





# 02

## Profile and business areas

## 2. Profile and business areas

### 2.1 Amadeus, the history of a leading company

In 1988 Air France, Lufthansa, Iberia and SAS founded Amadeus to develop a Global Distribution System (GDS), a worldwide computerised reservation network that would use a single point of access to connect airlines' content with travel agencies and consumers to provide real-time search, pricing, booking, ticketing and other processing solutions. We were the first GDS to offer neutral, unbiased, flight availability data.

Beginning operations in 1992, we quickly advanced to expand the reservation network to include booking solutions for hotel rooms, rental cars, rail and other travel providers. To handle these distribution activities, an extensive, advanced IT network as well as systems and solutions were developed to ensure twenty-four hour dependable and efficient transactions for the global travel industry in a stable and rigorous environment.

Eleven years after its incorporation, in October 1999 Amadeus conducted an initial public offering of its shares, which were admitted to listing and trading on the Madrid, Paris and Frankfurt stock exchanges.

The Company continued to set the standard for the travel industry through progressive diversification into IT-based services that went beyond sales and reservation functionalities, focusing on innovative and user-friendly products that helped airlines to streamline operational and distribution requirements for both leisure and corporate travel arrangements. By 2000, we had implemented our first web-based solutions; in the same year we became the first GDS company to receive the quality certification ISO 9001:2000.

Between 2000 and 2004, the Company expanded even further into the IT market, obtaining long-term agreements with major national airlines for full Passenger Service Systems (PSS), implementing our first e-Retail customer, and expanding IT solutions to travel agencies and hotels. We consolidated our worldwide presence through our Amadeus Commercial Offices (ACOs) and regional offices. This period also saw the acquisition of Opodo, the second-largest online travel agency (in terms of GDS-processed air bookings) in the aggregated European markets in which it operated.

#### Shareholder structure as of December 31, 2011

Shareholders	Shares	% Ownership
Société Air France	68,146,869	15.22%
Lufthansa Commercial Holding, GmbH	34,073,439	7.61%
Iberia, Líneas Aéreas de España Sociedad Anónima Operadora, SAU	33,562,331	7.50%
Free float	309,008,039	69.04%
Treasury shares <sup>(1)</sup>	2,093,760	0.47%
Board of Directors	697,512	0.16%
<b>Total</b>	<b>447,581,950</b>	<b>100.00%</b>

(1) Voting rights suspended for as long as the shares are held by our company.

Management team	
Luis Maroto	President & CEO
Jean-Paul Hamon	Executive Vice President, Development
Eberhard Haag,	Executive Vice President, Global Operations
Tomás López Fernebrand	Vice President, General Counsel and Corporate Secretary
Sabine Hansen Peck	Vice President, Human Resources, Communication and Branding
Ana de Pro	Chief Financial Officer
Julia Sattel	Vice President, Commercial, Airline-IT
Holger Taubmann	Vice President, Commercial, Distribution
Francisco Pérez-Lozao	Vice President, Commercial, New Business

In 2005, private equity funds acquired a majority stake, taking Amadeus private. These funds, along with Air France, Lufthansa and Iberia remained our key shareholders.

In the following years, we strengthened partnerships with major national airlines as well as acquired important specialist companies, while major corporations and travel suppliers sought our technology solutions, such as e-ticketing systems, corporate self-booking tools and customer management solutions for airlines. This shift in focus from

distribution system to technology provider resulted in the change of the company's name to Amadeus IT Group, S.A. in 2006.

In April 2010, Amadeus returned to the Spanish stock exchanges and in January of 2011, we joined the blue-chip index Ibex-35.

On the previous page is a table with the shareholder structure as of December 31, 2011, and Management team. Below is the composition of the Board of Directors as of December 31, 2011:

Board of Directors		
José Antonio Tazón García	Chairman	Others <sup>(1)</sup>
Guillermo de la Dehesa Romero	Vice-Chairman <sup>(2)</sup>	Independent
Dame Clara Furse	Board member	Independent
Bernard Bourigeaud	Board member	Independent
David Webster	Board member	Independent
Pierre Henri Gourgeon	Board member	Proprietary (Air France) <sup>(3)</sup>
Christian Boireau	Board member	Proprietary (Air France)
Stephan Gemkow	Board member	Proprietary (Lufthansa)
Enrique Dupuy de Lôme Chavarri	Board member	Proprietary (Iberia)
Francesco Loredan	Board member	Others <sup>(4)</sup>
Stuart McAlpine	Board member	Others <sup>(4)</sup>
Tomás López Fernebrand	Secretary (non-Director)	
Jacinto Esclapés Díaz	Vice-Secretary (non-Director)	

(1) Following the recommendation from the Compensation and Nomination Committee, based upon its verification of the fulfillment of the conditions required by the Regulations of the Board and Spanish corporate governance legislation and recommendations, in the meeting held on February 23, 2012 the Board of Directors of the Company classified the Chairman of the Board Mr. José Antonio Tazón García under the category of "Independent Director". Mr José Antonio Tazón García was the General Manager (CEO) of the Executive Committee of the Amadeus Group until December 31, 2008, and subsequently joined the Board of Directors under the category of "Others".

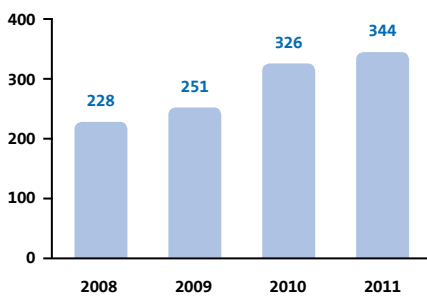
(2) Mr. de la Dehesa replaced Mr. Dupuy as Vice-Chairman effective February 26, 2011.

(3) In the meeting held on April 19, 2012, the Board of Directors of the Company classified Mr. Gourgeon under the category of "Other".

(4) In the meeting held on April 19, 2012, the Board of Directors of the Company classified Mr. Loredan and Mr. McAlpine under the category of "Independent Director".

## 2.2 Amadeus today

Amadeus investment in R&D (million €)



We are a leading transaction processor for the global travel and tourism industry, providing advanced technology solutions to our travel provider and travel agency customers worldwide. We act as an international network providing comprehensive real-time search, pricing, booking, ticketing and other processing solutions to travel providers and travel agencies through our Distribution business area. We also offer travel providers (principally airlines) an extensive portfolio of technology solutions which automate certain mission-critical business processes, such as reservations, inventory management and departure control, through our IT Solutions business area.

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

Amadeus operates under a transaction-based business model that offers IT solutions to virtually all players in the travel industry. The Amadeus system processed 947 million total billable travel transactions in 2011, an 11.5% increase over 2010.

Amadeus has central sites in Madrid (corporate headquarters and marketing), Nice (product and development) and Erding (operations – data processing centre) and regional offices in Miami, Buenos Aires, Bangkok and Dubai. At a market level, Amadeus maintains customer

operations through 73 local Amadeus Commercial Organisations (ACOs) covering 195 countries. The Amadeus group employs 10,222 employees worldwide, with 123 nationalities represented at the central offices.

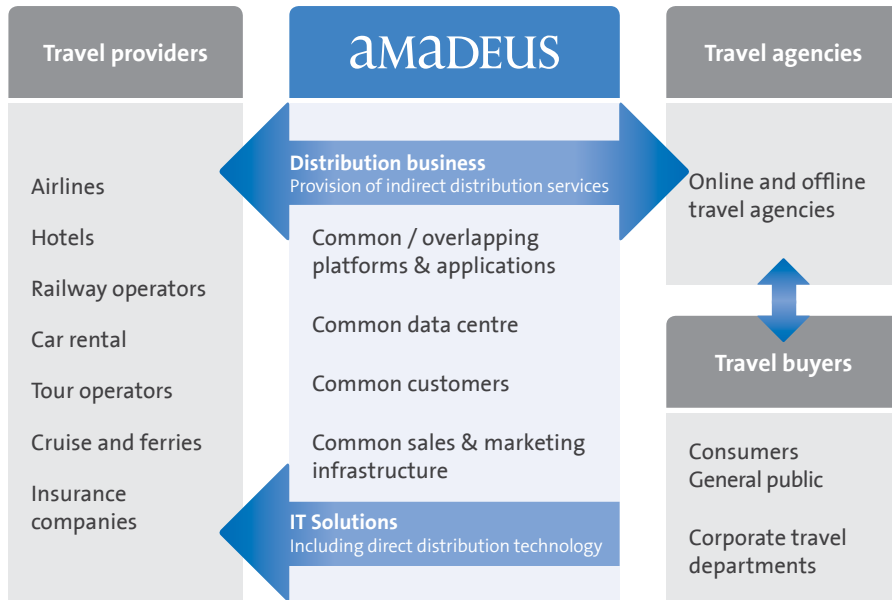
### Overview of the company's business and activities

We have turned innovation into our growth driver, placing ourselves at the forefront of technology development for the travel sector. Since 2004, the company has invested around 2 billion EUR in R&D (344 million EUR in 2011). The 2011 European Union Industrial Research and Development (R&D) Investment Scoreboard, an annual report published by the European Commission, highlighted Amadeus as one of the leading companies in Europe for investment in R&D.

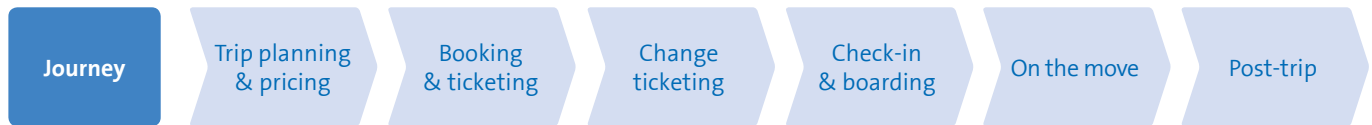
Amadeus' technology increasingly embraces open systems which provide clients with greater flexibility and features, as well as competitive, functional and operational benefits. Today, 85% of our software portfolio is open system based. This commitment to product innovation and technological excellence has, in our view, given us a first-mover advantage in areas such as airline e-commerce technologies and has enabled us to build a powerful processing platform, which we continuously seek to enhance through functionality and efficiency improvements.

Our business is structured around two key related areas - Distribution and IT Solutions, which generate significant synergies.

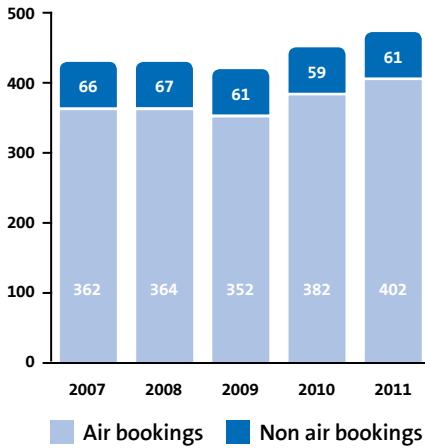
**Our business structure**



**The travel process step by step**



TA bookings (millions)



## Distribution

Amadeus is the largest GDS provider serving the worldwide travel and tourism industry, with an estimated market share of air travel agency bookings of 37.7% in 2011. Amadeus holds the number one position in travel distribution in Western Europe and Central, Eastern and Southern Europe, as well as in faster growing emerging regions such as the Middle East and Africa and the Asia-Pacific region. This solid position permits Amadeus to offer extensive distribution reach for global and local travel content. Over 91,000 travel agencies worldwide - both offline and online - use the Amadeus system and over 67,000 airline sales offices use it as their internal sales and reservations system. As of the end of 2011, Amadeus gave access to bookable content from over 420 airlines, 30 car rental companies (representing 35,400 car rental locations), 22 cruise lines, 288 hotel chains and more than 110,000 hotels, 206 tour operators, 102 rail operators and travel insurance in 76 markets, through 23 insurance provider groups with a wide range of local affiliates.

The distribution business also encompasses a broad range of related services and IT solutions for both providers and travel agencies. This includes, for example, new functionalities in our distribution platform for airlines which maximise income and sell ancillary services, as well as to facilitate the booking of other content such as hotels, car rental, rail or cruises, management solutions for corporate travel policies and fare search engines for both traditional and online travel agencies.

## IT Solutions

The principal service of this business area is the Amadeus Altéa Suite, a new-generation customer management solution which addresses airlines' mission-critical operating functions and has three modules: Altéa Inventory, Altéa Reservation and Altéa Departure Control System. Altéa Suite is complemented by Altéa e-Commerce.

Unlike the carriers' legacy IT systems, which use different technologies, the Altéa platform is based on a common technical infrastructure and software. With Altéa, airlines outsource their operations onto a community platform which delivers superior operational efficiency and allows them to share information with both airline alliance and code-share partners.

Our Altéa Suite presently consists of four main modules:

- > **Altéa Reservation** enables airline customers to manage all their 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** permits airlines to create and manage schedules, seat capacity and associated fares on a flight-by-flight basis.
- > **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, flight management.

> **Altéa e-Commerce** a suite of solutions that seeks to improve the profitability and efficiency of the airline e-commerce sales and support process.

Altéa represents a business potential for Amadeus, which serves the airlines present and future needs in the current industry environment: cost reduction, including technology-related spend, improved customer-passenger service, and revenue optimisation. The Amadeus Altéa Suite ultimately ensures the delivery of much more sophisticated IT services than airlines could have afforded by themselves and at a lower and variable cost. In-house maintenance and development of IT systems for these functions is becoming an increasingly heavy burden, even for large carriers.

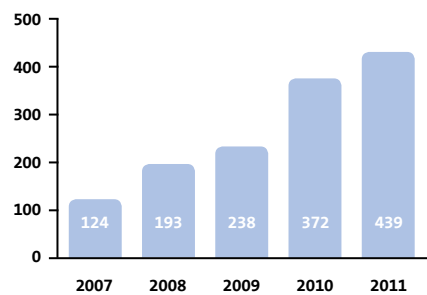
In 2011, the number of passengers processed through Amadeus Altéa was 439 million.

Amadeus is furthering and extending its IT solutions business with the on-going development of similar systems for rail companies, hotel chains – with the launch in 2011 of the New Businesses division.

### New Business

Reflecting the evolution and growth of both Amadeus and the industry, Amadeus underlined its commitment to growing its New Businesses portfolio, with the strategic creation and development of the New Businesses unit including the Airport IT, Rail and Hotel divisions. The establishment of a unit dedicated to new business reflects the focus of Amadeus on building new lines of business and innovation.

**Amadeus Altéa Passengers Boarded (PBs) (millions)**



Airline IT		Other IT solutions
Amadeus Full Altéa Suite (PSS)	Other airline IT	Non air
Reservation	Global Services	Hotel IT
Inventory		Rail IT
Departure Control	Revenue Integrity, e-Ticket Server	Airport IT
e-Commerce		