

## Q1 2021 financial results

### Highlights

## Amadeus makes progress on efficiency plan as traveler sentiment slightly improves

First quarter highlights (three months ended March 31, 2021 compared to Q1 2020)

- Revenue contracted by 51.4%, to €496.7 million
- EBITDA<sup>1</sup> decreased by 84.6%, to €53.7 million
- Adjusted profit<sup>2</sup> contracted by 158.6%, to a loss of €83.1 million
- In Distribution, our travel agency air bookings decreased by 60.3%, to 33.8 million
- In IT Solutions, our passengers boarded declined by 66.9%, to 127.2 million
- Free Cash Flow<sup>3</sup> amounted to -€11.9 million, or +€31.4 if we exclude implementation costs from the cost-saving program
- Net financial debt<sup>4</sup> was €3,045.4 million, while liquidity available<sup>5</sup> amounted to c.€3.8 billion at March 31, 2021

### Luis Maroto, President & CEO of Amadeus, commented:

“In January, the resurgence of the pandemic brought new movement restrictions in many parts of the world. However, as vaccination programs gathered pace in certain regions throughout the quarter, we saw an uptick in air bookings and passengers boarded in March. Volume-wise it was the best performing month since February 2020. Into April, we have seen further improvement.

“Despite this, we remain cautious as we focus on delivering planned efficiencies and our on-going commercial efforts. During the quarter, we launched new solutions to support the recovery of travel, such as adding health capabilities to our Traveler ID solution, or offering new biometrics boarding at airports, simplifying processes and helping our customers comply with social distancing rules”.

“Moving forward, we expect to maintain commercial momentum. This, alongside improving traveler sentiment and the continued progression of vaccination programs around the world, should help us navigate the current situation and will hopefully translate into a more consistent and stronger recovery”.

<sup>1</sup> Adjusted to exclude costs incurred in the first quarter of 2021, related to the implementation of the cost saving program announced in the second quarter of 2020. These costs relate mostly to severance payments and amounted to €15.1 million in the first quarter of 2021 (€10.9 million post tax).

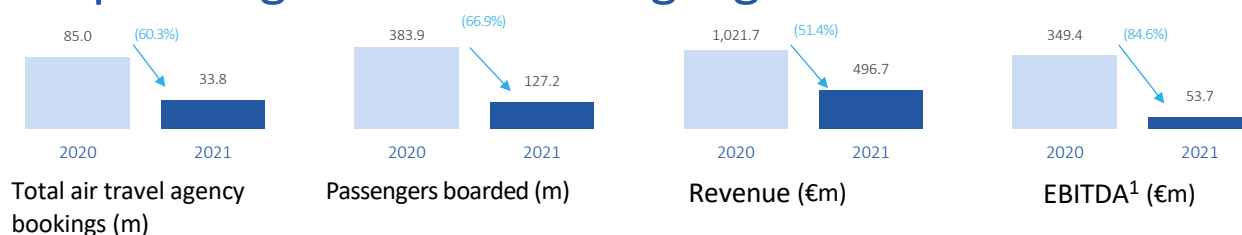
<sup>2</sup> Excluding after-tax impact of the following items: (i) accounting effects derived from PPA exercises and impairment losses, (ii) non-operating exchange gains (losses), (iii) costs related to the implementation of the cost savings programs and (iv) other non-operating, non-recurring effects.

<sup>3</sup> Defined as EBITDA, minus capex, plus changes in our operating working capital, minus taxes paid, minus interests and financial fees paid.

<sup>4</sup> Based on our credit facility agreements' definition.

<sup>5</sup> Composed of cash (€1,908.6 million), short term investments (€929.6 million) and an undrawn revolving credit facility (€1,000 million).

## Q1 operating and financial highlights (three months ended March 31, 2021)



## Business evolution in the year

### Distribution

In the first quarter of 2021, Distribution revenue declined by 57.9%, compared to the first quarter of 2020, as a result of declining booking volumes. The revenue per booking increased compared to the previous year, thanks to a positive impact from the cancellation provision (accrued for by a higher amount in 2020) and the softer contractions experienced by other revenue lines, such as from travel agency IT solutions. These positive effects helped us offset the negative impact from the higher weight of local bookings, which are recovering faster than international air traffic.

Amadeus travel agency air bookings contracted by 60.3% in the first three months of the year compared to the same period of 2020 (or by 79.2% when compared to the first quarter of 2019, a slight improvement from the performance we saw in the fourth quarter of 2020). Although booking volumes in January were impacted by the effects of heightened COVID-19 cases across regions, as the quarter advanced our air booking growth rates gradually improved each month compared to 2019.

North America was the best performing region, with booking rates improving from -72.5% in the fourth quarter of 2020 to -67.9% in the first quarter of 2021 (both compared to the same period of 2019). Also, Central, Eastern and Southern Europe reported better volume growth rate relative to the fourth quarter of 2020, supported by the improvement in several countries, most notably in Russia. On the other hand, Western Europe, impacted by the resurgence of the virus and the associated movement restrictions, and also Latin America, reported lower growth rates in the first quarter of 2021 (compared to 2019) than in the previous quarter.

<b>Amadeus TA air bookings</b>	Jul-Sep 2020 vs. 2019	Oct-Dec 2020 vs. 2019	Jan-Mar 2021 vs. 2019	Jan-Mar 2021 vs 2020
Western Europe	(95.3%)	(87.3%)	(89.3%)	(79.7%)
North America	(83.4%)	(72.5%)	(67.9%)	(43.2%)
Middle East and Africa	(84.5%)	(67.8%)	(67.4%)	(46.2%)
CESE <sup>1</sup>	(78.0%)	(71.5%)	(67.6%)	(48.8%)
Asia-Pacific	(96.7%)	(89.1%)	(88.6%)	(64.2%)
Latin America	(89.9%)	(68.7%)	(70.5%)	(54.1%)
<b>Amadeus TA air bookings</b>	<b>(89.8%)</b>	<b>(79.4%)</b>	<b>(79.2%)</b>	<b>(60.3%)</b>

<sup>1</sup> Central, Eastern and Southern Europe.

We remain committed to broadening and enhancing our content offering for our customers. During the first quarter of 2021, we signed 21 new contracts or renewals of distribution agreements with airlines.

In February, we announced that ezTravel, Taiwan's largest online travel agency (OTA) in Taiwan, is implementing Amadeus Travel API. This NDC-enabled solution gives OTAs access to new content and fares from airlines via NDC connectivity.

In April, we announced that China's Trip.com Group in Shanghai, parent company of leading online travel brands Trip.com, Ctrip, Skyscanner and Qunar, will adopt our Amadeus Custom Search solution as part of its boutique shopping engine to deliver the best customer experience. The Amadeus Custom Search solution, powered by Amadeus' cloud technology, has been designed to offer travel agencies greater flexibility to control content distribution, through the offer of exceptional flight content quality, sub-second response time, enhancing Trip.com's customer experience across all global channels. Trip.com will launch this flight search solution in the fourth quarter of this year.

We also expanded our footprint with corporations, with more key customers signing up for or expanding their use of our corporate travel solution: cytric Travel and Expense Management. In April, INEOS Styrolution, the leading global styrenics supplier with manufacturing sites in 10 countries, extended its use of cytric Expense for its China and Hong Kong operations. The company has been using cytric Travel and Expense to manage travel and expenses in key markets like India, Singapore, South Korea and Thailand.

Our customer base for Amadeus merchandizing solutions for the travel agency channel continued to grow. At the close of March, 117 airlines had signed up for Amadeus Airline Fare Families and 176 airlines had contracted Amadeus Ancillary Services. Vistara and Korean Air implemented Amadeus Ancillary Services during the quarter.

## IT Solutions

In the first quarter of 2021, IT Solutions revenue decreased by 46.1% compared to the same period of 2020, or by 46.3% compared to the same period in 2019. This revenue contraction was softer than the decline in our airline passengers boarded (PB) volumes thanks to the softer rate of decline in other revenue lines within our portfolio, particularly those which are non-transactional (such as services, subscription-based or license-based revenues), or linked to transactions that have been less impacted by the COVID-19 pandemic (such as in Hospitality).

### IT Solutions – Airline IT

In the first quarter of 2021, Amadeus PB decreased by 66.9% versus the same period of 2020. Compared to the first quarter of 2019, the contraction reached 70.8%, an improvement compared to the 72.4% PB reduction we saw in the fourth quarter of 2020.

All regions except Western Europe reported improvements relative to the last quarter of 2020, most notably North America, Central, Eastern and Southern Europe and Middle East and Africa. Western Europe volume growth deteriorated in the first quarter compared to the fourth quarter because of the increase in COVID-19 cases.

<b>Passengers Boarded</b>	<b>Jul-Sep 2020 vs. 2019</b>	<b>Oct-Dec 2020 vs. 2019</b>	<b>Jan-Mar 2021 vs. 2019</b>	<b>Jan-Mar 2021 vs. 2020</b>
Asia-Pacific	(83.3%)	(75.3%)	(74.4%)	(69.1%)
Western Europe	(75.7%)	(83.1%)	(88.0%)	(85.4%)
North America	(58.9%)	(58.0%)	(46.0%)	(50.7%)
CESE <sup>1</sup>	(53.1%)	(62.4%)	(55.3%)	(52.5%)
Latin America	(77.2%)	(48.2%)	(47.8%)	(39.9%)
Middle East and Africa	(85.0%)	(72.4%)	(67.3%)	(63.7%)
<b>Amadeus PB</b>	<b>(74.9%)</b>	<b>(72.4%)</b>	<b>(70.8%)</b>	<b>(66.9%)</b>

<sup>1</sup> Central, Eastern and Southern Europe.

At the close of March, 208 customers had contracted one of the Amadeus Passenger Service Systems (Altéa or New Skies) and 198 customers had implemented one of them also.

Among them was Air Arabia, the Middle East and North Africa's first and largest low-cost carrier, which in March contracted Amadeus Altéa Departure Control Customer Management and Flight Management to facilitate enhanced productivity and customer experience at the airports.

During the period, Fiji Airways implemented Altéa Segment Revenue Management System. Also in March, we announced a partnership with two

emerging companies serving the airline industry through touchless technology: BAGTAG and iCoupon. BAGTAG aims to replace paper luggage tags that need to be printed at the airport with a reusable electronic device using e-paper, that can be easily prepared and attached to suitcases by travelers at home. Airlines using Altéa DCS can now quickly integrate BAGTAG with a specially designed plugin. iCoupon allows airlines to automatically and remotely apply credit to the barcode in passengers' boarding passes when they need to be compensated for delays or cancellations.

As part of our ongoing efforts to bring the industry together and foster recovery, Air Europa became the first airline to pilot Amadeus Traveler in April. Air Europa will pilot Traveler ID's health capability, which allows passengers to certify they have the required health documentation at check-in without having to leave the airline's website or mobile app, in all its routes which have Spain as the final destination. In the coming months, the airline expects to roll-out the solution in all its routes.

### Hospitality

We continued to expand our portfolio of customers for our Hospitality solutions. In March, we announced that THE Park Hotels, a pioneer in the concept of luxury boutique hotels in India, and a user of Amadeus' Guest Management Solution (GMS), contracted Amadeus' iHotelier Central Reservations System. The combination of both Amadeus solutions will enable THE Park Hotels to efficiently manage reservations, guest loyalty, and customer communications.

Lore Group, with properties across Europe and the United States, signed up for Amadeus Digital Media, while luxury chain Sun Siyam contracted our Guest Management Solutions. Langham Hospitality Group, a global hotel company with more than 30 properties located in major cities over four continents, contracted Amadeus Sales and Event Management and Amadeus Service Optimization during the quarter.

HEI Hotels, which owns and manages over 80 full service, upper-upscale and luxury hotels and resorts throughout the United States, signed up for our business intelligence product, Demand360. Finally, Spanish chain Q Hotels became a customer of our iHotelier solution.

### New Businesses – Airport IT

The positive momentum in our Airport IT business continued during the first quarter of 2021, particularly related to touchless technology, which is helping our airport customers adapt to the new social distancing rules. In April, we introduced Japan's first end-to-end biometric boarding process thanks to our partnership with Narita Airport and NEC. This new experience by Narita Airport Corporation sees passengers check-in at one of a number of new biometric kiosks, provided by Amadeus company ICM Airport Technics, where the passenger's facial image is captured and verified against their passport. Once

the verification process is done, luggage is dropped quickly and easily at an ICM Auto Bag Drop unit, with passengers automatically recognized by the camera embedded in the unit as they approach it. Boarding is also straightforward as the passenger's face is recognized when they first approach Narita's security e-Gates and boarding e-Gates, both equipped with cameras that automatically validate the passenger's identity and permission to fly.

We have also continued innovating and launching new solutions to support our customers. In March, Finavia, which runs 11 airports in Finland, chose Amadeus Flow, our new integrated cloud solution, to modernize all aspects of passenger handling, including software, hardware and services. With this new cloud platform, a single internet link connects Finavia's airports to Amadeus where any airline application can be easily deployed in a matter of hours. The company also signed for Airport Pay. The migration will begin to yield benefits during 2021 and is expected to be fully completed at the beginning of 2022.

Also in March, we announced that eight airports in Turkey (Turkish Ground Services) will move to Amadeus Altéa Departure Control for Ground Handlers, empowering agents with a single, intuitive interface to handle the passengers of any airline flexibly. Cambodia Airports, the largest airport group in Cambodia, also contracted Amadeus Flow in April 2021.

In March, we expanded our partnership with dnata to continue powering its innovative centralized load control service for airlines at Dubai International Airport and Dubai World Central. As part of the new partnership, ground handlers will continue to rely on Amadeus' Altéa Departure Control System for Ground Handlers to provide services to passengers; as well as weight and balance services<sup>6</sup> to a variety of airlines at various airports where dnata operates. The expanded agreement also sees the partners explore the transition to new technology leveraging the Amadeus cloud platform for airport operations.

### **New Businesses – Payments**

In March, we expanded our global collaboration with Mastercard for five years. Through this relationship, Amadeus will support innovative payment offerings across the travel industry through its B2B Wallet using Mastercard Wholesale Program.

### **Corporate update: Chairman of the Board succession plan**

Amadeus will appoint William Connelly as Chairman of the Board. Connelly, who has been on Amadeus' Board since the summer of 2019 and has served as Vice Chairman of the Board since 2020, will succeed José Antonio Tazón. The change will be effective after the Amadeus General Shareholders' Meeting in June 2021. Tazón, one of the company's original co-founders, will be retiring having served on Amadeus' Board of Directors since December 2008 and previously as Amadeus President and CEO for 18 years. This move marks the

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<sup>6</sup> \_Amadeus weight and balance services: refers to services and solutions included in Amadeus Altéa Departure Control related to the provision of precise calculations on passenger numbers and cargo load, to produce the most efficient load distribution within the aircraft.

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continuation of a wider and progressive Board renewal and succession plan which commenced back in 2017 and has seen the appointment of new independent Directors at Amadeus over the past four years. In addition to William Connelly assuming the role of Chairman of the Board, two new independent Directors, Jana Eggers and Amanda Mesler, will also join the Board, subject to the approval of the General Shareholders' Meeting. They will replace José Antonio Tazón and Pierre-Henri Gourgeon (other external) whose term of office expires also in June 2021.

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## Liquidity enhancement and plans to strengthen Amadeus for the future

We remain focused on protecting our business and preparing it for the future. As part of our ongoing efficiency and cost-cutting programs, in the first quarter of 2021, our P&L fixed costs (composed of personnel and other operating expenses) declined by €92.8 million, or by 20.4% relative to the first quarter in 2020 (excluding the program's implementation costs and bad debt).

Capitalized expenditure, also part of our fixed cost reduction plan, declined by €50.6 million<sup>7</sup>, or by 33.4%<sup>7</sup>, in the first quarter of 2021 compared to prior year (excluding cost saving implementation costs), supporting Free Cash Flow amounting to a €11.9 million cash outflow, or a €31.4 million inflow excluding cost saving implementation costs paid, over the period.

Liquidity available increased to circa €3.8 billion as of March 31, 2021, supported by cash (€1,908.6 million), short term investments (€929.6 million) and an undrawn revolving credit facility (€1,000 million).

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<sup>7</sup> Excluding cost saving program implementation costs amounting to €3.2 million, paid in the first quarter of 2021. Cost saving program implementation costs amounted to €18.3 million in the first quarter of 2021, partly reported as operating expenses in the Income Statement (€15.1 million, or €10.9 million post tax) and partly under capital expenditure in the Cash flow statement (€3.2 million).

## Summary of operating and financial information

Summary of KPI (€millions)	Jan-Mar 2021	Jan-Mar 2020	Change
<b>Operating KPI</b>			
TA air bookings (m)	33.8	85.0	(60.3%)
Non air bookings (m)	5.1	14.6	(64.8%)
<b>Total bookings (m)</b>	<b>38.9</b>	<b>99.6</b>	<b>(61.0%)</b>
<b>Passengers boarded (m)</b>	<b>127.2</b>	<b>383.9</b>	<b>(66.9%)</b>
<b>Financial results<sup>1</sup></b>			
Distribution revenue	192.5	457.5	(57.9%)
IT Solutions revenue	304.1	564.2	(46.1%)
<b>Revenue</b>	<b>496.7</b>	<b>1,021.7</b>	<b>(51.4%)</b>
<b>EBITDA</b>	<b>53.7</b>	<b>349.4</b>	<b>(84.6%)</b>
Profit (Loss) for the period	(95.3)	117.8	(180.9%)
<b>Adjusted profit (loss)<sup>2</sup></b>	<b>(83.1)</b>	<b>141.8</b>	<b>(158.6%)</b>
<b>Adjusted EPS (euros)<sup>3</sup></b>	<b>(0.18)</b>	<b>0.33</b>	<b>(156.0%)</b>
<b>Cash flow</b>			
Capital expenditure	104.1	151.5	(31.3%)
Free cash flow <sup>4</sup>	(11.9)	289.8	(104.1%)
<b>Indebtedness<sup>5</sup></b>			
	<b>Mar 31,2021</b>	<b>Dec 31,2020</b>	<b>Change</b>
<b>Net financial debt</b>	<b>3,045.4</b>	<b>3,073.9</b>	<b>(28.6)</b>

<sup>1</sup> 2021 figures adjusted to exclude costs amounting to €15.1 million (€10.9 million post tax) related to the implementation of the cost saving program announced in the second quarter of 2020.

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

<sup>3</sup> EPS corresponding to the Adjusted profit attributable to the parent company.

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

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



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## Notes to editors:

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

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

We are one company, with a global mindset and a local presence wherever our customers need us.

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

Amadeus is an IBEX 35 company, listed on the Spanish Stock Exchange under AMS.MC. The company is also part of the EuroStoxx50 and has been recognized by the Dow Jones Sustainability Index for the last eight years.

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

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