

Letter from the President & CEO



Luis Maroto, President & CEO

“The diversity, creativity and expertise of our people are unique to Amadeus and central to our ability to deliver world class technology and service to our customers”

“Our continued financial success is supported by an improved performance in both business lines”

Dear shareholders,

The financial performance of the travel industry is closely linked to that of the global economy, and although in the last months of 2012 we started to see some early positive signs emerge in our industry, the global macro-economic environment was challenging during most of the year 2012.

The Amadeus business model has once again proven to be resilient and robust enough to withstand the stress created by economic weakness. The combination of our transaction-based model, the strong synergies between our business lines (Distribution and IT Solutions) and a global presence that extends to more than 195 countries has resulted in high quality and resilient revenues.

I am proud to report that in 2012, Amadeus has delivered strong growth across our businesses resulting in record financial performance, increasing our adjusted profit for the full year by 18.0% to €575.1 million. This was underpinned by revenues which grew 7.5% year-on-year to €2,910 million.

During 2012 Amadeus also further strengthened its financial structure. We generated strong cash-flow across all our businesses (€ 576 million free cash-flow in 2012) and the further diversification of our funding sources including the addition of a European Investment Bank loan to support our R&D activities.

Our consolidated financial debt on 31 December 2012 was €1,495.2 million or 1.34x the last twelve months EBITDA, down by €356.6 million and well within the target leverage ratio of 1.0x to 1.5x net debt to EBITDA previously established by the company. The Group enters 2013 with a sound financial position that provides us with the strength and flexibility to support future growth.

In 2012 the total dividend to our shareholders increased by 35%. Our pay-out ratio was 45% of the reported 2012 profit for the year from continued operations (excluding extraordinary items related to the IPO), representing a total dividend of €223.8 million (€0.50 per share). An interim dividend of €0.25 per share was paid on January 30, 2013 and the balance will be paid in July 2013. This follows the Board of Directors agreeing to a new dividend policy in October 2012, increasing the dividend pay-out ratio to between 40% and 50% (applicable for the year ended 31 December 2012 and onwards) vs. the previous 30% to 40%.

Our continued financial success is supported by an improved performance in both business lines: Distribution and IT Solutions.

During 2012, our Distribution unit processed more than 447 million bookings, growth of 2.9% year-on-year. Amadeus increased its global market share of travel agency air bookings by almost 1% to reach 38.6%. During 2012 we continued to sign contracts that will be key to securing future market share growth. In 2012, Amadeus reached landmark agreements with Expedia, Kayak and Hipmunk which we expect to drive our expansion in the key US market. In addition, we added important deals with Travix in Europe and ClearMyTrip in Asia-Pacific. We have also successfully extended all distribution agreements due for renewal in 2012, including contracts with Qantas, Delta Airlines, Korean Airlines and Air France / KLM among others. Our drive into the low cost carrier market also continued with the addition of eight new carriers to our platform.

With a value proposition based on first class customer support and best-of-breed technology, we also signed a number of deals in the hotel and rail segments during 2012.

The investment Amadeus makes in the continued development of innovative tools, has enhanced our position as the industry's leading distribution system offering the most comprehensive, fully integrated and relevant content.

In IT Solutions, growth continued through the addition of 10 new Altéa customers, among which was an important breakthrough in the US market where we signed our first carrier, Southwest (international traffic only). In terms of execution, we have continued successfully migrating airlines to our Passenger Service System platform. In 2012, Passengers Boarded (PB) increased by 28.4%, increasing from 439.1 million to 563.8 million backed by the number of migrated Altéa customers, increasing to 109 airlines.

As the leading provider of IT Solutions for the travel and tourism industry, Amadeus undertakes significant R&D activities. Our R&D efforts are particularly focused on extremely high performance transaction processing under stringent dependability requirements; super responsive travel search engines; and multi-channel customer-servicing applications (agent desktop, web, kiosk, mobile, tablets).

Examples of our successful approach to innovation in 2012 include our Revenue Accounting solution for airlines, with British Airways and Saudi Arabian Airlines as first customers. We also launched Amadeus Featured Results®, a search solution improving the leisure purchasing experience by making online travel search simpler and more relevant to the end user.

Innovation has been, and will continue to be, one of the key drivers behind Amadeus' future success. In 2012 we continued to reinforce our sustainable competitive edge by investing 14.2% of our revenue in R&D, or €414.1 million. These efforts have been recognised in

the 2012 EU Industrial R&D Investment Scorecard, which analyses the 1,000 largest European companies investing in R&D. Amadeus was once again named the largest investor in the area of travel and tourism.

Furthermore, the inclusion of Amadeus in the Dow Jones Sustainability Index as the leader in its sector reflects our commitment to develop a socially responsible and sustainable business that will ultimately bring long-term rewards to investors, customers, suppliers and employees.

The diversity, creativity and expertise of our people are unique to Amadeus, and central to our ability to provide world class technology and unsurpassed service to our customers. Together, all of us at Amadeus strive to deliver sustainable profitable growth to our stakeholders, while making a positive contribution to society.

I would like to take this opportunity to pay tribute to the dedication of each and every employee, whose hard work, professionalism, commitment and enthusiasm have delivered our success in 2012.

I would also like to thank our shareholders, customers and suppliers for the confidence and trust they have placed in Amadeus. As we endeavor to continue to earn that trust in 2013, I am confident we will deliver further success.

“At Amadeus we strive to deliver sustainable profitable growth”

“Innovation is one of the key drivers behind Amadeus' success”



Luis Maroto
President & CEO