Applicable/Not Applicable]
- (If not applicable delete the remaining sub-paragraphs of this paragraph)*
- (i) Specified Period: [●][Not Applicable]
- (ii) Specified Interest Payment Dates: [●][Not Applicable]
- (iii) [First Interest Payment Date]: [●]
- (iv) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ No Adjustment]
- (v) Additional Business Centre(s): [Not Applicable/[●]]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination]
- (vii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the [Fiscal Agent]): [●] shall be the Calculation Agent
- (viii) Screen Rate Determination:
- Reference Rate: [●][month] [EURIBOR/ LIBOR]
 - Interest Determination Date(s): [●]

- Relevant Screen Page: [●]
 - Relevant Time: [●]
 - Relevant Financial Centre: [●]
- (ix) ISDA Determination:
- Floating Rate Option: [●]
 - Designated Maturity: [●]
 - Reset Date: [●]
- (x) Linear interpolation Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)
- (xi) Margin(s): [+/-][●] per cent. *per annum*
- (xii) Minimum Rate of Interest: [Zero]/[●] per cent. *per annum*
- (xiii) Maximum Rate of Interest: [●] per cent. *per annum*
- (xiv) Day Count Fraction: [Actual/Actual (ICMA) / Actual/Actual (ISDA) / Actual/365 (Fixed) / Actual/360 / 30/360 / 30E/360 / 30E/360 (ISDA)]

15. Zero Coupon Note Provisions

[Applicable/Not Applicable]

(If not applicable delete the remaining sub-paragraphs of this paragraph)

- (i) Accrual Yield [●] per cent. *per annum*
- (ii) Reference Price [●]
- (iii) Day Count Fraction in relation to early Redemption Amounts: [Actual/Actual (ICMA) / Actual/Actual (ISDA) / Actual/365 (Fixed) / Actual/360 / 30/360 / 30E/360 / 30E/360 (ISDA)]

PROVISIONS RELATING TO REDEMPTION

16. Call Option

[Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount(s) of each Note: [[●] per Calculation Amount][Make-whole Amount]
- (iii) Make-whole Amount: [Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

- (a) Reference Bond: [●]
 - Redemption Margin: [●]
 - Financial Adviser: [●]
 - Quotation Time: [●]
 - (b) Discount Rate: [●]/[Not Applicable]
 - (c) Make-whole Exemption Period: [Not Applicable]/[From (and including) [●] to (but excluding) [●]/the Maturity Date]
 - (iv) If redeemable in part:
 - (a) Minimum Redemption Amount: [Zero]/[●] per Calculation Amount
 - (b) Maximum Redemption Amount: [●] per Calculation Amount
 - (v) Notice period: [●] days/[Not Applicable]
 - 17. Residual Maturity Call Option [Applicable/Not Applicable]
 - 18. Put Option [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Optional Redemption Date(s): [●]
 - (ii) Optional Redemption Amount(s) of each Note: [●] per Calculation Amount
 - (iii) Notice period: [●]days/[Not Applicable]
 - 19. Change of Control Put Option: [Applicable/Not Applicable]
 - [(i) Optional Redemption Amount(s) of each Note: [●] per Calculation Amount]
 - [(ii) Notice Period: [●] days/[Not Applicable]]
 - 20. Substantial Purchase Event [Applicable/Not Applicable]
 - 21. Final Redemption Amount of each Note [●]/[Par] per Calculation Amount
 - 22. Early Redemption Amount
 - Early Redemption Amount(s) per Calculation Amount payable on redemption [[●] / [Par] per Calculation Amount / Not Applicable]

for taxation reasons or on event of default or other early redemption:

GENERAL PROVISIONS APPLICABLE TO THE NOTES

23. Form of Notes: Bearer Notes:
- [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]]
- [Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date]
- [Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]]
- [Notes shall not be physically delivered in Belgium, except to a clearing system, a depository or other institution for the purpose of their immobilisation in accordance with Article 4 of the Belgian law of 14th December, 2005]³
24. New Global Note: [Yes] [No]
25. Additional Financial Centre(s): [Not Applicable/[●]] (*Note that this paragraph relates to the date of payment, and not the end dates of interest periods for the purposes of calculating the amount of interest, to which sub-paragraph 14(v) relates*)
26. Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. As the Notes have more than 27 coupon payments, talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made.]

THIRD PARTY INFORMATION

[[●] has been extracted from [●]. [The Issuer] confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]/[Not Applicable].

Signed on behalf of **AMADEUS IT GROUP, S.A.:**

By:
Duly authorised

By:
Duly authorised

³ Include for Notes that are to be offered in Belgium.

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing: [Application has been made by the Issuer (or on its behalf) for the Notes to be listed on [the official list of the Luxembourg Stock Exchange/[●].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be listed on [the official list of the Luxembourg Stock Exchange/[●].]
- (ii) Admission to Trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [The regulated market of Luxembourg Stock Exchange/[●]] with effect from [●].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [The regulated market of Luxembourg Stock Exchange/[●]] with effect from [●].] [Not Applicable.]
- (When documenting a fungible issue need to indicate that original Notes are already admitted to trading.)*
- (iii) Estimate of total expenses related to admission to trading: [●]

2. RATINGS

- [Not applicable.]/[The Notes to be issued [have been/are expected to be] rated]:
- Ratings: [Standard & Poor's: [●]]
[Moody's: [●]]
[[Fitch: [●]]
[[Other]: [●]]
- (The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)(Insert one (or more) of the following options, as applicable)*
- [[●] (Insert legal name of particular credit rating agency entity providing rating) is established in the EU and registered under Regulation (EC) No 1060/2009 as amended by Regulation (EC) No. 513/2011 (the “**CRA Regulation**”). A list of registered credit rating agencies is published at the European Securities and Market Authority's website: www.esma.europa.eu.

[●] (*Insert legal name of particular credit rating agency entity providing rating*) is established in the EU and has applied for registration under Regulation (EC) No 1060/2009 as amended by Regulation (EC) No. 513/2011 (the “**CRA Regulation**”), although notification of the registration decision has not yet been provided.

[●] (*Insert legal name of particular credit rating agency entity providing rating*) is established in the EU and is neither registered nor has it applied for registration under Regulation (EC) No 1060/2009 as amended by Regulation (EC) No. 513/2011 (the “**CRA Regulation**”).

[●] (*Insert legal name of particular credit rating agency entity providing rating*) is not established in the EU but the rating it has given to the Notes is endorsed by [●] (*insert legal name of credit rating agency*), which is established in the EU and registered under Regulation (EC) No 1060/2009 as amended by Regulation (EC) No. 513/2011 (the “**CRA Regulation**”). A list of registered credit rating agencies is published at the European Securities and Market Authority's website: www.esma.europa.eu. [●] (*Insert legal name of particular credit rating agency entity providing rating*) is not established in the EU but is certified under Regulation (EC) No 1060/2009 as amended by Regulation (EC) No. 513/2011 (the “**CRA Regulation**”).

[●] (*Insert legal name of particular credit rating agency entity providing rating*) is not established in the EU and is not certified under Regulation (EC) No 1060/2009 as amended by Regulation (EC) No. 513/2011 (the “**CRA Regulation**”) and the rating it has given to the Notes is not endorsed by a credit rating agency established in the EU and registered under the CRA Regulation.]

3. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER**

(Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the statement below:)

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business. (*Amend as appropriate if there are other interests*)] [●]

[(When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]

4. **YIELD**

Indication of yield: per cent. *per annum* / [Not Applicable]

5. **HISTORIC INTEREST RATES**

Details of historic [LIBOR/EURIBOR] rates can be obtained from Reuters/[Not Applicable]

6. **OPERATIONAL INFORMATION**

ISIN:

Common Code:

CFI: [See the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the CFI / Not Applicable / Not Available]

FISN: [See the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the FISN / Not Applicable / Not Available]
(If the CFI and/or FISN is not required or requested, it/they should be specified to be “Not Applicable”)

WKN: [Not applicable]

Delivery: Delivery [against/free of] payment

Names and addresses of additional Paying Agent(s) (if any):

Intended to be held in a manner which would allow Eurosystem eligibility: [Yes][No][Not Applicable]

[Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

[Whilst the designation is specified as “no” at the

date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

7. DISTRIBUTION

- (i) Method of Distribution: [Syndicated/Non-syndicated]
- (ii) If syndicated:
 - (A) Names of Dealers [Not Applicable/*give names*]
 - (B) Stabilisation Manager(s), if any: [Not Applicable/*give names*]
- (iii) If non-syndicated, name of Dealer: [Not Applicable/*give names*]
- (iv) U.S. Selling Restrictions: [Reg S Compliance Category [1/2]; TEFRA C/TEFRA D/TEFRA not applicable]
- (v) Prohibition of Sales to EEA Retail Investors [Applicable/Not Applicable]

(If the Notes clearly do not constitute “packaged” products, “Not Applicable” should be specified. If no key information document will be prepared and the Notes may constitute “packaged” products, “Applicable” should be specified.)

USE OF PROCEEDS

The net proceeds from each issue of Notes will be used by the Group for general corporate purposes, including the repayment of financial indebtedness. In particular, net proceeds might be used to refinance the Issuer's or any of its Subsidiaries' existing bank facilities which certain of the Dealers have participations in.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Clearing System Accountholders

Each Global Note will be in bearer form. Consequently, in relation to any Tranche of Notes represented by a Global Note, references in the Conditions to a “Noteholder” are references to the bearer of the relevant Global Note which, for so long as the Global Note is held by a depositary or a common depositary, in the case of a CGN, or a common safekeeper, in the case of an NGN, for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depositary or common depositary or, as the case may be, common safekeeper.

Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Global Note (each an **Accountholder**) must look solely to Euroclear and/or Clearstream, Luxembourg and/or such other relevant clearing system (as the case may be) for such Accountholder’s share of each payment made by the Issuer to the bearer of such Global Note and in relation to all other rights arising under the Global Note. The extent to which, and the manner in which, Accountholders may exercise any rights arising under the Global Note will be determined by the respective rules and procedures of the ICSDs and any other relevant clearing system from time to time. For so long as the relevant Notes are represented by the Global Note, Accountholders shall have no claim directly against the Issuer in respect of payments due under the Notes and such obligations of the Issuer will be discharged by payment to the bearer of the Global Note.

Conditions applicable to Global Notes

Each Global Note will contain provisions which modify the Conditions as they apply to the Global Note. The following is a summary of certain of those provisions:

Payments: All payments in respect of the Global Note will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Global Note to or to the order of the Fiscal Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Global Note, the Issuer shall procure that in respect of a CGN the payment is noted in a schedule thereto and in respect of an NGN the payment is entered pro rata in the records of the ICSDs.

Payment Business Day: In the case of a Global Note, Payment Business Day shall be (i) if the currency of payment is euro, any day which is a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or, (ii) if the currency of payment is not euro, any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre.

Exercise of put option: In order to exercise the option contained in Condition 10(f) (*Redemption and Purchase – Redemption at the option of Noteholders*), the bearer of the Permanent Global Note must, within the period specified in the Conditions give notice to the Fiscal Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg, (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary or common safekeeper, as the case may be, for them to the Fiscal Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time.

Partial exercise of call option: In connection with an exercise of the option contained in Condition 10(c) (*Redemption at the option of the Issuer*) in relation to some only of the Notes, the Permanent Global Note may be redeemed in part in the principal amount specified by the Issuer in accordance with the Conditions and the Notes to be redeemed will not be selected as provided in the Conditions but in accordance with the rules and procedures of the ICSDs (to be reflected in the records of the ICSDs as either a pool factor or a reduction in principal amount, at their discretion).

Notices: Notwithstanding Condition 19 (*Notices*), while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are) deposited with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system or a common safekeeper, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 19 (*Notices*) on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, except that, for so long as such Notes are admitted to trading on the Luxembourg Stock Exchange and it is a requirement of applicable law or regulations, such notices shall also be published in a leading newspaper having general circulation in Luxembourg (which is expected to be *Luxemburger Wort*) or published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

DESCRIPTION OF THE ISSUER

Incorporation and Status

Amadeus IT Group, S.A. (**Amadeus IT Group** and the **Issuer**) was incorporated on 4 February 2005 under and operates under the laws of Spain as a public limited company (*sociedad anónima*) and is registered at the Companies Register of Madrid under volume (*tomo*) 20972, sheet (*folio*) 82, page (*hoja*) M-371900. Its registered office is calle Salvador de Madariaga 1, 28027 Madrid, Spain and the telephone number is +34 91 582 0100.

The general shareholders' meeting of the Issuer, held on 24 June 2016, approved the merger by absorption of the entity that was known as Amadeus IT Group, S.A. by the Issuer under the terms and conditions of the joint plan for the merger that was filed with the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*) as a regulatory announcement on 14 March 2016 (with registered number 236263). The remaining entity, the Issuer, was renamed Amadeus IT Group, S.A. pursuant to such resolutions and the public deed (*escritura pública*) executed before a Spanish public notary and registered with the Commercial Registry of Madrid on 1 and 2 August 2016, respectively. Amadeus IT Group, S.A. was formerly known as Amadeus IT Holding, S.A. prior to the merger on 2 August 2016.

The Issuer is the parent company of the Group.

Share Capital

As at the date of this Base Prospectus, the share capital of the Issuer amounts to €4,388,225.06 represented by 438,822,506 shares with a nominal value of €0.01 per share. The shares of the Issuer were admitted to trading on 29 April 2010 and are traded on the Spanish electronic trading system (*mercado continuo*) on the four Spanish Stock Exchanges (Madrid, Barcelona, Bilbao and Valencia). The shares of the Issuer form part of the Ixex 35 index.

On 19 June 2019, the ordinary general shareholders' meeting of the Issuer approved a share capital reduction to redeem 7,554,070 shares held as treasury stock. Upon registration of the share capital reduction, which is expected to take place in July 2019, the share capital of the Issuer will amount to €4,312,684.36 represented by 431,268,436 shares with a nominal value of €0.01 per share.

Principal Shareholders

As of 4 July 2019, according to the information disclosed on the webpage of the Spanish Securities Market Commission (*Comisión Nacional de Mercado de Valores*) 74.795% of the Issuer's shares were free float. The largest shareholder at that date was Blackrock Inc. with a shareholding of 5,954%.

History

For information on the history of the Group, please refer to the section entitled "*Description of the Group – History*" in this Base Prospectus.

Principal activities

For a description of the principal activities of the Group, please refer to the section titled "*Description of the Group – Principal activities*" in this Base Prospectus.

Management

Board of Directors

The following table sets forth the name, title and principal activities outside the Group of each member of the Board of Directors of the Issuer as of the date of this Base Prospectus.

| Name | Title | Principal activities outside the Group |
|-------------------------------|---------------|---|
| José Antonio Tazón García | Chairman | Director of HBG Ltd |
| Guillermo de la Dehesa Romero | Vice-Chairman | Director and Vice-Chairman of Banco Santander, S.A. |
| Pilar García | Director | President of the Board of Trustees of Liberbank |
| Nicolas Huss | Director | CEO and Director of Ingenico Group |
| Francesco Loredan | Director | Vice-Chairman of White Bridge Investments SPA, Director of Ancorotti, SRL, Director of Nutkao SRL, Director of Spring, SA Director of Oneiros Investments, S.A. and Director of MAP Srl |
| Clara Furse | Director | Chairman of HSBC UK, Non-executive Director of Vodafone Group Plc |
| David Webster | Director | Non-executive Chairman of Telum Media Group Pte Ltd and Vuma Ltd. |
| Pierre-Henri Gourgeon | Director | President of his own firm PHGOURGEON CONSEIL |
| Luis Maroto Camino | CEO | Director of Dufry AG |
| Peter Kuerpick | Director | Operating Partner at BainCapital and Director of EPAM Systems |
| Stephan Gemkow..... | Director | Director of Flughafen Zürich AG and Director of JetBlue Airways Corp. |
| Josep Piqué | Director | Chairman of ITP aero, Director of SEAT, S.A. and Director of Abengoa, S.A. |
| William Connelly | Director | Chairman of the Supervisory Board of Aegon NV, Director of Société Générale Group and Director of Self Trade Bank, S.A.U |

The business address of each of the members of the Board of Directors at the date of this Base Prospectus is calle Salvador de Madariaga 1, 28027 Madrid, Spain.

Conflicts of Interest

Based on the representations of the Issuer's Directors, as of the date of this Base Prospectus, the Issuer believes there are no potential conflicts of interest between any duties owed by the Directors of the Issuer to the Issuer and its private interests or other duties.

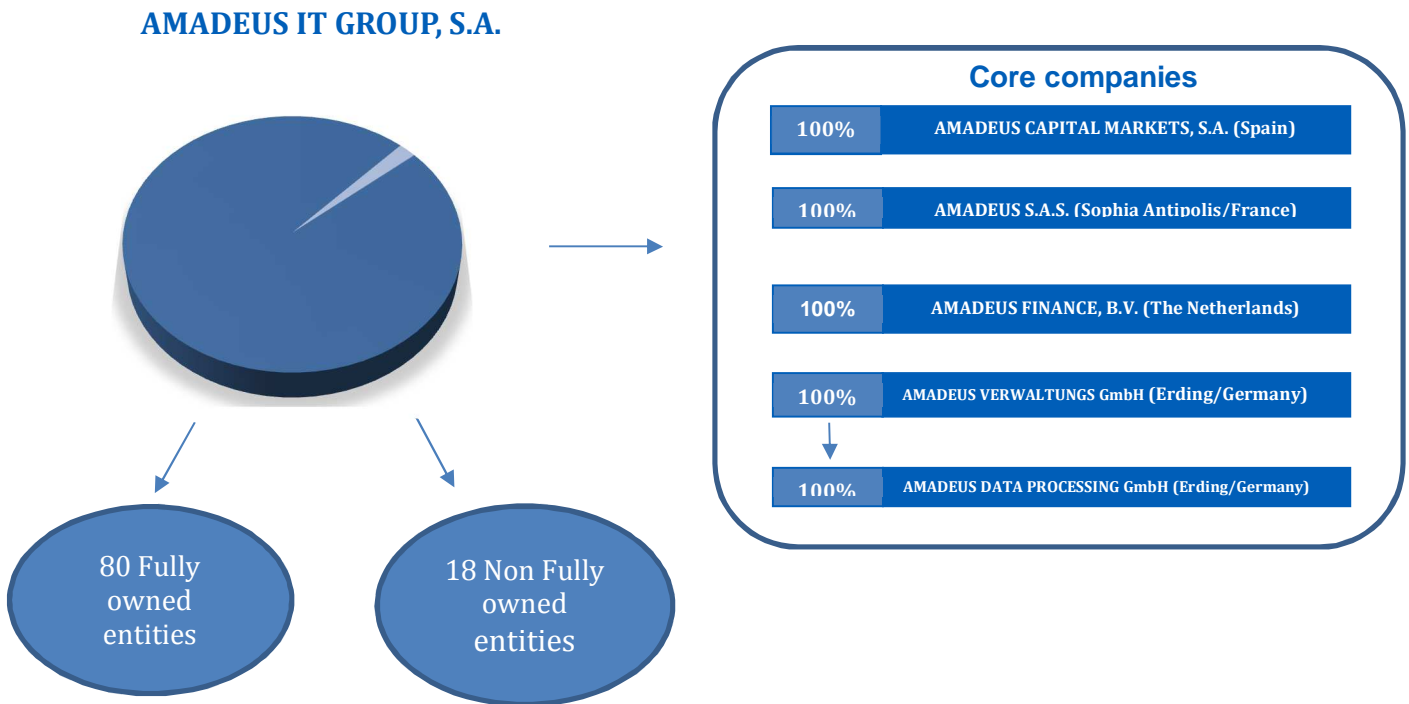
DESCRIPTION OF THE GROUP

Please refer to the section entitled “*Glossary*” for the meaning of certain technical and industry terms.

Organisational Structure

The parent company of the Group is the Issuer. The shares of the Issuer are listed on the Madrid, Barcelona, Valencia and Bilbao stock exchanges.

The chart below shows a simplified structure of the Group including the Issuer and other major subsidiaries:



History

Foundation and Corporate History. The former parent company of the Group, Amadeus GTD, was founded in July 1988 by Air France, Iberia, Lufthansa Commercial Holding and SAS AB (SAS) as a GDS provider. Over ten years later, in October 1999, Amadeus GTD conducted an initial public offering of its shares, which were admitted to listing and trading on the Madrid, Paris and Frankfurt stock exchanges. After nearly six years of trading, private equity funds advised by BC Partners and Cinven completed their acquisition of a majority stake in mid-2005 and took Amadeus GTD private, creating the Issuer.

Establishment of the Development Function and Operations Platform. Development of the Group’s GDS platform began in 1987 and, in September 1988, the software design and development centre was opened at Sophia Antipolis, near Nice (France). The Group’s Distribution business area (see “—Principal Activities—Distribution”) was launched in 1992 and, since then, its product offering has continued to evolve. In 1996, the Group began to use the Internet as a medium of distribution and, the following year, further foundations were laid for next-generation technology by commencing the migration to open systems architecture. The Group has primarily grown its product development capabilities through organic expansion at the Sophia Antipolis primary product development centre and at the regional development centres, such as the one in London (United Kingdom, opened in 2000), which have become increasingly important to product development efforts. Additionally, through certain selective acquisitions of niche businesses the Group also has product development activities in, among other places, Aachen (Germany), Antwerp (Belgium), Boston (United States), Warsaw (Poland), Bogota (Colombia), Sydney (Australia) and Toronto (Canada). The data

centre in Erding, near Munich (Germany), was established in 1989 and, as at the date of this Base Prospectus, the Group's global operations are supported by strategic 'Follow-the-Sun' centres in Miami (United States) and Sydney (Australia), which, along with the Erding data centre, provide 24-hour, seven-day-a-week, around-the-globe support for operations.

Development of Air Travel Distribution Solutions. The Group's GDS platform became fully operational on 7 January 1992, and since then the Distribution business area has been expanding continuously, acquiring System One Information Management LLC from Continental Airlines in 1995. In addition, the Group established and has built up its online capabilities, has expanded its offering to include low-cost airlines and, in 2004, led the industry with the introduction of a value-based pricing structure, which has now largely been adopted industry-wide. In 2008, it entered into an exclusive air distribution agreement with 13 airline members of the Arab Air Carriers Organisation, or AACO. In 2012, the Group signed a full content agreement with Korean Air providing travel agencies worldwide guaranteed access to the full range of fares and inventory through the Amadeus system. Together with this full content agreement the Group and Korean Air also signed an IT agreement, pursuant to which the airline will migrate to the full Amadeus Altéa Suite (see "*—Transactional IT solutions – Altéa PSS*" for a description of the Altéa Suite) and, separately, the agreement to migrate TOPAS, Korea's leading travel information system provider, to the Amadeus system.

Expansion into Non-Air Travel Distribution Solutions. The Group's distribution offering to non-airline travel providers has also grown since 1992, when it began to offer hotel and car rental reservation facilities and it has since enhanced its GDS offering to include additional non-air travel (*i.e.* rail, ferry, cruise, insurance) content.

Further Expansion into Airline IT Solutions. In 2000, the Group commenced its diversification from its existing reservation solution towards a broader IT solutions portfolio, with an initial focus on airline IT through the development of the Altéa PSS platform (see "*—Transactional IT solutions – Altéa PSS*"). British Airways and Qantas Airways were the first Altéa customers, signing ten-year agreements for the full Altéa Suite and contracting their core PSSs to the Group in 2000. In addition, in 2005, the 25 leading airlines of the Star Alliance network contracted the Group to build a common IT platform for alliance members.

In July 2015 an important milestone in Amadeus' IT Solutions for airlines was reached with the agreement to acquire Navitaire, a leading technology provider to the low cost airlines industry. The acquisition of Navitaire was intended to give Amadeus a stronger presence in the low cost and hybrids airlines segment, enabling the Group to serve a wider group of airlines customers. On 19 January 2016, Amadeus received regulatory approval for the acquisition of Navitaire by the relevant competition authorities. On 26 January 2016, Amadeus completed the acquisition of Navitaire from Accenture for €760.1 million.

Expansion into IT Solutions for Other Travel Providers and Travel Agencies. Based on the know-how and technology developed by the Group for its airline IT product offering described above, it has developed specific IT solutions for other travel providers, including hotels and rail operators, as well as for travel agencies. Its expansion in these business areas has been supported through its acquisition of niche IT solutions companies, notably ICSA-T NV (mid- and back-office solutions for travel agencies) and TravelTainment (leisure travel).

In line with Amadeus' diversification strategy into new business areas, the Group has announced in recent years several acquisitions including the acquisition in December 2013 of Newmarket International, a leading provider of cloud-based group and event IT solutions to the hotel industry, the acquisition in February 2014 of UFIS Airport Solutions, a leading provider of airport information technology, the acquisition of a majority stake in i:FAO Group, a leading provider of travel management technology solutions for corporations in Germany, the acquisition of Itesso, a provider of cloud-native property management solutions (PMS) for the hospitality industry and the acquisition of Hotel SystemPro, a provider of sales, catering and services optimisation software to the hotel and hospitality industry.

Acquisition of TravelClick. On 4 October 2018, the Issuer completed the acquisition of TravelClick, Inc (**TravelClick**), a leading global hospitality provider, from Thoma Bravo (a private equity investment firm) for €1,336.2 million, financed entirely through debt.

TravelClick, which is based in New York City, is a leading hospitality global provider that serves more than 25,000 customers across 176 countries. It provides innovative cloud-based solutions, including an independent and mid-size hotel Central Reservation System and Guest Management Solution, as well as business intelligence and media solutions. This portfolio gives hotels distribution reach across all channels, both digital and traditional. It also allows them to improve digital interaction with guests, increase revenues and performance, reduce cost and create a strong brand.

The addition of TravelClick's solutions to the Amadeus portfolio aims to create a hospitality IT leader providing a broad range of innovative technology to hotels and chains of all sizes across the globe.

Acquisition of a Majority Shareholding of Argo IT Tecnologia, S.A. On 24 October 2018, Amadeus completed the acquisition of 70% of the shares of Argo IT Tecnologia, S.A. (**Argo**), a provider of corporate IT solutions in Latin America.

Argo is a SaaS company focused on online booking tool and travel expense management solutions for corporations and TMCs. It operates throughout Latin America, though it has offices in Brazil and Mexico. Argo, which is based in Sao Paulo, Brazil, currently has approximately 3.6 million active users and more than 3,400 clients and corporations. The acquisition of Argo compliments the Group's portfolio of corporate IT tools.

Overview of the Group

The Group is a leading transaction processor for the global travel and tourism industry, providing advanced technology solutions to travel provider and travel agency customers worldwide. The Group acts as an international network providing comprehensive real-time search, pricing, booking, ticketing and other processing solutions to travel providers and travel agencies through its Distribution business area (see "*—Principal Activities—Distribution*" below), and offers travel providers (today, principally airlines) an extensive portfolio of technology solutions which automate certain mission-critical business processes, such as reservations, inventory management and other operational processes, through its IT Solutions business area (see "*—Principal Activities—IT Solutions*" below). The Group's transaction-based pricing model allows customers to convert certain of their fixed technology costs into variable costs that vary with passenger volumes and links the Group's revenue to global travel volumes rather than travel spending, thus reducing the volatility of its results of operations.

The Group has two key categories of customers: (i) travel providers, including airlines, hotels, rail operators, cruise and ferry operators, car rental companies, tour operators and insurance companies, and (ii) travel agencies, including online and offline travel agencies (including TMCs). To a more limited extent, the Group also provides certain products and services to travel buyers, including corporate travel departments, and to end consumers.

The primary component of the Group's business is its GDS platform, which connects travel providers including airlines, hotel properties, car rental companies, rail and cruise operators to travel agency locations worldwide. The Group has also leveraged its GDS platform to grow its IT Solutions business area rapidly, particularly in the area of airline IT. A significant component of the Group's IT Solutions business area is its Altéa Suite, which automate reservation, inventory, departure control and e-commerce functionalities for the Group's airline customers (see "*—Transactional IT solutions – Altéa PSS*").

Principal activities

Over the past decade, the Group's business has evolved from its core GDS offering into two highly synergetic business areas, Distribution and IT Solutions, which are dedicated to the global travel and tourism

industry. Both of these businesses share a transaction-based revenue model, a fully-hosted technology platform and an overlapping customer base.

Distribution

The Group provides a global network that connects travel providers, such as full service and low-cost airlines, hotels, rail operators, cruise and ferry operators, car rental companies, tour operators and insurance companies, with online and offline travel agencies, facilitating the distribution of travel products and services through a digital marketplace (the distribution of travel provider products via travel agencies or other third parties is sometimes referred to as the “indirect channel”). The Group also offers technology solutions, such as desktop and e-commerce platforms and mid- and back-office systems to certain of its travel agency customers.

The Distribution business area operates within a two-sided network model where success in attracting and retaining customers and breadth of travel provider content create a virtuous cycle. The more comprehensive and competitive the Group’s travel provider content, the more attractive the Group is to travel agencies. Similarly, the more travel agency subscribers the Group has, the more attractive it is to travel providers in offering them enhanced global reach. Accordingly, the Group believes that, in addition to increasing its market share among travel agencies and obtaining as wide a range of relevant travel providers as possible, the securing of full content from providers (*i.e.* inventory and pricing that is equivalent to the content a travel provider makes available through its own distribution channels, also known as the “direct channel”, such as the travel provider’s website or sales office) is an important measure in ensuring competitiveness against other GDS providers and in counteracting the incursion of direct distribution into the indirect GDS / travel agency space. The Group typically seeks to secure full content from all leading airlines to maintain an attractive and competitive content offering for travel agencies.

The main source of revenues of the Group’s Distribution business area is the revenue derived from charging for transactions processed through its GDS platform, principally air TA bookings. The Group now has a significant presence in the high-growth markets of MEA and APAC, CESE and Central and South America, and the Group believes that this geographic mix will place it in a strong position to capitalise on future air traffic growth in these regions.

The Group’s Distribution business area’s revenue has also proven to be highly resilient to fluctuations in the revenues of the travel and tourism industry, particularly the airline industry. The booking fees the Group charges airlines are not directly linked to the ticket price or the type of ticket issued (economy, business or first class) but directly to air traffic volume. Accordingly, while the Group’s revenue will be affected by an overall decrease in air traffic volumes, it is not directly affected by falling ticket prices or a migration of passengers from higher first and business class fares to lower economy fares.

Product Offering

Through the Group’s GDS platform, airlines and other travel providers are able to distribute information regarding their inventory, availability, scheduling and pricing, globally and instantaneously. Online and offline travel agencies are, in turn, able to consult this information in real time to plan, book and sell trip itineraries for their customers. The Group’s Distribution business area also offers certain management tools that facilitate sales through its GDS platform in both the online and offline channels and a retailing platform to help airlines increase their revenues from ancillary services, such as advanced boarding, seat selection, baggage check-in and advertising. In the non-air segment, the Group is operating a platform for rail operators to cover all channels and offering new functionalities for hotels to improve their distribution capabilities via the Group’s GDS platform. Additionally, the Group offers travel providers customer helpdesk support, consulting services and certain other services covering indirect distribution functions, such as reporting and training.

Online and offline travel agencies use the Group’s GDS platform to search through the content supplied by travel providers, as discussed above, and to book and ticket airline reservations and other travel products and

services, benefiting from access to the inventory of the Group's extensive travel provider customer base through a user-friendly interface offering fast and efficient functionality with highly flexible search parameters. In addition to providing access to a broad range of travel provider content, the Group also continues to develop technology solutions designed to meet the specific needs of the travel agency market. The Group's suite of travel agency technology solutions includes tools to facilitate the sales process through both online and offline channels and other front-, mid- and back-office process-management solutions. The Group also offers online and offline sales and distribution platforms for leisure products, in particular to tour operators and large leisure travel agents. The travel agency technology product offering is complemented with a range of customer support and consulting services that enable travel agencies to customise the Group's solutions and integrate its applications with their own internal systems. The Group has also developed a suite of self-booking tools for corporate travel departments that can be sold directly to corporates or indirectly through the TMCs that include them as part of their offering.

Key Markets

The Group operates globally in over 190 countries through a network of over 71 local ACOs, which establish and maintain the Group's relationships with local travel agencies and other subscribers, providing customer support and training in the markets they serve. Initially, some of the local ACOs were operated as joint venture companies with airlines from the countries they served but, over time, the Group has acquired and successfully integrated a substantial majority of these organisations within its operations, strengthening its control over their sales and customer service processes. The local ACOs are, in turn, supported by various regional centres (the main centres are located in Bangkok, Dubai and Miami) that provide commercial management, customer support and development of products for their respective regions.

Customers

The Group's Distribution customers comprise (i) travel providers, principally full service and low-cost airlines, which are the most significant group of customers, and non-air travel providers, such as hotels, rail operators, cruise and ferry operators, car rental companies, tour operators and insurance companies, and (ii) online and offline travel agencies. The Group also obtains additional revenue, to a very limited extent, from corporate travel departments.

Airlines. The Group's Distribution business area has a large and widely diversified portfolio of airline customers, including large international airlines, carrying in excess of 70 million passengers each per year, to smaller short-haul carriers with fewer than one million passengers each per year. The Group's Distribution business area's full service airline customers include all of the world's top 50 network airlines, including Air France, American Airlines, British Airways, Cathay Pacific, Continental Airlines, Delta Airlines, Emirates, Finnair, Iberia, KLM, Lufthansa, Qantas, Thai Airways, Turkish Airlines and US Airways and its leading low-cost airline customers include easyJet, Go!, Ryanair and Virgin Blue.

Non-air travel providers. The Group's Distribution business area also has a broad portfolio of non-air travel providers, comprised of hotel properties, rail operators, cruise and ferry operators, car rental companies, tour operators and insurance companies connected to, and bookable through, the Group's GDS platform. While the majority of the travel providers connected to the Group's GDS platform take advantage of the global connectivity offered by the platform, certain travel providers (primarily tour operators and rail operators) are connected only at a local or regional level. The Group's leading Distribution customers in the non-air category include Accor, Intercontinental, Carlson Hospitality Group and Marriott International (hotel chains), SNCF and Deutsche Bahn (rail operators) and Avis, Europcar and Hertz (car rental companies).

Travel agencies. The Group's travel agency customers include online and offline travel agency locations globally, nationally and/or regionally servicing different customer segments, including both corporate and leisure. Online travel agencies, which principally serve the leisure segment, and TMCs, which principally serve the business segment, are typically the two largest global travel agency segments of the Group. Key travel agency customers include American Express Travel, Hogg Robinson, BCD and Carlson Wagonlit

Travel (global TMCs) and a number of leisure-focused travel agencies, both offline, such as TUI and Thomas Cook, and online, such as Expedia, Opodo, Go Voyage and eDreams.

Travel buyers. The Group offers solutions to corporate travel departments to allow them to manage employee business travel arrangements in-house, and has partnered with relevant industry players, such as SAP AG, to offer seamless integration with business software and systems for a true end-to-end travel management solution. The Group also provides consulting services to corporate travel departments and is expanding its offering to travellers, including enhanced online and mobile access to itinerary information.

Revenue Flows and Pricing

Under the basic GDS model, when an online or offline travel agency makes a reservation through a GDS platform, the travel provider is charged a booking fee by the GDS provider and the GDS provider pays a portion of that booking fee to the travel agency in the form of an incentive fee. The pricing of the booking fee is dependent upon the value that the GDS platform provides based on the type of booking (global, regional, local), the region in which the booking is made, the type of access to the GDS platform employed and the level of functionality which the provider enjoys.

In 2004, the Group pioneered the introduction of a value-based pricing model for airline bookings processed through its GDS platform. The strategic thinking behind this model is to charge an airline a larger booking fee where the GDS platform provides more added value by accessing points of sale that the airline is not able to reach cost-effectively through direct distribution. In broad terms, “local” (lowest) pricing is applied to bookings made in the airline’s home country (where the Group acknowledges that there is a strong airline brand awareness and there is a high possibility for travellers to carry out the booking directly through the airline’s website) and “global” (highest) pricing is normally applied for bookings made through geographical points of sale that the airline cannot access cost-effectively through direct distribution. For example, a flight on a United Kingdom airline booked through a travel agent in London would be categorised as “local”. However, the same flight booked through a travel agent in Hong Kong would be categorised as “global”. An intermediary “regional” fee is used for certain bookings that fall between these two categories (for example, a flight on a United Kingdom airline booked through a travel agent in France).

IT Solutions

Through its IT Solutions business area, the Group provides a comprehensive portfolio of technology solutions that automate certain mission-critical business processes, such as reservations, inventory management, departure and control and other operational processes for travel providers (mainly airlines), as well as providing direct distribution technologies.

Transactional IT solutions – Altéa PSS

The Group provides PSS IT solutions to airlines, covering many of an airline’s essential technology needs through its Altéa PSS product offering. These solutions provide, among other functions, passenger-related services for use irrespective of whether the booking has been made directly by an end consumer with the airline (the direct channel) or via a travel agency or other intermediary (the indirect channel).

Altéa PSS offers a high degree of flexibility through standardised, modular products that can be selected by airlines to suit their particular needs. The Group’s Altéa PSS solutions are offered on a community-based platform where all of its airline customers share the applications on a single system fully hosted by the Group in-house. The Group’s management believes that this approach enables it to provide users, simultaneously and in a cost-efficient manner, with upgrades and enhancements made to the platform, incorporating new industry standards or adapting to the changing needs of the market. In addition, this approach facilitates the connecting of new users and adding new functionalities at limited marginal costs, providing the Group with operational leverage as it grows its business.

In 2000, the Group began the development of its Altéa Suite, which comprehensively covers an airline's core IT needs, based on the following five core principles:

| | |
|-------------------------------------|--|
| Single Data Source | Elimination of duplication and inconsistency by sharing a single version between components of all key data. |
| Customer Centricity | Core processes driven by customer value. Full customer and journey information captured and made available. |
| Automation & Flexibility | Business rules drive the main business processes. Intuitive graphical user interfaces and customisable workflows facilitate efficiency and consistent service. |
| Common Platform | Benefit from the combined input of a community of world-leading airlines. Seamless integration with alliances and partners. |
| Designed for Change | Modular architecture based on next-generation, open-systems technology. Highly configurable solution, designed with the latest business concepts, such as self-service and customer value, in mind. |

The Group's Altéa Suite consists of four main modules:

- *Altéa Reservation* offers reservation functionalities to meet the needs of modern airlines. It enables airline customers to manage bookings, fare prices and ticketing through a single interface and is compatible with distribution via direct and indirect channels, both online and offline.
- *Altéa Inventory* addresses an airline's inventory needs, providing functionality to create and manage schedules, seat capacity and associated fares on a flight-by-flight basis. This allows the airline to monitor and control availability and reassign passengers in real time. Altéa Inventory also incorporates a seat-mapping functionality.
- *Altéa Departure Control* covers many aspects of flight departure, including check-in, issuance of boarding passes, gate control and other functions related to passenger flight boarding, while enabling airlines to manage disruptions and other flight events efficiently. In addition, Altéa Departure Control offers aircraft load control functionality, which enables airlines to evaluate and optimise fuel utilisation.
- *Altéa e-Commerce* suite is a complete e-commerce offering that seeks to improve the profitability and efficiency of the airline e-commerce sales and support process. The suite comprises three solutions that can be fully integrated: (i) e-Merchandise, including Flex Pricer (which facilitates the search of fares over a range of dates), for pre-sales faring and multi-currency online shopping, (ii) e-Retail, a sophisticated booking solution for airline websites; and (iii) e-Service, for post-sales servicing, including online award redemptions, online ticket changes and e-vouchers.

The addition of Navitaire's portfolio of products and solutions for the low-cost segment is expected to complement Amadeus' Altéa suite of offerings for the Group's largely full-service carrier customer base, giving Amadeus the ability to serve a wider group of airlines more effectively. Amadeus has continued to

market and sell the two product portfolios separately and to invest in both platforms, in order to enhance the services and functionality availability to all types of carriers. Amadeus believes that the acquisition should enable it to improve the connectivity between different carriers in the same airline groups or alliances and that the functionality from each platform should enhance the other.

As at the date of this Base Prospectus, 214 airlines have contracted either of the Amadeus Passenger Service Systems (Altéa or New Skies), of which 205 airlines have completed the implementation process. This includes 10 of the 13 airlines comprising the OneWorld alliance of airlines, 20 of the 28 airlines comprising the Star Alliance alliance of airlines (including regional members) and 10 of the 19 airlines comprising the Sky Team alliance of airlines (including associates members).

Customers. The approach the Group has adopted for its Altéa PSS solutions has been mainly to target the large full service airlines that carry more than 15 million passengers per year, as well as the international airline alliances. The Group believes that the growing trend towards consolidation in the airline industry and the emergence of international alliances, reflecting the importance of scale and reach in an increasingly globalised travel community, will result in large airlines and alliances continuing to occupy a key position in the industry in future years. Moreover, due to the size and scope of their network and operations, larger airlines and alliances tend to have more complex operating processes and IT systems that require sophisticated networks, code-sharing and interlining capabilities (to connect to other alliance members, for example). The Group also believes that the growth of its e-Commerce business will help to partially mitigate the impact on its business of the growth of direct distribution (*i.e.*, the shift of airline bookings to direct channels).

The Group also believes that the breadth of its customer base of airlines connected to its GDS platform offers a significant opportunity to “cross-sell” its Altéa PSS solutions to existing airline customers of the Group’s Distribution business area.

Revenue flows and pricing. As with the Group’s Distribution business area, the revenue model used in its Altéa PSS business is transaction-based. This model enables airline customers to convert the fixed costs incurred in operating in-house PSS systems into a variable cost that fluctuates broadly in line with their passengers boarded. The Group’s Altéa Suite follows a modular approach, under which each core component (Altéa Reservation, Altéa Inventory and Altéa Departure Control) is conditional upon each other: customers using the Altéa Reservation module are able to contract the Altéa Inventory module and customers who have contracted both the Altéa Reservation and Altéa Inventory modules are able to contract the Altéa Departure Control module.

The Group’s Altéa e-Commerce business also uses a transaction-based revenue model, generating substantially all of its revenue by charging a transaction fee to its airline customers for each PNR processed.

By operating a transaction-based revenue model for the Altéa PSS business, its revenue reflects the volume of PBs (in the case of Altéa PSS), of PNRs (in the case of the Altéa e-Commerce module) and of bookings made (in the case of the Altéa Reservation module) and is not directly linked to the Altéa customers’ own revenue. The fees the Group charges airlines are not directly linked to the ticket price or the type of ticket issued. Accordingly, while the Group’s revenue will be affected by an overall decrease in air traffic volumes, it is not directly affected by falling ticket prices or a switching of customers from higher first and business class fares to lower economy fares.

Other Transactional IT Solutions

The Group’s portfolio of other transactional IT solutions as at the date of this Base Prospectus principally addresses stand-alone IT solutions for airlines, Non-air IT and a joint venture for the provision of Travel Payment Services to non-air providers.

Stand-alone IT Solutions for Airlines. The Group offers a range of stand-alone IT solutions to support airlines in certain critical customer-related processes, including:

- *Ticketing Platform*, a sophisticated ticketing tool that allows airlines to issue all IATA and ATA, standard paper and e-ticket traffic documents, to maintain a ticket database and generate sales and transaction reports, to cross-sell additional content (such as car, hotel and insurance products) and to produce highly customisable revenue accounting reports.
- *Customer Loyalty*, a comprehensive and flexible solution built to support modern airline loyalty programmes and to enable targeted marketing campaigns through a highly customisable solution that can be easily configured to support a variety of loyalty models, such as mileage-, points-, segment- or revenue-based schemes.
- *Revenue Integrity*, a revenue management tool designed to assist airlines to increase capacity utilisation through the reduction of no-shows and cancellations and to eliminate distribution costs associated with non-productive bookings.
- *Payment Solutions*, a sophisticated IT solution to increase the security of credit card payments made through direct sales channels used by the Group's airline customers.

Each of the Group's stand-alone IT Solutions has been designed to integrate fully with its Altéa PSS solutions, to take advantage of their customer-centric features, but they can also be used, on a stand-alone basis, with other in-house or third-party systems.

Non-air IT. One of the key aims of the Group's overall corporate strategy is to expand its IT Solutions business area by leveraging its existing customer base and technologies and to evolve its offering of transaction-based IT solutions beyond the Group's core Altéa PSS to meet the needs of other travel providers.

The Group seeks to identify attractive markets for expansion in which it believes it can realise a competitive advantage by leveraging the Group's customer base and building upon its core assets and competencies, either by targeting new solutions at existing customers or by adapting existing solutions for new customer segments.

In addition, as at the date of this Base Prospectus, the Group is exploring several new IT customer segments:

- *Amadeus Hotel IT Solutions.* The Group's management believes that Hotel IT represents a diversification opportunity for the Group with increasing market size and growth expected along the coming years. The Group's management believes that the conditions are met in the market to promote a community model approach. In order to accelerate its go-to-market strategy, in December 2013, the Group decided to acquire Newmarket International Inc, one of the industry leaders in hotel group and event management. In July 2015, the Group decided to acquire Itesso, a provider of cloud-native property management solutions (PMS) for the hospitality industry and, during the same month, the Group acquired Hotel SystemPro, a provider of sales, catering and services optimisation software to the hotel and hospitality industry.
- *Amadeus Airport IT Solutions* The Group's management believes that Airport IT is also an important diversification area. The Group sees current trends and needs in the Airport IT as representing an opportunity for the Group as airports' systems need to be integrated with multiple airlines' systems and IT software providers. Additionally, in the opinion of the Group's management's, more information on passenger flows is needed to optimise airports operation and economics. The Group's management believes it can leverage its central positions in airlines' IT systems due to its large portfolio of airlines that have contracted the Altéa Suite. In order to accelerate this diversification strategy, the Group decided in February 2014 to acquire UFIS Airport Solutions, one of the leading providers of airport information technology. In April 2015, the Group decided to acquire Air-Transport IT Services whose IT solutions are used by 30 of the top 50 busiest airports in the US including Atlanta, Dallas, Los Angeles, Miami and Charlotte.

- *Amadeus Rail IT Solutions* The Group's management believes that the railway industry is facing significant business challenges, that railways' current systems are in-house legacy systems, expensive to manage and maintain and that railways have limited budgets to keep hardware, software and networks up-to-date. The Group's management believes that a community model approach could provide railways with state-of-the-art software that will allow them to share economies of scale. In May 2014, the Group signed a long-term partnership with BeNe Rail International N.V., an international distribution technology joint venture set up by NS and SNCB/NMBS1 to create a new rail community IT platform as part of the Group's "Total Rail" solution.

Non-Transactional IT Solutions

Customisation and Implementation Services. The Group offers a range of services to support the migration of airline customers to the Altéa platform as well as additional software to customise the Group's solutions to the requirements of individual customers. These services seek to address the increasing complexity of airlines' internal IT systems and the need to adapt these to interface with the Group's solutions. The principal customers of such customisation and implementation services are large full service airlines.

Global Services. To support the Group's core airline IT Solutions business area, the Group has established a small but growing Global Services business within its airline IT commercial organisation. This unit assists in attracting airline customers for the Altéa PSS solutions and in the actual systems-migration process and provides post-sales support for Altéa customers. The Global Services unit provides a variety of services to airlines, including (i) consulting services to help airlines maximise the full value of their IT investments, (ii) bespoke systems integration services to customise the Group's IT solutions to the specific requirements of the airline customer, (iii) systems-hosting services to provide improved operational efficiency, and (iv) training and other support services. The Group's airline customers can choose one or more of these services to suit their particular business needs.

Contractual relationships with customers

Distribution

Airlines

The Group enters into global distribution agreements, or GDAs, with its airline customers, pursuant to which the Group grants them access to its GDS to distribute their inventory via the Group's network of online and offline travel agencies in exchange for a booking fee charged to the airlines for reservations of their content made on travel agency subscribers of the Group's GDS. The Group also enters into content agreements with certain of its airline customers whereby they guarantee to make available through the Group's GDS platform substantially the same content (in terms of fares and inventory) as that available in their own distribution channels or other third-party channels, in exchange for which the Group reduces the fee that the airline provider has to pay for each booking.

Non-air Travel Providers

With non-air travel providers, the Group enters into distribution agreements that typically grant them access to the Group's GDS for the global distribution of their travel products and services in exchange for a booking fee charged by the Group for each reservation of their content made through the GDS.

Travel Agencies

The Group enters into agreements with travel agencies that wish to connect to the GDS to gain access to the Group's travel provider content. A significant percentage of these agreements provide for the payment by the Group of a per-transaction incentive fee to the travel agency for bookings made by them through the GDS,

while a limited number of travel agency customers pay a periodic subscription fee for access to the Group's GDS.

IT Solutions

Airlines

The Group enters into long-term agreements (with an average term of approximately 10 years) with airlines for the design, customisation, implementation and operation of Altéa PSS, e-Commerce and stand-alone IT solutions, charging fees on various bases as set out below.

Under the Group's Altéa contracts, the Group generally charges a fee per passenger boarded, or PB fee, with additional optional fees that may be transaction-based or which may be calculated on the basis of time and materials used.

Under an Altéa Reservation agreement, the Group provides a central reservation system to an airline with the airline's inventory hosted externally. Under this model, the airline essentially uses the Group's Altéa Reservations solution as its own internal reservations system. The Group charges a reduced booking fee under the terms of the GDA over their direct bookings.

In the case of other stand-alone IT contracts with airlines, the Group generally charges on a per-transaction basis, although the precise mechanics vary depending on the nature of the solution provided (e.g., certain contracts provide for charges on a PNR generated basis).

Non-air Travel Providers

The Group enters into agreements for the provision of non-air IT solutions to hotels and rail operators.

Rail IT contracts typically regulate the provision of a fully integrated reservation system which allows rail companies to sell tickets through travel agencies and via direct channels such as the operator's website or sales kiosk.

Contracts for the Group's RMS solutions regulate the provision of a system used by hotels (and similar properties) for rate setting and revenue and capacity optimisation. The pricing structure of the RMS contracts may include concepts such as hosting charges, maintenance and support fees and training and development fees.

Systems and Technology

The evolution of the Group's next-generation systems and technology is centred on the use of a community-based platform running on open systems architecture to manage and run high-performance transactional frameworks. The key features and benefits of each of these concepts are as follows:

Community-based Platform. The Group provides its customers with a fully-hosted, community-based IT platform, with each customer using the same applications base from a common pool of servers, as if it was accessing the application independently from other customers. While applications can be customised to fit the requirements of individual customers, the Group's community approach enables each customer to benefit from the common investments made in functional evolutions and the integration of new industry standards into the Group's platform to adapt it to the changing needs of a dynamic and rapidly evolving market. The Group's management believes this community approach offers considerable benefits for travel providers and other users of the platform in terms of functionality and efficiency because they can leverage the sum of requirements from the whole community. It also enables the Group to connect new customers at limited marginal costs, improving its economies of scale. For instance, when alliance airlines choose to operate on the alliance's common IT platform, initial migration and ongoing maintenance and upgrade costs can be reduced significantly.

Open Systems Architecture. Since 1997, the Group has moved its core platform away from legacy mainframes towards a modern, open systems IT architecture. The Group's management believes that its open systems architecture allows it to offer customers the benefits of enhanced vendor independence and compliance with widely-adopted industry standards. In the opinion of the Group's management, legacy systems create increased dependence on single suppliers, with correspondingly higher purchase and maintenance costs, and offer limited flexibility, scalability and scope for the integration of new standards. In contrast, the Group's management believes open systems, based on Unix or Linux, offer improved scalability and flexibility with lower costs resulting from competition between providers of hardware and system applications.

High-Performance Transactional Framework. Many of the Group's applications rely on connections to large numbers of external IT systems, including those of the airlines and hotels connected to the Group's GDS platform. As a result, a single user data query to check the availability of flights to a destination can generate multiple secondary data queries to external systems. The Group believes that it has developed unique frameworks and technical skills that enable it to handle the functional complexity of such message flows while meeting the service level technical requirements of customers, including sub-second response times and very high system uptimes.

The Group's Operations Infrastructure

Data Processing Facility

The global operations for the Group's Distribution and IT Solutions business areas are centred around its advanced data processing facility in Erding, near Munich (Germany).

The Group's management believes that ownership of its data processing facility gives it the necessary control and flexibility to align its development initiatives with the operational constraints of guaranteeing high service levels to its customers, while benefiting from cost efficiencies and being able to adapt rapidly to changes in technology. As a result of the Group's ownership of the facility, it is not required to negotiate with a third-party owner to effect upgrades or to make other changes to its core IT infrastructure. The Group's management believes that this, among other benefits, has facilitated its migration to modern, open systems architecture.

The Group's global operations principally comprise (i) its main site in Erding (Germany), (ii) two strategic operations centres in Miami (United States) and Sydney (Australia), and (iii) four local competency centres in Bad Homburg (Germany), Bangkok (Thailand), Buenos Aires (Argentina) and London (United Kingdom). The Group's strategic operations centres in Miami and Sydney are part of a 'Follow-the-Sun' operations concept that allows continuous supervision and management of the Group's central data processing facility during normal working hours from three time zones. As a business day ends in one time zone and commences in another time zone, system monitoring and management is seamlessly transferred by Erding to Miami, by Miami to Sydney and by Sydney back to Erding at approximately eight-hour intervals. Through the Group's 'Follow-the-Sun' concept, it seeks to optimise its use of resources and minimise response times when dealing with operational issues and customer support queries.

Fundamental to the Group's success as a global IT technology provider is the reliability and security of its data processing facility, which has been designed with built-in redundancy with no single point of failure. The Group's core systems are housed in three independent parts of the facility, so that transactions can be switched from one section to another in the event of a systems failure affecting one part of the building. Through this so-called "fire-cell" concept, the Group effectively has three data centres in one.

The Group also operates a disaster recovery centre located approximately 30 kilometres from its main data processing facility. This disaster recovery centre can also be operated remotely from the Miami and Sydney "Follow-the-Sun" sites and is designed to ensure the continuity of the relevant services and the recovery of data in the event of a complete systems failure at the Group's Erding facility for those of its customers that have opted to use this back-up facility.

Insurance

The Group insures against certain corporate risks in relation to civil liability, including damage to its property and other material assets and business interruption. It also maintains policies covering the liability of its directors and officers and professional indemnity insurance policies to cover the provision of its services (including privacy breach), as well as an aviation policy to cover claims for damages in respect of aircraft incidents that have resulted in third parties suffering bodily harm and/or property damage.

Although the Group's management believes that all of the Group companies have adequate insurance policies in place to cover civil and environmental liability and certain risks of operation, the Group also seeks to limit its liability through contractual provisions in agreements with travel providers, travel agencies and local ACOs.

While the Group considers that its insurance coverage is consistent with IT industry standards in Spain and Western Europe in light of the activities it conducts, the Group can provide no assurance that its insurance coverage will adequately protect it from all the risks that may arise or in amounts sufficient to prevent material loss.

Litigation and Arbitration

From time to time the Group may be involved in legal proceedings in the ordinary course of its business. An unfavourable outcome in respect of one or more of such proceedings could, to the extent such outcome is not covered by any of the Group's insurance policies, have a material adverse effect on the Group's financial condition and results of operation. The following is a summary of certain legal proceedings affecting the Group.

Class Action

Investigation by the European Union Directorate General for Competition

The European Commission initiated a formal investigation in November 2018 in order to assess whether the agreements entered into between Amadeus, as reservation systems provider, and the airline companies and travel agencies may restrict competition, breaking EU antimonopoly rules.

The Commission is investigating if certain provisions included in the agreements between Amadeus and the airline companies and travel agencies could restrict their ability to use the services of alternative ticket distribution service providers, hindering market access for new alternative ticket distribution service providers and increasing distribution costs for airlines, which, ultimately, would translate in an increase in the price of the tickets purchased by consumers.

The proceeding is still in the information exchange phase, and no result with regards to the investigation could be anticipated at this stage.

Tax Proceedings

Each Group company is individually responsible for its own tax assessment in its country of residence, without any worldwide Group tax consolidation. The applicable limitation period varies from one Group company to another, according to local tax laws in each case. Tax returns are not considered definitive until the applicable limitation period expires or they are accepted by the relevant tax authorities. According to the consolidated annual accounts of the Group as of and for the year ended 31 December 2018, despite fiscal legislation being open to different interpretations, it is estimated that any additional fiscal liability, as may arise from a possible tax audit, will not have a significant impact on the consolidated financial statements taken as a whole.

Spanish Tax Inspection

The Spanish tax authorities initiated a tax inspection procedure in February 2010 of the Issuer as parent company of the Group's Spanish tax consolidations group, and in respect of several companies which form part of the Group for fiscal years 2005 to 2007. The tax inspection was completed by July 2012.

As a result of this inspection, certain differences of interpretation have arisen in respect of the application of the Spanish Corporate Income Tax Act and the Spanish Non-Resident Income Tax Act to certain corporate transactions but no tax penalties have been imposed. The tax assessments were signed on a contested basis and a claim was filed in August 2012 with the Central Economic-Administrative Tribunal within the terms established by the legislation in force. On 24 May 2013, an appeal was filed with the Central Economic-Administrative Court (**TEAC**). This Court dismissed the claim filed by Amadeus with respect to application of the Spanish Corporate Income Tax Act. As a result Amadeus filed with the National Appellate Court (*Audiencia Nacional*) an appeal for judicial review (registered in December 2016). On 16 July 2018, the National Appellate Court (*Audiencia Nacional*) rejected the appeal and on 17 October 2018, Amadeus filed an extraordinary appeal (*Recurso de Casación*) before the Supreme Court (*Tribunal Supremo*) only with respect to the non-tax deductibility of financial interest (between 2007-2010), which was rejected by a resolution (*Providencia*) from the Supreme Court on 4 April 2019. A provision was recorded in the Issuer's consolidated annual accounts for 2018 in respect of the corporate income tax for fiscal years 2005 through 2018.

In January 2017, the Issuer received a final decision from the TEAC rejecting the appeal with regard to the tax assessment signed under protest relating to the Spanish Non-Resident Income Tax for the year 2007. As a result, Amadeus filed an appeal for judicial review with the National Appellate Court (*Audiencia Nacional*) (registered in September 2017) and the resolution of the appeal is still pending. Although the Group and its external advisers understand that there are sound arguments to defend the inappropriateness of the adjustment made by the tax inspectors and that such arguments should be upheld by the National Appellate Court, the Issuer decided to record a provision for all the amounts under dispute in relation to the Spanish Non-Resident Income Tax.

In any event, the Group believes that the final decision should have no significant impact on the financial situation of the Group.

Permanent Establishment in India

Since 1999, an entity that has since merged with the Issuer has been engaged in a series of disputes with the Indian tax authorities in relation to an allegation that the operations of such entity in India qualify it for tax treatment as an entity permanently established in India.

The Indian tax authorities argued that such entity operates as a permanent establishment in India by virtue of (i) the fact that it provides computer terminals enabling travel agencies to connect to its IT network, and (ii) the activities of the local ACO operating in India, Amadeus India, Pvt. Ltd (which does not form part of the Group) by reason of which, it is alleged, it qualifies as a "dependent agent" for the purposes of the double recovery regime in force between India and Spain. On this basis, the Indian tax authorities claim that revenue generated by such entity in respect of bookings made by travel agencies located in India through this local ACO should be subject to Indian tax.

As at the date of this Base Prospectus, there are a number of proceedings underway relating to the tax years between 1995 and 2016 (1 April 1995 to 31 March 2016) at different procedural stages (ranging from initial inspection to appeal) before the Indian administrative authorities and before the Supreme Court. The total amount claimed under these proceedings amounts to INR 17,861,156,519 including accumulated interest (equivalent to €230 million on the basis of an INR to € exchange rate of 77.80). The Group has been advised that there is no provision under Indian law for sanctions to be imposed as a result of the ongoing proceedings. Over the years during which these disputes have been ongoing, the Indian authorities have not advanced a consistent position in respect of the basis for determining the taxes allegedly payable by such

entity. Accordingly, the amounts deductible in respect of taxes allegedly attributable to such entity are not clear.

The resolution from the Delhi High Court of January 2010 concerning tax years 1995-1996, 1996-1997 and 1997-1998 concludes on the existence of permanent establishment, but without income liable to tax in India. This resolution was also extended by the Delhi High Court to the fiscal years from 1998-1999 to 2005-2006 (both inclusive). These decisions are under dispute before the Supreme Court.

Additionally, and in relation to the permanent establishment issue, the Indian tax authorities are of the opinion that the IT Service activities with an Indian nexus may give rise to royalty payments and fees for technical services in India taxed at 10%. As a result of this interpretation, a new tax claim is under dispute amounting to INR 1,284,859,501 (equivalent to €16.5 million on the basis of an INR to € exchange rate of 77.80).

The Issuer records the appropriate provisions in order to minimise its exposure in the event the final ruling from the Court does not result in its favour

Permanent Establishment in Greece

Amadeus Hellas, S.A., a Greek wholly-owned subsidiary of the Issuer, is engaged in a local VAT dispute with the Greek tax authorities based on an interpretation that an entity that has since merged with the Issuer is permanently established in Greece for VAT purposes and that services provided to such entity by Amadeus Hellas, S.A. are, therefore, not exempt from Greek VAT.

The amount claimed by the Greek authorities for the tax years from 2003 to 2013 amounts to €36.9 million together with a withholding of input VAT in an amount of €16.7 million. The tax years 2014 to 2017 were voluntarily regularised in order to avoid penalties, for an amount of €10.3 million. From 2018, VAT is charged on a recurrent basis, and, as a result, the Group does not expect any further VAT assessments. The Group expects an unfavourable ruling from the Court in 2019 with very low possibilities to appeal to the Supreme Court.

The Issuer has already recorded the appropriate provisions at a consolidated level and has already paid almost the total amount claimed (except €7.5 million still pending until there is an official resolution from the Court).

Employees

As at 31 December 2018, the number of employees of the Group was 16,920.

As at the date of this Base Prospectus, the Group is not aware of any material labour dispute, other than disputes in the ordinary course of business and a labour dispute in Brazil affecting the Issuer's subsidiary Amadeus Brasil Ltda. (76%-owned) related to salary claims from employees of the minority shareholder (which is bankrupt and holds 8.99% of Amadeus Brasil Ltda.).

The Group believes that this labour dispute has no legal basis and the latest favourable resolutions obtained in 2013, 2016 and 2017 from the Superior Labour Court supports this conclusion. The aforementioned decisions, although not binding on other labour claims, have strongly influenced the issuance of favourable decisions for Amadeus in all instances. The Group believes a significant number of labour claims in execution phase will be dropped if there is a favourable ruling by the Supreme Court on the Constitutional Appeal presented by Amadeus. The Civil Procedure Code, effective as of March 2016, which states that a joint defendant can only be held liable for a payment of a judgment if it has been part of a lawsuit from its knowledge (fact-finding) phase, will help to support the legal defence, although there is no clear view of the Brazilian Supreme Labour Court regarding the effectiveness of this Civil Procedure Code provision in labour claims.

Executive Committee

The Group is managed on a day-to-day basis by its Executive Committee, which comprises the company's President and Chief Executive Officer and his direct reports, namely the Chief Financial Officer, ten Senior Vice Presidents, one of which is responsible of the Technology Platforms and Engineering, four of which are responsible for the Group's business lines (Travel Channels, Airlines Strategic Growth Business and Hospitality), two of which are responsible for Research & Development (Core Shared Services R&D and Airlines R&D) and the remaining three of which manage the corporate functions (Corporate Strategy, General Counsel & Corporate Secretary, and People, Culture, Communications & Branding). The Executive Committee is supported by approximately 150 Vice Presidents and Directors.

Recent Developments

On 31 May 2019, the Issuer completed the acquisition of ICM Group Holdings, Ltd. (**ICM**), a global leader in passenger automation and self-service bag drop solutions for airports and airlines.

ICM, whose primary operations are based in Sydney, Australia, has processed more than 70 million bags worldwide since 2009 and is a leader in providing airports and airlines with either retro-fitted or replacement type auto bag drop units. ICM recently launched a 'next generation' CUSS kiosk that leverages the same 'design aesthetic' as its bag drop solutions and can be deployed as either a fixed or mobile kiosk. ICM operates globally with offices in Australia, France, Singapore, UK, USA, and Japan. Through the acquisition of ICM, the Issuer also acquires Vedaleon Technologies, a Melbourne based company focused on airline and airport software solutions. The Issuer expects the addition of ICM's leading portfolio of solutions to strengthen its ability to re-imagine check-in, boarding and security in ways that enhance the traveller experience, improve efficiency and reduce costs.

TAXATION

The following is a general description of certain Spanish tax considerations. The information provided below does not purport to be a complete overview of tax law and practice currently applicable in the Kingdom of Spain and is subject to any changes in law and the interpretation and application thereof, which could be made with retroactive effect. This analysis is a general description of the tax treatment under Spanish legislation without prejudice of regional tax regimes that may be applicable.

This taxation summary solely addresses the principal Spanish tax consequences of the acquisition, the ownership and disposal of Notes issued by the Issuer after the date hereof held by a holder of Notes. It does not consider every aspect of taxation that may be relevant to a particular holder of Notes under special circumstances or who is subject to special treatment under applicable law or to the special tax regimes applicable in the Basque Country and Navarra (Territorios Forales). Where in this summary English terms and expressions are used to refer to Spanish concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Spanish concepts under Spanish tax law. This summary assumes that each transaction with respect to the Notes is at arm's length.

This overview is based on the law as in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date. References in this section to Noteholders include the beneficial owners of the Notes, where applicable. Any prospective investors should consult their own tax advisers who can provide them with personalised advice based on their particular circumstances. Likewise, investors should consider the legislative changes which could occur in the future.

1. Introduction

This information has been prepared in accordance with the following Spanish tax legislation in force at the date of this document:

- (i) of general application, Additional Provision One of Law 10/2014, as well as RD 1065/2007;
- (ii) for individuals resident for tax purposes in Spain which are subject to the Personal Income Tax (**PIT**), Law 35/2006 of 28 November, on the PIT and on the Partial Amendment of the Corporate Income Tax Law, the Non-Residents Income Tax Law and the Net Wealth Tax Law, and Royal Decree 439/2007 of 30 March promulgating the IIT Regulations, along with Law 29/1987, of 18 December on the Inheritance and Gift Tax;
- (iii) for legal entities resident for tax purposes in Spain which are subject to the Corporate Income Tax (**CIT**), Act 27/2014, of 27 November governing the CIT, and Royal Decree 634/2015, of 10 July promulgating the CIT Regulations; and
- (iv) for individuals and entities who are not resident for tax purposes in Spain which are subject to the Non-Resident Income Tax (**NRIT**), Royal Legislative Decree 5/2004, of 5 March promulgating the Consolidated Text of the NRIT Law, and Royal Decree 1776/2004 of 30 July promulgating the NRIT Regulations, along with Law 29/1987, of 18 December on the Inheritance and Gift Tax.

Whatever the nature and residence of the beneficial owner, the acquisition and transfer of Notes will be exempt from indirect taxes in Spain, *i.e.*, exempt from Transfer Tax and Stamp Duty, in accordance with the Consolidated Text of such tax promulgated by Royal Legislative Decree 1/1993, of 24 September and exempt from Value Added Tax, in accordance with Law 37/1992, of 28 December regulating such tax.

2. Individuals with Tax Residency in Spain

2.1 Personal Income Tax (*Impuesto sobre la Renta de las Personas Físicas*)

Spanish individuals with tax residency in Spain are subject to PIT on a worldwide basis. Accordingly, income obtained from the Notes will be taxed in Spain when obtained by persons that are considered resident in Spain for tax purposes. The fact that a Spanish company pays interest under a Note will not lead an individual or entity being considered tax-resident in Spain.

Both interest payments periodically received and income derived from the transfer, redemption or exchange of the Notes constitute a return on investment obtained from the transfer of a person's own capital to third parties in accordance with the provisions of Section 25 of the PIT Law, and therefore must be included in the investor's PIT savings taxable base pursuant to the provisions of the aforementioned law and taxed at a flat rate of 19 per cent. on the first €6,000, 21 per cent. for taxable income between €6,001 and €50,000 and 23 per cent. for taxable income exceeding €50,000.

In relation to withholding taxes, on the basis that the issue of the Notes is made subject to Law 10/2014 and provided that the information procedures set out in RD 1065/2007 are observed, the Issuer, pursuant to the latter rule, would not be obliged to withhold taxes in Spain on any interest paid under the Notes to PIT payers.

2.2 Net Wealth Tax (*Impuesto sobre el Patrimonio*)

Net Wealth Tax may be levied in Spain on resident individuals, on a worldwide basis. Though for the years 2011 to 2019, the Spanish Central Government has repealed the 100% relief (*bonificación del 100%*) of this tax, the actual collection of this tax depends on the regulations of each Autonomous Community. Thus, investors should consult their tax advisers according to the particulars of their situation.

Individuals with tax residency in Spain are subject to Net Wealth Tax to the extent that their net worth exceeds €700,000. Therefore, they should take into account the value of the Notes which they hold as at 31 December each year, the applicable rates ranging between 0.2 per cent. and 2.5 per cent.

Furthermore, in accordance with article 3 of Royal Decree-Law 27/2018 of 28 December 2018, as from year 2020, the full relief (*bonificación del 100%*) on Spanish Net Wealth Tax would apply, and therefore from year 2020 Spanish individual Holders will be released from formal and filing obligations in relation to this Spanish Wealth Tax, unless the derogation of the exemptions is extended again (which cannot be ruled out).

2.3 Inheritance and Gift Tax (*Impuesto sobre Sucesiones y Donaciones*)

Individuals resident in Spain for tax purposes who acquire ownership or other rights over any Notes by inheritance, gift or legacy will be subject to the Spanish Inheritance and Gift Tax in accordance with the applicable Spanish regional and State rules. The applicable effective tax rates currently range between 0 per cent. and 81.6 per cent. depending on relevant factors.

3. Legal Entities with Tax Residency in Spain

3.1 Corporate Income Tax (*Impuesto sobre Sociedades*)

Legal entities with tax residency in Spain are subject to CIT on a worldwide basis.

Both interest received periodically and income derived from the transfer, redemption or repayment of the Notes are subject to CIT (at the current general tax rate of 25 per cent.) in accordance with the rules for this tax.

In relation to withholding taxes, on the basis that the referred to issue of the Notes is made with subjection to Law 10/2014 and provided that the information procedures set out in RD 1065/2007 are observed, the Issuer, pursuant to the latter rule, would not be obliged to withhold taxes in Spain on any interest paid under the Notes to CIT payers.

3.2 **Net Wealth Tax (*Impuesto sobre el Patrimonio*)**

Legal entities resident in Spain for tax purposes are not subject to Net Wealth Tax.

3.3 **Inheritance and Gift Tax (*Impuesto sobre Sucesiones y Donaciones*)**

Legal entities resident in Spain for tax purposes which acquire ownership or other rights over the Notes by inheritance, gift or legacy are not subject to the Spanish Inheritance and Gift Tax but must include the market value of the Notes in their taxable income for Spanish CIT purposes.

4. **Individuals and Legal Entities with no Tax Residency in Spain**

4.1 **Non-Resident Income Tax (*Impuesto sobre la Renta de no Residentes*)**

(a) *With permanent establishment in Spain*

If the Notes form part of the assets of a permanent establishment in Spain of a person or legal entity who is not resident in Spain for tax purposes, the tax rules applicable to income deriving from such Notes are, generally, the same as those previously set out for Spanish CIT taxpayers. See "*Taxation in Spain—Legal Entities with Tax Residency in Spain—Corporate Income Tax (Impuesto sobre Sociedades)*". Ownership of the Notes by investors who are not resident for tax purposes in Spain will not in itself create the existence of a permanent establishment in Spain.

(b) *With no permanent establishment in Spain*

Both interest payments received periodically and income derived from the transfer, redemption or repayment of the Notes, obtained by individuals or entities who are not resident in Spain for tax purposes and who do not act, with respect to the Notes, through a permanent establishment in Spain, are exempt from NRIT, provided that the issue of the Notes is made with subjection to Law 10/2014 and the information procedures set out in RD 1065/2007 are observed.

4.2 **Net Wealth Tax (*Impuesto sobre el Patrimonio*)**

This tax is only applicable to individuals. Individuals resident in a country with which Spain has entered into a double tax treaty in relation to Net Wealth Tax would generally not be subject to such tax. Otherwise, non-Spanish resident individuals whose properties and rights are located in Spain, or that can be exercised within the Spanish territory (e.g. Notes issued by the Issuer) exceed €700,000 would be subject to Net Wealth Tax, the applicable rates ranging between 0.2 per cent. and 2.5 per cent.

However, non-Spanish tax resident individuals will be exempt from Wealth Tax in respect of the Notes whose income is exempt from NRIT as described above.

If the exemptions outlined above do not apply, holders tax resident in a State of the European Union or of the European Economic Area may be entitled to apply the specific regulation of the autonomous community where their most valuable assets are located and which trigger this Spanish Net Wealth Tax due to the fact that they are (i) located; (ii) can be exercised; or (iii) must be fulfilled, within the Spanish territory.

In accordance with article 3 of Royal Decree-Law 27/2018 of 28 December 2018, as from year 2020, a full relief on Spanish Net Wealth Tax (*bonificación del 100%*) would apply, and therefore from year 2020 non-Spanish resident individuals will be released from formal and filing obligations in relation to this Spanish Wealth Tax, unless the derogation of the exemption is extended again (which cannot be ruled out).

4.3 **Inheritance and Gift Tax (*Impuesto sobre Sucesiones y Donaciones*)**

Unless otherwise provided under an applicable double tax treaty in relation to Inheritance and Gift Tax, the latter may be levied in Spain on non-resident individuals only on those assets and rights that are located or that may be exercised or fulfilled within the Spanish territory.

The effective tax rate, after applying all relevant factors, ranges between 0% and 81.6%.

Generally, non-Spanish tax resident individuals are subject to Spanish Inheritance and Gift Tax according to the rules set forth in the common law. However, if the deceased or the donee are resident in an EU or European Economic Area member State, the applicable rules will be those corresponding to the relevant autonomous regions according to the law.

Non-Spanish resident corporations are not taxpayers of the Spanish Inheritance and Gift Tax and income inherited or obtained by gift (*a título lucrativo*) will generally be subject to NRIT, as capital gains, unless otherwise provided under an applicable double tax treaty.

5. **Obligation to inform the Spanish tax authorities of the ownership of the Notes**

With effects as from 1 January 2013, Law 7/2012, of 29 October, as implemented by Royal Decree 1558/2012, of 15 November, introduced new annual reporting obligations applicable to Spanish residents (*i.e.* individuals, legal entities, permanent establishments in Spain of non-resident entities) in relation to certain foreign assets or rights.

Consequently, if the Notes are deposited with or placed in the custody of a non-Spanish entity, holders resident in Spain will be obliged, if certain thresholds are met as described below, to declare before the Spanish tax authorities, between 1 January and 31 March every year, the ownership of the Notes held on 31 December of the immediately preceding year (*e.g.* to declare between 1 January 2020 and 31 March 2020 the Notes held on 31 December 2019).

This obligation would only need to be complied with if certain thresholds are met: specifically, if the only rights/assets held abroad are the Notes, this obligation would only apply if the value of the Notes together with other qualifying assets held on 31 December exceeds €50,000 (with the corresponding valuation to be made in accordance with Wealth Tax rules). If this threshold is met, a declaration would only be required in subsequent years if the value of the Notes together with other qualifying assets increases by more than €20,000 as against the declaration made previously. Similarly, cancellation or extinguishment of the ownership of the Notes before 31 December should be declared if such ownership was reported in previous declarations.

6. **Reporting obligations**

According to Additional Provision One of Law 10/2014, the Issuer has certain reporting obligations.

In accordance with section 5 of Article 44 of RD 1065/2007 as amended by RD 1145/2011 and provided that the Notes issued by the Issuer are initially registered for clearance and settlement in Euroclear and Clearstream, Luxembourg, the Fiscal Agent would be obliged to provide the Issuer with a declaration (the form of which is set out in the Agency Agreement), which should include the following information:

- (i) description of the Notes (and date of payment of the interest income derived from such Notes);
- (ii) total amount of interest derived from the Notes; and
- (iii) total amount of interest allocated to each non-Spanish clearing and settlement entity involved.

According to section 6 of Article 44 of RD 1065/2007, the relevant declaration will have to be provided to the Issuer (i) on the business day immediately preceding each Interest Payment Date or (ii) in the case of Zero Coupon Notes with a maturity of 12 months or less, on the business day immediately preceding the redemption or repayment of the Zero Coupon Notes (if the Spanish tax authorities consider that such information obligations must also be complied with for Zero Coupon Notes with a longer term than 12 months, the Issuer will, prior to the redemption or repayment of such Notes, adopt the necessary measures with the Clearing Systems in order to ensure its compliance with such information obligations as may be required by the Spanish tax authorities from time to time). If this requirement is complied with, the Issuer will pay gross (without deduction of any withholding tax) all interest under the Notes to all Noteholders (irrespective of whether they are tax resident in Spain).

In the event that the Paying Agent were to fail to provide the information detailed above, according to section 7 of Article 44 of RD 1065/2007, the Issuer, or the Paying Agent acting on its behalf, could be required to withhold tax from the relevant interest payments at the general withholding tax rate (currently 19%) . If on or before the 10th day of the month following the month in which the interest is payable, the Paying Agent were to submit such information, the Issuer, or the Paying Agent acting on its behalf, would refund the total amount of taxes withheld.

The proposed financial transactions tax (EU FTT)

On 14 February 2013, the European Commission published a proposal for a Directive for a common EU FTT in Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovakia, Slovenia and Spain. Estonia, however, withdrew from the enhanced cooperation in March 2016 (the **FTT Participating Member States**).

The proposed EU FTT has a very broad scope and could, if introduced, apply to certain dealings in financial instruments (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

The EU FTT could apply to persons both within and outside of the FTT Participating Member States. Generally, it would apply to certain dealings in financial instruments where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

In the ECOFIN meeting of 17 June 2016, the EU FTT was discussed between the EU Member States. It has been reiterated in this meeting that participating Member States envisage introducing an FTT by the so-called enhanced cooperation process.

The proposed Directive defines how the EU FTT would be implemented in participating Member States. It involves a minimum 0.1% tax rate for transactions in all types of financial instruments, except for derivatives that would be subject to a minimum 0.01% tax rate.

On 3 December 2018, the finance ministers of France and Germany outlined a joint proposal for a limited FTT based on a system already in place in France. Under the new proposal, the tax obligation would apply only to transactions involving shares issued by domestic companies with a market capitalisation of over €1 billion.

However, the EU FTT proposal remains subject to negotiation between the FTT Participating Member States and the scope of any such tax is uncertain. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate, and FTT Participating Member States may withdraw.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

The proposed Spanish financial transactions tax

On 18 January 2019, the Spanish Council of Ministers approved a draft bill (the *Draft Bill*), according to which, due to the delay in the EU FTT being approved, the intention is to implement a Spanish financial transactions tax (the *Spanish FTT*). However, the Spanish Council of Ministers stated that Spain will continue to participate in the enhanced co-operation for the approval of the EU FTT and, if finally approved, Spain will adapt the Spanish FTT to align it with the EU FTT.

According to the Draft Bill, the Spanish FTT is to be aligned with the French and Italian financial transactions taxes. Specifically, it is proposed that a Spanish FTT, at a rate of 0.2%, would apply to certain acquisitions of listed shares issued by Spanish companies whose market capitalisation exceeds €1 billion, regardless of the jurisdiction of residence of the parties involved in the transaction.

The Draft Bill was sent to Parliament for debate and approval. However, early general elections were called for 28 April 2019 and the legislative process was suspended.

On 30 April 2019, the interim Government (headed by the centre-left party PSOE) submitted to the European Commission the “Update of the Stability Programme 2019-2022” (*Actualización del Programa de Estabilidad 2019-2022*). This report is not equivalent to a draft law but it includes the economic projections for 2019-2022 and confirms the intention of the new Government to approve the Spanish FTT, stating that “the creation of the Tax on Financial Transactions will be relaunched”. The income derived from the Spanish FTT in the report is included in the economic projections for 2020 and not for 2019.

However, the parliamentary process to approve the Spanish FTT law will need to be reinitiated once the new Parliament and the new Government are formed and the new Government once more sends the Draft Bill to Parliament for final approval. As a result, some of the proposed measures could be substantially modified (or even abandoned) during the legislative process. While, according to the current drafting of the Draft Bill, the Spanish FTT would not apply in relation to an issue of Notes under the Programme, there can be no assurance that any such Spanish FTT would not apply to an issue of Notes in the future. Prospective holders of the Notes are advised to seek their own professional advice in relation to the Spanish FTT.

Foreign Account Tax Compliance Act (FATCA)

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a “foreign financial institution” may be required to withhold on certain payments it makes (“foreign passthru payments”) to persons that fail to meet certain certification, reporting, or related requirements. Each Issuer could be a foreign financial institution for these purposes. A number of jurisdictions (including the jurisdiction of the Issuer) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (**IGAs**), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply to payments made prior to the date that it is two years after the date on which the final regulations defining “foreign pass-through payments” are published in the U.S. Federal Register and Notes issued on or prior to the date that is six months after the date on which final regulations defining “foreign passthru payments” are filed with the U.S. Federal Register generally would be “grandfathered” for purposes of FATCA withholding unless materially modified after such date. However, if additional notes (as described under “*Terms and Conditions of the Notes—Further Issues*”) that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the

Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

SUBSCRIPTION AND SALE

Notes may be sold from time to time by the Issuer to any one or more of Banco Santander, S.A., Barclays Bank PLC, Barclays Bank Ireland PLC, BNP Paribas, Citigroup Global Markets Limited, Citigroup Global Markets Europe AG, Crédit Industriel et Commercial S.A., Commerzbank Aktiengesellschaft, Crédit Agricole Corporate and Investment Bank, DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main, HSBC Bank PLC, HSBC France, J.P. Morgan Securities plc, MUFG Securities (Europe) N.V., NatWest Markets N.V., UniCredit Bank AG and any additional Dealer appointed from time to time by the Issuer either in respect of the Programme or in relation to a particular Tranche of Notes (the **Dealers**). The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and subscribed by, Dealers are set out in an amended and restated Dealer Agreement dated 9 July 2019 (the **Dealer Agreement**) and made between the Issuer and the Dealers. If in the case of any Tranche of Notes the method of distribution is an agreement between the Issuer and a single Dealer for that Tranche to be issued by the Issuer and subscribed or placed by that Dealer, the method of distribution will be described in the relevant Final Terms as “Non-Syndicated” and the name of that Dealer and any other interest of that Dealer which is material to the issue of that Tranche beyond the fact of the appointment of that Dealer will be set out in the relevant Final Terms. If in the case of any Tranche of Notes the method of distribution is an agreement between the Issuer and more than one Dealer for that Tranche to be issued by the Issuer and subscribed or placed by those Dealers, the method of distribution will be described in the relevant Final Terms as “Syndicated”, the obligations of those Dealers to subscribe for or place the relevant Notes will be joint and several and the names and addresses of those Dealers and any other interests of any of those Dealers which is material to the issue of that Tranche beyond the fact of the appointment of those Dealers (including whether any of those Dealers has also been appointed to act as Stabilising Manager in relation to that Tranche) will be set out in the relevant Final Terms.

Any such agreement will, inter alia, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be subscribed or placed by the Dealer(s) and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect thereof. The Dealer Agreement makes provision for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes.

United States of America

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from or not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and Treasury regulations promulgated thereunder. The applicable Final Terms will identify whether TEFRA C rules or TEFRA D rules apply or whether TEFRA is not applicable.

Each Dealer has agreed that, and each further Dealer appointed under the Programme will be required to agree that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Notes comprising the relevant Tranche, as certified (or, in the case of a sale of a Tranche of Notes to or through more than one Dealer, by each of such Dealers as to the Notes of such Tranche purchased by or through it, in which case the Fiscal Agent or the Issuer shall notify each such Dealer when all such Dealers have so certified) within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S of the Securities Act. Each Dealer has further agreed and each further Dealer

appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Prohibition of sales to EEA Retail Investors

Unless the Final Terms in respect of any Notes specifies “Prohibition of sales to EEA Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by the Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression retail investor means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**);
 - (ii) customer within the meaning of Directive 2016/97/EU (as amended, the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the **Prospectus Directive**).
- (b) the expression an **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

Selling Restrictions Addressing Additional United Kingdom Securities Laws

Each Dealer has severally represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that:

- (a) **No deposit-taking:** in relation to any Notes having a maturity of less than one year:
 - (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and:
 - (ii) it has not offered or sold and will not offer or sell any Notes other than to persons:
 - (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
 - (B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,

where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

- (b) **Financial promotion:** it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA would not apply to the Issuer if it was not an authorised person; and
- (c) **General compliance:** it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

The Kingdom of Spain

The Notes may not be offered, sold or distributed in Spain, nor may any subsequent resale of the Notes be carried out except (i) in circumstances which do not constitute a public offering of securities in Spain within the meaning of section 35 of the Restated Spanish Securities Market Act approved by Royal Legislative Decree 4/2015, of 23 October 2015 (*Real Decreto Legislativo 4/2015, de 23 de octubre, por el que se aprueba el texto refundido de la Ley del Mercado de Valores*) (the **Securities Market Act**), as developed by Royal Decree 1310/2005 of 4 November on admission to listing and on issues and public offers of securities (*Real Decreto 1310/2005 de 4 de noviembre, por el que se desarrolla parcialmente la Ley 24/1988, de 28 de julio, de Mercado de Valores, en materia de admisión a negociación de valores en mercados secundarios oficiales, de ofertas públicas de venta o suscripción y del folleto exigible a tales efectos*), and supplemental rules enacted thereunder or in substitution thereof from time to time; and (ii) by institutions authorised to provide investment services in Spain under the Securities Market Act (and related legislation) and Royal Decree 217/2008 of 15 February on the Legal Regime Applicable to Investment Services Companies (*Real Decreto 217/2008, de 15 de febrero, sobre el régimen jurídico de las empresas de servicios de inversión y de las demás entidades que prestan servicios de inversión*).

Neither the Notes nor this Base Prospectus have been registered with the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*) and therefore the Base Prospectus is not intended for any public offer of the Notes in Spain.

Italy

The offering of the Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* (**CONSOB**) pursuant to Italian securities legislation. Each Dealer has represented and agreed that any offer, sale or delivery of the Notes or distribution of copies of this Base Prospectus or any other document relating to the Notes in the Republic of Italy will be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulation.

Any such offer, sale or delivery of the Notes or distribution of copies of this Base Prospectus or any other document relating to the Notes in the Republic of Italy must be:

- (a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 58 of 24 February 1998, CONSOB Regulation No. 20307 of 15 February 2018 and Legislative Decree No. 385 of 1 September 1993 (in each case as amended from time to time); and
- (b) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or any other Italian authority.

France

Each of the Dealers and the Issuer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in the Republic of France, and has not distributed

or caused to be distributed and will not distribute or cause to be distributed to the public in the Republic of France, this Base Prospectus or any other offering material relating to the Notes, and that such offers, sales and distributions have been and shall only be made in France to providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement e gestion de portefeuille pour compte de tiers*) and/or to qualified investors other than individuals (*investisseurs qualifiés*) as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the French *Code monétaire et financier*.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and, accordingly, each Dealer has severally undertaken, and each further Dealer appointed under the Programme will be required to undertake that it will not offer or sell any Notes directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time. For the purposes of this paragraph, **Japanese Person** shall mean any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

Singapore

This Base Prospectus has not been registered as a prospectus with the MAS, and the Notes will be offered pursuant to exemptions under the SFA. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (c) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (d) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (a) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (b) where no consideration is or will be given for the transfer;
- (c) where the transfer is by operation of law;

- (d) as specified in Section 276(7) of the SFA; or
- (e) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Notification under Section 309B of the SFA - Unless otherwise stated in the applicable Final Terms, all Notes shall be prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Product and the MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

General

Each Dealer has represented, warranted and agreed that, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that, to the best of its knowledge, it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Base Prospectus or any Final Terms or any related offering material, in all cases at its own expense. Other persons into whose hands this Base Prospectus or any Final Terms comes are required by the Issuer and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Base Prospectus or any Final Terms or any related offering material, in all cases at their own expense.

Selling restrictions may be supplemented or modified with the agreement of the Issuer. Any such supplement or modification may be set out in a supplement to this Base Prospectus.

GENERAL INFORMATION

Authorisation

1. The update of the Programme was authorised by a resolution of the general shareholders' meeting of the Issuer dated 21 June 2018 and resolutions of the board of directors of the Issuer, dated 27 July 2018. The Issuer has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes.

Issues of Notes under the Programme by the Issuer are required to comply with certain formalities contained in the Spanish Corporations Law (*Ley de Sociedades de Capital*), including as at the date of this Base Prospectus, execution of a Public Deed of Issuance.

Legal and Arbitration Proceedings

2. Save as disclosed on pages 114– 116 of this Base Prospectus, there are no governmental, legal or arbitration proceedings, (including any such proceedings which are pending or threatened, of which the Issuer is aware), which may have, or have had during the 12 months prior to the date of this Base Prospectus, a significant effect on the financial position or profitability of the Issuer.

Significant/Material Change

3. Since 31 December 2018 there has been no material adverse change in the prospects of the Issuer nor has there been, since 31 March 2019 any significant change in the financial or trading position of the Issuer, or to the best of the Issuer's knowledge, the Group.

Auditors

4. The Issuer 2018 Financial Statements and the Issuer 2017 Financial Statements, incorporated by reference in this Base Prospectus, have been audited without qualification by Deloitte, S.L. of Plaza Pablo Ruiz Picasso, 1, Madrid, registered under S-0692 in the Official Register of Auditors (*Registro Oficial de Auditores de Cuentas*), and member of the *Instituto de Censores Jurados de Cuentas de España*.
5. The Issuer's current auditor (appointed from 1 January 2019) is Ernst & Young, S.L. located at Calle Raimundo Fernández Villaverde, 65 (Torre Azca), Madrid, registered under S-0530 in the Official Register of Auditors (*Registro Oficial de Auditores de Cuentas*), and member of the *Instituto de Censores Jurados de Cuentas de España*.

Documents on Display

6. Copies of the following documents (together with English translations thereof) may be inspected during normal business hours at the offices of the Issuer at Calle Salvador de Madariaga 1, 28027 Madrid, Spain for 12 months from the date of this Base Prospectus:
 - (a) the constitutive documents of Amadeus IT Group, S.A.;
 - (b) the Issuer Interim Financial Statements, the Issuer 2018 Financial Statements and the Issuer 2017 Financial Statements;
 - (c) the Agency Agreement;
 - (d) the Deed of Covenant

- (e) the Programme Manual (which contains the forms of the Notes in global and definitive form); and
- (f) the Issuer-ICSDs Agreement (which is entered into between the Issuer and Euroclear and/or Clearstream, Luxembourg with respect to the settlement in Euroclear and/or Clearstream, Luxembourg of Notes in New Global Note form).

Clearing of the Notes

- 7. The Notes have been accepted for clearance through the ICSDs. The appropriate common code and the International Securities Identification Number in relation to the Notes of each Tranche will be specified in the relevant Final Terms. The relevant Final Terms shall specify any other clearing system as shall have accepted the relevant Notes for clearance together with any further appropriate information.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of any alternative clearing system will be specified in the applicable Final Terms

Dealers transacting with the Issuer

- 8. Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and its affiliates in the ordinary course of business. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer or its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with its customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Notes Having a Maturity of Less Than One Year

- 9. Where Notes have a maturity of less than one year and either (a) the issue proceeds are received by the Issuer in the United Kingdom or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom, such Notes must: (i) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (ii) be issued in other circumstances which do not constitute a contravention of section 19 of the FSMA by the Issuer.

No money market instruments having a maturity of less than twelve months will be offered to the public or admitted to trading on a regulated market under this Base Prospectus.

Issue Price and Yield

10. Notes may be issued at any price. The issue price of each Tranche of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions and the issue price of the relevant Notes or the method of determining the price and the process for its disclosure will be set out in the applicable Final Terms. In the case of different Tranches of a Series of Notes, the issue price may include accrued interest in respect of the period from the interest commencement date of the relevant Tranche (which may be the issue date of the first Tranche of the Series or, if interest payment dates have already passed, the most recent interest payment date in respect of the Series) to the issue date of the relevant Tranche.

The yield of each Tranche of Notes set out in the applicable Final Terms will be calculated as of the relevant issue date on an annual or semi-annual basis using the relevant issue price. It is not an indication of future yield.

REGISTERED OFFICES OF THE ISSUER

Amadeus IT Group, S.A.

Salvador de Madariaga, 1
28027 Madrid
Spain

ARRANGER

BNP Paribas

10 Harewood Avenue
London NW1 6AA
United Kingdom

DEALERS

Banco Santander, S.A.

Calle Juan Ignacio Luca de Tena, 11
Edificio Magdalena, Planta 1
28027, Madrid
Spain

Barclays Bank PLC

5 The North Colonnade
Canary Wharf
London E14 4BB
United Kingdom

Barclays Bank Ireland PLC

One Molesworth Street
Dublin 2
DO2RF29
Ireland

BNP Paribas

10 Harewood Avenue
London NW1 6AA
United Kingdom

Citigroup Global Markets Limited

Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
United Kingdom

Citigroup Global Markets Europe AG

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60323 Frankfurt am Main
Germany

Crédit Industriel et Commercial S.A.

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75452 Paris Cedex 09
France

Commerzbank Aktiengesellschaft

Kaiserstraße 16 (Kaiserplatz)
60311 Frankfurt am Main
Federal Republic of Germany

Crédit Agricole Corporate and Investment Bank

12 place des Etats-Unis, CS 70052
92 547 Montrouge CEDEX
France

DZ BANK AG Deutsche Zentral- Genossenschaftsbank, Frankfurt am Main

Platz der Republik
60325 Frankfurt am Main
Federal Republic of Germany

HSBC Bank PLC

8 Canada Square
London E14 5HQ
United Kingdom

HSBC France

103, avenue des Champs Elysees
75008 Paris
France

J.P. Morgan Securities plc

25 Bank Street
Canary Wharf
London E14 5JP
United Kingdom

MUFG Securities (Europe) N.V.

World Trade Center, Tower H, 11th Floor
Zuidplein 98
1077 XV Amsterdam
The Netherlands

NatWest Markets N.V.
Claude Debussylaan 94
1082 MD Amsterdam
The Netherlands

UniCredit Bank AG
Arabellastr. 12
81925 Munich
Germany

FISCAL AGENT, PRINCIPAL PAYING AGENT AND LISTING AGENT

BNP Paribas Securities Services, Luxembourg Branch

60 avenue J.F. Kennedy
L-1855 Luxembourg

LEGAL ADVISERS

To the Issuer as to English and Spanish law:

To the Dealers as to English and Spanish law:

Freshfields Bruckhaus Deringer LLP

Torre Europa
Paseo de la Castellana, 95
28046 Madrid
Spain

Allen & Overy

Calle Serrano 73
28006 Madrid
Spain

INDEPENDENT AUDITORS TO AMADEUS IT GROUP, S.A.

From the financial year commencing 1 January 2019:

Ernst & Young, S.L.

C/ Raimundo Fernández Villaverde, 65 (Torre Azca),
28003 Madrid