

## Letter from the President & CEO



Luis Maroto, President & CEO

***“Amadeus’ vision is to be the leading provider of IT solutions that enable success in the travel and tourism industry”***

Despite a challenging global economic environment, the geopolitical uncertainties in the Middle East and the aftermath of various natural disasters, I am pleased to report that Amadeus has achieved strong growth with record figures in like-for-like revenue, EBITDA and adjusted profit for the year 2011. Today, our shareholders benefit from Amadeus’ robust business model, sustainable over the long-term and fuelled by the growth of two of the most attractive industries, travel and technology.

Amadeus’ business success relies on three main pillars: our transaction-based model; the strong synergies between our two business lines (distribution and IT solutions) and our extensive global footprint across more than 195 countries enabling us to reach a wide range of customers and to benefit from well-diversified business exposure. This attractive combination delivers strong visibility, resilient revenues and robust cash flow generation.

In 2011 like-for-like revenues for the period grew by 5.8% vs. 2010 to over €2.7 billion and our positive operating performance resulted in an EBITDA increase of 6.4% to €1,039 million.

Thanks to the cash-flow generated across all our businesses (€487 million free cash-flow in 2011) as well as the cash proceeds from the sale of Opodo, Amadeus’ financial structure was further strengthened, resulting in a sound financial situation for the Group. Our consolidated net financial debt at December 31, 2011 was €1,852 million or 1.75x the previous twelve months’ EBITDA, representing a €719 million reduction vs. December 31, 2010. In addition, our debt was refinanced through a new senior unsecured credit facility, bringing more flexibility through

extended maturity periods and improved terms and conditions. Our funding sources were further diversified through the issue of a €750 million 5-year Euro Bond. As a result, we have significantly decreased the cost of servicing our debt. In addition, Amadeus was also assigned an investment grade rating by both Standard and Poor’s and Moody’s.

The combination of both our strong operating performance and our financial savings resulted in a 21% growth in our adjusted profit from continuing operations to total € 487 million.

Shareholder remuneration is important for Amadeus, and in 2011 dividends to our shareholders increased by 23%. Our payout ratio was 36% of the 2011 reported profit from continuing operations (excluding extraordinary items related to the IPO) representing a total dividend of €165.6 million (€0.37 per share). An interim dividend of €0.175 per share was paid on January 30, 2012 and the balance will be paid in July 2012.

The achievement of these results is based on various factors. Amadeus’ leadership position in the distribution business, where we have consistently gained market share year on year driven by a differentiated value proposition based on technology, functionality and customer support; and best-of-breed technology. We have continued to add new contracted customers to our Passenger Service System (PSS) platform for airlines, the Amadeus Altéa Platform; also in the IT business, we have made significant progress in other business areas where we believe there are significant opportunities for growth such as Airport IT, Rail and Hotels.

All of the above were made possible thanks to our investment in R&D: in 2011 we continued to invest reinforcing

our technology leadership position and our sustainable competitive edge as a transaction provider for the travel industry, and therefore sustaining our growth track record. We invested 12.7% of our revenue in R&D in 2011, or €344 million, representing 5.7% more than in 2010.

Focusing on our Distribution business line, in 2011 we processed more than 464 million bookings through our system, an increase of 5% when compared to the previous year. Amadeus increased its global market share of travel agency air bookings by 1 p.p., consolidating its position as the leading Global Distribution System (GDS) with 37.7% of all travel agency air bookings. Like-for-like revenue in the Distribution area increased by 5.2%, rising to close to €2.1 billion. We have continued to invest in making our Distribution platform attractive to our more than 91,000 travel agency subscribers, both securing relevant content and evolving our products and functionality.

IT Solutions continued its growth record with an increase in like-for-like revenue of 7.8% during 2011. Passengers Boarded increased by 17.9% in the year, rising from 372 million to 439 million, which was backed by the number of migrated Altéa customers increasing to 100. Further key airline contract signings for Altéa lifted our projected Passengers Boarded figure for 2014 to 735 million.

I would like to mention four additional major highlights from 2011.

In February we reached an agreement with AXA Private Equity and Permira Funds, owners of e-Dreams and GoVoyages for the sale of 100% of the share capital of Opodo.

In April we signed agreements with Topas and Korean Air, enabling us to operate our

Distribution business for the first time in Korea and making Korean Air our largest Altéa client today in Asia-Pacific after Qantas. These agreements demonstrate how Amadeus can leverage its capabilities across its two synergistic business lines – Distribution and IT Solutions.

In November, our former private equity shareholders, BC Partners and Cinven sold their stakes in Amadeus. It is thanks to their support and that of our customers and shareholders that Amadeus is today the leading provider of technology solutions for the travel and tourism industry.

Innovation and excellence are at the heart of everything we do. In December Amadeus was once again recognised as one of the leading companies in Europe for investment in Research & Development by the European Commission, ranking as the top European investor both by total R&D investment in the computer services category and within the area of travel and tourism.

At Amadeus we are dedicated to providing excellent service to our customers, by understanding their requirements and offering our customers solutions that enable their success. We are proud to be able to count on the most important asset for a company such as ours, our employees, whose talent, commitment and enthusiasm are key to our success. It is this extraordinary level of expertise and dedication that will continue to create sustainable value for our customers, our shareholders and for the community.



**Luis Maroto**  
President & CEO

***“At Amadeus our motivation relies on providing excellence in servicing our customers, by understanding their requirements and offering them with solutions that enable their success.”***

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