Amadeus IT Group, S.A. and Subsidiaries

Auditor's Report, Consolidated Annual Accounts and Directors' Report for the year ended December 31, 2022

Amadeus IT Group, S.A. and Subsidiaries

Auditors' report for the year ended December 31, 2022

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AUDIT REPORT ON CONSOLIDATED ANNUAL ACCOUNTS ISSUED BY AN INDEPENDENT AUDITOR

Translation of a report and annual accounts originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the shareholders of AMADEUS IT GROUP, S.A.:

Audit report on the consolidated annual accounts

Opinion

We have audited the consolidated annual accounts of AMADEUS IT GROUP, S.A. (the parent) and its subsidiaries (the Group), which comprise the consolidated statement of financial position at December 31, 2022, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows, and the notes thereto, for the year then ended.

In our opinion, the accompanying consolidated annual accounts give a true and fair view, in all material respects, of consolidated equity and the consolidated financial position of the Group at December 31, 2022 and of its financial performance and its consolidated cash flows, for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union (IFRS-EU), and other provisions in the regulatory framework applicable in Spain.

Basis for opinion

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated annual accounts* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the consolidated annual accounts in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated annual accounts of the current period. These matters were addressed in the context of our audit of the consolidated annual accounts as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of Revenues from contracts with customers

Description

At year ended 2022, the Group has registered in the Consolidated statement of comprehensive income 4,485.9 million euros corresponding to Revenue from contracts with customers, which correspond to the recognition of travel bookings and sales and services of IT Solutions.

Revenues involve a high number of transactions and complex IT Systems are used. We have considered this matter a key audit matter due to the magnitude of the amounts recorded and its high dependence on IT environments. In particular, we have considered that revenues may contain errors because a relevant IT System may be improperly configured, so that the fees and revenues associated with them are incorrectly calculated; that there are losses of data in the process of transferring them from the operating systems to the financial information systems; or that unauthorized changes occur in the relevant systems.

The information related to the revenue recognition criteria is included in Note 4.2.8 of the attached annual accounts.

Our response

Our audit procedures include, among others, the following:

- Understanding of the processes established by Group Management related to the access to applications and data, as well as changes and developments in the relevant programs and systems related to revenue recognition, including the evaluation of the design, implementation and operating effectiveness of the relevant controls.
- Involvement of our IT specialists in carrying out tests on the relevant controls related to access to applications and data, as well as changes and developments in the relevant programs and IT Systems.
- Performing analytical procedures consisting of a review of the evolution of billing cycles, as well as an analysis of correlations between the associated accounts.
- Performing tests of detail on a sample of the transactions that have generated income in the year. In addition, we have verified that the price allocation process is carried out in accordance with the billing rules defined in the contracts.
- Identification and examination of significant manual entries in the revenue accounts.
- We assessed the adequacy of the disclosures included in the consolidated annual accounts of the year in accordance with the applicable financial information regulatory framework.

Capitalization and measurement of Technology and content

Description	At year ended 2022, the Company has registered under "Intangible assets" of the Consolidated statement of financial position, 2,881.4 million euros corresponding to Technology and content, included in Note 8 of the notes attached. Assets capitalizations of this kind require management judgment to evaluate their measurement and recognition. Additionally, their recoverable value is conditioned by the existence of possible impairments, which depend on the result of complex estimates that require the application of criteria and assumptions by Group management. We have considered this matter a key audit matter because of the significance of the amounts and the inherent complexity in determining the key assumptions considered in the estimation process. The information related to the criteria applied by Group Management and the main assumptions used in the determination of impairment of the assets corresponding to development costs are included in Note 4.2.3 of the attached consolidated annual accounts.
Our response	Our audit procedures include, among others, the following: ▶ Understanding of the processes established by Group Management related to the registration and evaluation of development expenses, including the evaluation of the design and implementation of the relevant controls, as well as their effectiveness. ▶ Performing tests of detail on a sample of capitalized projects during the year. Through the information provided by Group management, the review of technical information and business plans related to the selected projects, we have verified whether the capitalized costs can be classified as capitalized expenses. Additionally, for a selection of costs, we have verified that they are activatable and that the amounts have been capitalized correctly, verifying evidences such as invoices or personnel expenses incurred among others. ▶ Evaluating the main assumptions and methodology used by the Group to test the development costs for impairment. ▶ Assessing the adequacy of the disclosures included in the consolidated annual accounts of the year in accordance with the applicable financial information regulatory framework.

Other information: consolidated Directors´ Report

Other information refers exclusively to the 2022 consolidated directors´report, the preparation of which is the responsibility of the parent company's directors and is not an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not cover the consolidated directors´report. Our responsibility for the consolidated directors´report, in conformity with prevailing audit regulations in Spain, entails:

a. Checking only that the consolidated non-financial statement and certain information included in the Corporate Governance Report and in the Annual Report on Directors' remunerations, to which the Audit Law refers, was provided as stipulated by applicable regulations and, if not, disclose this fact.

b. Assessing and reporting on the consistency of the remaining information included in the consolidated directors´report with the consolidated annual accounts, based on the knowledge of the Group obtained during the audit, in addition to evaluating and reporting on whether the content and presentation of this part of the consolidated directors´report are in conformity with applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to disclose this fact.

Based on the work performed, as described above, we have verified that the information referred to in paragraph a) above is provided as stipulated by applicable regulations and that the remaining information contained in the consolidated directors´report is consistent with that provided in the 2022 consolidated annual accounts and its content and presentation are in conformity with applicable regulations.

Responsibilities of the parent company´s directors and the audit committee for the consolidated annual accounts

The directors of the parent company are responsible for the preparation of the accompanying consolidated annual accounts so that they give a true and fair view of the equity, financial position and results of the Group, in accordance with IFRS-EU, and other provisions in the regulatory framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual accounts, the directors of the parent company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated annual accounts

Our objectives are to obtain reasonable assurance about whether the consolidated annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing audit regulations in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual accounts.

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated annual accounts, including the disclosures, and whether the consolidated annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated annual accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee of the parent company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee of the parent company with a statement that we have complied with relevant ethical requirements, including those related to independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated annual accounts of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

European single electronic format

We have examined the digital files of the European single electronic format (ESEF) of AMADEUS IT GROUP, S.A. and subsidiaries for the 2022 financial year, which include the XHTML file containing the consolidated annual accounts for the year, and the XBRL files as labeled by the entity, which will form part of the annual financial report.

The directors of AMADEUS IT GROUP, S.A. are responsible for submitting the annual financial report for the 2022 financial year, in accordance with the formatting and mark-up requirements set out in Delegated Regulation EU 2019/815 of 17 December 2018 of the European Commission (hereinafter referred to as the ESEF Regulation). In this regard, the Annual Corporate Governance Report and the Annual Report on Directors' remunerations has been incorporated by reference in the consolidated directors´ report.

Our responsibility consists of examining the digital files prepared by the directors of the parent company, in accordance with prevailing audit regulations in Spain. These standards require that we plan and perform our audit procedures to obtain reasonable assurance about whether the contents of the consolidated annual accounts included in the aforementioned digital files correspond in their entirety to those of the consolidated annual accounts that we have audited, and whether the consolidated annual accounts and the aforementioned files have been formatted and marked up, in all material respects, in accordance with the ESEF Regulation.

In our opinion, the digital files examined correspond in their entirety to the audited consolidated annual accounts, which are presented and have been marked up, in all material respects, in accordance with the ESEF Regulation.

Additional report to the audit committee

The opinion expressed in this audit report is consistent with the additional report we issued to the audit committee on February 23, 2023.

Term of engagement

The ordinary general shareholders' meeting held on June 23, 2022 appointed us as auditors for 3 years, commencing on Month December 31, 2022.

Previously, we were appointed as auditors by the ordinary general shareholders' meeting for 3 years and we have been carrying out the audit of the financial statements continuously since December 31, 2019.

ERNST & YOUNG, S.L.
(Registered in the Official Register of Auditors under No. S0530)

(Signed in the original version)

Hildur Eir Jónsdóttir
(Registered in the Official Register of Auditors under No. 18201)

February 23, 2023

Amadeus IT Group, S.A. and Subsidiaries

Consolidated Annual Accounts for the year ended December 31, 2022

This English version is a free translation performed by Amadeus IT Group, S.A., under its sole responsibility, and it should not be considered official or regulated financial information

Consolidated statement of financial position (millions of euros)

ASSETS	Note	December 31, 2022	December 31, 2021
Goodwill	8	3,766.7	3,654.2
Patents, trademarks, licenses and others		304.7	310.7
Technology and content		2,881.4	2,789.4
Contractual relationships		766.5	814.7
Intangible Assets	9	3,952.6	3,914.8
Land and buildings		101.0	114.3
Data processing hardware and software		92.3	128.1
Other property, plant and equipment		27.6	36.5
Property, plant and equipment	10	220.9	278.9
Right of use assets	11	212.0	234.9
Investments accounted for using the equity method	12	6.4	7.8
Other non-current financial assets	13	101.5	91.4
Non-current derivative financial assets	13 and 22	1.7	1.6
Deferred tax asset	23	174.9	184.5
Other non-current assets	15	209.6	170.1
Total non-current assets		8,646.3	8,538.2
Trade account receivables	13	597.0	441.9
Current income tax assets	23	76.2	105.0
Other current financial assets	13	560.0	694.4
Current derivative financial assets	13 and 22	63.5	8.2
Other current assets	15	334.4	266.5
Cash and cash equivalents	13 and 26	1,434.8	1,127.7
Total current assets		3,065.9	2,643.7
TOTAL ASSETS		11,712.2	11,181.9

Consolidated statement of financial position (millions of euros)

EQUITY AND LIABILITIES	Note	December 31, 2022	December 31, 2021
Share Capital		4.5	4.5
Additional paid-in capital		887.8	883.5
Retained earnings and reserves		3,005.7	3,148.1
Treasury shares		(25.3)	(33.5)
Profit / (Loss) for the year attributable to owners of the parent		664.7	(142.4)
Unrealized gains / (losses) reserve		45.9	(114.9)
Equity attributable to owners of the parent		4,583.3	3,745.3
Non-controlling interests		(0.7)	(0.3)
Equity	17	4,582.6	3,745.0
Non-current provisions	19	19.8	19.0
Non-current debt	13 and 18	3,086.4	4,344.5
Non-current derivative financial liabilities	13 and 22	10.6	11.8
Other non-current financial liabilities	13	23.9	14.2
Deferred tax liabilities	23	534.2	521.6
Non-current contract liabilities	14	228.5	237.3
Non-current income tax liabilities	23	154.3	148.5
Other non-current liabilities	15	103.4	135.7
Total non-current liabilities		4,161.1	5,432.6
Current provisions	19	1.9	2.7
Current debt	13 and 18	1,324.8	635.4
Other current financial liabilities	13	1.2	11.6
Dividend payable	13 and 17	0.3	0.3
Current derivative financial liabilities	13 and 22	57.3	11.3
Trade accounts payables	13	876.6	734.5
Current income tax liabilities	23	99.5	31.4
Current contract liabilities	14	231.3	206.7
Other current liabilities	15	375.6	370.4
Total current liabilities		2,968.5	2,004.3
TOTAL EQUITY AND LIABILITIES		11,712.2	11,181.9

Consolidated statement of comprehensive income (millions of euros)

Continuing operations	Note	December 31, 2022	December 31, 2021
Revenue	7 and 14	4,485.9	2,670.0
Cost of revenue		(1,099.3)	(495.0)
Personnel and related expenses		(1,514.5)	(1,340.1)
Depreciation and amortization	8, 9, 10 and 11	(677.6)	(681.9)
Other operating expenses		(231.8)	(236.0)
Operating income / (loss)	7	962.7	(83.0)
Financial income		35.6	9.5
Interest expense	25	(89.8)	(95.0)
Other financial expenses	25	(20.0)	(15.7)
Exchange gains / (losses)		(5.9)	(14.1)
Financial expense, net		(80.1)	(115.3)
Other income / (expense)		(10.9)	0.9
Profit / (loss) before income taxes		871.7	(197.4)
Income tax	23	(204.5)	60.7
Profit / (loss) after taxes		667.2	(136.7)
Share in profit / (loss) of associates and joint ventures accounted for using the equity method	12	(2.9)	(5.7)
PROFIT / (LOSS) FOR THE YEAR		664.3	(142.4)
Attributable to owners of the parent		664.7	(142.4)
Attributable to non-controlling interests		(0.4)	–
Earnings / (losses) per share basic [in Euros]	24	1.48	(0.32)
Earnings / (losses) per share diluted [in Euros]	24	1.45	(0.29)
Items that will not be reclassified to profit or loss:			
Actuarial gains / (losses)	17	23.4	4.7
Changes in the fair value of equity investment at FVOCI	17	1.3	(0.7)
Items that may be reclassified to profit or loss:			
Cash flow hedges	17	(18.8)	(38.8)
Exchange differences on translation of foreign operations	17	154.9	190.1
OTHER COMPREHENSIVE INCOME / (EXPENSE) FOR THE YEAR, NET OF TAX		160.8	155.3
TOTAL COMPREHENSIVE INCOME / (EXPENSE) FOR THE YEAR		825.1	12.9
Attributable to owners of the parent		825.5	12.9
Attributable to non-controlling interests		(0.4)	–

See the accompanying notes to the consolidated annual accounts

Consolidated statement of changes in equity (millions of euros)

	Note	Share Capital	Additional paid-in capital	Retained earnings and reserves	Treasury shares	Profit / (Loss) for the year attributable to owners of the parent	Unrealized gains / (losses) reserve	Non-controlling interests	Total
Balance at December 31, 2020		4.5	876.4	3,770.6	(9.5)	(625.4)	(271.8)	10.5	3,755.3
Total comprehensive income for the year		–	–	–	–	(142.4)	155.3	–	12.9
Treasury shares acquisition	17 and 21	–	–	(0.6)	(36.9)	–	–	–	(37.5)
Treasury shares disposal	17 and 21	–	(13.6)	–	12.9	–	–	–	(0.7)
Recognition of share-based payment	21	–	20.7	–	–	–	–	–	20.7
Derecognition of non-controlling interests	17	–	–	5.2	–	–	–	(10.5)	(5.3)
Transfer to retained earnings		–	–	(625.4)	–	625.4	–	–	–
Other changes in equity		–	–	(1.7)	–	–	1.6	(0.3)	(0.4)
Balance at December 31, 2021		4.5	883.5	3,148.1	(33.5)	(142.4)	(114.9)	(0.3)	3,745.0

Consolidated statement of changes in equity (millions of euros)

	Note	Share Capital	Additional paid-in capital	Retained earnings and reserves	Treasury shares	Profit / (Loss) for the year attributable to owners of the parent	Unrealized gains / (losses) reserve	Non-controlling interests	Total
Balance at December 31, 2021		4.5	883.5	3,148.1	(33.5)	(142.4)	(114.9)	(0.3)	3,745.0
Total comprehensive income for the year		–	–	–	–	664.7	160.8	(0.4)	825.1
Treasury shares acquisition	17 and 21	–	–	–	(3.8)	–	–	–	(3.8)
Treasury shares disposal	17 and 21	–	(12.3)	–	12.0	–	–	–	(0.3)
Recognition of share-based payment	21	–	16.6	–	–	–	–	–	16.6
Transfer to retained earnings		–	–	(142.4)	–	142.4	–	–	–
Balance at December 31, 2022		4.5	887.8	3,005.7	(25.3)	664.7	45.9	(0.7)	4,582.6

Consolidated statement of cash flows (millions of euros)

	Note	December 31, 2022	December 31, 2021
Operating income / (loss)		962.7	(83.0)
Depreciation and amortization	8, 9, 10 and 11	677.6	681.9
Operating income adjusted before changes in working capital and taxes paid		1,640.3	598.9
Trade accounts receivable		(163.6)	5.5
Other current assets		(90.7)	(10.9)
Trade accounts payable		161.8	214.4
Other current liabilities		12.4	(43.2)
Other non-current liabilities		(3.8)	2.2
Payment of reverse factoring agreements		(47.2)	(85.5)
Taxes paid		(68.4)	(45.1)
CASH FLOWS GENERATED BY OPERATING ACTIVITIES		1,440.8	636.3
Payments for property, plant and equipment		(39.5)	(44.0)
Payments for intangible assets		(527.2)	(416.2)
Net cash on acquisition of subsidiaries and associates	16	(14.1)	2.3
Interest received		13.1	10.6
Payments to acquire financial assets		(10.8)	(6.1)
Net loans to third parties		(3.6)	0.2
Net cash proceeds collected/(paid) from derivative agreements		(7.9)	(10.2)
Proceeds on sale of financial assets		2.1	3.9
Dividends received		0.6	2.7
Proceeds obtained from disposal of non-current assets		0.8	1.8
Subtotal before cash management activities		(586.5)	(455.0)
Purchase of securities/fund investments		(175.4)	(676.0)
Disposal of securities/fund investments		363.2	962.3
Net cash from derivative agreements		(94.6)	(36.8)
CASH FLOWS USED IN INVESTING AND CASH MANAGEMENT ACTIVITIES		(493.3)	(205.5)
Payments to acquire non-controlling interests in subsidiaries		–	(5.3)
Proceeds from borrowings	26	749.2	500.7
Repayments of borrowings	26	(1,248.1)	(1,169.5)
Interest paid	26	(80.5)	(86.6)
Payments to acquire treasury shares		(3.8)	(37.5)
Payments of lease liabilities and others	26	(56.9)	(67.6)
CASH FLOWS USED IN FINANCING ACTIVITIES		(640.1)	(865.8)
Effect of exchange rate changes on cash and cash equivalents		(1.5)	8.6
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		305.9	(426.4)
Cash and cash equivalents net at the beginning of the year	26	1,127.5	1,553.9
Cash and cash equivalents net at the end of the year	26	1,433.4	1,127.5
Investments used in cash management activities	5	569.9	678.8
Unused revolving credit facility	5	1,000.0	1,000.0
TOTAL LIQUIDITY AVAILABLE		3,003.3	2,806.3

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1.GENERAL INFORMATION AND ACTIVITY

Amadeus IT Group, S.A. (hereinafter, 'the Company') was incorporated and registered at the Companies Register of Madrid on February 4, 2005. Its registered office is in Madrid, Salvador de Madariaga, 1.(Spain). During the year there are no changes in the name of the Company.

The Company's corporate object, as set out in article 2 of its by-laws, is the following:

- transfer of data from and/or through computer reservation systems, including offers, reservations, tariffs, transport tickets and/or similar, as well as any other services, including information technology services, all of them mainly related to the transport and tourism industry, provision of computer services and data processing systems, management and consultancy related to information systems;
- provision of services related to the supply and distribution of any type of product through computer means, including manufacture, sale and distribution of software, hardware and accessories of any type;
- organization and participation as partner or shareholder in associations, companies, entities and enterprises active in the development, marketing, commercialization and distribution of services and products through computer reservation systems for, mainly, the transport or tourism industry, in any of its forms, in any country worldwide, as well as the subscription, administration, sale, assignment, disposal or transfer of participation, shares or interests in other companies or entities;
- preparation of any type of economic, financial and commercial studies, as well as reports on real estate issues, including those related to management, administration, acquisition, merger and corporate concentration, as well as the provision of services related to the administration and processing of documentation; and
- acting as a holding company, for which purpose it may (i) incorporate or take holdings in other companies, as a partner or shareholder, whatever their nature or object, including associations and partnerships, by subscribing to or acquiring and holding shares or stock, without impinging upon the activities of collective investment schemes, securities dealers and brokers, or other companies governed by special laws, as well as (ii) establishing its objectives, strategies and priorities, coordinating subsidiaries' activities, defining financial objectives, controlling financial conduct and effectiveness and, in general, managing and controlling them.

The direct or, when applicable, indirect performance of all business activities that are reserved by Spanish law is excluded. If professional titles, prior administrative authorizations, entries with public registers or any other requirements are required by legal dispositions to perform an activity embraced in the corporate object, such activity shall not commence until the required professional or administrative requirements have been fulfilled. The bylaws and other public information of the Company can be consulted on the website of the Company (corporate.amadeus.com).

Amadeus IT Group, S.A. is the parent company of the Amadeus Group ('the Group'). The Group is a leading transaction processor for the global travel and tourism industry, providing advanced technology solutions to our travel providers and travel agencies 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. We also offer other travel providers (today, principally airlines and hotels) an extensive portfolio of technology solutions, which automate certain mission-critical business processes, such as reservations, inventory management, payments and departure control.

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

The Group has no responsibilities, expenses, assets, liabilities or contingencies of an environmental nature that may have a significant impact on its equity, financial position or results. Therefore, no specific disclosures relating to environmental issues are included in the notes to the consolidated annual accounts.

The consolidated annual accounts were authorized for issue by the Board of Directors of the Company on February 23, 2023. The Directors expect that these consolidated annual accounts will be approved at the General Shareholders' Meeting without modification. The consolidated annual accounts for the year 2021 were approved at the General Shareholders' Meeting held on June 23, 2022.

2. BASIS OF PRESENTATION AND COMPARABILITY OF THE INFORMATION

2.1 Basis of presentation

2.1.1 General information

The consolidated annual accounts have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ('IFRS-EU'), which are effective as of December 31, 2022, and other provisions of the applicable financial reporting framework. The accompanying consolidated annual accounts were obtained from the accounting records of the Company and its subsidiaries, and show the true and fair view of the Group's equity, financial position, results and cash flows for the year.

The consolidated annual accounts have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value, and liabilities derived from defined benefit plans and certain share-based payments.

The presentation currency of the Group is the euro. The consolidated statement of financial position is presented with a difference between current and non-current items, and the consolidated statement of comprehensive income is presented by nature of expense. The presentation by nature highlights better the different components of financial performance of the Group and enhances predictability of the business. The Group decided to prepare the consolidated statement of cash flows by applying the indirect method.

2.1.2 Use of estimates

Use of estimates and assumptions is required in the preparation of the consolidated annual accounts in accordance with IFRS-EU. The estimates and assumptions affect the carrying amount of assets and liabilities. Those with a significant impact in the consolidated annual accounts are discussed in different sections of this document:

- Estimated recoverable amounts used for impairment testing purposes (note 9)
- Income tax assets and liabilities (note 23)
- Expected credit losses (notes 13)
- Amortization period for non-current non-financial assets (note 4)

The estimates and assumptions are based on the information available at the date of issuance of the consolidated annual accounts, past experience and other factors, which are believed to be reasonable at that time. The actual results might differ from the estimates.

2.2 Comparison of information

For comparison purposes, the Group presents, together with the amounts included in the consolidated statement of financial position, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, and the consolidated statement of cash flows at and for the years ended December 31, 2022, and 2021, comparative information in the notes when it is relevant to better understand the consolidated annual accounts for the current year.

Except where indicated otherwise, the figures of the consolidated annual accounts are expressed in millions of euros.

The preparation, classification and aggregation of certain items in the consolidated annual accounts have been revised. Non-material reclassifications have been made accordingly so that the information can be comparable with the previous year and improves the comprehension of the consolidated annual accounts.

2.3 Consolidation scope

The Appendix to these consolidated annual accounts lists the subsidiaries, associates and joint-ventures in which the Group has direct or indirect interests as of December 31, 2022 and 2021. The changes in the consolidation scope are the following:

- In December 2022, Amadeus Yemen Limited, Amadeus Syria Limited Liability and the branches of Amadeus Hong Kong Ltd. in Shanghai and Beijing have been liquidated.
- In November 2022, the branch of Amadeus Hong Kong Ltd. in Guangzhou has been liquidated.
- In October 2022, the subsidiary Pyton Communication Services Deutschland GmbH has merged into Pyton Communciation Services BV.
- In September 2022, the subsidiary Amadeus Paraguay, S.R.L.has been liquidated.
- In September 2022, the subsidiary Videopolis.com, S.A. has been liquidated.
- In August 2022, Amadeus France, S.A. has been merged into Amadeus S.A.S. with retroactive effective date as at January 1, 2022.
- In August 2022, Amadeus América, S.A. has been merged into Amadeus Argentina, S.A. with retroactive effective date as at January 1, 2022.
- In August 2022, the subsidiary Sistemas de Reservaciones CRS de Venezuela, C.A. has been liquidated.
- In June 2022, the subsidiary TravelClick France, Eurl. has been liquidated.
- In May 2022, the Group has increased by 0.3% the ownership in its associate Alentour S.A.S. through Amadeus IT Group, S.A. The total investment amounts to 20.71% and continues being accounted for using the equity method since the Group maintains a significant influence.
- In March 2022, the Group has acquired 100% ownership of Kambr, Inc. and its group of companies ("Kambr") through its subsidiary Amadeus Americas Inc. (note 16).
- In March 2022, the subsidiary Videopolis SAS has been liquidated.
- In January 2022, the subsidiary Bratys Development, SRL has been liquidated.

- In December 2021, UFIS Airport Solution Holding, Ltd. and UFIS Airport Solution (Thailand), Ltd. have been liquidated.
- In November 2021, the Group has set up a new company in India named Amadeus Commercial Enterprise Pvt Ltd.
- In November 2021, the subsidiary Content Hellas Electronic Tourist Services, S.A. has been liquidated.
- In October 2021, ICM Airport Technics Singapore Pte. Ltd. has been amalgamated into Amadeus GDS Singapore Pte. Ltd.
- In October 2021, TravelClick Singapore Pte. Ltd. has been amalgamated into Amadeus Hospitality Asia Pacific Pte. Ltd.
- In August 2021, Amadeus Information Technology Beijing has been set up with two branches depending on this new entity (Shanghai and Guangzhou).
- In August 2021, i:FAO AG has been merged into Amadeus Corporate Business AG after acquiring through a squeeze-out process the remaining minority participation in i:FAO AG. The merge has as retroactive effective date January 1, 2021.
- In July 2021, the Group has gained control on Amadeus Saudi Arabia Limited, and since then it is fully consolidated. This company was formerly an associate accounted for using the equity method. Although the Group previously held a 100% interest in this company, there was no control, as there were some Board members named by airlines with veto rights for some relevant decisions, which prevented having control.
- In July 2021, the Group has invested to acquire a 20.41% share in Alentour S.A.S., a digital platform for a large catalogue of leisure activities in all French territories. The entity is accounted for using the equity method.
- In July 2021, the remaining 4.5% equity shares of Amadeus Argentina, S.A. have been acquired. The Group owns 100% of the company as of December 31, 2021.
- In April 2021, the Group sold 55% ownership of Amadeus Travel IMS, S.L. through Amadeus IT Group, S.A. with a loss of control, and the Group remains a 40% interest since that date bearing a significant influence (see note 16).

Notes (millions of euros)

3. PROPOSED APPROPRIATION OF THE PARENT COMPANY´S RESULTS AND OTHER RESERVES

The Board of Directors will submit to the Ordinary General Shareholders´ Meeting for approval, a final gross dividend of €0.74 per share carrying dividend rights, against 2022 profit for the year. Based on the above, the proposed appropriation of the results for the year ended December 31, 2022, is as follows:

	Euros
Amount for appropriation:	
Net profit for the year	380,927,172.28
	380,927,172.28
Appropriation to:	
Legal reserve	5,834.51
Retained earnings	47,551,926.07
Dividends	333,369,411.70
	380,927,172.28

The proposed appropriation of other reserves has the purpose of reclassifying special reserves and other reserves to compensate the prior years losses registered in retained earnings, as follows:

	Euros
Amount for appropriation:	
Special reserves	138,986,192.08
Other reserves	328,370,571.65
	467,356,763.73
Appropriation to:	
Retained earnings	467,356,763.73
	467,356,763.73

4. ACCOUNTING POLICIES

4.1 Adoption of new and revised International Financial Reporting Standards (IFRS)

The Group has applied the following amendments and annual improvements issued and endorsed by the EU for the first time for the annual reporting period commencing January 1, 2022:

- Amendments to IFRS 3 Business Combinations
- Amendments to IAS 16 Property, Plant and Equipment
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets
- Annual Improvements 2018-2020

Neither of the amendments above has had any significant impact on the amounts recognized in prior or current periods.

The following standards and amendments to standards published by the International Accounting Standards Board (IASB) have already been endorsed by the EU in 2022 and will be effective from January 1, 2023:

- IFRS 17 Insurance Contracts
- Amendments to IFRS 17 Insurance Contracts
- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2.
- Amendments to IAS 12 Income Taxes

The Group considers that these new standards and amendments will not have a significant impact on its consolidated financial statements.

Additionally, new amendments have been published by the IASB, and will not be effective until January 1, 2023, but have not yet been endorsed by the EU. These changes are not expected to have a material impact on the Group in future reporting periods and on future transactions.

4.2 Significant accounting policies

Only the most significant accounting policies applied in the preparation of the consolidated annual accounts and those where IFRS-EU allows a policy choice are disclosed below.

4.2.1 Principles of consolidation and investments in associates and joint ventures

The consolidated annual accounts include the Company and all its subsidiaries within the scope of consolidation. Subsidiaries are those entities over which an entity within the Group has control.

Control is achieved when the Group has power over the investee, exposure or rights to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect its returns.

When control of a subsidiary is lost, the Group derecognizes all assets, liabilities and non-controlling interests at their carrying amount and recognizes the fair value of the consideration received. Any retained interest in the former subsidiary is recognized at its fair value at the date control is lost. The resulting difference is recognized as a gain or loss in the consolidated statement of comprehensive income within the 'Other income / (expense)' caption.

Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control are treated as equity transactions.

The stand-alone financial statements of each of the subsidiaries are prepared using each subsidiary's functional currency. As the consolidated annual accounts are presented using the euro, the assets and liabilities for each subsidiary are translated into euros at year-end closing rates; components of profit or loss and of other comprehensive income for the year are translated at average monthly exchange rates; and share capital, additional paid-in capital, and reserves are translated at historical rates. Any exchange differences arising because of this translation, for subsidiaries and investments in associates and joint ventures, are recognized together as a separate component in the 'Exchange differences on translation of foreign operations' caption in the consolidated statement of comprehensive income and in the 'Unrealized gains / (losses) reserve' in the consolidated statement of financial position. In the case of translation differences related to not wholly-owned subsidiaries and attributable to non-controlling interests, these are included in the 'Non-controlling interests' caption within equity.

Although the Group has subsidiaries in Argentina, Lebanon, Turkey, Venezuela and Yemen, and an investment in an associate in Sudan that comply with the definition of hyperinflationary economies, due to the immateriality of their transactions' volume and of their remaining balances, no restatements to adjust the effects of inflation have been performed.

Investments in associates and in joint ventures are accounted for by using the equity method. Gains and losses arising from transactions between the Group and the associates or joint ventures have been eliminated to the extent of the Group's interests in the relevant entity. If the Group share of losses of an entity accounted for under the equity method exceeds its interest in the entity, the Group recognizes a provision for its share of the realized losses.

The assessment on whether the Group has significant influence or not in an investment is based not only on the actual ownership percentage, but also on qualitative factors such as representation on the board of directors, participation in decision-making activities, material transactions and provision of technical information.

4.2.2 Foreign currency transactions

Foreign currency transactions are converted at the exchange rates prevailing at the date of the transactions.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated statement of comprehensive income in the 'Exchange gains / (losses)' caption. All other exchange gains and losses are presented in the consolidated statement of comprehensive income as part of the 'Operating income / (loss)' caption.

4.2.3 Impairment of goodwill and other non-current non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets: cash generating units (CGUs).

Goodwill is tested for impairment together with the assets corresponding to the CGU (or group CGUs) that are no larger than a segment, and that are expected to benefit from the synergies of the business combination. These assets will also include the intangible assets with indefinite useful life (such as the Amadeus Brand), to the extent that they do not generate separate cash inflows from other assets or group of assets. The carrying amount of the CGU (or group of CGUs) is compared with its recoverable amount and any impairment loss is recognized in profit or loss. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value by applying a discount rate.

The rest of the assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. To assess if there is any indication of impairment, the Group checks the accumulated revenues generated from individual intangible assets during the year and their expected growth considering the experience to ensure the recoverability of the assets. If as a result of the individualized analysis a significant decline is identified on the expected future economic benefits, an impairment test is performed.

Corporate assets cannot be reasonably allocated to the group of CGUs to which goodwill has been allocated and are tested for impairment at Group level, that is the smallest group of CGUs to which the carrying amount of corporate assets can be allocated. Corporate assets are mainly composed of buildings, right of use assets, data processing assets and corporate technology.

Non-current non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

4.2.4 Intangible assets

Intangible assets are carried at their acquisition or production cost less accumulated amortization and impairment losses. Intangible assets are reviewed periodically and adjusted as noted in 4.2.3 above.

Intangible assets are amortized on a straight-line basis over their useful lives as follows:

- 'Patents, trademarks, licenses and others' includes the net cost of acquired brands and trademarks either by means of business combinations or in separate acquisitions. When a brand is deemed to contribute to the Group net cash inflows indefinitely, it is not amortized but annually tested for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. In all other cases, brands are amortized over their expected useful lives. This caption also includes the net cost of acquiring software licenses developed outside the Group. Useful lives of finite brands, patents and licenses range from 3 to 26 years.

- 'Technology and content' relate to assets acquired through business combinations, separate acquisitions or internally generated software. These assets are the combination of software elements and travel content, the latter being obtained by Amadeus through its contractual relationships with travel providers. Useful lives for the main components of the Amadeus Global Distribution System (GDS going forward) technology have been estimated in 15 years, due to the status of Amadeus reservation system and the technological gap perceived by the Group over competitors. Useful lives of Amadeus IT solutions technology relating to the air industry, mainly Altéa and New Skies, have been estimated in 20 years in accordance with the longer term of the IT air industry technology, and average useful lives between 3 to 20 years has been estimated for IT solutions technology relating to the hospitality industry.

  The developments to provide customers with ongoing access to several services and certain customization of software controlled by the Group, and developed for some customers, are amortized over an estimated useful life of between 3 to 20 years, which usually coincides with the estimated duration of the contracts.

  The research and development costs expensed for the year ended December 31, 2022, amounted to €491.8 million (€377.9 million, 2021). The development costs that have been capitalized for the year ended December 31, 2022, amounted to €525.2 million (€408.7 million, 2021).

  The Group receives tax incentives on research and development costs incurred mainly from the French Tax Authorities (Research Tax Credit). These incentives are in substance government grants and are recognized when there is reasonable assurance that the Group will comply with the relevant conditions, and the grant in the form of a reduced tax liability will be received. The total amount of government grants received mainly from the French Tax Authorities was €28.6 million for the year ended December 31, 2022, (€21.3 million, 2021). The Group has elected to present the government grants related to capitalized development as a deduction in calculating the carrying amount of the intangible asset amounting to €21.3 million in 2022 (€14.8 million, 2021); and to present the government grant related to research expenses as a deduction under 'Other operating expenses' caption in the consolidated statement of comprehensive income amounting to €7.3 million in 2022 (€6.5 million, 2021).

- 'Contractual relationships' mainly relate to those with travel agencies users and with travel providers acquired through business combinations that are amortized over a period between 8 and 21 years. The useful life of these intangible assets has been determined by taking into consideration the contractual legal rights, the renewal period and the technological lock-in period. It also includes non-refundable upfront payments made to travel agencies at inception or renewal of a contract, in exchange of their commitment to a minimum volume of bookings made through our GDS. These cash payments are instrumented through contracts with a term that is always over a year, and include shortfall clauses applicable if those objectives are not met. The cost is capitalized and amortized over a period of 2 to 15 years that corresponds with the contract term.

Amortization and impairment expenses related to intangible assets are included in the 'Depreciation and amortization' caption of the consolidated statement of comprehensive income.

Borrowing costs directly attributable to the development of qualifying intangible assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the intangible assets.

4.2.5 Property, plant and equipment

Property, plant and equipment assets are recognized at cost less accumulated depreciation and impairment losses. They are depreciated by applying the straight-line method over the estimated useful life of the assets:

	Useful life in years
Buildings	4 - 50
Data processing hardware and software	2 - 7
Other property, plant and equipment	2 - 20

Repairs and renewals are charged to the consolidated statement of comprehensive income within the 'Other operating expenses' caption when the expenditure is incurred.

The cost of software licenses acquired to be used by data processing hardware that needs the software to be capable of operating, are regarded as highly integrated with the data processing hardware and accounted for as a property, plant and equipment.

4.2.6 Leases

The Group recognizes a right of use asset representing the right to use the underlying asset and a lease liability representing the obligation to make payments during the lease term in all lease contracts.

As a practical expedient, the Group has elected, by certain classes of underlying asset, not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components within the contract as a single lease component.

The right of use asset is initially recognized at cost and subsequently measured at cost less accumulated depreciation and impairment losses; and adjusted for any remeasurement of the lease liability resulting from a lease modification or reassessment. The right of use asset is amortized on a straight-line basis over the shortest of the lease term or the useful life of the underlying asset. If Amadeus obtains ownership of the underlying asset by the end of the lease term, depreciation will be based on the useful life of the asset.

The lease term of the different contracts includes the non-cancellable period of each of them, any rent-free periods provided by the lessor plus an estimation of a renewal period when the contract provides the Group with the unilateral option to extend the original term, and the Group is reasonably certain to exercise such option.

Leases acquired as a result of a business combination are measured as if the acquired lease was a new lease at the acquisition date. When assessing the term of the acquired lease the entity cannot be reasonably certain to exercise any option to extend at the acquisition date, especially when the Group has a right of use a similar underlying asset in the same location. A reassessment of the lease term is made whenever there is a significant decision on the integration of the acquired business that impacts the original judgment.

Lease payments are discounted at the incremental borrowing rate applicable to each different lease when the lease contract does not include an implicit interest rate. The nature of the underlying asset, lease term, and location are considered when estimating the incremental borrowing rates by individual entity.

4.2.7 Pension and other post-retirement obligations

The Group operates a number of defined benefit and defined contribution pension plans. Liabilities of the Group arising from defined benefit obligations are determined by applying the projected unit credit method. Independent actuarial valuations for defined benefit plans are performed annually for all the plans. The actuarial assumptions used to calculate the benefit obligations vary according to the economic conditions of the country in which the plan is located. Such plans are either externally funded, with the assets within the schemes held separately from those of the Group, or unfunded with the related liabilities recorded in the consolidated statement of financial position.

For the funded defined benefit plans, the deficit or excess of the fair value of plan assets over the present value of the defined benefit obligation is recognized as a liability or an asset in the consolidated statement of financial position. However, excess assets are recognized only to the extent that they represent a future economic benefit available to the Group, for example in the form of refunds from the plan or reductions in future contributions.

Actuarial gains and losses arise mainly from changes in actuarial assumptions and differences between actuarial assumptions and what has actually occurred. Actuarial gains and losses are recognized immediately in other comprehensive income, so that the net defined benefit plan asset or liability recognized in the consolidated statement of financial position is remeasured to reflect the full value of the plan deficit or surplus, and are not reclassified to profit or loss in subsequent periods.

The defined benefit plans actuarial cost charged to the consolidated statement of comprehensive income within the 'Personnel and related expenses' caption, consists of service cost, and within the 'Other financial expenses' caption the net interest on the defined benefit liability is included.

Contributions made to defined contribution plans are charged to the consolidated statement of comprehensive income within the 'Personnel and related expenses' caption as incurred. The same accounting policy is applied to defined benefit plans which are funded by multi-employer plans where sufficient information is not available to apply defined benefit plan accounting.

4.2.8 Revenue from contracts with customers

Significant services and methods of revenue recognition

- Stand-ready series revenue recognition

Most of the Group's revenues are derived from a single performance obligation consisting of a stand-ready series of making technology services available for a customer to use as and when the customer decides. In these types of services contracts, the value that the customer receives for the performance completed to date coincides with the Group's right to consideration, and for that reason the Group has adopted the practical expedient that allows to recognize revenue in the amount to which the Group has a right to invoice.

The main services included under this category of revenues is provided through technology platforms and correspond to technology services related to Distribution and to IT solutions services. We provide both type of services to air and non-air customers, mainly hospitality customers and others.

Distribution services: the GDS provides comprehensive real-time search, pricing, booking and other processing solutions to travel providers and travel agency customers. The technological solutions provided by the GDS are the same every day during all the years of the contract. Each day of service is distinct from the previous day, but at the same time, the distinct services provided are substantially the same and are transferred to clients over time, complying with the definition of a series in IFRS 15. Consequently, the Group has identified as a single performance obligation with travel providers the stand ready series obligation to make its GDS Platform available for processing travel bookings and other related services that are closely related to the booking process. The platform is available every day to the customer and the usage determines both the variable price, based on bookings made, and the revenue. The value to the customer of Amadeus' performance completed to date coincides with the right to invoice to the customer, the determination of such amount depends on the terms and conditions agreed with each customer.

Revenues from GDS air customers are recorded at the time the reservation is made, that is when our right to invoice is created and what allows us to recognize revenue in accordance with the practical expedient of IFRS 15. Some bookings can be cancelled later, and according to the contracts in place, the booking fee earned should be reversed. To account for this variability in the transaction price revenue is recognized net of estimated future cancellations. The cancellation reserve is calculated monthly based on historical cancellation rate. The calculation is made by dividing the number of cancellations net of re-bookings at month end by the inventory of unused bookings at the beginning of the month.

Cancellation rate also impacts distribution fees and related commercial incentives ('distribution costs') payable to the third-party distributors (travel agencies, airlines direct sales and Amadeus Commercial Organizations –ACOs- which are not subsidiaries of the Group) that are also recorded net of the amounts relating to the cancellations.

GDS services are also provided to non-air customers mainly related to hotels and car rental companies. This type of distribution revenues is minor and is recognized when the reservation is used by the traveler, that is when our right to invoice is created and what allows us to recognize revenue in accordance with the practical expedient of IFRS 15.

IT solutions services: the revenue from IT solutions derive mainly from the Amadeus Passenger Service Systems (PSS) provided through Altéa suite and New Skies, and also from other hospitality products. The performance obligation identified is a stand ready obligation series to provide technology services through the Amadeus IT systems. This single performance obligation also meets the series definition as explained above (distinct services provided that are substantially the same and are transferred to clients over time). Usually, customers are charged a non-refundable upfront fee that is recognized as revenue over the contract term starting as of cutover date, and a variable fee based on a fee per transaction made (passengers boarded in PSS) that is recognized as revenue as the customer obtains value from the performance completed to date and that coincides with the right to invoice up to that date.

- Other revenue recognition patterns

Other revenues are derived from licensing software, from providing related professional services and support and from subscriptions of several Amadeus IT offerings. These contracts usually include multiple performance obligations, and the transaction price is allocated based on the relative stand-alone selling price of each of the performance obligations identified. Licensing revenue is recognized over the contract term since the license provides customer with a right to access considering input methods based on time elapsed. Services revenue consists of installation and consulting services and is recognized as the services are performed considering input methods based on hours and costs incurred. Support and maintenance revenue consist of telephone support and maintenance and is recognized over the term of the agreement based on hours elapsed. Revenues from subscriptions are proportionally recognized over the subscription or the agreement term based on input methods.

Revenues from licensing software and subscriptions, as well as from the stand-ready series of making technology services available, are provided through platforms and software that can be hosted in our own data centers or in third party cloud infrastructures.

Contract liabilities

As disclosed above, the Group typically satisfies its performance obligations in line with the usage of the Amadeus platforms and technology solutions made by customers over the period, that coincides with the billing for the period.

Upfront fees that are recognized as revenues over the contract duration and any other amounts billed before the Group satisfies its performance obligation are recorded as contract liabilities.

Consideration payable to a customer

In the Distribution business, apart from contracts with travel providers previously explained, the Group enters into subscriber services agreements mainly with travel agents, which provide them with the tools and services that permit access to the Amadeus system. These subscriber agreements regulate both, the relationship with the travel agency as customer of the GDS, and the relationship with the travel agency as provider of promotion services of the GDS. Travel agencies are granted with incentives in exchange for making bookings with the Amadeus GDS instead of with other GDS providers. The fair value of the services received cannot be estimated reliably since prices of the subscription and the incentives are negotiated together in a single contract and on an individual basis by travel agency. Usually, incentives paid are higher than the subscription revenues received and therefore the distribution cost is recorded net of the subscription fees.

4.2.9 Employee share-based payments

The Group has certain share-based reward schemes in place for employees, as consideration for services rendered by them. Compensation expenses for services received are calculated as the fair value of the company's shares and are registered in the income statement during the vesting period against the equity in 'Additional paid-in capital'. The settlement of these equity settled share-based payments is accounted for as the purchase of an equity instrument.

4.2.10 Financial instruments

Financial assets

The Group has elected to present fair value gains and losses on investments in equity instruments that are not held for trading in Other Comprehensive Income (OCI), and there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Impairment losses (and its reversal) on equity investments measured at Fair value through OCI (FVOCI) are not reported separately from other changes in fair value.

Notes (millions of euros)

Dividends from such investments continue to be recognized in profit or loss within 'Other income/(expense)' caption when the Group's right to receive payments is established.

_ Impairment

The Group applies an impairment model based on expected credit losses (ECL). A simplified approach has been elected and used for all trade receivables, as long as they do not contain a significant financing component. Under this simplified approach, credit impairment is recognized by reference to lifetime ECLs at each reporting date using a provision matrix that is based on the Group's historical credit loss experience.

The Group uses a time limit (overdue for more than 365 days) or a debtor's evidence of impairment such as: negative flows of operations, negative working capital, bankruptcy proceedings, high risk country, etc. for the default definition.

To estimate the ECLs of trade accounts, the Group segments its portfolio of receivables into the following categories:

_ Accounts receivable from 'no risk' customers, mainly refers to invoices settled by clearing houses. For these amounts, it is assumed that there is no risk of default as the counterparty for the Group is the clearing house that guarantees the payment of its commitments via deposits required to all clients with debtor positions as per the clearing house policies and processes.

_ Accounts receivable from customers classified as 'high risk' for complying with the Group's definition of default or presenting evidence of impairment mentioned above. They are fully provisioned.

_ Accounts receivable from 'low risk' customers and not included in the previous categories.

'Low risk' customers outstanding balances are provisioned following a provision matrix which has been updated during 2022. The matrixes for years 2022 and 2021 are the following:

	Percentage of provision 2022	Percentage of provision 2021
Not due	0.5%	1.5%
Due up to 3 months	3.5%	5.0%
Due 3 to 6 months	26.0%	22.0%
Due 6 to 12 months	50.0%	50.0%
Due more than 12 months	100.0%	100.0%

Account receivables are written off when there is no reasonable expectation of recovery. Generally, this happens five years after invoice has been issued, except if the amount is still under dispute or litigation.

Hedge accounting

The Group has elected to adopt the general hedge accounting model that requires to ensure that hedge accounting relationships are aligned with risk management objectives and strategy, and to apply a more qualitative and forward-looking approach to assessing hedge effectiveness. There might be instances when a derivative is not an effective hedge from an accounting perspective. In these situations, the derivative is classified as held for trading.

The Group uses derivative financial instruments to hedge certain currencies and interest rates. All these derivatives, whether designated as hedges or not, are measured at fair value, which is the market value for listed instruments or valuation based on option pricing models and discounted cash flow calculations for unlisted instruments. Net interests accrued for these derivatives which are either payable or receivable at the end of the reporting period, are reported according to their maturity under the current and 'Non-current derivative financial assets' captions if they are receivable, or under the current and 'Non-current derivative financial liabilities' captions if they are payable.

At the inception of a hedge relationship, the Group formally documents the hedge relationship to which the Group wishes to apply hedge accounting. Such hedges are expected to be highly effective in achieving offsetting changes in the fair value and cash flows, and are assessed on an ongoing basis to determine that they are still expected to be an effectively offset of the fair value or cash flows being hedged.

Generally, the 'ideal hypothetical derivative' method is used to evaluate the expected effectiveness of a hedge relationship in which the hedging instrument is a derivative. This method compares the expected change in fair value of the actual derivative designated as the hedging instrument and the expected change in fair value of an ideal hypothetical derivative that would result in perfect hedge effectiveness for the designated hedged item.

In the case of the foreign exchange risk when non-derivative instruments or some types of derivatives are used as hedging instrument, as it is explained in the documentation of the hedge relationship, the dual spot method is used. This means that the Group compares the expected spot-to-spot movement of the hedged item with the expected spot-to-spot movement of the hedging instrument to evaluate the expected hedge effectiveness of the hedge relationship.

The accounting treatment of gains or losses resulting from changes in the fair value of the derivatives is as follows:

- Fair value hedges

Changes in the fair value of the hedge instrument and of the hedged asset or liability are recognized in the consolidated statement of comprehensive income.

- Cash flow hedges

The portion of changes in the fair value of derivatives which are an effective hedge are accounted for, net of tax, directly through equity until the committed or forecasted transaction occurs, at which point these will be reclassified to the consolidated statement of comprehensive income. The portion considered ineffective is recognized directly in the consolidated statement of comprehensive income within the 'Financial expense, net' caption.

For some foreign currency forwards, the Group separates the spot component of the forward contract and designates as the hedging instrument only the change in the value of the spot element of the forward contract. The spot component is determined with reference to the relevant spot market exchange rates. Regarding the hedge accounting of these forwards, the forward element is separately accumulated as a separate component of equity. In the case of the Group's hedging relationships, forward element recorded in equity, within the 'Unrealized gains / losses reserve' caption, is reclassified to profit or loss in the same period during which the hedged expected cash flows affect profit or loss.

The treatment for currency options is quite similar, the Group separates the intrinsic value and the time value of option contracts and designates as the hedging instrument only the change in intrinsic value of the option. The changes in the time value are separately accumulated as a separate component of equity and is reclassified to profit or loss in the same period during which the hedged expected cash flow affects profit or loss.

In some circumstances the Group also uses non-derivative financial liabilities denominated in foreign currency to hedge the cash flow currency risk of its forecasted transactions. The functional currency translation difference of these hedging instruments is recognized directly in equity up until the forecasted transaction occurs, at which point it is reclassified to the consolidated statement of comprehensive income. Ineffective gains or losses are recorded directly in the consolidated statement of comprehensive income within the 'Financial expense, net' caption.

- No hedge accounting relationship

Gains and losses on derivatives neither designated nor qualifying for hedge accounting treatment are accounted for directly in the consolidated statement of comprehensive income within the 'Financial expense, net' caption.

5.FINANCIAL RISK AND CAPITAL MANAGEMENT

The Group, as a result of the normal course of its business activities, has exposure to foreign exchange, interest rate, treasury shares price evolution, credit and liquidity risk. The goal of the Group is to identify, measure and minimize these risks using the most effective and efficient methods to eliminate, mitigate, or compensate such exposures. With the purpose of managing these risks, in some occasions, the Group enters into hedging activities with derivatives and non-derivative instruments.

5.1 Foreign exchange risk

As a result of the multinational orientation of its business, the Group is subject to foreign exchange risks derived from the fluctuations of various currencies.

Our revenue is almost entirely generated either in euro (EUR) or in US Dollar (USD) (the latter representing 40%-50% of our total revenue). Revenue generated in currencies other than the EUR or USD is negligible.

In turn, 60%-70% of our operating costs are denominated in many currencies different from the EUR, including the USD, which represents 40%-50% of our operating costs.

The Company's exchange rate hedging strategy aims to protect the EUR value of cash flows denominated in foreign currency. The instruments used to achieve this goal depend on the currency in which the operating cash flow to be hedged is denominated:

- The strategy to minimize USD exchange rate exposures is based on the use of natural hedges and derivative instruments. Neither as of December 31, 2022, nor as of December 31, 2021, there was significant USD denominated debt. The Company holds short-term financial investments denominated in USD, which are fully hedged.
- Aside from the USD, the main foreign currency exposures are expenditures denominated in a variety of foreign currencies. The most significant of these exposures are denominated in Sterling Pounds (GBP), Indian Rupees (INR), Australian Dollars (AUD) and Singapore Dollars (SGD). For these exposures, a natural hedge strategy is not possible. In order to hedge a portion of the aforementioned short exposures, the Company enters into derivative contracts with financial entities, basically non deliverable forward, currency options and combinations of currency options.

The Group's total exposure to exchange rate changes is measured in terms of the Cash-flow at Risk (CFaR). This risk measure provides an estimate of the potential euro loss of the foreign currency denominated cash flows from the moment the estimation is calculated to the moment the cash flow is expected to take place. These estimates are made using a 95% confidence level.

The CFaR methodology is similar in many respects to the Value at Risk (VaR) methodology. However, whereas VaR is generally centered in the changes in the value of a portfolio of exposures in a given future interval of time, CFaR is focused on the changes in the value of the cash-flows of that portfolio, from the calculation date to the moment in which these cash-flows are expected to effectively take place. In the case of Amadeus, CFaR is a more adequate measure of the risk of the Group given that the goal of our risk management strategy with relation to foreign exchange risk is reducing the volatility of the euro value of the foreign currency denominated cash-flows. An additional reason for focusing on cash-flows is that, eventually, the cash-flows of a company result in its level of liquidity, which in the case of a non-financial corporation, is generally a scarce and valuable element.

Notes (millions of euros)

The main limitations of the CFaR methodology are very similar to the ones of the VaR methodology:

- Firstly, its results are based on several hypotheses on the future volatilities of the exchange rates and the future correlation among them, which may correspond with the real evolution of the exchange rates or not.[1]
- Additionally, the foreign exchange exposure estimates used as inputs to the model may deviate with respect to the exposures which will finally take place in the future[2].
- Finally, it is important to mention that given a level of CFaR calculated with a 95% confidence level, the losses which could take place in the remaining 5% of the cases may be significantly greater than the level of risk as measured with the CFaR methodology for a 95% confidence level.

The CFaR of the foreign exchange exposures of the Group calculated with a 95% confidence level is set forth in the table below:

		December 31, 2022			December 31, 2021
2023 CFaR	2024 CFaR	2025 CFaR	2022 CFaR	2023 CFaR	2024 CFaR
(7.0)	(40.2)	(99.8)	(4.2)	(18.7)	(57.0)

As of the end of 2022, CFaR levels calculated for the next three years are higher than in the calculation performed in the previous year. This higher level of CFaR is mainly due to the larger size of the USD exposures estimated for the three coming years and the higher level of the implicit volatilities used in the calculations as of December 31, 2022. Additionally, as of the end of 2022, the amount of foreign exchange hedges outstanding for 2023 and 2024 were slightly smaller than the ones outstanding at the end of 2021 for 2022 and 2023.

As it can be observed in the table above, the level of risk measured in CFaR terms tends to increase for the periods which are further away. The reasons for this are: (1) in theory, the further away the future cash-flows are, more adverse the effect of foreign exchange fluctuations can potentially be; (2) the level of hedging is smaller for the later periods; and (3) in the later periods the size of the foreign exchange exposures tends to be greater as Amadeus business expands.

5.2 Interest rate risk

The objective of the Group, in terms of interest rate risk management, is reducing the volatility of the net interest flows payable by the Group. As at December 31, 2022 and 2021, approximately 81.30% and 77.90%, respectively, of the debt contracted by the Group was fixed rate debt. Given the high proportion of fixed rate debt as of December 31, 2022, and 2021, no interest rate hedges were hedging the outstanding debt as of these dates.

The sensitivity of fair value of Amadeus debt to a 0.1% (10 bps) parallel shift of the interest rate curve as of December 31, 2022, and 2021, is set forth in the table below:

		December 31, 2022		December 31, 2021
	+10 bps	-10 bps	+10 bps	-10 bps
Euro denominated debt	(9.8)	9.8	(16.3)	16.5
Total	(9.8)	9.8	(16.3)	16.5

In 2022 there has been a reduction in the sensitivity of the value of the debt to the movements of the interest rate curve with respect to the previous year. This reduction has been caused by the reduction in the amount of gross debt outstanding and the lower average life of this debt.

(1) The volatilities implicit in the market prices of currency options and the historic correlations among the main currencies in which Amadeus has exposures are used as inputs to the model.
(2) In order to calculate the foreign currency exposures, the Group takes into account the estimated cash flows in each currency according to the last available forecast and the foreign currency hedges contracted as of the CFaR calculation date.

According to the table above a 10 bps drop in the level of interest rates would cause an increase in the fair value of the debt amounting to €9.8 million at December 31, 2022 (€16.5 million, 2021).

5.3 Treasury shares price evolution risk

The Group has three different remuneration schemes outstanding which are settled with Amadeus shares; the Performance Share Plan (PSP), the Restricted Share Plan (RSP) and the Share Match Plan (SMP).

According to the conditions of these plans, at their maturity, the beneficiaries will receive a number of shares, that for the plans granted, will depend on the achievement of certain performance conditions. The Group will use treasury shares to cover these remuneration schemes.

In the case of the outstanding plans, the number of shares will be (depending on the evolution of certain performance conditions) between a maximum of 1,633,000 shares and a minimum of 668,000 shares, approximately.

During 2022 and 2021, the Group has acquired treasury shares through share buy-back programs. These programs had already been executed by the end of 2022 (see note 17).

5.4 Credit risk

Credit risk is the risk that a counterparty to a financial asset will cause a loss for the Group by failing to discharge an obligation.

The Group cash and cash equivalents are deposited in major banks on the basis of diversification and the credit risk of the available investment alternatives.

During 2022 and 2021 the Group had some low risk short-term financial investments in order to invest a portion of the liquidity of the Group. As at December 31, 2022, the total amount of these investments was €534.4 million (€683.2 million as at December 31, 2021) (see note 5.6). Some of these investments are denominated in USD, which are fully hedged from foreign exchange variations. The fair value of the exchange rate hedge amounts to minus €35.5 million (4.4 million, 2021). These investments are the following:

- A repo backed Note of a USD 450.0 million (€421.9 million as at December 31, 2022), secured by tri-party repos. This Note has the double guarantee of a diversified portfolio of financial instruments acting as collateral and additionally it has the guarantee of the bank acting as counterparty of the repo transaction. The counterparty bank of the repo transaction is a prime international bank in the investment grade category. The portfolio of assets used as underlying of the repo transaction is valued by a third party (Euroclear) and matched on a daily basis to reach at least 75% of the value of the investment.
- A Term Liquidity Fund of USD 120.0 million (€112.5 million as at December 31, 2022) which invests in tri-party repos. This Fund benefits from a similar package of security than the repo backed Note. This investment can be cancelled with a six-months notice period.

The credit risk of the Group’s customer accounts receivable is mitigated by the fact that the majority are settled through the clearing houses operated by the International Air Transport Association (‘IATA’) and Airlines Clearing House, Inc. (‘ACH’). These systems guarantee that the cash inflows from our customers will be settled at a certain fixed date, and partially mitigate the credit risk by the fact that the members of the clearing house are required to make deposits that would be used in the event of default. Moreover, our customer base is large and well diversified which results in a low concentration of the credit risk.

Notes (millions of euros)

5.5 Liquidity risk

Corporate Treasury is responsible for providing the cash needed by all the companies of the Group. In order to perform this task more efficiently, the Company accumulates the excess liquidity of the subsidiaries and channels it to the companies with cash needs.

This allocation of the cash position among the companies of the Group is mainly made through these agreements:

- Three different cash pooling agreements. One in EUR with most of the subsidiaries located in the euro area; another one in USD for the US subsidiaries and another one in GBP for the UK subsidiaries.
- Bilateral Treasury Optimization agreements between Amadeus IT Group, S.A. and its subsidiaries.

Corporate Treasury monitors the Group's cash position through rolling forecasts of expected cash flows. These forecasts are performed by the subsidiaries of the Group and, later on, consolidated in order to review both the liquidity situation and the prospects of the Group and its subsidiaries.

Additionally, the Company has access to a Revolving Credit Facility. This facility has a notional of €1,000 million, and can be used to cover possible working capital needs and general corporate purposes. As of December 31, 2022 and 2021, the facility was fully unused.

The detail of the contractual maturities of the Group's debt financing as of the end of the financial year 2022 and 2021 is described in note 18.

5.6 Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while continuing to generate returns to shareholders, and to benefit other stakeholders through the optimization of the leverage ratio.

The Group bases its capital management decisions on the relationship between the Group's earnings and free cash flows, and its debt amount and debt service payments.

The net financial debt as of December 31, 2022 and 2021, is set forth in the table below:

	December 31, 2022	December 31, 2021
Total non-current debt	3,086.4	4,344.5
Total current debt	1,324.8	635.4
Total debt	4,411.2	4,979.9
(-) Short-term investments	(534.4)	(683.2)
(-) Fair value of exchange rate hedges	(35.5)	4.4
(-) Cash and cash equivalents	(1,434.8)	(1,127.7)
Total net financial debt	2,406.5	3,173.4

The credit rating granted to the Group by the agency Standard & Poor's is 'BBB-', moving from negative outlook in 2021 to stable in 2022. The credit rating granted to the Group by the agency Moody's is 'Baa2', also moving from negative outlook in 2021 to stable in 2022. The Group considers that the ratings awarded, would allow access to the markets, if necessary, on reasonable terms. The short-term ratings of the Group are A3 from Standard & Poor´s and P2 from Moody's, both in the Investment Grade category.

6. GLOBAL IMPACTS

6.1 COVID-19

Since over two years, the COVID-19 pandemic has had a material adverse effect on the Group's business, prospects, financial condition and results of operations. Substantially all of the Group's revenue is derived from the worldwide travel and tourism industry and this outbreak negatively impacts this industry, particularly airlines, airports, hotels, railways and ferries. The volume of bookings was drastically reduced since the pandemic started in March 2020, but we noted improvements in travel trends during 2022 as restrictions are being lifted as the world transitions from the acute pandemic phase of COVID-19 towards managing SARS-COV2 as an endemic virus.

Financial aid

The German authorities, considering the serious impact that the COVID-19 pandemic has had in the economy, raised financial aid programs for uncovered fixed costs and damage compensation incurred in the years 2020 and 2021 as compared to 2019. The Group requested for its German subsidiaries to participate in these programs. The Group has been granted €51.2 million from the German authorities in 2022. The amounts received are non-refundable and represent taxable income. The Group has presented the gross amount received as a reduction of 'Other operating expenses' in the consolidated statement of comprehensive income as of December 31, 2022.

6.2 Implications of Russia's invasion of Ukraine

Russia's invasion of Ukraine and the sanctions imposed have not significantly impacted travel volumes and the specific operations, financial performance, financial position, and cash-flows of the Group. The Group has recognized as at December 31, 2022, an intangible assets impairment loss of €0.5 million related to specific developments and implementation efforts carried out for customers that have either cancelled contracts, suspended or ceased operations in Russia.

7. SEGMENT REPORTING

The segment information has been prepared in accordance with the 'management approach', which requires presentation of the segments on the basis of the internal reports about components of the entity which are regularly reviewed by the chief operating decision maker (CODM), in order to allocate resources to a segment and to assess its performance.

The reporting structure pivots on the type of customer and platform, distinguishing between travel and hospitality. The segment reporting is composed of three segments: Air Distribution, Air IT Solutions and Hospitality & Other Solutions, detailed below.

- Air Distribution, comprising travel customers where the primary offering is Amadeus GDS platform. It generates revenues mainly from booking fees that the Group charges to travel providers for bookings made, as well as other non–booking revenues but excluding Hotel and Car providers.
- Air IT Solutions, also focused on travel customers including results from both, Airline IT and Airport IT businesses. The Group offers a portfolio of technology solutions (primarily Altéa PSS and New Skies) that automate mission-critical processes for travel providers. This segment generates revenues from the transactions processed in the Amadeus platform, as well as from other IT services.
- Hospitality & Other Solutions, mainly focused on hospitality customers including, both the distribution and IT solutions services, and composed of TravelClick, Hotel and Payments distribution, Hotel and Payment IT solutions, Mobility, Insurance and Ferry and Travel Audience.

Notes (millions of euros)

The Group applies the same accounting policies for the measurement of the profit or loss of its operating segments as those described in note 4. However, management when evaluating the performance of each operating segment uses contribution as a performance measure. Contribution is defined at the relevant operating segment as revenue less operating costs plus capitalizations directly allocated to the relevant operating segment. The operating expenses (excluding capitalized expenses and those incentives associated to those capitalizations) of the Group are allocated either to operating direct costs or to indirect costs; we denominate operating direct costs to those direct costs that can be allocated to an operating segment and indirect costs to those that cannot be allocated to any operating segment.

Additionally, the Group manages its borrowing activities and taxes centrally and they are not followed up per segment.

Information regarding the Group's operating segments and the reconciliation of the measure of profit or loss to the consolidated statement of comprehensive income as of December 31, 2022, and 2021, are set forth in the table below:

	December 31, 2022				December 31, 2021			
	Air Distribution	Air IT Solutions	Hospitality & Other Solutions	Total	Air Distribution	Air IT Solutions	Hospitality & Other Solutions	Total
Revenue	2,147.8	1,565.4	772.7	4,485.9	1,061.9	1,069.5	538.6	2,670.0
Contribution	969.8	1,121.3	245.1	2,336.2	395.3	705.3	171.8	1,272.4

The main reconciling items correspond to:

	December 31, 2022	December 31, 2021
Revenue	4,485.9	2,670.0
Contribution	2,336.2	1,272.4
Net indirect cost (1)	(695.9)	(673.5)
Depreciation and amortization	(677.6)	(681.9)
Operating income / (loss)	962.7	(83.0)

(1) Principally comprises what we denominate indirect costs that are costs shared between the operating segments, such as: (i) costs associated with Amadeus technology systems, including processing of multiple transactions, and (ii) corporate support, including various corporate functions such as finance, legal, human resources, internal information systems, etc. Additionally, it includes capitalization of expenses and incentives mainly received from the French government in respect of certain product development activities in Nice and which have not been allocated to an operating segment.

The Group operates in the travel industry and, accordingly, events that significantly affect the industry could also affect the Group's operations and financial position.

Amadeus IT Group, S.A. is based in Spain and is the counterparty to all key contractual arrangements with airlines and other travel providers for Air Distribution and Air IT Solutions operating segments.

Notes (millions of euros)

The table below represents a split of how the revenue of the Group is geographically distributed based on where the travel agent, in which bookings are reserved, is located (for the Air Distribution operating segment), and attending to where the airline receiving the services is registered (for the Air IT Solutions and Hospitality & Other Solutions operating segment):

	December 31, 2022	December 31, 2021
EMEA	2,285.4	1,403.4
Asia & Pacific	687.8	332.5
America	1,512.7	934.1
Revenue	4,485.9	2,670.0

Included in the table above, the countries with most significant level of revenues including Spain are the following:

	December 31, 2022	December 31, 2021
USA	1,111.3	769.8
Germany	315.5	173.9
France	210.4	126.9
Spain	140.5	124.2

Non-current assets by geographic area for the year ended December 31, 2022 and 2021, are set forth in the table below:

	Europe				Other			
December 31, 2022	Spain	France	Germany	Other	USA & Canada	Rest of the world	PPA Assets	Total
Intangible Assets	596.6	1,708.8	123.4	2.2	1,141.0	13.4	367.2	3,952.6
Property, plant and equipment	5.0	44.3	114.1	11.2	19.0	27.3	—	220.9
Right of use assets	32.2	55.5	59.2	25.9	12.8	26.4	—	212.0
Investments in associates	—	—	—	—	—	6.4	—	6.4
Total	633.8	1,808.6	296.7	39.3	1,172.8	73.5	367.2	4,391.9

	Europe				Other			
December 31, 2021	Spain	France	Germany	Other	USA & Canada	Rest of the world	PPA Assets	Total
Intangible Assets	587.0	1,675.4	122.3	6.2	1,116.4	18.3	389.2	3,914.8
Property, plant and equipment	5.7	45.4	165.4	11.9	24.1	26.4	–	278.9
Right of use assets	34.9	62.5	55.8	27.4	16.4	37.9	–	234.9
Investments in associates	–	–	–	–	–	7.8	–	7.8
Total	627.6	1,783.3	343.5	45.5	1,156.9	90.4	389.2	4,436.4

Notes (millions of euros)

The PPA Assets mainly correspond to the Amadeus brand and other intangible assets identified during the Purchase Price Allocation exercise (PPA) performed as a result of the business combination (Leverage Buy-Out) between Amadeus Group and the Company in July 2005, that for their own nature cannot be allocated geographically.

8. GOODWILL

The reconciliation of the carrying amount of goodwill for the years ended as of December 31, 2022 and 2021, is set forth in the table below:

	December 31, 2022	December 31, 2021
Carrying amount at the beginning of the year	3,654.2	3,539.8
Additions due to acquisitions of subsidiaries (note 16)	28.4	–
Transfers (note 16)	(8.4)	–
Exchange rate adjustments	92.5	114.4
Carrying amount at the end of the year	3,766.7	3,654.2

Additions due to acquisitions of subsidiaries for the year ended December 31, 2022, relates to the acquisition of Kambr (see note 16) which is included in the Air IT Solutions group of CGUs.

Transfers for the year ended December 31, 2022 correspond to the purchase price allocation exercise for the business combination of Kambr.

Exchange rate adjustments for the year ended December 31, 2022 and 2021, mainly relates to the USD – EUR evolution.

Goodwill derived from any acquisition is allocated for impairment testing purposes to the group of CGUs that is expected to benefit from the acquisition that originated the goodwill, based on Amadeus' organizational structure and operations.

The breakdown of the current amount of goodwill per group of CGUs is set forth in the table below:

	December 31, 2022	December 31, 2021
Air Distribution	1,891.0	1,890.4
Air IT Solutions	848.5	790.1
Hospitality & other solutions	1,027.2	973.7
Carrying amount	3,766.7	3,654.2

For details on Goodwill impairment test see note 9.

Notes (millions of euros)

9. INTANGIBLE ASSETS

The reconciliation of the carrying amounts for the years ended December 31, 2022 and 2021, of the items included under the 'Intangible assets' caption is set forth in the table below:

Gross Value	Patents, trademarks, licenses and others	Technology and content	Contractual relationships	Total
December 31, 2020	610.1	5,852.1	1,324.5	7,786.7
Additions	2.4	–	2.3	4.7
Additions of Software internally developed	–	393.9	–	393.9
Retirements and disposals	(4.1)	–	(11.7)	(15.8)
Changes in consolidation perimeter	0.4	–	4.6	5.0
Transfer	–	(0.2)	–	(0.2)
Exchange rate adjustments	1.8	45.0	79.9	126.7
December 31, 2021	610.6	6,290.8	1,399.6	8,301.0
Additions	1.2	–	0.5	1.7
Additions of Software internally developed	–	504.8	–	504.8
Retirements and disposals	(0.2)	(58.6)	(5.6)	(64.4)
Transfer	0.1	4.7	(1.0)	3.8
Exchange rate adjustments	1.6	38.7	62.9	103.2
December 31, 2022	613.3	6,780.4	1,456.4	8,850.1

Accumulated depreciation and Impairment	Patents, trademarks, licenses and others	Technology and content	Contractual relationships	Total
December 31, 2020	(292.5)	(3,071.1)	(476.2)	(3,839.8)
Amortization charge	(10.0)	(377.3)	(88.9)	(476.2)
Impairment losses charged to profit or loss	–	(31.1)	(5.6)	(36.7)
Retirements and disposals	4.1	(0.1)	10.4	14.4
Changes in consolidation perimeter	(0.3)	–	(3.4)	(3.7)
Exchange rate adjustments	(1.2)	(21.8)	(21.2)	(44.2)
December 31, 2021	(299.9)	(3,501.4)	(584.9)	(4,386.2)
Amortization charge	(7.9)	(408.3)	(87.4)	(503.6)
Impairment losses charged to profit or loss	–	(27.3)	(9.5)	(36.8)
Retirements and disposals	0.2	57.4	5.5	63.1
Transfer	–	0.1	2.7	2.8
Exchange rate adjustments	(1.0)	(19.5)	(16.3)	(36.8)
December 31, 2022	(308.6)	(3,899.0)	(689.9)	(4,897.5)
Carrying amount at December 31, 2021	310.7	2,789.4	814.7	3,914.8
Carrying amount at December 31, 2022	304.7	2,881.4	766.5	3,952.6

Notes (millions of euros)

'Patents, trademarks, licenses and others' caption includes intangible assets with indefinite useful life with a carrying value of €293.2 million as of December 31, 2022 and 2021, that mainly relates to the Amadeus brand. It has been estimated that the Amadeus brand will contribute to the Group net cash inflows indefinitely. Among the different factors considered in reaching this conclusion, the following matters should be highlighted:

- There are no expectations of the Amadeus brand to be abandoned.
- There is certain stability within the industry since it is composed of few players worldwide and Amadeus has a strong positioning

The Amadeus brand has been allocated to the group of CGUs of Air Distribution and of Air IT Solutions (€257.8 million and €35.4 million respectively), same amounts in 2021, based on the relative present value of the royalty savings in each of them. The brand does not generate cash inflows that are independent from other assets and is, therefore, tested for impairment at the level of the group of CGUs at which it can be allocated. The key assumptions used for the impairment tests as well as the methodology followed are disclosed below.

The transfers in 2022 under 'Technology and Content' and 'Contractual Relationships' captions mainly relate to the purchase price allocation exercise of Kambr acquisition, as well as some reclassifications of certain assets to different captions.

The Group monitors goodwill for internal management purposes at groups of CGUs, because it is the lowest level at which the synergies generated after business combinations are controlled at the internal management level, and its mostly linked to the type of platforms and technological services.

Impairment test

The Group has performed an impairment test of our groups of CGUs, as at September 30, 2022, applying a number of scenarios (including, IATA's latest projections, base case and a pessimistic case), concluding that there was no evidence of impairment at any of our groups of CGUs, even under the pessimistic scenario.

The Group considered the latest information available to test for impairment. Management believes that as at December 31, 2022, there is no triggering event for impairment of the group of CGUs.

Calculations use cash flow projections based on financial budgets as discussed by the Board of Directors in October 2022 covering a 3-year period (2023-2025) plus additional forecasts developed for 2026-2027. Cash flows beyond that five-year period have been extrapolated using growth rates, that do not exceed the long-term average rates for the markets in which the three groups of CGUs operate.

These internal forecasts are based on external assumptions such as Growth Domestic Product published by the International Monetary Fund, air traffic data published by IATA, among others. The Group uses its previous experience of the average contribution margin for the estimation of internal forecasts.

The projections have been performed considering the following assumptions:

The compound annual growth rate (CAGR) of forecasted revenues used for the impairment exercise for our CGUs, is set forth in the table below:

	December 31, 2022	December 31, 2021
	2023-2027 period	2022-2026 period
Base case	6.82% - 17.73%	14.26% - 26.89%
Optimistic case	8.82% - 18.73%	16.27% - 27.92%
Pessimistic case	5.82% - 16.73%	13.25% - 25.86%

Notes (millions of euros)

Discount rates have also been reviewed to reflect the current economic situation.

The discount rates and perpetuity growth rates (beyond the five-year forecasts) applied to the cash flow projections in 2022 and 2021 for the different groups of CGUs are as follows:

	December 31, 2022		
	Growth rate to perpetuity	Post-tax discount rate	Pre-tax discount rate
Air Distribution	1.5%	7.9%	10.0%
Air IT Solutions	2.5%	8.1%	9.9%
Hospitality & Other Solutions	2.5%	8.3%	10.4%

	December 31, 2021		
	Growth rate to perpetuity	Post-tax discount rate	Pre-tax discount rate
Air Distribution	1.5%	7.3%	9.2%
Air IT Solutions	2.5%	7.7%	9.3%
Hospitality & Other Solutions	2.5%	8.0%	9.8%

According to this analysis of the value in use of assets assigned to the groups of CGUs of the Group, there is no evidence of impairment.

Management believes that any reasonable deterioration of the key assumptions considered, which are the basis to calculate the value in use, would not result in the recoverable amount being lower than the respective unit's carrying amount for any of the groups of CGUs at which level goodwill is monitored.

In addition to the test for the groups of CGUs disclosed above, the Group has carried out specific impairment test for individual intangible assets. The Group has recognized the following impairment losses in the consolidated statement of comprehensive income:

- €27.3 million (€31.1 million, 2021), related to specific developments and implementation efforts carried out for customers that have either cancelled contracts, suspended or ceased operations and investments related to new solutions or technology which did not or will not deliver the expected benefits. From the total impairment expense for the year ended on December 31, 2022, €17.5 million corresponds to the Air Distribution segment, €1.6 million to the Air IT Solutions and €8.2 million to corporate projects (€31.0 million to the Air IT Solutions segment and €0.1 million to the Hospitality & Others segment, respectively in 2021).
- €9.5 million (€5.6 million, 2021), related to customer relationships in the Air Distribution segment, which have been impaired, due to lower expected economic benefits on some of them. As at December 31, 2021, the impairment amounted to €0.2 million in the Air Distribution segment and €5.4 million in the Air IT Solutions segment.

Notes (millions of euros)

10. PROPERTY, PLANT AND EQUIPMENT

The reconciliation of the carrying amounts for the years ended December 31, 2022 and 2021, of the items included under the caption 'Property, plant and equipment' caption is set forth in the table below:

Gross Value	Land & buildings	Data processing hardware & software	Other property, plant and equipment	Total
December 31, 2020	284.3	795.5	110.2	1,190.0
Additions	17.7	29.7	3.8	51.2
Retirements and disposals	(21.0)	(36.2)	(8.7)	(65.9)
Changes in consolidation perimeter	–	4.2	1.7	5.9
Transfers	0.1	11.8	2.0	13.9
Exchange rate adjustments	2.9	7.4	1.3	11.6
December 31, 2021	284.0	812.4	110.3	1,206.7
Additions	6.5	31.1	2.0	39.6
Retirements and disposals	(9.7)	(42.6)	(7.3)	(59.6)
Changes in consolidation perimeter	–	0.1	–	0.1
Transfers	(0.6)	13.2	1.3	13.9
Exchange rate adjustments	(0.2)	2.2	0.2	2.2
December 31, 2022	280.0	816.4	106.5	1,202.9

Accumulated depreciation and Impairment	Land & buildings	Data processing hardware & software	Other property, plant and equipment	Total
December 31, 2020	(167.0)	(609.2)	(66.1)	(842.3)
Depreciation charge	(19.9)	(86.3)	(12.6)	(118.8)
Retirements and disposals	18.9	35.1	7.4	61.4
Changes in consolidation perimeter	–	(4.1)	(1.7)	(5.8)
Transfers	–	(14.2)	–	(14.2)
Exchange rate adjustments	(1.7)	(5.6)	(0.8)	(8.1)
December 31, 2021	(169.7)	(684.3)	(73.8)	(927.8)
Depreciation charge	(17.8)	(66.6)	(11.4)	(95.8)
Retirements and disposals	8.5	42.4	6.7	57.6
Transfers	0.1	(13.9)	(0.1)	(13.9)
Exchange rate adjustments	(0.1)	(1.7)	(0.3)	(2.1)
December 31, 2022	(179.0)	(724.1)	(78.9)	(982.0)
Carrying amount at December 31, 2021	114.3	128.1	36.5	278.9
Carrying amount at December 31, 2022	101.0	92.3	27.6	220.9

Additions to the 'Data processing hardware & software' caption mainly relate to the items acquired for the data processing center in Germany, France and India amounting to €17.0 million (€12.9 million in Germany, 2021).

The retirements and disposal mainly correspond to fully amortized asset that are no longer to use.

The amount of expenditure in assets under construction recognized in the carrying amount of property, plant and equipment for the year ended December 31, 2022, is €4.8 million (€3.3 million, 2021).

Notes (millions of euros)

11. LEASES

The reconciliation of the carrying amounts for the years ended December 31, 2022 and 2021, of the items included under the caption of 'Right of use assets' is set forth in the table below:

	Land & buildings	Data processing hardware & software	Other property, plant and equipment	Total
Carrying amount as of December 31, 2020	226.5	15.7	0.2	242.4
Additions	57.3	2.5	1.5	61.3
Depreciation charge	(40.1)	(9.9)	(0.2)	(50.2)
Space reductions and early terminations	(25.0)	–	–	(25.0)
Exchange rate adjustments	6.2	0.2	–	6.4
Carrying amount as of December 31, 2021	224.9	8.5	1.5	234.9
Additions	14.7	11.5	–	26.2
Depreciation charge	(33.5)	(7.5)	(0.4)	(41.4)
Space reductions and early terminations	(7.5)	–	–	(7.5)
Exchange rate adjustments	(0.4)	0.2	–	(0.2)
Carrying amount as of December 31, 2022	198.2	12.7	1.1	212.0

Additions to 'Land & buildings' for the year ended December 31, 2022, mainly relate to the new contracts signed for office buildings in Germany, United Arab Emirates, Bulgaria and Colombia (additions in 2021 corresponded to office buildings in Singapore and France).

Lease liabilities are detailed in note 18 and interest expenses on them are disclosed in note 25.

As at December 31, 2022 and 2021, there are no significant commitments for leases.

The total cash outflow for leases for the year ended December 31, 2022 amounts to €49.8 million (€57.5 million in 2021).

Notes (millions of euros)

12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The reconciliation of the carrying amount for the years ended December 31, 2022 and 2021, of the items included under the 'Investments accounted for using the equity method' caption is set forth in the table below:

	Investments accounted for using the equity method
Carrying amount as of December 31, 2020	16.2
Share in profit / (loss) of associates and joint ventures accounted for using the equity method	(5.7)
Additions	2.3
Retirement due to control acquisition	(4.1)
Distribution of dividends	(0.4)
Exchange rate adjustments	(0.3)
Other	(0.2)
Carrying amount as of December 31, 2021	7.8
Share in profit / (loss) of associates and joint ventures accounted for using the equity method	(1.8)
Additions	1.0
Distribution of dividends	(0.7)
Exchange rate adjustments	0.1
Carrying amount as of December 31, 2022	6.4

'Share in profit/(loss) of associates and joint ventures accounted for using the equity method' has additionally been impacted by a €1.1 million loss, arising from a reclassification of accumulated exchange differences on translation of foreign operations to the profit and loss account following the liquidation of associates during 2022.

The entities consolidated by the Group under the equity method are not quoted in any organized stock market.

The 'Share in profit/(loss) of associates and joint ventures accounted for using the equity method' caption for the year ended December 31, 2022 and 2021 is presented net of taxes at the respective shareholder level.

The financial information of the Group's associates and joint ventures is set forth in the table below:

	December 31, 2022	December 31, 2021
Total assets	49.3	40.3
Total liabilities	41.5	25.6
Net assets	7.8	14.7
Investments accounted for using the equity method	6.4	7.8
Total revenue	45.5	31.5
Profit / (loss) for the year	(9.3)	(5.9)
Share in profit/(loss) of associates and joint ventures accounted for using the equity method	(1.8)	(5.7)

Notes (millions of euros)

13. FINANCIAL ASSETS AND LIABILITIES AND FAIR VALUE MEASUREMENTS

The Group's classification of financial assets and liabilities as of December 31, 2022, is set forth in the table below:

	Note	Amortized cost	FVOCI	Hedging derivatives (OCI)	FVPL	Total
Other non-current financial assets		90.5	11.0	–	–	101.5
Non-current derivative financial assets	22	–	–	1.7	–	1.7
Total non-current financial assets		90.5	11.0	1.7	–	103.2
Trade accounts receivable		597.0	–	–	–	597.0
Other current financial assets		560.0		–		560.0
Current derivative financial assets	22	–	–	28.0	35.5	63.5
Cash and cash equivalents	26	1,434.8	–	–	–	1,434.8
Total current financial assets		2,591.8	–	28.0	35.5	2,655.3
Non-current debt	18 and 26	3,086.4	–	–	–	3,086.4
Non-current derivative financial liabilities	22 and 26	–	–	10.6	–	10.6
Other non-current financial liabilities		3.5	–	–	20.4	23.9
Total non-current financial liabilities		3,089.9	–	10.6	20.4	3,120.9
Current debt	18 and 26	1,324.8	–	–	–	1,324.8
Other current financial liabilities		0.5	–	–	0.7	1.2
Dividend payable	17	0.3	–	–	–	0.3
Current derivative financial liabilities	22 and 26	–	–	57.2	0.1	57.3
Trade accounts payable		876.6	–	–	–	876.6
Total current financial liabilities		2,202.2	–	57.2	0.8	2,260.2

'Other current financial assets' caption mainly includes short-term investments in which the Group has invested part of the liquidity raised through the several financings amounting to €534.4 million, which are included in the net financial debt calculation (note 5). Under amortized cost, the Group includes the repo backed Note and the Term Liquidity Fund disclosed in note 13.1 below.

Notes (millions of euros)

The Group's classification of financial assets and liabilities as of December 31, 2021, is set forth in the table below:

	Note	Amortized cost	FVOCI	Hedging derivatives (OCI)	FVPL	Total
Other non-current financial assets		82.7	8.7	–	–	91.4
Non-current derivative financial assets	22	–	–	1.6	–	1.6
Total non-current financial assets		82.7	8.7	1.6	–	93.0
Trade accounts receivable		441.9	–	–	–	441.9
Other current financial assets		514.4		–	180.0	694.4
Current derivative financial assets	22	–	–	8.0	0.2	8.2
Cash and cash equivalents	26	1,127.7	–	–	–	1,127.7
Total current financial assets		2,084.0	–	8.0	180.2	2,272.2
Non-current debt	18 and 26	4,344.5	–	–	–	4,344.5
Non-current derivative financial liabilities	22 and 26	–	–	11.8	–	11.8
Other non-current financial liabilities		1.0	–	–	13.2	14.2
Total non-current financial liabilities		4,345.5	–	11.8	13.2	4,370.5
Current debt	18 and 26	635.4	–	–	–	635.4
Other current financial liabilities		11.6	–	–	–	11.6
Dividend payable	17	0.3	–	–	–	0.3
Current derivative financial liabilities	22 and 26	–	–	6.7	4.6	11.3
Trade accounts payable		734.5	–	–	–	734.5
Total current financial liabilities		1,381.8	–	6.7	4.6	1,393.1

'Other current financial assets' caption mainly includes short-term investments in which the Group has invested part of the liquidity raised through the several financings amounting to €683.2 million, which are included in the net financial debt calculation (note 5). Under amortized cost, the Group includes the repo backed Note and the Term Liquidity Fund, and under FVPL the Credit Suisse Short term Fund 'FI', the Morgan Stanley Short Maturity Euro Bond fund, and the Credit Mutuel Asset Management (CM-AM) Institutional Short term disclosed in note 13.1 below.

The Group's non-derivative financial liabilities (except for current and non-current debt disclosed in note 18) by maturity as of December 31, 2022, is set forth in the table below:

		Current	Non-current				
	December 31, 2022	2023	2024	2025	2026	2027 and beyond	Total non-current
Other non-current financial liabilities	23.9	–	12.9	11.0	–	–	23.9
Other current financial liabilities	1.2	1.2	–	–	–	–	–
Dividend payable	0.3	0.3	–	–	–	–	–
Trade accounts payable	876.6	876.6	–	–	–	–	–
Total other financial liabilities	902.0	878.1	12.9	11.0	–	–	23.9

Notes (millions of euros)

The Group's non-derivative financial liabilities (except for current and non-current debt disclosed in note 18) by maturity as of December 31, 2021, is set forth in the table below:

		Current	Non-current				
	December 31, 2021	2022	2023	2024	2025	2026 and beyond	Total non-current
Other non-current financial liabilities	14.2	–	1.0	13.2	–	–	14.2
Other current financial liabilities	11.6	11.6	–	–	–	–	–
Dividend payable	0.3	0.3	–	–	–	–	–
Trade accounts payable	734.5	734.5	–	–	–	–	–
Total other financial liabilities	760.6	746.4	1.0	13.2	–	–	14.2

The tables above show the discounted amounts for financial liabilities. The undiscounted amounts do not differ significantly.

13.1 Fair value measurements disclosures

The assets and liabilities that are measured at fair value on a recurring or non-recurring basis in the consolidated statement of financial position are set forth in the table below. These fair value measurements are categorized into different levels of fair value hierarchy based on the inputs to valuation techniques used.

		December 31, 2022		December 31, 2021	
	Note	Level 2	Level 3	Level 2	Level 3
Other non-current financial assets		–	11.0	–	8.7
Non-current derivative financial assets cash-flow hedge	22	1.7	–	1.6	–
Current derivative financial assets	22	63.5	–	8.2	–
Non-current derivative financial liabilities cash-flow hedge	22	10.6	–	11.8	–
Current derivative financial liabilities	22	57.3	–	11.3	–
Current financial assets at fair value		–	–	180.0	–
Contingent consideration at fair value		–	21.1	–	13.2

The derivatives relate to foreign currency forwards and options.

The fair values of financial assets or liabilities traded on active liquid markets are measured according to the prices quoted in those markets. If the market for a financial asset is not active or no market price is available, fair values are determined in accordance with generally accepted pricing valuation techniques, which include discounted cash flows, standard valuation models based on market parameters, dealer quotes and use of comparable arm's length transactions.

The Group's foreign currency forward contracts are measured using quoted forward exchange rates. As such, the financial assets or liabilities in our consolidated statement of financial position resulting from these derivative financial instruments that are measured at fair value, would fall within the level 2 category of the fair value hierarchy. Fair values reflect the credit risk of the instrument and include adjustments to take into account the credit risk of the Group entity and counterparty when appropriate.

There were no transfers between levels of fair value hierarchy during the years ended December 31, 2022, and 2021.

The 'Contingent consideration at fair value' is determined considering the expected payment using probability weighted average of pay-outs associated with each possible scenario. This method requires considering the range of possible outcomes, the pay-out associated with each possible outcome and the probability of each outcome arising.

Notes (millions of euros)

As of December 31, 2021, the caption 'Current financial assets at fair value' under level 2 includes an amount of €75.0 million that corresponds to Credit Suisse Short term Fund 'FI' subscribed in March 2021, that invest mainly in corporate bonds with average rating of A. There is also an additional amount of €75.0 million that corresponds to Morgan Stanley Short Maturity Euro Bond fund, subscribed in April 2021, investing in bonds from Treasuries, Government related and Corporates. In addition, there is an amount of €30.0 million of a Credit Mutuel Asset Management (CM-AM) Institutional Short term subscribed in July 2021, investing in corporate bonds as well.

The caption 'Contingent consideration at fair value' under Level 3 includes an amount of USD 10.0 million (€9.4 million) as of December 31, 2022, corresponding to the estimated contingent consideration in the acquisition of Optym's Sky business. According to last projections available, the variable consideration has been reduced in 2022 (USD 15.0 million (€13.2 million) as at December 31, 2021). This variable consideration depends on the revenues upon the execution of qualified new licenses until the end of year 2024. It also includes the estimated contingent consideration in the acquisition of Kambr during this year amounting to USD 11.7 million (€11.0 million) under 'Other non-current financial liabilities' and USD 0.7 million (€0.7 million) under 'Other current financial liabilities'. This variable consideration depends on the future revenues of the business in 2023 and 2025.

The caption 'Other non-current financial assets' under level 3 comprises interests in certain unlisted non-controlled companies.

The Group estimates that the carrying amount of its financial assets and liabilities is a reasonable approximation of their fair value as of December 31, 2022, and 2021, except for the following financial liabilities:

	December 31, 2022			December 31, 2021		
	Carrying amount	Fair Value	% of face value	Carrying amount	Fair Value	% of face value
Bonds	3,959.9	3,916.3	98.9%	4,459.9	4,869.5	109.2%
European Investment Bank	200.0	168.6	84.3%	215.0	211.3	98.3%

The fair value measurement of the bonds and the European Investment Bank unsecured senior loan are categorized within the level 1 and level 2 in the fair value hierarchy, respectively.

13.2 Expected credit losses allowance, derecognition of financial assets and cancellation reserve

The expected credit losses provision is presented as a reduction of the 'Trade account receivables' caption.

The reconciliation of the ECL provision for the year 2022 and 2021 is the following:

	December 31, 2022	December 31, 2021
Carrying amount at the beginning of the year	179.0	174.2
Additional expected credit losses	40.7	39.8
Write-offs	(2.0)	(12.3)
Unused reversed amounts	(33.2)	(22.7)
Carrying amount at the end of the year	184.5	179.0

Notes (millions of euros)

As of December 31, 2022, the breakdown of the carrying amount and ECL provision of 'Trade account receivables' is set forth in the table below:

	December 31, 2022					
Trade account receivables	Not due	Due up to 3 months	Due 3 to 6 months	Due 6 to 12 months	Due more than 12 months	Total
No risk customers	344.0	–	–	–	–	344.0
High risk customers (fully provisioned)	3.5	2.0	3.5	10.0	100.5	119.5
Rest of customers	144.6	77.7	23.5	33.8	38.4	318.0
Total gross	492.1	79.7	27.0	43.8	138.9	781.5
High risk customers provision	(3.5)	(2.0)	(3.5)	(10.0)	(100.5)	(119.5)
Provision (rest of customers)	(0.8)	(2.8)	(6.1)	(16.9)	(38.4)	(65.0)
Total provisions	(4.3)	(4.8)	(9.6)	(26.9)	(138.9)	(184.5)
Total net balance	487.8	74.9	17.4	16.9	–	597.0

As of December 31, 2021, the breakdown of the carrying amount and ECL provision of 'Trade account receivables' is set forth in the table below:

	December 31, 2021					
Trade account receivables	Not due	Due up to 3 months	Due 3 to 6 months	Due 6 to 12 months	Due more than 12 months	Total
No risk customers	258.5	–	–	–	–	258.5
High risk customers (fully provisioned)	5.6	10.5	3.3	13.5	87.9	120.8
Rest of customers	100.0	60.0	18.6	26.8	36.2	241.6
Total gross	364.1	70.5	21.9	40.3	124.1	620.9
High risk customers provision	(5.6)	(10.5)	(3.3)	(13.5)	(87.9)	(120.8)
Provision (rest of customers)	(1.5)	(3.0)	(4.1)	(13.4)	(36.2)	(58.2)
Total provisions	(7.1)	(13.5)	(7.4)	(26.9)	(124.1)	(179.0)
Total net balance	357.0	57.0	14.5	13.4	–	441.9

Accounts receivable are recorded net of a cancellation reserve, and accounts payable are recorded net of the reduction in distribution costs derived from cancellations €42.2 million as of December 31, 2022 (€36.9 million in 2021) and €20.5 million (€16.1 million, 2021) respectively.

13.3 Trade payables Directive

Pursuant to the Spanish legislation in force, the disclosures related to the Directive on trade payables as of December 31, 2022 and 2021, for the Spanish subsidiaries is set forth in the table below:

	December 31, 2022	December 31, 2021
	Days	Days
Average payment term to trade payables	25	44
Ratio of operations paid	24	46
Ratio of outstanding payments	29	27
	Millions of euros	Millions of euros
Total payments	900.5	436.2
Total outstanding payments	31.0	29.0

The monetary volume of paid invoices and its percentage of the total payments in a period less than the maximum established in the defaulting regulations during the years 2022 and 2021, is as follows:

	December 31, 2022		December 31, 2021	
	Millions of euros	Percentage	Millions of euros	Percentage
Less than or equal to 45 days	854.4	95 %	369.6	85 %
Greater than 45 days	46.1	5 %	66.6	15 %
Total	900.5	100%	436.2	100%

The number of paid invoices and its percentage of total payments in a period lower than the maximum established in the defaulting regulations during fiscal years 2022 and 2021, is as follows:

	December 31, 2022		December 31, 2021	
	Amount of paid invoices	Percentage	Amount of paid invoices	Percentage
Less than or equal to 45 days	15,876.0	90 %	13,551.0	85 %
Greater than 45 days	1,763	10 %	2,385	15 %
Total	17,639.0	100%	15,936	100%

Trade operations with suppliers of goods and services received since the initial date of the Law 31/2014, December 3, have been taken into consideration to calculate the average payment term to trade payables.

The trade payables considered as accounts payable eligible to be disclosed in the consolidated financial statements are those which by nature are trade payables with suppliers of goods and services and, therefore, are included under the 'Trade payables' caption for Spanish entities in the current liabilities in the consolidated statement of financial position.

14. REVENUE

14.1 Disaggregation of revenue from contracts with customers

All the revenues booked by the Group under the 'Revenue' caption derive from contracts with customers. The Group obtains revenue from the rendering of services over time in the markets and segments as disclosed in note 7.

Notes (millions of euros)

A disaggregation of revenue is as follows:

	December 31, 2022	December 31, 2021
Revenue provided through platforms and software	4,254.4	2,498.0
Revenue from professional services and other revenue	231.5	172.0
Revenue	4,485.9	2,670.0

14.2 Contract liabilities

The breakdown of the contract liabilities for the years ended December 31, 2022 and 2021, is set forth in the table below:

	Non-current contract liabilities	Current contract liabilities	Total
Carrying amount as of December 31, 2020	249.6	170.9	420.5
Additions	46.4	358.2	404.6
Revenue recognized in the period	—	(392.2)	(392.2)
Transfers	(60.0)	60.0	—
Exchange rate adjustments	1.3	9.8	11.1
Carrying amount as of December 31, 2021	237.3	206.7	444.0
Additions	43.0	409.5	452.5
Changes in consolidation perimeter	—	0.2	0.2
Revenue recognized in the period	—	(447.0)	(447.0)
Transfers	(52.9)	52.9	—
Exchange rate adjustments	1.1	9.0	10.1
Carrying amount as of December 31, 2022	228.5	231.3	459.8

Contract liabilities include the portion of the cash received from customers for which the Group has not rendered the services yet as at the end of the reporting period. The Group receives cash from customers mainly in relation to implementation services of the Altéa IT solution. The implementation is not a separate performance obligation and therefore, the consideration received is recognized as revenue over the term of the contract. The Group starts the recognition of revenues when the migration of the customer has been completed (cut-over date).

15. OTHER ASSETS AND LIABILITIES

15.1 Other assets and liabilities

The breakdown of other assets as of December 31, 2022 and 2021, is set forth in the table below:

	December 31, 2022	December 31, 2021
Taxes receivable – non income tax (note 23)	143.3	126.5
Other	66.3	43.6
Other non-current assets	209.6	170.1
Prepaid expenses	246.3	195.2
Taxes receivable – non income tax (note 23)	74.3	61.9
Other	13.8	9.4
Other current assets	334.4	266.5
Total other assets	544.0	436.6

Notes (millions of euros)

'Prepaid expenses' mainly relate to advances to travel agencies and to maintenance contracts, mostly for hardware and software and to other services billed in advance by the provider.

'Taxes receivable – non income tax' includes VAT receivables and withholding tax receivables (as detailed in note 23).

The breakdown of other liabilities as of December 31, 2022 and 2021, is set forth in the table below:

	December 31, 2022	December 31, 2021
Defined benefit plan liabilities	61.8	92.3
Other non-current liabilities	41.6	43.4
Total other non-current liabilities	103.4	135.7
Taxes payable – non income tax (note 23)	27.0	33.0
Other public institutions payable	68.7	69.2
Employee related accrual and others	279.9	268.2
Total other current liabilities	375.6	370.4
Total other liabilities	479.0	506.1

'Taxes payable - non income tax' include VAT payables and other taxes payables (as detailed in note 23).

'Other public institutions payable' include mainly social costs payable.

'Employee related accrual and others' include amounts payable to the Group's employees, mainly for variable remuneration and accruals for holidays.

15.2 Pension and post-retirement benefits

Certain Group companies operate defined benefit plans. Depending on the country, these plans are offered on a voluntary basis or are mandatory as a result of the respective legal or Collective Agreement requirements. The benefits mainly consist of a life-long annuity or a lump sum payable at retirement, death, disability or early retirement when certain conditions are met. Some of the plans provide death and retirement benefits to spouses subject to member contributions at higher rates. The Group provides for post-retirement medical plan and post-retirement life insurance benefits to a group of beneficiaries in the U.S.A. Most of the obligations under defined benefit plans are voluntary based and operate on a funded basis, with plan assets covering the obligations whilst mandatory plans are generally unfunded and provisioned in the accounting books.

The amounts related to defined benefit plans recognized in the consolidated statement of financial position as of December 31, 2022 and 2021, are set forth in the table below:

	December 31, 2022	December 31, 2021
Present value of Funded Defined Benefit Obligation	89.2	122.9
Fair value of plan assets	(85.0)	(105.4)
Funded Status	4.2	17.5
Present value of Unfunded Defined Benefit Obligation	57.6	74.8
Net liability in the consolidated statement of financial position	61.8	92.3

The Group recognizes in equity all actuarial gains and losses in the period in which they occur. As a result, in 2022, actuarial gains of €23.4 million (pre-tax €32.8 million) were recognized through the consolidated statement of comprehensive income. In 2021 actuarial gains of €4.7 million (pre-tax €6.2 million) were recognized in the consolidated statement of comprehensive income. See details in note 17.

Notes (millions of euros)

The defined benefit plan amounts recognized in the consolidated statement of comprehensive income at December 31, 2022 and 2021, are set forth in the table below:

	December 31, 2022	December 31, 2021
Service cost	7.0	8.5
Net interest on the net defined benefit liability (note 25)	1.6	1.5
Immediate recognition of gain (loss) arising during the year	–	(0.2)
Administration expenses	0.6	0.6
Total charge recognized in profit or loss	9.2	10.4
(Gain) / loss due to demographic assumptions	–	0.8
(Gain) / loss due to financial assumptions	(60.9)	(10.4)
(Gain) / loss due to experience	2.4	11.3
Assets (gain) / loss on plan assets	25.7	(7.9)
Total re-measurements recognized in other comprehensive income	(32.8)	(6.2)
Total	(23.6)	4.2

As of December 31, 2022, and 2021, balances and movements of the items included under defined benefit plan liability are set forth in the table below:

	December 31, 2022	December 31, 2021
Carrying amount at the beginning of the year	92.3	94.3
Employer contributions	(7.8)	(7.8)
Total charge recognized in profit and loss	9.2	10.4
Total re-measurements recognized in other comprehensive income	(32.8)	(6.2)
Exchange rate (gain) / loss	0.9	1.6
Carrying amount at the end of the year	61.8	92.3

The reconciliation of the present value of the defined benefit obligation is set forth in the table below:

	December 31, 2022	December 31, 2021
Defined benefit obligation at beginning of the year	197.3	184.6
Net current service cost	7.0	8.5
Interest cost	4.4	3.5
Net benefit paid	(6.4)	(8.9)
(Gain) / loss due to demographic assumptions	–	0.8
(Gain) / loss due to financial assumptions	(60.9)	(10.4)
(Gain) / loss due to experience	2.4	11.3
(Gain) / loss due to exchange rate changes	2.8	8.6
Immediate recognition of loss arising during the year	–	(0.7)
Defined benefit obligation at end of the year	146.6	197.3

Notes (millions of euros)

The reconciliation of the fair value of plan assets is set forth in the table below:

	December 31, 2022	December 31, 2021
Fair value of plan assets at beginning of the year	105.4	90.3
Employer contributions	7.8	7.8
Interest income on plan assets	2.7	2.0
Net benefits paid	(6.4)	(8.8)
Administration expenses	(0.6)	(0.6)
Actuarial gain / (loss) on plan assets	(25.7)	7.9
Gain / (loss) due to exchange rate changes	1.8	6.8
Fair value of plan assets at end of the year	85.0	105.4

The best estimate of contributions expected to be paid into the defined benefit plan in the next annual financial year is €7.1 million.

As of December 31, 2022, the weighted average asset allocation per pension plan and by asset category is set forth in the table below:

	France Ret. Indemnity	United Kingdom	U.S.A.	India	Philippines	Navitaire Philippines	Taiwan
Cash and cash equivalents	—	—	1%	—	1%	4%	—
Equity Securities	—	26%	39%	—	3%	39%	—
Debt Securities	—	46%	45%	—	96%	57%	—
Real Estate	—	—	6%	—	—	—	—
Asset held by insurance company	100%	—	—	100%	—	—	—
Other	—	28%	9%	—	—	—	100%
Total	100%	100%	100%	100%	100%	100%	100%

As of December 31, 2021, the weighted average asset allocation per pension plan and by asset category is set forth in the table below:

	France Ret. Indemnity	United Kingdom	U.S.A.	India	Philippines	Navitaire Philippines	Taiwan
Cash and cash equivalents	—	—	1%	—	—	2%	—
Equity Securities	—	35%	41%	—	10%	45%	—
Debt Securities	—	36%	43%	—	90%	53%	—
Real Estate	—	—	6%	—	—	—	—
Asset held by insurance company	100%	—	—	100%	—	—	—
Other	—	29%	9%	—	—	—	100%
Total	100%	100%	100%	100%	100%	100%	100%

The nature of the benefits provided by the defined benefit plans in the Group varies from pension plans, long service and seniority awards, to gratuity plans, among others. These plans are structured and governed by local legislations (e.g. labor law). There are plans that do not report risks to the Group since are 100% covered by insurance policies, while in others the main risks associated with the plans are fluctuations in the financial and actuarial assumptions (e.g. discount rate, inflation, salary increase, life expectancy, etc.), past experience (in the collective or asset linked to the plans) or legislation evolution.

The principal actuarial assumptions applied in the preparation of the consolidated statement of financial position are set forth in the table below:

Used to determine the defined benefit obligation at end of the year and profit and loss charge for new financial year:	December 31, 2022	December 31, 2021
Discount rate	4.88%	2.23%
Underlying consumer price inflation	2.24%	2.19%
Rate of future compensation increases	4.10%	3.39%
Rate of pension increases	2.49%	2.73%
Used to determine profit and loss charge for the current financial year:		
Discount rate	2.23%	1.78%
Underlying consumer price inflation	2.19%	1.90%
Rate of future compensation increases	3.40%	3.34%
Rate of pension increases	2.73%	2.43%

The above summary is a weighted average based on the defined benefit obligation of each country.

The sensitivity of the overall pension plan liability to changes in the weighted principal assumptions is:

Millions of euros	December 31, 2022		December 31, 2021	
	Increase 25bps	Decrease 25bps	Increase 25bps	Decrease 25bps
Discount rate for Obligations	(4.5)	4.8	(7.4)	7.8
Salary rate	2.1	(1.9)	3.2	(3.0)

The expense for defined contribution plans amounted to €53.9 million for the year ended December 31, 2022 (€51.6 million, 2021).

16. BUSINESS COMBINATIONS

16.1 Business combinations during the current year

The main impacts of business combinations on the consolidated statement of financial position as of December 31, 2022, are set forth in the table below:

	Millions of euros
Cash paid for current transactions (subsidiaries)	13.4
Contingent consideration at fair value	10.5
Consideration transferred	23.9
Recognized amounts of identifiable assets acquired and liabilities assumed	4.5
Net excess purchase price from currents transactions (note 8)	28.4

The reconciliation between the cash paid for current acquisitions and the net cash invested in subsidiaries and associates as of December 31, 2022, is set forth in the table below:

	Millions of euros
Cash paid for current transactions (subsidiaries)	13.4
Cash acquired as a result of current acquisition of subsidiaries	(0.1)
Cash paid for current transactions (associates)	1.0
Other cash inflows	(0.2)
Net cash invested in subsidiaries and associates	14.1

On March 28, 2022, after receiving all the necessary regulatory approvals, the Group has acquired 100% of the voting rights and ownership of Kambr, Inc. and its group of companies ("Kambr"). Since that date, the Group is fully consolidating. It is headquartered in U.S.A. and has a subsidiary in the Netherlands (Kambr Netherlands, BV). Kambr is specialized in providing revenue management solutions for airlines.

The total acquisition-related costs as at December 31, 2022, amounting to €0.5 million are recognized as an expense under the 'Other operating expenses' caption of the consolidated statement of comprehensive income, and are part of cash flows from operating activities in the consolidated statement of cash flows.

The amount of Revenue and Profit / (loss) net of taxes that the business combination has contributed to the Group since acquisition, and that is included in the consolidated statement of comprehensive income for the year ended December 31, 2022, is set forth in the table below:

	Kambr
Revenue	2.7
Profit / (losses) net of taxes	(3.4)

If the business combination had been consolidated as of January 1, 2022, the pro-forma Group's consolidated statement of comprehensive income for the reporting period would show additional Revenue and Profit / (losses) net of taxes for the period as set forth in the table below:

	Amadeus Pro-forma	Kambr
Revenue	4,468.8	0.9
Profit / (losses) net of taxes	662.3	(1.9)

These amounts are calculated without adjusting the results to reflect additional depreciation and amortization that would have been charged assuming a fair value adjustment to intangible assets and other homogenization adjustments, interest expense for debt levels of the Group after the business combination and any related tax effects.

The Group is internally performing the process of determining the fair value, at the acquisition date, of identifiable assets acquired and the liabilities assumed.

The Group does not expect that the goodwill will be deductible for income tax purposes.

The table below sets forth the assets acquired and the liabilities assumed recognized at the acquisition date.

	Kambr		
	Carrying amounts at acquisition date	Fair Value adjustments to purchase value	Fair value of net assets acquired
Intangible assets	–	8.0	8.0
Property, plant and equipment	0.1	–	0.1
Deferred tax assets	–	2.4	2.4
Total non-current assets	0.1	10.4	10.5
Trade account receivables	0.7	–	0.7
Other current assets	0.1	–	0.1
Cash and cash equivalents	0.1	–	0.1
Total current assets	0.9	–	0.9
Non-current debt	1.5	–	1.5
Deferred tax liabilities	–	2.0	2.0
Total non-current liabilities	1.5	2.0	3.5
Trade account payables	1.9	–	1.9
Current contract liabilities	0.2	–	0.2
Other current liabilities	1.9	–	1.9
Total current liabilities	4.0	–	4.0
Net identifiable assets acquired and liabilities assumed	(4.5)	8.4	3.9
Consideration transferred	23.9		23.9
Goodwill			20.0

The fair value of trade account receivables acquired was estimated as set forth in the table below:

	Millions of euros
Gross carrying amount	0.7
Allowance for doubtful accounts	–
Fair value of receivables	0.7

The intangible assets identified in the acquisition of Kambr are basically customer relationships and technology. The residual goodwill amounts to €20.0 million and is associated with the future cash flows attributable to yet undeveloped intangible assets such as future technology, future customer relationships, Amadeus specific synergies and the assembled workforce.

16.2 Business combinations during the previous year

In December 2020, the Company's management committed to a plan to sell part of its shares in Amadeus Travel IMS, S.L. that would involve a loss of control of the subsidiary. The assets and liabilities of the disposal group were classified as held for sale at the lower of its carrying amount and fair value less cost to sell as at December 31, 2020.

On April 30, 2021, the Group sold a 55% ownership of Amadeus Travel IMS, S.L. through Amadeus IT Group, S.A. Consequently, the assets and liabilities of this subsidiary, classified as held for sale as at December 31, 2020, were derecognized linked to the loss of control. The Group held previously a 95% interest and therefore the 5% non-controlling interest has also been derecognized.

As a result, no significant impacts were recorded in the consolidated statement of comprehensive income for the year ended December 31, 2021.

Notes (millions of euros)

As of May 1, 2021, the Group recorded the remaining 40% ownership of Amadeus Travel IMS, S.L., at its fair value and started consolidated the entity under the equity method going forward.

17. EQUITY

17.1 Share Capital

As of December 31, 2022 the Company's share capital amounts to €4.5 million (€4.5 million as of December 31, 2021) as represented by 450,499,205 ordinary shares (450,499,205 ordinary shares as of December 31, 2021) with a nominal value of €0.01 per share, all of them of one single class; totally subscribed and paid.

The Company's shares are traded on the Spanish electronic trading system ('Continuous Market') on the four Spanish Stock Exchanges (Madrid, Barcelona, Bilbao and Valencia). The Company's shares form part of the Ibex 35 index [AMS].

As of December 31, 2022, and 2021, the Company's shares are distributed as follow:

	December 31, 2022		December 31, 2021	
Shareholder	Shares	Voting rights	Shares	Voting rights
Free float (1)	449,927,164	99.87%	449,788,963	99.84%
Treasury shares (2)	475,397	0.11%	613,597	0.14%
Board of Directors (3)	96,644	0.02%	96,645	0.02%
Total	450,499,205	100.00%	450,499,205	100.00%

(1) Includes shareholders with significant equity stake on December 31, 2022 and 2021, reported to the National Commission of the Stock Exchange Market (CNMV).
(2) Voting rights remain ineffective given they are treasury shares.
(3) It does not include voting rights that could be acquired through financial instruments.

17.2. Additional paid-in capital

The changes in the balance of the 'Additional paid in capital' caption include the recognition and settlement of the share-based payments considered as equity-settled (note 21). The fair value of the amounts received during year ended December 31, 2022, as consideration for the equity instruments granted, amounts to €16.6 million (€20.7 million, 2021) offset by the settlement of the Performance Share Plan, Restricted Share Plan and Share Match Plan cycles by €12.3 million (€13.6 million, 2021).

17.3 Dividends distribution

The Company's dividend policy goal is to pay-out up to a range of 40% to 50% of the consolidated net profit for the year (excluding extraordinary impacts). The amount of dividends the Company decides to pay, if any, and the future dividend policy will however depend on a few factors, including earnings, financial conditions, debt service obligations, cash requirements, prospects or market conditions. The amount of dividends to pay, is proposed by the Board of Directors and approved by the shareholders at General Shareholders' Meeting.

During 2021 and 2022, the Company has not distributed any dividends.

17.4 Treasury Shares

Balances and movements during the years 2022 and 2021, are as follows:

	Treasury Shares	Millions of euros
Carrying amount as of December 31, 2020	231,196	9.5
Acquisitions	640,000	36.9
Retirements	(257,599)	(12.9)
Carrying amount as of December 31, 2021	613,597	33.5
Acquisitions	65,000	3.8
Retirements	(203,200)	(12.0)
Carrying amount as of December 31, 2022	475,397	25.3

On May 6, 2022, the wholly owned subsidiary Amadeus S.A.S., carried out a share buy-back program for a maximum amount of €4.5 million, and up to a maximum of 65,000 shares, representing 0.014% of the share capital, to meet obligations related to the share-based remuneration plans with employees and senior management of Amadeus S.A.S. (and its wholly owned subsidiary Amadeus Software Labs India Private Limited) for the year 2022. Amadeus S.A.S. reached the maximum investment under this Program with the purchase of 65,000 shares on May 12, 2022.

On May 7, 2021, the Board of Directors of Amadeus agreed a shared repurchase program for a maximum investment of €44.0 million or 550,000 shares, representing 0.12% of the share capital of the Company, to meet the obligations related to the allocation of shares to employees, senior management and CEO of the Amadeus Group for the years 2021 and 2022.

The maximum investment under this program amounting to 550,000 shares was reached on July 26, 2021 by the Company.

On June 15, 2021, the wholly owned subsidiary Amadeus S.A.S., carried out a share buy-back program for a maximum amount of €7.2 million, and up to a maximum of 90,000 shares, representing 0.019% of the share capital, to meet obligations related to the share-based remuneration plans with employees and senior Management of Amadeus S.A.S. (and its wholly owned subsidiary Amadeus Software Labs India Private Limited) for the year 2021. Amadeus S.A.S. reached the maximum investment under this Program with the purchase of 90,000 shares on December 31, 2021.

During the year 2022, the Group has settled employee share-based plans and has transferred 203,200 shares (257,351 shares, 2021) to employees, and has delivered no shares (248 shares, 2021) to the former Amadeus IT Group, S.A. minority shareholders in relation to the exchange ratio established in the merger plan between Amadeus IT Group, S.A. and Amadeus IT Holding, S.A. occurred in 2016.

The historical cost for treasury shares retired (primarily for the settlement of the PSP, RSP and SMP, as detailed in note 21), is deducted from the 'Additional paid-in capital' caption of the consolidated statement of financial position.

Notes (millions of euros)

17.5 Unrealized gains / (losses) reserve

The reconciliation of the carrying amount for the years ended as of December 31, 2022 and 2021, of components of the 'Unrealized gains/(losses) reserve' are set forth in the table below:

	Cash-flow hedges		Actuarial gains and losses	Changes in the fair value of equity investment at FVOCI	Exchange differences on translation of foreign operations	Total
	Exchange rates hedges	Interest rate swaps				
Balance at December 31, 2020	31.7	(0.6)	(37.1)	1.1	(266.9)	(271.8)
Changes in fair value	(25.8)	–	6.2	(0.7)	190.1	169.8
Tax effect of changes in fair value	6.5	–	(1.5)	–	–	5.0
Other changes in equity	–	–	0.2	–	1.4	1.6
Transfers to income and expense	(26.8)	0.9	–	–	–	(25.9)
Tax effect of transfers to income and expense	6.7	(0.3)	–	–	–	6.4
Balance at December 31, 2021	(7.7)	–	(32.2)	0.4	(75.4)	(114.9)
Changes in fair value	(49.6)	–	32.8	1.3	141.3	125.8
Tax effect of changes in fair value	12.4	–	(9.4)	–	–	3.0
Transfers to income and expense	24.6	–	–	–	13.6	38.2
Tax effect of transfers to income and expense	(6.2)	–	–	–	–	(6.2)
Balance at December 31, 2022	(26.5)	–	(8.8)	1.7	79.5	45.9

The 'Cash-flow hedges' corresponds mainly to a reserve used to recognize the changes in fair value, net of taxes, of certain effective hedge instruments held by the Group to cover foreign exchange and interest rate risks, as detailed in note 22.

The 'Actuarial gains and losses' corresponds to a reserve used to recognize all of the actuarial gains and losses for the period of all the Group's defined benefit plans. The actuarial gains and losses comprise mainly the effects of the changes in actuarial assumptions as detailed in note 15.

The 'Exchange differences on translation of foreign operations' corresponds to a reserve used to record the exchange differences arising from the translation of the financial statements of foreign operations, when their functional currency is different from the euro.

17.6 Non-controlling interests

On August 2021, i:FAO AG merged into Amadeus Corporate Business AG after acquiring through a squeeze-out the remaining minority participation in i:FAO AG with an impact of €10.7 million in non-controlling Interests. The merge has been done with retroactive effective date as of January 1, 2021.

Notes (millions of euros)

18. CURRENT AND NON-CURRENT DEBT

The breakdown of carrying amounts of financial debt as of December 31, 2022 and 2021, is set forth in the table below:

	December 31, 2022	December 31, 2021
Bonds	2,709.9	3,959.9
Deferred charges on Bonds	(18.0)	(27.7)
European Investment Bank (EIB)	200.0	200.0
Other deferred financing fees	(0.8)	(1.1)
Accrued interest	21.2	13.3
Other debt with financial institutions	1.4	1.0
Lease liabilities	172.7	199.1
Total non-current debt	3,086.4	4,344.5
Bonds	1,250.0	500.0
European Investment Bank (EIB)	–	15.0
Other deferred financing fees	(0.5)	(0.1)
Accrued interest	29.1	27.5
Other debt with financial institutions	6.0	51.8
Lease liabilities	40.2	41.2
Total current debt	1,324.8	635.4
Total debt	4,411.2	4,979.9

As of December 31, 2022, approximately 81,30% (77.90% in December 31, 2021) of the Groups' outstanding interest-bearing debt is at fixed rate of interest.

18.1. Bonds

The movement of the Group's bond issues for the years ended December 31, 2022 and 2021, is set forth in the table below:

	December 31, 2022		December 31, 2021	
	Current	Non-current	Current	Non-current
Carrying amount at the beginning of the year	500.0	3,959.9	500.0	3,959.9
New issues	–	750.0	–	500.0
Transfers	2,000.0	(2,000.0)	500.0	(500.0)
Repayments	(1,250.0)	–	(500.0)	–
Carrying amount at the end of the year	1,250.0	2,709.9	500.0	3,959.9

Notes (millions of euros)

The breakdown of the bonds as of December 31, 2022 is the following (all of them are issued by the Group):

Bond	Bourse	Issuance date	Maturity date	Amount	Annual coupon	Issue price (of nominal)	Purpose
Euro Medium Term Note Program	Luxembourg	September 18, 2018	September 18, 2023	500.0	0.88%	99.90%	TravelClick acquisition
Euro Medium Term Note Program	Luxembourg	September 18, 2018	September 18, 2026	500.0	1.50%	99.76%	TravelClick acquisition
Euro Senior, Convertible Bonds(*)	Luxembourg	April 9, 2020	April 9, 2025	709.9	1.50%	100.00%	Strengthen of liquidity
Euro Medium Term Note Program	Luxembourg	May 20, 2020	May 20, 2024	500.0	2.50%	99.90%	Strengthen of liquidity
Euro Medium Term Note Program	Luxembourg	May 20, 2020	May 20, 2027	500.0	2.88%	99.89%	Strengthen of liquidity
Euro Medium Term Note Program	Luxembourg	September 24, 2020	September 24, 2028	500.0	1.88%	99.19%	Strengthen of liquidity
Euro Medium Term Note Program	Luxembourg	January 25, 2022	February 2, 2023	500.0	Euribor + 0.60%	100.10%	Strengthen of liquidity
Euro Medium Term Note Program	Luxembourg	April 1, 2022	February 2, 2023	250.0	Euribor + 0.60%	99.90%	Strengthen of liquidity
				3,959.9			

(*) excluding equity component

_ Convertible bonds

On April 9, 2020, the Company completed the issuance of convertible bonds with an issue size of €750.0 million. Each bond has a nominal amount of €100,000 and a coupon of 1.5% per annum payable semi-annually in arrears in equal installments and matures, at par, on April 9, 2025 (unless previously converted, redeemed or purchased and cancelled). The bonds are convertible into shares at the option of the bondholder with an initial conversion price of €54.60.

Convertible bonds are considered as a compound financial instrument and are broken down into two separate components: a financial liability amounting to €709.9 million and an equity portion amounting to €40.1 million (both nominal values) (note 17).

Notes (millions of euros)

_ Eurobonds

On January 25, 2022, the Company has settled an issuance of a Eurobond (Note) admitted to trading on the Luxembourg Stock Exchange for a nominal value of €500.0 million, maturity of two years (January 25, 2024), and an optional redemption for the issuer for the total amount until February 2, 2023, at a floating interest rate 3-month Euribor plus 60 basis points, payable on quarterly basis and an issue price of 100.10% of its nominal value.

On February 18, 2022, the net proceeds of the bond issuance have been used for the payment of the redemption of the €500.0 million outstanding Floating Rate Note issued on February 9, 2021, admitted to trading on the Luxembourg Stock Exchange. It had a maturity of two years (February 9, 2023) and a quarterly interest payment of 3-month Euribor + 0.65%, and an issue price of 100.10% of its nominal value.

On March 18, 2022, the Company has repaid in full an Eurobond issued on September 18, 2018 issued at a 100% of its nominal value amounting to €500.0 million.

On April 1, 2022, the Company has increased in €250.0 million this Floating Note at an issuance price of 99.90% with the same conditions of the Eurobond settled on January 25, 2022. On December 21, 2022, the Company announced the early redemption, in February 2023, of these €750.0 million bonds.

On September 26, 2022, the Company carried out a partial repurchase of the outstanding bonds issued in September 2020 (with maturity in September 2028), for an amount of €250.0 million.

18.2. European Investment Bank (EIB)

The Group has been granted by the European Investment Bank with three unsecured loans in 2012, 2013 and 2020.

EIB loan for 2013 has a repayment schedule every six months, while the loan signed on December 2020, has an annual repayment schedule. In May 2022, the Group paid the last installment on the EIB loan 2013 and in May 2021, the last installment of the EIB loan 2012.

The breakdown of the conditions and reconciliation with the carrying amount as of December 31, 2022, is the following:

					Repayments		
EIB Loan	Grant date	Amount	Repayment starts	Carrying amount	2022	2021	Purpose
EIB Loan 2012	May 24, 2012	200.0	(*)	–	–	(17.5)	R&D activities
EIB Loan 2013	April 29, 2013	150.0	Nov-17	–	(15.0)	(30.0)	R&D activities
EIB Loan 2020	June 20, 2020	200.0	Dec-27	200.0	–	–	R&D activities
				200.0	(15.0)	(47.5)	

(*) The loan is structured in two separates tranches, a first tranche amounting to €150.0 million starting in November 2015, and a second tranche amounting to €50.0 million starting in November 2016.

The cash flows resulting from the loans have been discounted at the market interest rate, determined by reference to the market conditions that existed as the origination date of the loans, and interest rates charged for similar debt instruments. This fair value measurement is categorized within level 2.

Notes (millions of euros)

18.3 Revolving Loan Facility

On April 27, 2018, the Company signed a revolving loan facility for a total amount of €1,000 million with a maximum 7- year maturity. This facility was structured under a 'club deal' with several financial institutions with the National Westminster Bank PLC as agent. This revolving loan facility is used as working capital and for other corporate purposes.

At December 31, 2022 and 2021, there was no amount used from the revolving loan facility.

18.4 Euro-Commercial Paper programme (ECP)

On August 3, 2022, the Company has renewed its program to issue short term debt instruments, registered with the regulated market Euronext Dublin for a maximum nominal amount of €1,500 million.

As of December 31, 2022, The Company has not issued any commercial paper.

18.5. Other debt with financial institutions

This caption mainly includes non-recourse reverse factoring agreements with financial institutions amounting to €2.3 million as of December 31, 2022 (€45.0 million as of December 31, 2021). The average interest rates for these transactions were 0.93% (0.57%, 2021).

18.6 Maturity analysis

The Group's financial debt by maturity as of December 31, 2022, and December 31, 2021, is set in the table below:

		Current	Non-current				
	December 31, 2022	2023	2024	2025	2026	2027 and beyond	Total non-current
Bonds	3,959.9	1,250.0	500.0	709.9	500.0	1,000.0	2,709.9
EIB	200.0	–	–	–	–	200.0	200.0
Accrued interests	50.3	29.0	–	21.3	–	–	21.3
Other debt with financial institutions	7.4	6.0	1.4	–	–	–	1.4
Leases	212.9	40.3	35.3	28.3	21.2	87.8	172.6
Total debt payable	4,430.5	1,325.3	536.7	759.5	521.2	1,287.8	3,105.2
Non-current Deferred financing fees	(18.8)						
Current Deferred financing fees	(0.5)						
Total debt	4,411.2						

		Current	Non-current				
	December 31, 2021	2022	2023	2024	2025	2026 and beyond	Total non-current
Bonds	4,459.9	500.0	1,000.0	500.0	709.9	1,750.0	3,959.9
EIB	215.0	15.0	–	–	–	200.0	200.0
Accrued interests	40.8	27.5	–	–	13.3	–	13.3
Other debt with financial institutions	52.8	51.8	1.0	–	–	–	1.0
Leases	240.3	41.2	36.2	30.2	26.3	106.4	199.1
Total debt payable	5,008.8	635.5	1,037.2	530.2	749.5	2,056.4	4,373.3
Non-current Deferred financing fees	(28.8)						
Current Deferred financing fees	(0.1)						
Total debt	4,979.9						

The tables above show the discounted amounts for financial liabilities. The undiscounted amounts do not differ significantly.

19. PROVISIONS

The reconciliation of the carrying amounts for the years ended December 31, 2022 and 2021, under the 'Non-current provisions' caption is set forth in the table below:

	Millions of euros
Carrying amount at December 31, 2020	18.9
Additions	4.6
Payments	(1.1)
Unused reversed amounts	(3.5)
Exchange rates adjustments	0.1
Carrying amount at December 31, 2021	19.0
Additions	3.6
Payments	(1.8)
Unused reversed amounts	(2.2)
Exchange rates adjustments	1.2
Carrying amount at December 31, 2022	19.8

'Non-current provisions' caption, includes the best estimate of the final compensation for claims and litigations that would be required to settle with third parties, and the provisions to fulfil certain compensating obligations in territories where the Group operates. It also includes other provisions mainly related to the restoration obligations of office buildings where the Group carries out its operations.

The reconciliation of the carrying amounts for the years ended December 31, 2022 and 2021, of 'Current provisions' caption is set in the table below:

	Millions of euros
Carrying amount at December 31, 2020	14.8
Additions	0.2
Payments	(0.3)
Retirements	(6.8)
Unused reversed amounts	(6.2)
Transfers	0.9
Exchange rates adjustments	0.1
Carrying amount at December 31, 2021	2.7
Payments	(0.1)
Unused reversed amounts	(0.8)
Exchange rates adjustments	0.1
Carrying amount at December 31, 2022	1.9

This caption included as of December 31, 2020 a provision of €6.8 million which corresponded to amounts which could become payable to a bank, in accordance with a comfort letter, in connection with loans granted by this bank to Qivive GmbH, an associate company. During 2021, the procedure ended, and the Group released the provision together with a deposit with no significant impact in the consolidated statement of comprehensive income.

20. RELATED PARTIES BALANCES AND TRANSACTIONS

All transactions with related parties are carried out on an arm's length basis. Transactions between the Group and its subsidiaries, which are related parties of the Company, were eliminated in consolidation. Accordingly, they are not disclosed in this note.

The Group considers as key management personnel the members of the Executive Committee and the Internal Audit Director.

As of December 31, 2022, and 2021, there are neither shareholders nor entities with significant influence considered related parties.

'Other related parties' caption includes the transactions between the Group and its associates and joint-ventures.

The Group's transactions and balances with the related parties (in thousands of euros) as of December 31, 2022, are set forth in the tables below:

	December 31, 2022		
Consolidated statement of comprehensive income	Board members and key management	Other related parties	Total
Cost of revenue and other operating expenses	–	44,140	44,140
Personnel and related expenses	11,761	–	11,761
Total expenses	11,761	44,140	55,901
Dividends from associates	–	734	734
Revenue	–	4,167	4,167
Total income	–	4,901	4,901

	December 31, 2022		
Consolidated statement of financial position	Board members and key management	Other related parties	Total
Dividends Receivable - Other current financial assets	–	724	724
Trade accounts receivable	–	3,363	3,363
Trade accounts payable	–	14,370	14,370

The Group's transactions and balances with the related parties (in thousands of euros) as of December 31, 2021, are set forth in the tables below:

	December 31, 2021		
Consolidated statement of comprehensive income	Board members and key management	Other related parties	Total
Cost of revenue and other operating expenses	–	48,582	48,582
Personnel and related expenses	13,304	–	13,304
Total expenses	13,304	48,582	61,886
Dividends from associates	–	384	384
Revenue	–	11,872	11,872
Total income	–	12,256	12,256

	December 31, 2021		
Consolidated statement of financial position	Board members and key management	Other related parties	Total
Dividends Receivable - Other current financial assets	–	390	390
Trade accounts payable	–	13,043	13,043

20.1. Board of Directors

The position of Member of the Board of Directors is remunerated in accordance with the Company's Bylaws. The remuneration consists of a fixed remuneration to be determined by the General Shareholders' Meeting before the relevant financial year ends.

The remuneration to which the Chief Executive Officer (Consejero Delegado) may be entitled despite of his functions as Director, consists of salary (in cash and in kind), yearly and/or multi-annual bonus, subject to the objectives fulfillment, share-based plans and any other compensation under the Directors' Remuneration Policy approved by the General Shareholders' Meeting held on June 17, 2021, for a period of 3 years (2022, 2023 and 2024).

On June 23, 2022 and June 17, 2021, the Ordinary General Shareholders' Meeting agreed a fixed remuneration for said functions, in cash or in kind, for the period from January to December 2022 and 2021, with a limit of €1,595 thousand and €1,653 thousand, respectively, and it vested the Board of Directors with the authority to resolve on how said remuneration was to be distributed among the members of the Board, following article 36 of the Company's Bylaws. The Board of Directors of the Company may agree an unequal remuneration scheme distribution. No loans, advances or stock options have been granted to the members of the Board of Directors.

The breakdown by type of payment (in thousands of euros) received by the members of the Board of Directors in 2022 and 2021 is set forth in the table below:

Board Members		Year 2022 Payment in cash	Year 2022 Payment in kind	Year 2021 Payment in cash	Year 2021 Payment in kind
José Antonio Tazón García	Chairman	–	–	144	2
William Connelly	Chairman	314	–	212	–
Francesco Loredan	Vice-Chairman	116	–	116	–
Luis Maroto Camino	Executive Director	35	–	35	–
Xiaoqun Clever	Director	109	–	93	–
Jana Eggers	Director	93	–	50	–
Clara Furse	Director	68	–	156	–
Pilar García	Director	132	–	116	–
Stephan Gemkow	Director	132	–	116	–
Pierre–Henri Gourgeon	Director	–	–	54	–
Nicolas Huss	Director	–	–	76	–
Peter Kürpick	Director	116	–	116	–
Amanda Mesler	Director	156	–	61	–
Josep Piqué	Director	44	–	93	–
Eriikka Söderström	Director	94	–	–	–
David Vegara	Director	61	–	–	–
David Webster	Director	71	–	157	–
Total	Total	1,541	–	1,595	2

On June 17, 2021, Mr. William Connelly was appointed as Chairman, replacing Mr. José Antonio Tazón who left the Board. Additionally, Mr. Francesco Loredan was named Vice-Chairman from that date. Finally, two new independent Directors, Ms. Jana Eggers and Ms. Amanda Mesler joined the Board and Mr. Pierre-Henri Gourgeon left the Board.

On June 23, 2022, the composition of the Board of Directors has changed, and Mr. David Vegara has replaced Mr. Josep Piqué. Additionally, Ms. Eriikka Söderström joined the Board in February 2022 to cover the vacancy created by Mr. Nicolas Huss'resignation in July 2021. Finally, Dame Clara Furse and Mr. David Webster have left the Board, so the total number of members of the Board has been reduced from 13 to 11.

At December 31, 2022 and 2021, investment held by the members of the Board of Directors in the share capital of the Company is set forth in the table below:

Name	December 31, 2022 Shares	December 31, 2021 Shares
Luis Maroto	96,294	96,294
David Webster	–	1
Stephan Gemkow	350	350

As of December 31, 2022 and 2021, neither any of the members of the Board of Directors nor any other person related to them, in accordance with the Spanish Capital Companies Act, have reported to the Board of Directors any direct or indirect conflicting situation with the interests of the Company.

During the year ended December 31, 2022, and 2021, the amounts accrued to the Chief Executive Officer for his executive functions are the following (in thousands of euros):

	December 31, 2022	December 31, 2021
Compensation in cash (salary and bonus)	2,571	2,339
Compensation in kind	89	54
Pension plan and collective life insurance policies	188	188
Share based payments	–	851
Total	2,848	3,432

20.2 Key Management Compensation

During the year ended December 31, 2022, and 2021, the amounts accrued to Key Management are the following (in thousands of euros):

	December 31, 2022	December 31, 2021
Compensation in cash (salary and bonus)	6,032	6,254
Compensation in kind	390	279
Pension plan and collective life insurance policies	497	495
Share based payments	453	1,247
Total	7,372	8,275

During 2022, the average number of key management members was 9 versus 11 members throughout 2021. As of December 31, 2022, key management was formed by 8 members (same number as of December 31, 2021).

The number of shares in the capital of the Company held by the members of the Key Management at December 31, 2022 is 166,521 shares. The number of shares in the capital of the Company held by the members of the Key Management at December 31, 2021 was 246,290 shares.

21. SHARE-BASED PAYMENTS

The Group has the following reward schemes in place for management and employees:

21.1. Performance Share Plan (PSP)

The Performance Share Plan (PSP) consists of a contingent award of shares to certain of the Amadeus Group's management. The final delivery of the shares at the end of the vesting period depends on the achievement of predetermined performance objectives that relate to value creation in Amadeus as well as employee service requirements. The performance objectives relate to the relative shareholder return and the adjusted basic earnings per share (EPS) growth. From PSP 2018 an additional performance objective is included related to pre-tax adjusted free cash flow growth. The vesting period of each independent cycle is 3 years and no holding period applies, except in France.

This plan is an equity-settled share-based payment transaction under IFRS 2 and, accordingly, the fair value of services received during the years ended as of December 31, 2022 and 2021, as consideration for the equity instruments granted, has impacted 'Personnel and related expenses' caption in the consolidated statement of comprehensive income in an amount of €0.4 million (€9.6 million, 2021) against 'Additional paid-in capital'.

The fair value of the equity instruments granted has been determined using a Monte-Carlo valuation model for the tranche that involves market conditions, and a Black-Scholes method and an estimation of expected performance for the tranche that involves non-market conditions. The fair value of the equity instruments at grant date is adjusted to incorporate the market conditions to which the performance of the plan is linked.

For PSP there are two types of plans, PSP(I) and PSP(II). PSP(II) are for certain employees (mainly members of the executive committee) and, unlike PSP(I), are subject to a post-vesting holding period of two years. This restriction has been taken into account when determining the fair value of the instruments granted.

The detail of the shares allotted and fair value at grant date in the Group's PSP, is set forth in the table below :

	PSP 2019 (I)	PSP 2019 (II)	PSP 2020 (I)	PSP2020 (II)	PSP 2021 (I)	PSP2021 (II)	PSP 2022 (I)	PSP2022 (II)
Total shares allotted at grant date (1)	123,500	49,050	184,415	59,765	81,402	45,760	132,005	47,195
Fair value of the instruments at grant date (2)	66.90€	58.63€	37.61€	31.85€	59.92€	51.24€	59.02 €	51.76 €
Dividend yield	1.54%	1.54%	2.45%	2.45%	–	–	–	–
Expected volatility	19.06%	22.09%	31.31%	35.77%	40.89%	46.37%	42.28%	38.88%
Risk free interest rate	–	0.05%	–	0.14%	–	–	1.06%	1.37%

(1) This number of shares could increase up to double if the Group's performance in all performance objectives is extraordinary.
(2) This fair value is calculated as the weighted average share price throughout the plan.

The detail of the changes and settlement in the Group's PSP for the years 2022 and 2021, is set forth in the table below:

	December 31, 2022				
	PSP 2019	PSP 2020	PSP 2021	PSP 2022	Total (1)
Outstanding shares at beginning of the year	140,336	216,647	121,013	–	477,996
Shares allotted during the period	–	–	–	178,615	178,615
Forfeiture during the period	(139,084)	(16,879)	(10,589)	(6,577)	(173,129)
Settlement of plan at vesting date	(1,252)	–	–	–	(1,252)
Outstanding shares at end of the year	–	199,768	110,424	172,038	482,230
Performance objectives	–				
Shares transferred to employees (2)	1,252				
Weighted average price	€59.02				
Impact in Additional paid-in capital (millions of €)	(0.4)				

					December 31, 2021
	PSP 2018	PSP 2019	PSP 2020	PSP 2021	Total (1)
Outstanding shares at beginning of the year	148,922	151,446	233,193	–	533,561
Shares allotted during the period	–	–	–	127,162	127,162
Forfeiture during the period	(18,604)	(11,110)	(16,546)	(6,149)	(52,409)
Settlement of plan at vesting date	(130,318)	–	–	–	(130,318)
Outstanding shares at end of the year	–	140,336	216,647	121,013	477,996
Performance objectives	93.3%				
Shares transferred to employees (2)	130,318				
Weighted average price	€59.32				
Impact in Additional paid-in capital (millions of €)	(6.7)				

(1) This number of shares could increase up to double if the Group's performance in all performance objectives is extraordinary.
(2) The Group used treasury shares to settle these share-based payments (as detailed in note 17).

21.2. Restricted Share Plan (RSP)

The Restricted Share Plan (RSP) consists on the delivery of a given number of shares of Amadeus shares to certain employees on a non-recurring basis, after predetermined services requirements are met.

The RSP beneficiaries must remain employed in a Group company during a determined period of time, which oscillates between 2 and 5 years.

This plan is an equity-settled share-based payment transaction under IFRS 2. The fair value of services received as consideration for the equity instruments granted (389,569 shares in 2022, and 255,767 shares in 2021), has impacted 'Personnel and related expenses' caption in the consolidated statement of comprehensive income in an amount of €9.6 million (€5.4 million, 2021) against 'Additional paid-in capital'.

The detail of RSP awards settled during 2022 and 2021 is set forth in the table below:

	December 31, 2022	December 31, 2021
Shares transferred to employees (1)	87,206	7,909
Weighted average price	€57.05	€54.92
Impact in Additional paid-in capital (millions of €)	(5.2)	(0.5)

(1) The Group used treasury shares to settle these share-based payments (as detailed in note 17).

21.3. Share Match Plan (SMP)

The Share Match Plan (SMP) consists of a contingent award of Company's shares to employees that voluntarily decided to participate in the plan. The final delivery of the shares at the end of the vesting period depends on the achievement of predetermined vesting conditions, which are related to the purchase and holding of the shares, as well as the participant must remain employed in a Group company until the end of the cycle.

Under the terms of the SMP, Amadeus will grant the participants an additional share for every two purchased, if they hold the shares for a year after the purchase period has ended.

This plan is an equity-settled share-based payment transaction under IFRS 2. The fair value of services received as consideration for the equity instruments granted (278,840 shares in 2022, and 257,114 shares in 2021) has impacted 'Personnel and related expenses' caption in the consolidated statement of comprehensive income in an amount of €6.6 million (€5.7 million, 2021) against 'Additional paid-in capital'.

The detail of SMP awards settled during 2022 and 2021 is set forth in the table below:

	December 31, 2022	December 31, 2021
	SMP 2020	SMP 2019
Shares transferred to employees (1)	114,288	119,124
Weighted average price	€52.99	€57.70
Impact in Additional paid-in capital (millions of €)	(6.7)	(6.4)

(1) The Group used treasury shares to settle these share-based payments (as detailed in note 17).

22. DERIVATIVE FINANCIAL INSTRUMENTS

The Group enters into derivative financial instruments to manage the financial risks to which it is exposed in the normal course of business. An outline of the Group's financial risks, the objectives and policies pursued in relation to those risks are described in notes 4 and 5.

As of December 31, 2022, and 2021, the fair values of assets and liabilities of derivative financial instruments are set forth in the table below (see note 13):

	December 31, 2022				December 31, 2021			
	Assets		Liabilities		Assets		Liabilities	
	Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current
Derivative financial instruments designated as cash-flow hedge	28.0	1.7	57.2	10.6	8.0	1.6	6.7	11.8
Derivative financial instruments designated as fair value hedge	35.5	–	0.1	–	0.2	–	4.6	–
Total	63.5	1.7	57.3	10.6	8.2	1.6	11.3	11.8

As of December 31, 2022, and 2021, the maturity of the notional amount of the Group's derivative financial assets and liabilities is set forth in the table below:

	December 31, 2022				December 31, 2021			
	2023	2024	2025 and beyond	Total	2022	2023	2024 and beyond	Total
Derivative financial instruments designated as cash-flow hedge	359.7	259.1	76.6	695.4	387.7	228.7	3.9	620.3
Derivative financial instruments designated as fair value hedge	582.0	–	–	582.0	500.9	–	–	500.9
Total	941.7	259.1	76.6	1,277.4	888.6	228.7	3.9	1,121.2

There has been no significant ineffectiveness to be recorded from foreign currency hedges during 2022 and 2021.

22.1 Cash flow hedges of interest rates

During the year ended 2022, the Group did not sign any new interest rate swaps (IRS) contracts, to hedge the Group's exposure to interest rate changes by fixing most of the interest amounts to be paid in coming years.

At December 31, 2015, the Company had an interest rate derivative contract subscribed with the purpose of hedging the risk of a potential increase in the interest rates of the debt. The instrument was contracted during 2016 as part of the refinancing of the Eurobond issued by the Group company Amadeus Capital Markets, S.A., Sociedad Unipersonal (now Outpayce, S.A., Sociedad Unipersonal), with an amount of €750 million and due date in July 2016, which funds were fully transferred to the Company.

On March 10, 2016, the Company cancelled this interest rate swap (IRS) contract and discontinued the hedging relationship for a total amount of €16.1 million, which was recognized temporarily in the equity and is charged to the income statement according to the hedged debt amortization schedule. The amount charged to the consolidated statement of comprehensive income during the year 2021 was €0.9 million. During 2021 the pending remaining part of discontinued hedge instrument concluded.

22.2 Cash flow hedges of exchange rates

The Group is exposed to risks associated with fluctuations of exchange rates in currencies different than the euro. The Group uses currency derivatives, mainly currency forward contracts to hedge the exposure to foreign currencies, and a natural hedge of US dollar-denominated net operating cash inflows with payments of principal on US dollar-denominated debt, to hedge the exposure to US dollar. As of the date of issuance of the consolidated annual accounts, the Group does not hold any debt denominated in USD.

Regarding currency derivatives held, for the year ended December 31, 2022, a loss of €49.6 million (€37.2 million net of taxes) has been charged to other comprehensive income. A loss of €25.8 million (€19.3 million net of taxes) was charged to other comprehensive income for the year ended December 31, 2021.

22.3 Fair value hedges

This caption mainly includes the information on derivatives that the Group has contracted to hedge their short term investments, as disclosed in note 13.

23. TAXATION

The companies that make up the Group are all individually responsible for their own tax assessments in their countries of residence, without any worldwide Group tax consolidation.

The statute of limitations varies from one company to another, according to local tax laws in each case. Tax returns are not considered definitive until the statute of limitations expires, or they are accepted by the Tax Authorities. Independently that the fiscal legislation is 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 annual accounts taken as a whole.

The Directors of the Group consider that the mentioned taxes were properly settled, therefore, in the event of differences in the interpretation of the current tax regulations, regarding the fiscal treatment of the transactions, the potential resulting liabilities, should they materialize, will not significantly impact the accompanying annual accounts.

In June 2015, the Company received a final decision from the Central Administrative Court (TEAC) rejecting cumulatively the appeals with regards to the tax assessment signed under protest relating to the Non-residents Income Tax for the year 2007. After a long procedural journey, the National Court, by resolution of October 2020, accepted the Company's claim partially, declared TEAC's resolution null and void and sent back the appeal to the TEAC. In April 2021 the TEAC issued a new ruling rejecting the Company's claims, so in July 2021 the Company filed a new appeal and a lawsuit before the National Appellate Court. In December 2021 the National Appellate Court received a writ by virtue of which the lawsuit filed was admitted, and the State Attorney was given notice to reply. In April 2022, the conclusions were presented to the National Appellate Court. At year end, the resolution is still pending.

The Company has voluntarily deposited the amount required by the Tax Authorities, until the resolution of this litigation and has registered the appropriate liability under the caption 'Non-current income tax liabilities' in order to minimize its exposure in the event the final decision from the Court does not result in its favor. Therefore, and in any case, the resolution of this matter should not have any significant impact on the Company's financial situation.

Since 1999, the Company has been engaged in disputes with the Indian tax authorities in relation to an allegation that the distribution activities in that country qualify as a permanent establishment in India. On this basis, the Indian tax authorities claim that a portion of the revenue generated in respect of bookings made by travel agencies located in India should be subject to Indian tax. There are several proceedings underway relating to the tax years between 1995 and 2020 at different procedural stages (ranging from initial inspection to appeal) before the Indian administrative authorities and before the Supreme Court. The resolution from the Delhi High Court dated on January 2010 concerning tax years from 1995 to 1998 concludes on the existence of permanent establishment, but without income subject to tax in India. This resolution was also extended by other Tribunals to the fiscal years from April 1, 1998 to March 31, 2019 (both inclusive). These decisions are under dispute before the Delhi High Court and the Supreme Court. The Company does not foresee the imposition of sanctions in view of the development of the different legal procedures favorable to the Company.

Additionally, since 2006, the Indian tax authorities are of the opinion that the IT service agreement executed between the Company and an airline (both non-resident) may give rise to royalty payments and fees for technical services in India. As a result of this interpretation, a new tax claim is under dispute. The dispute has been extended on a yearly basis not only to a specific airline but to the Altéa System in general for its operation in India. In 2020, the Income Tax Appellate Tribunal (ITAT) held that that payment made by airlines to Amadeus in relation to the Altéa system are linked to business profit. Accordingly, the said payments cannot be taxed as royalty under the Tax Treaty between Spain and India. It is the first time where a tribunal has ruled the above. The resolution is not final and has been appealed by the Indian Tax Authorities to the Delhi High Court, although the ITAT criteria has been extended to other resolutions of different fiscal years on the same subject under dispute.

Pursuant to the order issued by the Delhi High Court of December 2021, the process of requesting a refund of the amounts paid to the Indian tax authorities in respect of withholdings for the tax years 1995/1996 to 2018/2019 has been initiated, without any refund having been made to date by the Indian tax authorities.

In any case, the Group records the appropriate accruals in order to minimize its exposure in the event the final ruling from the Court does not result in its favor.

Amadeus IT Group, S.A. pays Corporate Income Tax via the Tax consolidation regime (Tax Group 256/05), from which it is the dominant company.

Spanish Tax Consolidation Group is formed by the following companies:

Parent company: Amadeus IT Group, S.A.

Subsidiaries:

Notes (millions of euros)

- Amadeus Soluciones Tecnológicas, S.A., Sociedad Unipersonal
- Outpayce, S.A., Sociedad Unipersonal
- Amadeus Content Sourcing, S.A., Sociedad Unipersonal
- TravelClick Europe, S.L. (indirectly participated via its wholly owned subsidiary TravelClick, Inc.)

The income tax expense for the years ended on December 31, 2022 and 2021, is set forth in the table below:

	December 31, 2022	December 31, 2021
Current	(179.7)	(74.0)
Deferred	(24.8)	134.7
Total Income tax (expense)/income	(204.5)	60.7

The reconciliation between the statutory income tax rate in Spain and the effective income tax rate applicable to the Group as of December 31, 2022 and 2021, is set forth in the table below:

	December 31, 2022	December 31, 2021
	%	%
Statutory income tax rate in Spain	25.0	25.0
Effect of different tax rates	0.3	0.9
Tax Credits / Permanent Differences	(1.0)	7.5
Purchase price allocation impact	(0.8)	(2.6)
Effective income tax rate	23.5	30.8

The detail of tax receivables and payables as of December 31, 2022 and 2021, is set forth in the table below:

	December 31, 2022	December 31, 2021
Tax receivable current and non-current		
Current income tax assets	76.2	105.0
VAT (note 15)	71.2	58.1
Other taxes receivable (note 15)	146.4	130.3
Total	293.8	293.4
Tax payable current and non-current		
Current income tax liabilities	99.5	31.4
VAT (note 15)	3.3	11.5
Non-current income tax liabilities	154.3	148.5
Other taxes payable (note 15)	23.7	21.5
Total	280.8	212.9

The ‘Non-current income tax liabilities’ caption corresponds to uncertain tax positions for income tax. The separation of these tax positions in the consolidated statement of financial position arises from the application of IFRIC 23.

Notes (millions of euros)

The Group's deferred tax balances as of December 31, 2022, are set forth in the table below:

Assets	December 31, 2021	Application of NOLs	Net charged to income statement	Charged to equity	Transfers	Translation changes	December 31, 2022
Depreciation and amortization	18.8	–	13.7	–	(1.0)	(0.7)	30.8
Employee benefits	25.8	–	7.7	(9.4)	–	1.0	25.1
Hedge accounting	3.9	–	(6.4)	11.0	–	–	8.5
Tax audit	17.4	–	0.2	–	–	–	17.6
Bad debt provision	13.9	–	2.2	–	–	0.7	16.8
Net cancellation reserve	5.1	–	0.2	–	–	–	5.3
Other	36.1	–	20.0	–	–	1.2	57.3
Net operating losses (NOLs)	218.3	(67.5)	1.2	–	3.4	0.2	155.6
Subtotal	339.3	(67.5)	38.8	1.6	2.4	2.4	317.0
Netting	(154.8)	—	–	–	12.7	–	(142.1)
Total	184.5	(67.5)	38.8	1.6	15.1	2.4	174.9

Liabilities	December 31, 2021	Net charged to income statement	Charged to equity	Transfers	Translation changes	December 31, 2022
Depreciation and amortization	380.9	(0.3)	–	45.1	0.9	426.6
Hedge accounting	2.3	–	(1.4)	–	–	0.9
Purchase Price Allocation	238.4	(17.3)	–	(43.6)	5.7	183.2
Other	54.8	13.7	–	(3.1)	0.2	65.6
Subtotal	676.4	(3.9)	(1.4)	(1.6)	6.8	676.3
Netting	(154.8)	–	–	12.7	–	(142.1)
Total	521.6	(3.9)	(1.4)	11.1	6.8	534.2

The Group's deferred tax balances as of December 31, 2021, are set forth in the table below:

Assets	December 31, 2020	Changes in consolidation perimeter	Net charged to income statement	Charged to equity	Transfers	Translation changes	December 31, 2021
Depreciation and amortization	17.6	–	1.5	–	(0.4)	0.1	18.8
Employee benefits	27.9	–	(2.1)	(1.5)	0.2	1.3	25.8
Hedge accounting	5.2	–	6.5	(5.3)	(2.5)	–	3.9
Tax audit	14.6	–	2.8	–	–	–	17.4
Bad debt provision	12.0	–	1.1	–	0.2	0.6	13.9
Net cancellation reserve	2.6	–	2.5	–	–	–	5.1
Other	16.8	0.8	17.8	–	–	0.7	36.1
Net operating losses (NOLs)	198.9	–	51.6	–	(32.5)	0.3	218.3
Subtotal	295.6	0.8	81.7	(6.8)	(35.0)	3.0	339.3
Netting	(183.3)	–	–	–	28.5	–	(154.8)
Total	112.3	0.8	81.7	(6.8)	(6.5)	3.0	184.5

Notes (millions of euros)

Liabilities	December 31, 2020	Net charged to income statement	Charged to equity	Transfers	Translation changes	December 31, 2021
Depreciation and amortization	404.0	(26.9)	–	–	3.8	380.9
Hedge accounting	19.9	(3.3)	(11.8)	(2.5)	–	2.3
Purchase Price Allocation	244.2	(7.4)	–	–	1.6	238.4
Other	60.7	(15.4)	–	–	9.5	54.8
Subtotal	728.8	(53.0)	(11.8)	(2.5)	14.9	676.4
Netting	(183.3)	–	–	28.5	–	(154.8)
Total	545.5	(53.0)	(11.8)	26.0	14.9	521.6

The expiration date of unused tax losses and credits for which no deferred tax asset has been recognized in the consolidated annual accounts, mainly due to the uncertainty of their recoverability as of December 31, 2022 and 2021, is set forth in the table below:

Year(s) of expiration	December 31, 2022	December 31, 2021
From 1 to 5 years	1.8	15.5
More than 5 years	41.4	38.1
Unlimited	31.5	37.4
Total	74.7	91.0

24. EARNINGS PER SHARE

The detail of weighted average number of shares as of December 31, 2022 and 2021 is set forth in the table below:

	December 31, 2022		December 31, 2021	
	Weighted average number of ordinary shares	Weighted average number of potentially dilutive shares	Weighted average number of ordinary shares	Weighted average number of potentially dilutive shares
Total shares issued	450,499,205	450,499,205	450,499,205	450,499,205
Treasury shares	(550,178)	(550,178)	(466,462)	(466,462)
Potentially dilutive shares	–	15,303,000	–	15,182,416
Total shares	449,949,027	465,252,027	450,032,743	465,215,159

The basic earnings / (losses) per share is calculated by dividing the profit / (loss) attributable to owners of the parent by the weighted average number of ordinary shares issued during the period, excluding weighted treasury shares.

The dilutive earnings / (losses) per share is calculated by dividing the profit / (loss) attributable to owners of the parent plus the interest accrued by convertible bonds by the weighted average number of ordinary shares issued during the period, excluding weighted treasury shares, plus potentially dilutive ordinary shares.

Dilutive effects during the period ended December 31, 2022, and 2021, are driven by the potential conversion of the convertible bonds into ordinary shares.

Notes (millions of euros)

The calculation of basic and diluted earnings / (losses) per share in euros (rounded to two digits) is set forth in the table below:

Basic earnings / (losses) per share			
December 31, 2022		December 31, 2021	
Profit / (Loss) for the year attributable to owners of the parent	Earnings / (losses) per share basic [in Euros]	Profit / (Loss) for the year attributable to owners of the parent	Earnings / (losses) per share basic [in Euros]
664.7	1.48	(142.4)	(0.32)

Diluted earnings / (losses) per share			
December 31, 2022		December 31, 2021	
Profit / (Loss) for the year attributable to owners of the parent	Earnings / (losses) per share diluted [in Euros]	Profit / (Loss) for the year attributable to owners of the parent	Earnings / (losses) per share diluted [in Euros]
672.6	1.45	(134.7)	(0.29)

25. ADDITIONAL INFORMATION

25.1 Commitments

The Group guarantees for the year ended December 31, 2022, and 2021, are set forth in the table below:

	December 31, 2022	December 31, 2021
Other guarantees and bank guarantees	44.4	59.7
Guarantees over office buildings and equipment	6.3	7.3
Bank guarantees on commercial contracts	20.4	12.7
Total	71.1	79.7

As of December 31, 2022, the Group has short-term commitments to acquire property, plant and equipment for €3.4 million (€3.3 million, 2021).

25.2 Interest expense and other financial expenses

The 'Interest expense' for the year ended December 31, 2022 and 2021, mainly corresponds to the borrowings detailed in note 18. The breakdown is set forth in the table below:

	December 31, 2022	December 31, 2021
Bonds	75.6	77.4
European Investment Bank	1.0	2.1
Interest from derivative instruments	–	1.0
Other debt with financial institutions	0.1	0.6
Lease liabilities	4.3	4.8
Subtotal	81.0	85.9
Deferred financing fees	8.8	9.1
Interest expense	89.8	95.0

Notes (millions of euros)

The breakdown of 'Other financial expenses' caption for the year ended December 31, 2022 and 2021, is set forth in the table below:

	December 31, 2022	December 31, 2021
Net interest on the Net Defined Benefit liability (note 15)	1.6	1.5
Interest expense on Tax	3.3	4.0
Commitment fees	3.5	3.5
Changes in FV of financial instruments	6.9	0.9
Others	4.7	5.8
Other financial expenses	20.0	15.7

25.3 Employee distribution

The employee distribution by category and gender for the year ended December 31, 2022 and 2021, is set forth in the table below:

	December 31, 2022			December 31, 2021		
	Female	Male	Total	Female	Male	Total
CEO/Senior Vice-president/ Vice-president	3	32	35	2	23	25
Group Directors	43	139	182	42	139	181
Managers	1,880	3,639	5,519	1,671	3,295	4,966
Disabled managers	32	35	67	36	31	67
Staff	4,690	6,616	11,306	4,356	6,194	10,550
Disabled Staff	72	71	143	71	76	147
TOTAL	6,720	10,532	17,252	6,178	9,758	15,936

The average employee distribution by category and gender for the year ended December 31, 2022 and 2021, is set forth in the table below:

	December 31, 2022			December 31, 2021		
	Female	Male	Total	Female	Male	Total
CEO/Senior Vice-president/ Vice-president	2	29	31	2	23	25
Group Directors	42	136	178	40	142	182
Managers	1,786	3,494	5,280	1,393	2,850	4,243
Disabled managers	35	32	67	39	35	74
Staff	4,548	6,011	10,559	4,671	6,706	11,377
Disabled Staff	69	68	137	67	76	143
TOTAL	6,482	9,770	16,252	6,212	9,832	16,044

Notes (millions of euros)

25.4 Auditing services

The fees for annual accounts auditing services and other services rendered by the international audit firm EY for the year ended December 31, 2022, and 2021, are set forth in the table below:

	December 31, 2022	December 31, 2021
Auditing	2.1	2.1
Other assurance services	0.5	0.4
Tax advice	0.2	0.1
Other services	0.5	0.7
Total	3.3	3.3

26. CASH FLOWS

The Group classifies its short-term investments as cash equivalents when held for the purpose of meeting short-term cash commitments. The investments are highly liquid, readily convertible to known amounts of cash and subject only to an insignificant risk of changes in value. These short-term investments generally consist of certificates of deposit, time deposits, commercial paper, short-term government obligations and other money market instruments with maturity of three months or less. Such investments are valued at cost, which approximates fair value.

Bank overdrafts that are repayable on demand are included under cash and cash equivalents for the purposes of presenting the consolidated statement of cash flows.

In the event that cash or cash equivalents were restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period, these assets are classified as non-current on the consolidated statement of financial position.

The reconciliation of the 'Cash and cash equivalents net' caption of the consolidated statement of cash flows and the 'Cash and cash equivalents' caption of the consolidated statement of financial position as of December 31, 2022 and 2021, is set forth in the table below:

	December 31, 2022	December 31, 2021
Cash on hand and balances with banks	832.7	876.7
Short-term investments	602.1	251.0
Cash and cash equivalents	1,434.8	1,127.7
Bank overdrafts	(1.4)	(0.2)
Cash and cash equivalents net	1,433.4	1,127.5

As of December 31, 2022, the Group has maintained short-term money market investments with an average yield rate of 1.58% for euro investments. As of December 31, 2021, the Group has maintained short-term money market investments with an average yield rate of 0.00% for euro investments

These investments are readily convertible to a certain amount of cash and do not have an appreciable risk of change in value.

Notes (millions of euros)

The table below details changes in the Group's financial liabilities arising from financing activities, including both cash and non-cash changes during the year ended December 31, 2022, and 2021:

				Non-cash changes						
	December 31, 2021	Cash Flows from financing activities	Payment of reverse factoring agreements	Transfers	Leases and others	Reverse factoring	Fair value adjs. (note 22)	Accrued interest	Other changes	December 31, 2022
Non-current debt	4,344.5	746.5	–	(2,052.5)	22.0	–	–	8.0	17.9	3,086.4
Non-current derivative financial liabilities	11.8	–	–	–		–	(1.2)	–	–	10.6
Current debt	635.4	(1,382.8)	(47.2)	2,052.5	4.9	2.3		72.3	(12.6)	1,324.8
Current derivative financial liabilities	11.3	–	–	–	–	–	46.0	–	–	57.3
Total	5,003.0	(636.3)	(47.2)	–	26.9	2.3	44.8	80.3	5.3	4,479.1

				Non-cash changes						
	December 31, 2020	Cash Flows from financing activities	Payment of reverse factoring agreements	Transfers	Leases and others	Reverse factoring	Fair value adjs. (note 22)	Accrued interest	Other changes	December 31, 2021
Non-current debt	4,343.0	499.3	–	(562.6)	42.4	–	–	–	22.4	4,344.5
Non-current derivative financial liabilities	1.0	–	–	–	–	–	10.8	–	–	11.8
Current debt	1,320.6	(1,322.3)	(85.5)	562.6	7.2	63.3	–	75.3	14.2	635.4
Current derivative financial liabilities	22.5	–	–	–	–	–	(11.2)	–	–	11.3
Total	5,687.1	(823.0)	(85.5)	–	49.6	63.3	(0.4)	75.3	36.6	5,003.0

27. SUBSEQUENT EVENTS

On January 17, 2023, the Company has signed an amendment agreement extending the maturity to January 17, 2028 of the unused revolving credit facility, disclosed in note 18, with a two year additional extension at the Banks Lenders' option, and now Unicredit Bank AG is acting as the agent.

Name	Type of company	Country	Registered Address	Activity	Investment December 31, 2022 (%) (1) (2)	Investment December 31, 2021 (%) (1) (2)	Date of acquisition or creation (3)
Group companies							
Amadeus Airport IT Americas, Inc. (4)	Inc.	U.S.A.	5950 Hazeltine National Drive, Suite 210. Orlando, Florida. 32822.	Software development	100%	100%	21.04.15
Amadeus Albania sh.p.k	sh.p.k.	Albania	Bulevardi Deshmoret e Kombit, Tirana.	Distribution	100%	100%	15.04.16
Amadeus América S.A. (5)	Sociedad Anónima	Argentina	Ingeniero Enrique Butty 240, 4° piso. C.A.B.A. CP 1001AFB.	Regional support	-	100%	28.04.00
Amadeus Americas, Inc.	Inc.	U.S.A.	3470 NW 82nd Avenue Suite 1000 Miami, Florida 33122.	Regional support	100%	100%	17.04.95
Amadeus Argentina S.A.U. (5)	Sociedad Anónima Unipersonal	Argentina	Ingeniero Enrique Butty 240, 4° piso. C.A.B.A. CP 1001AFB.	Distribution	100%	100%	06.10.97
Amadeus Armenia LLC (6)	LLC	Armenia	15 Khorenatsi str., Yerevan 0010, Armenia	Software development	100%	100.0%	01.12.21
Amadeus Asia Limited	Limited	Thailand	21st, 23rd and 27th Floor, Capital Tower. 87/1 All Season Place. Wireless Road, Lumpini, Pathumwan. 10330 Bangkok.	Regional support	100%	100%	24.11.95
Amadeus Austria Marketing GmbH	GmbH	Austria	Dresdnerstrasse 91/C1/4, 1200 Wien.	Distribution	100%	100%	13.02.88
Amadeus (Beijing) Information Technology Co., Ltd. (7)	Limited	China	Rm704, 7th Floor, Raffles City Beijing Office Tower, No.1 Dongzhimen South St., Dongcheng District, 100007 Beijing.	Distribution and Software development	100%	100%	16.07.21
Amadeus Benelux N.V.	N.V.	Belgium	Berkenlaan 8A/09, 1831 Diegem.	Distribution	100%	100%	11.07.89
Amadeus Bilgi Teknolojisi Hizmetleri A.Ş.	Anonim Şirketi	Turkey	İstanbul Havalımanı Serbest Bölgesi Plaza Ofis No: 1401 Kat: 14 34830 Yesilköy, İstanbul.	Software development	100%	100%	03.04.13
Amadeus Bolivia S.R.L. (8)	S.R.L.	Bolivia	Equipetrol Norte. Calle J. Edificio “Rolea Center” Piso 1. Oficinas E&D. Santa Cruz.	Distribution	100%	100%	14.03.02

Name	Type of company	Country	Registered Address	Activity	Investment December 31, 2022 (%) (1) (2)	Investment December 31, 2021 (%) (1) (2)	Date of acquisition or creation (3)
Amadeus Bosna d.o.o. za marketing Sarajevo	d.o.o.	Bosnia and Herzegovina	Midhat Karic Mitke 1, 71000 Sarajevo.	Distribution	100%	100%	01.06.01
Amadeus Brasil Ltda.	Limited	Brazil	Rua das Olimpiadas 205 – 5 andar, Sao Paulo 04551-000.	Distribution	83.51%	83.51%	30.06.99
Amadeus Bulgaria OOD	OOD	Bulgaria	Stefan Karadja Street 2, fl. 3., Sredets region, 1000 Sofia.	Distribution	55.01%	55.01%	17.11.98
Amadeus Central and West Africa S.A.	S. A.	Ivory Coast	7, Avenue Nogues 08 BPV 228 Abidjan 01.	Distribution	100%	100%	03.10.01
Amadeus Commercial Enterprise Private Limited (9)	Limited	India	No.101, Yashila, No. 1/1, 1st Main Koramangala 8th Block, 560095 Bangalore	Distribution and Software development	100%	100%	17.11.21
Amadeus Content Sourcing, S.A.U.	Sociedad Anónima Unipersonal	Spain	Calle Salvador de Madariaga 1, 28027, Madrid.	Intermediation	100%	100%	11.06.14
Amadeus Corporate Business, AG	AG	Germany	Berghamer Strasse 6. D-85435. Erding. Munich.	Holding of shares	100%	100%	01.04.14
Amadeus Customer Center Americas S.A.	Sociedad Anónima	Costa Rica	Oficentro La Virgen II.Torre Prisma, Piso 5, Pavas, San José.	Regional support	100%	100%	29.06.09
Amadeus Czech Republic and Slovakia s.r.o.	s.r.o.	Czech Republic	Meteor Centre Office Park Sokolovská 100 / 94 Praha 8 - Karlin 186 00.	Distribution	100%	100%	19.09.97
Amadeus Data Processing GmbH	GmbH	Germany	Berghamer Strasse 6. D-85435. Erding. Munich.	Data processing	100%	100%	15.04.88
Amadeus Denmark A/S (10)	A/S	Denmark	Lufthavnsboulevaden 14, 2770 Kastrup.	Distribution	100%	100%	31.08.02
Amadeus Eesti AS	AS	Estonia	Tuukri 19. 10152 Tallin.	Distribution	100%	100%	27.12.13
Amadeus Finance B.V. (8)	B.V.	The Netherlands	Jupiter Building. Herikerbergweg 88. 1101 CM Amsterdam.	Financial activities	100%	100%	23.10.14
Amadeus France, S.A. (11)	S.A.	France	Le Seine Saint Germain Bâtiment C, 2-8 Ave. Du Bas-Meudon. F-92445 Issy-Les-Moulineaux Cedex.	Distribution	-	100%	27.04.98

Name	Type of company	Country	Registered Address	Activity	Investment December 31, 2022 (%) (1) (2)	Investment December 31, 2021 (%) (1) (2)	Date of acquisition or creation (3)
Amadeus GDS LLP	LLP	Kazakhstan	48, Auezov Str., 4th floor, 050008, Almaty.	Distribution	100%	100%	08.01.02
Amadeus GDS (Malaysia) Sdn. Bhd.	Sdn. Bhd.	Malaysia	Suite 1005, 10th Floor. Wisma Hamzah-kwong Hing. nº 1 Leboh Ampang. Kuala Lumpur 50100.	Distribution	100%	100%	02.10.98
Amadeus GDS Singapore Pte. Ltd.	Pte. Ltd.	Singapore	1 Wallich Street #27-00 Guoco Tower, Singapore 078881.	Distribution	100%	100%	25.02.98
Amadeus Germany GmbH	GmbH	Germany	Zentrale Finanzen SiemensstaBe 1, 61352. Bad Homburg.	Distribution	100%	100%	07.08.99
AMADEUSGLOBAL Ecuador S.A.	Sociedad Anónima	Ecuador	República del Salvador N35- 126 y Portugal, Edificio Zanté; piso 2 oficina 206, Quito.	Distribution	100%	100%	12.01.96
Amadeus Global Operations Americas, Inc. (4)	Inc.	U.S.A.	Corporate creations, Network Inc, 3411 Silverside Road #104 Rodney building, Wilmington, Delaware 19810. New Castle County.	Data processing	100%	100%	10.02.15
Amadeus Global Travel Distribution Ltd.	Limited	Kenya	P.O. Box 6680-00100, 14, Riverside off Riverside Drive, Grosvenor suite 4A, 4th Floor, Nairobi.	Distribution	100%	100%	03.07.03
Amadeus Global Travel Israel Ltd.	Limited	Israel	14 Ben Yehuda St. 61264, Tel Aviv.	Distribution	100%	100%	23.03.00
Amadeus GTD (Malta) Limited	Limited	Malta	Birkirkara Road. San Gwann. SGN 08.	Distribution	100%	100%	17.02.04
Amadeus GTD Southern Africa Pty. Ltd.	Pty. Limited	South Africa	Turnberry Office Park. 48 Grosvenor Road, Bryanston. 2021 Johannesburg.	Distribution	100%	100%	01.01.03
Amadeus Hellas Electronic Travel Information Services Single Member Societe Anonyme	S.A.	Greece	60 Poseidonos Avenue, PO BOX 166 75, Glyfada, Athens.	Distribution	100%	100%	02.02.93
Amadeus Honduras, S.A. (4)	Sociedad Anónima	Honduras	Edificio El Ahorro Hondureño. Cía. de Seguros, S.A. 4to Nivel - Local B. Av. Circunvalación. San Pedro Sula.	Distribution	100%	100%	17.03.98

Name	Type of company	Country	Registered Address	Activity	Investment December 31, 2022 (%) (1) (2)	Investment December 31, 2021 (%) (1) (2)	Date of acquisition or creation (3)
Amadeus Hong Kong Ltd.	Limited	China	3/F, Henley Building nº 5 Queen's Road. Central Hong Kong.	Distribution	100%	100%	21.08.03
Amadeus Hospitality Americas, Inc. (4)	Inc.	U.S.A.	75 New Hampshire Ave, Portsmouth NH 03801.	Distribution and Software development	100%	100%	05.02.14
Amadeus Hospitality Asia Pacific Pte. Ltd. (4)	Limited	Singapore	10 Pasir Panjang Road, #15-01/02 Mapletree Business City, Singapore 117438.	Distribution and Software development	100%	100%	05.02.14
Amadeus Hospitality Netherlands B.V.	B.V.	The Netherlands	Chasséveld 15-G 4811 DH Breda.	Distribution and Software development	100%	100%	21.07.15
Amadeus Hospitality UK Limited (4)	Limited	U.K.	Fourth Floor Drapers Court, Kingston Hall Road, Kingston-upon-Thames, Surrey KT1 2BQ.	Distribution and Software development	100%	100%	05.02.14
Amadeus Information Technology LLC	Limited Liability	Russia	M. Golovin line 5, 2nd floor 107045, Moscow.	Distribution	100%	100%	28.03.08
Amadeus Integrated Solutions Pty Ltd.	Limited	South Africa	Turnberry Office Park, 48 Grosvenor Road, Bryanston, Johannesburg.	Distribution and Software development	100%	100%	30.08.11
Amadeus IT Group Colombia S.A.S.	Limitada	Colombia	Carrera 11 No. 84 - 09 6° piso Edificio Torre Amadeus, Bogotá.	Distribution	100%	100%	25.07.02
Amadeus IT Pacific Pty. Ltd.	Pty. Limited	Australia	Level 7 180 Thomas Street 2000 Haymarket, Sydney.	Distribution	100%	100%	18.11.97
Amadeus IT Services GmbH	GmbH	Germany	Berghamer Str. 6 85435, Erding-Aufhasen.	Software development	100%	100%	11.06.12
Amadeus IT Services UK Limited	Limited	U.K.	3rd Floor First Point, Buckingham Gate, Gatwick, West Sussex RH6 0NT.	Distribution and Software development	100%	100%	13.07.88
Amadeus Italia S.p.A.	Societá per Azioni	Italy	Via Morimondo, 26. 20143 Milano.	Distribution	100%	100%	18.12.92

Name	Type of company	Country	Registered Address	Activity	Investment December 31, 2022 (%) (1) (2)	Investment December 31, 2021 (%) (1) (2)	Date of acquisition or creation (3)
Amadeus Japan K.K.	K.K.	Japan	SPP Ginza Building 5F, 2-4-9 Ginza, Chuo-Ku, Tokio 104-0061.	Distribution	100%	100%	01.01.05
Amadeus Korea, Ltd.	Limited	Republic of Korea	3Fl. POPA Bldg., 130, Mapo-daero, Mapo-gu, Seoul 121-710.	Software development and software definition	100%	100%	14.11.11
Amadeus Lebanon S.A.R.L.	S.A.R.L.	Lebanon	Gefinor Centre P.O. Box 113-5693 Beirut.	Distribution	100%	100%	07.05.09
Amadeus Leisure IT GmbH	GmbH	Germany	Ericsson-Allee 1, D-52134 Herzogenrath.	Software development	100%	100%	27.09.06
Amadeus Macedonia DOOEL Skopje	d.o.o.	Macedonia	Gradski Zid, Blok 4/8, 1000 Skopje.	Distribution	100%	100%	15.04.16
Amadeus Magyaroszag Kft	Korlatolf Felelossegu Tarsasag	Hungary	1075 Budapest. Madách Imre út 13-14. Budapest.	Distribution	100%	100%	13.10.93
Amadeus Marketing (Ghana) Ltd.	Limited	Ghana	12 Quarcoo Lane, West Airport Residential Area, Accra.	Distribution	100%	100%	14.11.00
Amadeus Marketing Ireland Ltd.	Limited	Ireland	6th Floor, 2 Grand Canal Square, Dublin 2.	Distribution	100%	100%	20.06.01
Amadeus Marketing Nigeria Ltd.	Limited	Nigeria	26, Ladipo Bateye Street, G.R.A., Ikeja, Lagos.	Distribution	100%	100%	18.05.01
Amadeus Marketing Philippines Inc.	Inc.	Philippines	36th Floor, LKG Tower Ayala Avenue, Makati City.	Distribution	100%	100%	09.06.97
Amadeus Marketing Romania S.R.L.	S.R.L.	Romania	246C Calea Floreasca, Sky Tower Building, 19th floor, 014476, Bucharest.	Distribution	100%	100%	22.01.03
Amadeus Marketing (Schweiz) A.G.	A.G.	Switzerland	Pfingstweidstrasse 60. Zurich CH 8005.	Distribution	100%	100%	14.06.94
Amadeus México, S.A. de C.V. (12)	Sociedad Anónima	Mexico	Av. Paseo de la Reforma 180-1802 Juárez, Piso 18, Suite A. Col. Juárez. Delegación Cuauhtemoc. CP 06600. México DF.	Distribution	100%	100%	13.02.95

Name	Type of company	Country	Registered Address	Activity	Investment December 31, 2022 (%) (1) (2)	Investment December 31, 2021 (%) (1) (2)	Date of acquisition or creation (3)
Amadeus North America Inc. (4)	Inc.	U.S.A.	3470 NW 82nd Avenue Suite 1000 Miami, Florida 33122.	Distribution	100%	100%	28.04.95
Amadeus Norway AS (10)	AS	Norway	Post boks 6645, St Olavs Plass, NO-0129 Oslo.	Distribution	100%	100%	31.08.02
Amadeus Paraguay S.R.L. (13)	S.R.L.	Paraguay	Luis Alberto de Herrera 195 esquina Fulgencio Yegros. Edificio Inter Express - Piso 2, Oficina 202, Asunción.	Distribution	-	100%	13.03.95
Amadeus Perú S.A.	Sociedad Anónima	Peru	Víctor Andrés Belaunde, 147. Edificio Real 5, Oficina 902. San Isidro, Lima.	Distribution	100%	100%	12.10.95
Amadeus Polska Sp. z o.o.	Sp. z o.o.	Poland	Al. Jerozolimskie 142 B, 02-305 Warszawa.	Distribution	100%	100%	17.12.92
Amadeus Rezervasyon Dağıtım Sistemleri A.Ş.	Anonim Şirketi	Turkey	Barbaros Plaza İş Merkezi. Dikilitaş Mah. Emirhan Cad. No:113 Kat:18 34349 Istanbul.	Distribution	100%	100%	11.05.94
Amadeus S.A.S. (11)	Société par Actions Simplifiée	France	Les Bouillides, 485 Route du Pin Montard. Boite Postale 69. F-06902 Sophia Antipolis Cedex.	Software development and software definition	100%	100%	02.05.88
Amadeus Saudi Arabia Limited (14)	Limited	Saudi Arabia	3rd Floor, Diner's Square Center, King Abdulaziz Road P.O. Box no. 16196 Jeddah 21464.	Distribution	100%	100%	06.05.04
Amadeus Scandinavia AB	Limited	Sweden	Hälsingegatan 49 6tr, Box 660 SE-113 84 Stockholm.	Distribution	100%	100%	31.08.02
Amadeus Slovenija, d.o.o.	d.o.o.	Slovenia	Dunajska 122, 1000 Ljubljana.	Distribution	100%	100%	15.04.16
Amadeus Sofia Labs EOOD	EOOD	Bulgaria	19 Dobri Voynikov Stre., apt 3, fl. 2. Lozenets region. 1164 Sofia.	Software development	100%	100%	17.09.20
Amadeus Software Labs India Private Limited (15)	Limited	India	6th Floor, Etamin Block, Prestige Technology Park-II, Marathahalli-Srajapur Outer Ring Road, 560103 Bangalore.	Software development and software definition	100%	100%	21.02.12

Name	Type of company	Country	Registered Address	Activity	Investment December 31, 2022 (%) (1) (2)	Investment December 31, 2021 (%) (1) (2)	Date of acquisition or creation (3)
Amadeus Software Technology (Shanghai) CO., Ltd. (4)	Limited	China	1709 You You International Plaza, No.76 Pujian Road, Pudong New Area 200127 Shanghai.	Distribution and Software development	100%	100%	05.02.14
Amadeus Soluciones Tecnológicas, S.A., Sociedad Unipersonal	Sociedad Anónima Unipersonal	Spain	Calle Salvador de Madariaga 1, 28027, Madrid.	Distribution	100%	100%	23.09.98
Amadeus Taiwan Co. Ltd.	Limited by shares	Taiwan	12F, No. 77 Sec.3, Nan-Jing E. Rd. Taipei City.	Distribution	100%	100%	10.07.08
Amadeus Yemen Limited (13)	Limited	Yemen	Al-Zubairi Street. Aman Tower Building – 6th Floor. Sana'a.	Distribution	-	100%	31.10.08
Argo IT México S.A. de C.V. (16)	Sociedad Anónima	Mexico	Laguna de Términos 221, Torre A, Oficina 903, col Granada. Deleg. Miguel Hidalgo. CP 11520. Cdmx	Software development	100%	100%	24.10.18
Argo IT Tecnologia S.A. (16)	Sociedad Anónima	Brazil	Rua do Paraiso, No. 148, planta 13, Sao Paulo, Estado de Sao Paulo.	Computer consulting	100%	100%	24.10.18
Bratys Development Srl (4) (13)	Srl	Romania	3 Zarii Street, 5th District Bucharest.	Information technology	-	100%	04.10.18
Enterprise Amadeus Ukraine	Limited Liability Company	Ukraine	Podil Plaza business center 30, Spasska street. 04070 Kyiv.	Distribution	100%	100%	22.10.04
ICM Airport Technics Pty. Ltd. (17)	Pty. Ltd.	Australia	Unit 1, 12 Lord Street Lakes Business park, NSW 2019, Botany, Australia.	Installation of industrial machinery and equipment	100%	100%	31.05.19
ICM Airport Technics LLC. (17)	LLC.	U.S.A.	4001 Kennett Pike, Suite 302, DE 19807, Wilmington.	Installation of industrial machinery and equipment	100%	100%	31.05.19
ICM Airport Technics UK Ltd. (8)	Limited	U.K.	BDO LLP, 5 Temple Square Temple Street Liverpool L2 5RH	Installation of industrial machinery and equipment	100%	100%	31.05.19
ICM Australia Holdings Ltd. (17)	Ltd.	Australia	Unit 1, 12 Lord Street Lakes Business park, NSW 2019, Botany, Australia.	Holding of shares	100%	100%	31.05.19

Name	Type of company	Country	Registered Address	Activity	Investment December 31, 2022 (%) (1) (2)	Investment December 31, 2021 (%) (1) (2)	Date of acquisition or creation (3)
ICM Group Holdings Limited (8)	Limited	China	15 Queen's Road Central, Edinburgh Tower, 21st floor, The Landmark, Hong Kong.	Holding of shares	100%	100%	31.05.19
i:FAO Bulgaria EOOD (18)	EOOD	Bulgaria	Antim Tower, Level 15, 2 Kukush Street, 1309 Sofia.	Software development	100%	100%	25.06.14
i:FAO Group GmbH (18)	GmbH	Germany	Clemensstrasse 9, 60487 Frankfurt am Main.	Distribution and Software development	100%	100%	25.06.14
Kambr Inc. (4)	Inc.	U.S.A.	876 Goodrich Ave, 55105, Saint Paul.	Software development	100%	-	28.03.22
Kambr Netherlands B.V. (4)	B.V.	The Netherlands	Oudegracht 91-D, 3511 AD, Utrecht.	Software development	100%	-	28.03.22
Latinoamérica Soluciones Tecnológicas SPA (19)	SPA	Chile	Isidora Goyenechea 2939 P/10, Las Condes, Santiago de Chile.	Distribution	100%	100%	21.02.14
Navitaire LLC	LLC	U.S.A.	333 South Seventh Street Suite 1800, 55402 Minneapolis.	Software development	100%	100%	26.01.16
Navitaire Philippines Inc.	Inc.	Philippines	8767 Paseo De Roxas, Metro Manila, 16F Philamlife Tower, 1200, Makati City, Manila.	Software development	100%	100%	26.01.16
NMTI Holdings, Inc. (4)	Inc.	U.S.A.	Corporation Trust Center, 1209 Orange Street, Wilmington, County of New Castle, Registry of Delaware 19801 - Delaware 4326008.	Holding of shares	100%	100%	05.02.14
Outpayce S.A.U. (20)	Sociedad Anónima Unipersonal	Spain	Calle Salvador de Madariaga 1, 28027, Madrid.	Consultancy and technology development for payments	100%	100%	28.04.08
Outpayce UK Ltd. (21)	Limited	U.K.	World business Centre 4, Newall Road, London Heathrow Airport, Hounslow, TW6 2FL.	Consultancy and technology development for payments	100%	-	11.07.22

Name	Type of company	Country	Registered Address	Activity	Investment December 31, 2022 (%) (1) (2)	Investment December 31, 2021 (%) (1) (2)	Date of acquisition or creation (3)
Private Enterprise “Content Ukraine” (22)	Limited Liability Company	Ukraine	Podil Plaza business center 30, Spasska street. 04070 Kyiv.	Distribution	100%	100%	23.08.06
PT Amadeus Technology Indonesia (23)	Limited Liability Company	Indonesia	UOB Plaza Floor 39, Unit 2, Jl. M.H. Thamrin No. 10, Jakarta 10230.	Distribution	100%	100%	23.02.17
Pyton Communication Services B.V.	B.V.	The Netherlands	Building Videolab. Torenallee 20. 5617 BC Eindhoven.	Distribution and Software development	100%	100%	30.06.98
Pyton Communication Services Deutschland GmbH (24)	GmbH	Germany	Kölner Straße 7A D - 51789 Lindlar.	Software development	100%	100%	21.08.15
SIA Amadeus Latvija	SIA	Latvia	8 Audeju Street, LV-1050 Riga.	Distribution	100%	100%	31.08.02
Sistemas de Distribución Amadeus Chile, S.A.	Sociedad Anónima	Chile	Marchant Pereira No 221, piso 11. Comuna de Providencia, Santiago de Chile.	Distribution	100%	100%	06.05.08
Sistemas de Reservaciones CRS de Venezuela, C.A. (13)	C.A.	Venezuela	Av. Francisco de Miranda, Edif. Parque Cristal, Torre Este, Piso 3, Ofic 3 - 7A, Urb. Los Palos Grandes, Cod. Postal 1060, Caracas.	Distribution	-	100%	14.11.95
Travel Audience, GmbH	GmbH	Germany	Elsenstraße 106, 12435, Berlin.	E-Commerce	100%	100%	23.11.11
TravelClick Asia Pty (4)	Pty.	Australia	‘Mayfield Place’ Level 3, 717 Bourke Street, Docklands Vic 3008, Melbourne.	Distribution	100%	100%	04.10.18
TravelClick Canada (4)	Inc.	Canada	600-1741 Lower Water Street, Halifax, Nova Scotia, B3J 0J2.	Distribution	100%	100%	04.10.18
TravelClick Europe, S.L. (4)	Sociedad Limitada	Spain	Via Augusta, 117. Barcelona, 08006.	Distribution	100%	100%	04.10.18
TravelClick France, Eurl. (4) (13)	Eurl.	France	12 Rue de la Chaussee D'Antin 75009, Paris.	Distribution	-	100%	04.10.18

Name	Type of company	Country	Registered Address	Activity	Investment December 31, 2022 (%) (1) (2)	Investment December 31, 2021 (%) (1) (2)	Date of acquisition or creation (3)
TravelClick, Inc. (4)	Inc.	U.S.A.	55 W 46th St 27th floor. New York, NY 10036.	Distribution and Software development	100%	100%	04.10.18
UAB Amadeus Lietuva	UAB	Lithuania	Olimpieciu 1A-9B, LT-09200, Vilnius.	Distribution	100%	100%	31.08.02
Vedaleon Technologies Pty. Ltd. (17)	Pty. Ltd.	Australia	4 Rayville Avenue, Torquay VIC 3228, Australia.	Software development	100%	100%	31.05.19
Videopolis, S.A.S. (4) (13)	Société par Actions Simplifiée	France	8 place du Marché, Neuilly Sur Seine, 92200 Paris.	Information technology and Distribution	-	100%	04.10.18
Videopolis.com, S.A. (4) (13)	Société par Actions	Belgium	Avenue Louise 523, 1050 Bruxelles.	Information technology	-	100%	04.10.18

Name	Type of company	Country	Registered Address	Activity	Investment December 31, 2022 (%) (1) (2)	Investment December 31, 2021 (%) (1) (2)	Date of acquisition or creation (3)
Joint ventures and associates							
Alentour, S.A.S.	Société par Actions Simplifiée	France	32 rue de Paradis, 75010 Paris	Distribution	20.71%	20.41%	09.07.21
Amadeus Algerie S.A.R.L.	S.A.R.L.	Algeria	06, Rue Ahcéne Outaleb "les Mimosas" Ben Aknoun.	Distribution	40%	40%	27.08.02
Amadeus Egypt Computerized Reservation Services S.A.E. (25)	S.A.E.	Egypt	Units 81/82/83 Tower A2 at Citystars. Cairo.	Distribution	100%	100%	28.03.05
Amadeus Gulf L.L.C.	Limited Liability Company	United Arab Emirates	7th Floor, Al Kazna Insurance Building, Banyas Street. P.O. Box 46969. Abu Dhabi.	Distribution	49%	49%	27.12.03
Amadeus Libya Technical Services JV	Limited Liability Company	Libya	Abu Kmayshah ST. Alnofleen Area. Tripoli.	Distribution	25%	25%	08.10.09
Amadeus Maroc S.A.S.	S.A.S.	Morocco	Route du Complexe Administratif. Aéroport Casa Anfa. BP 8929, Hay Oulfa. Casablanca 20202.	Distribution	30%	30%	30.06.98
Amadeus Qatar W.L.L.	W.L.L.	Qatar	Al Darwish Engineering W.W.L. Building nº 94 "D" Ring road 250. Hassan Bin Thabit – Street 960. Doha.	Distribution	40%	40%	03.07.01
Amadeus Sudani co. Ltd.	Limited	Sudan	Street 3, House 7, Amarat. Khartoum 11106.	Distribution	40%	40%	21.09.02
Amadeus Syria Limited Liability (13)	Limited	Syria	Shakeeb Arslan Street Diab Building, Ground Floor. Abu Roumaneh, Damascus.	Distribution	-	100%	04.12.08
Amadeus Tunisie S.A.	Société Anonyme	Tunisia	41 bis. Avenue Louis Braille. 1002 Tunis – Le Belvedere.	Distribution	30%	30%	06.09.99
Hiberus Travel One Inventory, S.L.	S.L.	Spain	Paseo Isabel La Católica, 6, 50009, Zaragoza.	Software development	40%	40%	14.05.15

Name	Type of company	Country	Registered Address	Activity	Investment December 31, 2022 (%) (1) (2)	Investment December 31, 2021 (%) (1) (2)	Date of acquisition or creation (3)
Jordanian National Touristic Marketing Private Shareholding Company	Limited	Jordan	Second Floor, nº2155, Abdul Hameed Shraf Street Shmaisani. Amman.	Distribution	50%	50%	19.05.04
Refundit Ltd.	Limited	Israel	30ª Gruner Dov. Street, Tel Aviv-Yaffo, 694827 Israel.	Software development	19.49%	20%	19.09.19

(1) In certain cases, companies are considered wholly owned subsidiaries, even though local statutory obligations require them to have more than one shareholder, or a specific percentage of the capital stock owned by citizens and/or legal entities of the country concerned. These shareholders are not entitled to any economic right.
(2) Unless otherwise stated, all share percentages are direct.
(3) In the case of various investments or capital increases, the date of acquisition or creation refers to the earliest one.
(4) The share percentage in these companies is held through Amadeus Americas, Inc.
(5) The companies Amadeus América S.A. and Amadeus Argentina S.A.U. were amalgamated. The resulting company was named Amadeus Argentina S.A.U.
(6) The company was formerly named SkySoft LLC.
(7) The share percentage in this company is held through Amadeus GDS Singapore Pte. Ltd.
(8) These companies are in the liquidation process.
(9) The share percentage in this company is 99.9 % indirect through Amadeus GDS Singapore Pte. Ltd. and 0.1% through Amadeus Asia Limited.
(10) The share percentage in these companies is held through Amadeus Scandinavia AB.
(11) The companies Amadeus France, S.A. and Amadeus S.A.S. were amalgamated. The resulting company was named Amadeus S.A.S.
(12) The share percentage in this company is 98% direct and 2% indirect, through Amadeus Soluciones Tecnológicas, S.A., Sociedad Unipersonal.
(13) These companies have been liquidated during 2022.
(14) The share percentage in this company is 95% direct and 5% indirect, through Pyton Communication Services, B.V.
(15) The share percentage in this company is 99.99 % indirect, through Amadeus S.A.S. and 0.01% through Amadeus Asia Limited.
(16) The share percentage in these companies is held through Amadeus Soluciones Tecnológicas, S.A., Sociedad Unipersonal.
(17) The share percentage in these companies is held through Amadeus IT Pacific Pty. Ltd.
(18) The share percentage in these companies is held through Amadeus Corporate Business, AG.
(19) The share percentage in this company is held through Sistemas de Distribución Amadeus Chile, S.A.
(20) The company was formerly named Amadeus Capital Markets, S.A.U.
(21) This company was established on July 11, 2022, and the share percentage in this company is held through Outpayce S.A.
(22) The share percentage in this company is held through Enterprise Amadeus Ukraine.
(23) The share percentage in this company is 99% direct and 1% indirect, through Amadeus Asia Limited.
(24) The share percentage in this company is held through Pyton Communication Services B.V.
(25) Although the share percentage in this company is 100%, the Company has no control over it as there are some Board members named by airlines with veto rights for some relevant decisions, which prevent having control. There are no restrictions on transferring funds.

Amadeus IT Group, S.A. and Subsidiaries

Directors' report for the year ended December 31, 2022

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1. Summary

1.1 Introduction

Highlights for the twelve months ended December 31, 2022.

- Air Distribution bookings were 396.3 million, 92.0% over the bookings of 2021 or 68.3% of 2019 bookings.
- Air Distribution revenue was €2,147.8 million, an improvement of 102.3% vs 2021 revenue, or 73.0% of 2019 revenue.
- Air IT Solutions passengers boarded amounted to 1,539.5 million, 81.4% vs 2021 figure, or 77.2% of 2019 revenue.
- Air IT Solutions revenue was €1,565.4 million, an increase of 46.4% vs 2021, representing 86.0% of 2019 revenue.
- Hospitality & Other Solutions revenue was €772.7 million, an expansion of 43.5% vs 2021, or 95.8% of 2019 revenue.
- Group Revenue was €4,485.9 million, a 68.0% increase vs prior year, representing 80.5% of 2019 revenue.
- EBITDA amounted to €1,640.3 million, an improvement of 161.4% vs 2021, or 73.5% of 2019 levels.
- Adjusted profit[1] amounted to €742.2 million, vs a loss €44.7 million, or 58.8% of 2019 levels.
- Free Cash Flow[2] amounted to €805.0 million, an increase of 724% vs 2021.
- Net financial debt[3] was €2,284.5 million at December 31, 2022 (1.4 times last-twelve-month EBITDA[3]).

In the fourth quarter of 2022, global air traffic continued to recover relative to 2019, however, at a slower pace than in past quarters. The air traffic evolution drove Amadeus' Group Revenue performance in the quarter, which reached 87.1% of Q4 2019 revenue, slightly higher (+0.3 p.p.) than prior quarter. Our revenue progress in the quarter supported EBITDA performance reaching 82.7% of EBITDA in Q4 2019, 3.2 p.p. higher than prior quarter. We had Free Cash Flow generation in the fourth quarter of €177.1 million[4], which enabled continued deleveraging. At December 31, 2022, our leverage stood at 1.4 times last-twelve-month EBITDA[3], within our target leverage range of 1.0x-1.5x.

By segment, in the quarter, Air Distribution revenue reached 78.2% of Q4 2019, resulting from our bookings' evolution, which reached 71.7% of the bookings in Q4 2019, as well as an expansionary average revenue per booking vs. 2019. Our bookings' performance was driven by the industry's evolution in the quarter, further enhanced by our market share gains. In the quarter, Asia-Pacific was the region reporting the highest volume performance improvement from prior quarter. Also, North America continued to be our best performing region, with Amadeus bookings showing 1.2% growth in the fourth quarter, relative to the same quarter in 2019.

[1] 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..
[2] Defined as EBITDA, minus capex, plus changes in our operating working capital, minus taxes paid, minus interests and financial fees paid
[3] Based on our credit facility agreements' definition.
[4] In 2021, we completed the implementation of our cost saving program, announced in 2020. Costs related the implementation of this program were incurred in 2020 and 2021, and no further costs were incurred in 2022. At the end of 2021, there were costs amounting to €46.7 million still to be paid, of which, an amount of €29.1 million was paid in 2022 (€1.7 million in the fourth quarter). See section 3.2 for further details.

During the fourth quarter of 2022, in Air Distribution, we signed 16 new contracts or renewals of distribution agreements, which included Ryanair, amounting to a total of 65 in 2022. We also continued to advance with our NDC strategy. We renewed our agreement with Aeroméxico and Aeroméxico's NDC-sourced content will be available on the Amadeus Travel Platform from the second half of 2023. On the travel agency side, we expanded our partnership with Fareportal to include the integration of NDC offers. We have further grown our presence in the leading global travel management company space. We have renewed and expanded our multi-year partnership with American Express Global Business Travel.

Our Air IT Solutions revenue in the fourth quarter reached 93.1% of the Air IT Solutions revenue reported in the same quarter in 2019, improving by 2.6 p.p. from last quarter. This performance was supported by the Amadeus passengers boarded (PB) evolution, which reached 84.4% of 2019 levels, representing an improvement over prior quarter (0.9 p.p.). This progress made was slower due to the demigration of Russian carriers from our platform during the fourth quarter of 2022. Our highest volume performance improvements relative to prior quarter were delivered in the Asia-Pacific and Middle East and Africa regions. Our best performing region in the quarter was North America, with 9.4% growth vs. Q4 2019, supported by (i) positive organic PB growth, and (ii) the PB contribution from airline migrations, particularly Air Canada, which migrated at the end of 2019.

In Air IT Solutions, we were pleased to announce a new partnership with Finnair to transform airline retailing with a next-generation airline retail offering, bringing personalization and real-time insights through the adoption of Offers and Orders. In addition, relative to an announcement we made in Q2 2020 on an undisclosed new Altéa customer, in February we announced this new customer is All Nippon Airways (ANA). All ANA domestic flights will be migrating to Altéa, enabling the airline to decommission its in-house PSS system. ANA International flights were migrated to Altéa in 2015. ANA will also be implementing new digital, pricing and payment capabilities. Also, we had Airline IT upselling wins in the quarter with TAP Air Portugal, Air Europa and Iraqi Airways. Finally, in Airport IT, we continued to expand our reach through new agreements with British Airways, Qatar Airways, and with airports in North America and Asia Pacific.

In the fourth quarter of 2022, Hospitality & Other Solutions revenue was 3.6% higher than revenue in the fourth quarter of 2019 (representing a 4.4 p.p. improvement from prior quarter). Hospitality, which generates the majority of the revenues within this segment, reported enhanced performances across its revenue lines, supported by new customer implementations. We saw continued interest from customers across our Hospitality portfolio during the fourth quarter.

1.2 Summary of operating and financial information

Summary of KPI	Oct-Dec 2022	Oct-Dec 2021[1]	Change vs. Q4'21	Change vs. Q4'19
Operating KPI (millions)				
Bookings	95.6	67.7	41.1%	(28.3%)
Passengers boarded	419.7	285.7	46.9%	(15.6%)
Financial results (€millions)				
Air Distribution revenue	536.9	344.2	56.0%	(21.8%)
Air IT Solutions revenue	410.9	305.7	34.4%	(6.9%)
Hospitality & Other Solutions revenue	220.7	159.9	38.1%	3.6%
Revenue	**1,168.5**	**809.8**	**44.3%**	**(12.9%)**
EBITDA	**398.3**	**221.9**	**79.5%**	**(17.3%)**
EBITDA margin (%)	34.1%	27.4%	6.7 p.p.	(1.8 p.p.)
Profit (Loss) for the period	143.1	(1.3)	n.m.	(36.9%)
Adjusted profit (loss)[2]	**180.7**	**38.2**	**372.5%**	**(34.5%)**
Adjusted EPS (€)[3]	**0.40**	**0.08**	**374.3%**	**(37.3%)**
Cash flow (€millions)				
Capital expenditure	(164.3)	(147.3)	11.5%	(14.5%)
Free Cash Flow[4]	**177.1**	**135.9**	**30.3%**	**(19.9%)**
Indebtedness[5] (€millions)	**Dec 31,2022**	**Dec 31,2021**	**Change**	
Net financial debt	**2,284.5**	**3,053.1**	**(768.5)**	
Net financial debt/LTM EBITDA	1.4x	5.1x		

[1] 2021 Income statement figures have been adjusted to exclude costs, amounting to €5.9 million (€3.4 million post tax), incurred in the fourth quarter of 2021, related to the implementation of the cost saving program announced in 2020. See section 3.2 for more detail.
[2] 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.
[3] EPS corresponding to the Adjusted profit attributable to the parent company.
[4] Defined as EBITDA, minus capex, plus changes in our operating working capital, minus taxes paid, minus interests and financial fees paid.
[5] Based on our credit facility agreements' definition.

Summary of KPI	Full year 2022[1]	Full year 2021[2]	Change vs. 2021	Change vs. 2019
Operating KPI (millions)				
Bookings	396.3	206.4	92.0%	(31.7%)
Passengers boarded	1,539.5	848.6	81.4%	(22.8%)
Financial results (€millions)				
Air Distribution revenue	2,147.8	1,061.9	102.3%	(27.0%)
Air IT Solutions revenue	1,565.4	1,069.5	46.4%	(14.0%)
Hospitality & Other Solutions revenue	772.7	538.6	43.5%	(4.2%)
Revenue	**4,485.9**	**2,670.0**	**68.0%**	**(19.5%)**
EBITDA	**1,640.3**	**627.6**	**161.4%**	**(26.5%)**
EBITDA margin (%)	36.6%	23.5%	13.1 p.p.	(3.5 p.p.)
Profit (Loss) for the year	664.3	(122.6)	n.m.	(40.3%)
Adjusted profit (loss)[3]	**742.2**	**(44.7)**	**n.m.**	**(41.2%)**
Adjusted EPS (euros)[4]	**1.65**	**(0.10)**	**n.m.**	**(43.7%)**
Cash flow (€millions)				
Capital expenditure	(566.7)	(460.2)	23.1%	(23.0%)
Free Cash Flow[5]	**805.0**	**97.7**	**724.0%**	**(21.9%)**

[1] 2022 results and Free Cash Flow were positively impacted by a non-refundable government grant, received in the second quarter of 2022, amounting to €51.2 million pre-tax (€38.9 million post tax). Excluding this grant, in 2022, vs. 2019, EBITDA was -28.8%, Profit was -43.8%, Adjusted profit was -44.3% and Adjusted EPS was -46.6%, and Free Cash Flow amounted to €753.8 million, or €782.9 million excluding also cost saving program implementation costs paid. Excluding the grant, EBITDA margin in 2022 was 35.4%. See section 5.2.2 for further details.

[2] 2021 Income statement figures have been adjusted to exclude costs, amounting to €28.6 million (€19.8 million post tax), related to the implementation of the cost saving program announced in 2020. See section 3.2 for more detail.

[3] 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.

[4] EPS corresponding to the Adjusted profit attributable to the parent company.

[5] Defined as EBITDA, minus capex, plus changes in our operating working capital, minus taxes paid, minus interests and financial fees paid.

2. Business highlights

Air Distribution

- During 2022, we signed 65 new contracts or renewals of distribution agreements. Among those was Ryanair, with whom we announced, in November, a new distribution partnership that will further expand access to Ryanair's offering to Amadeus' industry-leading customer base.
- We also renewed and expanded our distribution partnership with Lufthansa Group in 2022. Lufthansa Group airlines NDC-sourced content is available via the Amadeus NDC-enabled interfaces, including continuous pricing and a wide range of ancillary services.
- Also Finnair strengthened its partnership with Amadeus to bring NDC-enabled offers to travel sellers worldwide.
- We renewed and expanded our multi-year partnership with American Express Global Business Travel (GBT), including NDC.
- We also renewed and expanded our distribution partnership with Hopper, a high-growth online travel agency. Our expanded agreement will soon allow Hopper to access NDC-enabled content via the Amadeus Travel Platform.
- As part of our ongoing partnership with Microsoft to bring innovation to the travel industry, in March we announced that Cytric Travel & Expense has been embedded in Microsoft 365 - introducing Cytric Easy. From now on, users can plan trips and share travel details with colleagues without leaving their day-to-day applications such as Microsoft Outlook, Calendar or Teams. Meliá Hotels International and mapmaker TomTom were among the customers that signed up for this new solution last year.
- Microsoft chose Cytric Travel to transform business travel for its employees. In the first stage, Microsoft will deploy Cytric and Cytric Easy to a selected group of its employees.
- Additionally, we partenered with Karhoo to integrate taxi booking capabilities into Cytric, so that our users can now take pre-booked or on-demand rides in more than 1,000 cities.
- During 2022, we entered into the super-app sphere with agreements with Thai super-app Robinhood's online travel agent, and Rappi, the most popular super-app in Latin America Both have signed for Amadeus Web Services to further support its growth in Travel.

Air IT Solutions

Airline IT

- At the close of December, 211 customers had contracted either of the Amadeus Passenger Service Systems (Altéa or New Skies) and 200 customers had implemented either of them.
- ITA Airways, the Italian flagship airline, signed for the full Amadeus Altéa PSS Suite, with migration expected to be completed by early 2023. Additionally, the airline will adopt revenue management, dynamic pricing, merchandizing, data management, and passenger servicing solutions. Its passengers will benefit from the web and mobile channels powered by the Amadeus Digital Experience Suite. The airline will also implement Amadeus Altéa NDC to increase personalization options and enhanced retailing across channels.
- Iraqi Airways and Bamboo Airways contracted for the full Amadeus Altéa PSS Suite and some additional solutions.

- Allegiant Air, an American low-cost airline that operates scheduled and charter flights, signed for Amadeus New Skies PSS. The airline carried 15 million passengers in 2019. In March, the new Indian low-cost airline Akasa Air, aiming to start operations by the end of this summer, also contracted for our Amadeus New Skies PSS. The airline was created to tap on the rising long-term prospects for domestic travel in India.
- During the fourth quarter of 2022, we announced a new partnership with Finnair to transform airline retailing. Within the agreement, Amadeus and Finnair will collaborate to build the next-generation airline retail offering, bringing personalization and real-time insights through the adoption of Offers and Orders. Amadeus will offer Finnair access to smart bridging capabilities, allowing it to gradually move from the Altéa Passenger Service System to the new retailing technology based on Offer Management, Order Management and Platform capabilities.
- Air India, India's flagship airline, recently acquired by Tata Group, contracted and implemented in Q2 2022 the Amadeus Altéa Passenger Service System as well as a host of cutting-edge technology solutions to transform its customer experience.
- In February, we announced that All Nippon Airways (ANA) is the undisclosed name of the Altéa customer we announced in Q2 2020. All ANA domestic flights will be migrating to Altéa, enabling the airline to decommission its in-house PSS system by 2026. ANA International flights were migrated to Altéa in 2015. Amadeus Altéa Passenger Service System will support both ANA's domestic and international flights across reservation, inventory, ticketing and departure control. ANA will also be implementing new digital, pricing and payment capabilities.
- We maintained solid upselling activity throughout the year. Korean Air selected Amadeus Customer Loyalty Suite to manage its loyalty program, Skypass. MIAT Mongolian Airlines contracted for Amadeus Altéa NDC, that allows airlines to distribute advanced merchandising offers. New Dominican low-cost carrier Arajet selected our newly acquired Kambr Revenue Management System,
- In May, we strengthened our partnership with Fiji Airways with the implementation of Amadeus Digital Commerce and front-end touchpoint solution Amadeus Reference Experience. In March, Philippine Airlines signed for Revenue Accounting.
- In the first quarter , we announced the acquisition of Kambr, a Navitaire partner. Kambr is a start-up based in Minnesota (U.S.), specialized in revenue management solutions for airlines. The addition of Kambr's cloud-based, open and modular set of solutions will expand Amadeus' value proposition in Airline IT. In April, shortly after becoming an Amadeus' company, Kambr announced that Viva Aerobus had selected Kambr's platform, allowing the low-cost airline's analysts to take effective and efficient revenue decisions based on real-time data.

Airport IT

- We continued to expand our reach in Airport IT. In Europe and Middle East, British Airways and Qatar Airways contracted ACUS Mobile allowing the airlines to scale up operations fast and provide instant check-in stations to service their passengers in critical situations or pursue new business opportunities by opening new routes quickly and without the need for local servers and equipment. Isavia, Iceland's airports' operator, will move Keflavik Airport to Amadeus Flow and it will also adopt Amadeus' Baggage Reconciliation System (BRS).

- In North America, Fort Wayne International Airport will move from our Amadeus Extended Airline System Environment (EASE) to our cloud based ACUS passenger processing system. We also had upselling with Long Beach Airport, by signing a 5 year agreement for on-site support and warranty for ACUS, and Salt Lake City International Airport, which will be expanding its contracted Amadeus solutions (EASE and Amadeus Flight Information Display System) to a new terminal. Palm Springs International Airport signed for Amadeus Common Use Service (ACUS). Wilmington International Airport also contracted ACUS, as well as our Amadeus Flight Information Display System. In July, we announced that Vancouver International Airport will move to Amadeus Flow, the industry's leading cloud solution for modern passenger services. Vancouver is connecting over 600 check-in desks to its 40+ airline partners through Amadeus in a phased migration.
- In Asia Pacific, Port Hedland International Airport contracted ACUS and Wellington International Airport contracted and implemented ACUS, simplifying how agents access airline systems. Taiwan Taoyuan International Airport contracted 30 Auto Bag drop units.

Hospitality & Other Solutions

Hospitality

- We saw continued interest from customers across our Hospitality portfolio during the year. We expanded our existing hotel distribution agreement with Van der Valk Hotels & Restaurants, adding our central reservations system, iHotelier reservation solution and RevenueStrategy360 one of our business intelligence solutions.
- In December, we partnered with Hilton to implement their API within the Amadeus distribution system. The Amadeus GDS is the first to directly integrate with the company's API, which means both Hilton and Amadeus will benefit from a faster, more advanced connection to the GDS channel. Previous connectivity through multiple APIs meant that changes to content could not be as easily accommodated. With the new integration of Hilton's API into the Amadeus distribution system, Hilton will be able to scale up more effectively and roll out new features at a much faster pace than ever before.
- Grupo Posadas partnered with Amadeus to create new custom websites across its 185 hotels and nine brands. The new web experience, backed by Amadeus' iHotelier Booking Engine and Digital Media Campaigns, allows Posadas brands to drive significant results through their website's direct booking channels thanks to tailored service promotions and upsell opportunities.
- Casa Andina, the leading Peruvian hotel chain with 34 properties in 23 different destinations throughout Peru, signed up for Amadeus' iHotelier Central Reservation System and Guest Management Solution.
- In November, we announced that travel agencies reserving Booking.com accommodations through the Amadeus Travel Platform can now choose to process payment using a wider range of virtual cards from Amadeus B2B Wallet.
- Also in November, HotelPlanner, a global provider of individual, group and corporate travel reservations services, signed a new long-term agreement to deploy Amadeus Web Services, gaining access to the breadth and depth of hotel content available via the Amadeus Travel Platform.
- Preferred Hotels & Resorts with a portfolio of more than 700 hotels, resorts and residences across more than 80 countries, issued exclusive endorsements for Amadeus' Demand360, Agency360+, and Sales & Catering solutions, with additional recommendations for Amadeus' Global Distribution System (GDS), Guest Management, and Service Optimization solutions.
- Our business intelligence solutions maintained momentum. Aimbridge Hospitality, a leading multi-national hotel management company with a portfolio of over 1,500 hotels across 50 US States and 23 countries, has exclusively endorsed Amadeus' full business intelligence suite.

- We also renewed our long-standing partnership with IHG Hotels & Resorts, meaning that the company will continue to exclusively recommend its properties the use of Demand360, Agency360 and RevenueStrategy360.
- French hotel booking engine CDS Groupe contracted Amadeus Value Hotels. Also, in March, and as part of the extended partnership we signed with Travel Advisors Guild, its travel agencies gained access to Amadeus Value Hotels.
- Dubai's Department of Economy and Tourism has renewed its digital media partnership with Amadeus to continue to leverage the power of Amadeus' business intelligence solutions and media services on its travel advertising platform.

Payments

- In November, we announced that we have applied to the Bank of Spain for an eMoney license to provide regulated services in Spain and, subsequently, the wider European Economic Area. As part of this strategy, Amadeus' existing payments business became Outpayce, a wholly owned Amadeus company, with the transfer of assets and employees to the new entity taking effect on January 1, 2023.
- Also in November, we launched Amadeus Chargeback Management, powered by Chargebacks 911, which provides airlines with an automated and fully outsourced service to better manage chargebacks at scale.
- In September, we announced a new partnership with Uplift and Fly Now Pay Later, to bring Buy Now Pay Later (BNPL) capabilities to our payments services offering. Airlines, travel agencies and hotels can easily add BNPL options to their sales channels via a single connection to Amadeus.

Corporate

- During the fourth quarter, it was confirmed that Amadeus has been included in the Dow Jones Sustainability Index for the 11th consecutive year.
- In September, rating agency Moody's confirmed its "Baa2" long-term issuer rating and improved its outlook for Amadeus from negative to stable.
- In October, we announced that Sylvain Roy has been appointed Chief Technology Officer at Amadeus, taking over from Christophe Bousquet, who, after 32 years of service, has retired at the end of this year.
- In June, we announced that Ana Doval has been appointed SVP People, Culture, Communications & Brand succeeding Sabine Hansen-Peck, who left Amadeus at the end of the year.
- The General Shareholder Meeting approved the following changes to the Board in June:
  - The appointment as independent Director of Mr. David Vegara Figueras, for a period of three years, who will replace Mr. Josep Piqué Camps, whose term ended in June 2022 after three years of service.
  - The ratification and appointment asindependent Director of Mrs. Eriikka Söderström, appointed by co-optation in February 2022, for an additional period of three years.
  - Finally, the Directors Dame Clara Furse and Mr. David Webster, whose term of office ends in June 2022, will not renew their position on the Board.
  - A reduction of board seats from thirteen to eleven.

- During the month of April, the Board of Directors made the following changes to the Board Committees:
    - In the Nominations and Remuneration Committee, the Board appointed Mrs. Pilar García Ceballos-Zúñiga and Mrs. Xiaoqun Clever as new members for a three year period, replacing Dame Clara Furse and Mr. David Webster, respectively. Additionally, Mrs. Amanda Mesler, independent Director, was appointed as Chairman of the Committee, for a period of three years, replacing Dame Clara Furse in the Chairmanship.
    - In the Audit Committee, the Board of Directors appointed Mrs. Eriikka Söderström as a new member for a 2 year period, replacing Dame Clara Furse.

3. Presentation of financial information

The audited consolidated financial statements of Amadeus IT Group, S.A. and subsidiaries are the source to the financial information included in this document and have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

Certain amounts and figures included in this report have been subject to rounding adjustments. Any discrepancies in any tables between the totals and the sums of the amounts listed are due to rounding.

3.1 Alternative Performance Measures

This document includes unaudited Alternative Performance Measures such as EBITDA, operating income, net financial debt as defined by our credit facility agreements, adjusted profit and their corresponding ratios. These Alternative Performance Measures have been prepared in accordance with the guidelines issued by the European Securities and Markets Authority for regulated information published on or after July 3, 2016.

- Segment contribution is defined as the segment revenue less operating costs plus capitalizations directly allocated to the segment. A reconciliation to EBITDA is included in section 5.3.
- EBITDA corresponds to Operating income (loss) plus D&A expense. A reconciliation of EBITDA to Operating income (loss) is included in section 5.3. The Operating income (loss) calculation is displayed in section 5.
- Adjusted profit (loss) corresponds to reported profit (loss) for the period, after adjusting for: (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 saving program, in 2021, and (iv) other non-operating, non-recurring items, as detailed in section 5.6.1.
- Net financial debt as defined by our credit facility agreements is calculated as current and non-current debt (as per the financial statements), less cash and cash equivalents and short term investments considered cash equivalent assets under our credit facility agreements' definition, adjusted for operating lease liabilities and non-debt items (such as deferred financing fees and accrued interest). A reconciliation to the financial statements is included in section 6.5.

We believe that these Alternative Performance Measures provide useful and relevant information to facilitate a better understanding of the performance of Amadeus and its economic position. These measures are not standard and therefore may not be comparable to those presented by other companies.

When we refer to our market share, we take into account our air bookings in relation to the air booking industry, defined as the total volume of travel agency air bookings processed by the three major global reservation systems (Amadeus, Sabre and Travelport). It excludes air bookings made directly through airlines' direct distribution channels (airline offices and websites), single country operators (primarily in China, Japan, Russia and Turkey), other content aggregators and direct connect applications between airline systems, travel agencies, corporations and meta-bookers, which together combined represent an important part of the industry.

3.2 Cost saving program implementation costs

In 2021, we completed the implementation of our cost saving program, announced in 2020. Costs incurred in relation to the implementation of this program since it was launched in 2020 amounted to €215.6 million, of which €169.1 million were incurred in 2020 and €46.4 million were incurred in 2021. Of these €215.6 million implementation costs, €34.1 million was paid in 2020, €134.8 million was paid in 2021 and €29.1 million have been paid in 2022 (€1.7 million in the fourth quarter).

For purposes of comparing 2022 with 2021, 2021 income statement figures shown in section 5 have been adjusted to exclude the impact on the income statement from cost saving program implementation costs. A reconciliation of these figures to the financial statements is provided below.

In 2021, we incurred one-time cost saving program implementation costs amounting to €46.4 million (€13.3 million in the fourth quarter). Of these costs, an amount of €28.6 million (€19.8 million post tax) was reported under the Personnel expenses and Other operating expenses captions in the income statement (€5.9 million pre-tax, or €3.4 million post tax, in the fourth quarter), which mainly corresponded to severances. Under the capital expenditure caption in the cash flow statement, we had implementation costs of €17.8 million in 2021 (€7.4 million for the fourth quarter), which included costs incurred for office buildings and facilities. No costs in relation to the implementation of this cost saving program were incurred in 2022.

In 2021, we paid cost saving program implementation costs amounting to €134.8 million (€40.1 million in the fourth quarter). Of these cash-outs, an amount of €17.8 million was reported under the capitalized expenditure caption in the cash flow statement in 2021 (€7.4 million in the fourth quarter). The remaining €117.0 million (€32.7 million in the fourth quarter) were reported, partly under the EBITDA (€28.6 million) and partly under the Change in working capital (€88.4 million) captions in the cash flow statement in 2021 (€5.9 million under EBITDA and €26.8 million under Change in working capital, in the fourth quarter).

Income statement (€millions)	Oct-Dec 2021			Full year 2021		
	Excl. implementation costs	Implementation costs	As reported	Excl. implementation costs	Implementation costs	As reported
Group revenue	809.8	0.0	809.8	2,670.0	0.0	2,670.0
Cost of revenue	(172.7)	0.0	(172.7)	(495.0)	0.0	(495.0)
Personnel expenses	(327.9)	(3.5)	(331.4)	(1,314.2)	(25.9)	(1,340.1)
Other op. expenses	(87.3)	(2.3)	(89.6)	(233.2)	(2.7)	(236.0)
EBITDA	221.9	(5.9)	216.0	627.6	(28.6)	598.9
Dep. and amortization	(198.8)	0.0	(198.8)	(681.9)	0.0	(681.9)
Operating income (loss)	23.1	(5.9)	17.2	(54.3)	(28.6)	(83.0)
Net financial expense	(29.1)	0.0	(29.1)	(115.3)	0.0	(115.3)
Other income (expense)	(0.9)	0.0	(0.9)	0.8	0.0	0.9
Profit before income taxes	(6.9)	(5.9)	(12.7)	(168.8)	(28.6)	(197.4)
Income taxes	6.6	2.4	9.0	51.9	8.8	60.7
Profit (Loss) after taxes	(0.3)	(3.4)	(3.7)	(116.9)	(19.8)	(136.7)
Share in profit assoc/JV	(1.0)	0.0	(1.0)	(5.7)	0.0	(5.7)
Profit (Loss) for the period	(1.3)	(3.4)	(4.8)	(122.6)	(19.8)	(142.4)
EPS (€)	0.00	0.01	(0.01)	(0.27)	0.04	(0.32)
Adjusted profit (Loss)	38.2	0.0	38.2	(44.7)	0.0	(44.7)
Adjusted EPS (€)	0.08	0.00	0.08	(0.10)	0.00	(0.10)

4. Main financial risks and hedging policy

4.1 Foreign exchange rate risk

Our reporting currency is the Euro. However, as a result of Amadeus' global activity and presence, part of our results are generated in currencies different from the Euro. Similarly, part of our cash inflows and outflows are denominated in non-Euro currencies. As a consequence, both our results and our cash flows are impacted, either positively or negatively, by foreign exchange fluctuations.

Exposure to foreign currencies

Our revenue is almost entirely generated in either Euro or US Dollar (the latter representing 40%-50% of our total revenue). Revenue generated in currencies other than the Euro or US Dollar is negligible.

In turn, 60%-70% of our operating costs[5] are denominated in many currencies different from the Euro, including the US Dollar, which represents 40%-50% of our operating costs. The rest of the foreign currency operating expenses are denominated in a variety of currencies, GBP, AUD, INR and SGD being the most significant. A number of these currencies may fluctuate vs. the Euro similarly to the US Dollar - Euro fluctuations, and the degree of this correlation may vary with time.

[5] Including Cost of revenue, Personnel expenses and Other operating expenses. Excludes depreciation and amortization expense.

Hedging policy

Amadeus' target is to reduce the volatility generated by foreign exchange fluctuations on its non-Euro denominated net cash flows. Our hedging strategy is as follows:

- To manage our exposure to the US Dollar, we have a natural hedge to our net operating cash flows generated in US Dollar or US Dollar-correlated currencies through, among others, payments of USD-denominated debt (when applicable), as well as investments and taxes paid in the U.S. We may enter into derivative arrangements when this natural hedge is not sufficient to cover our outstanding exposure.
- We also hedge a number of currencies, including the GBP, AUD, INR, BRL and SEK, for which we may enter into foreign exchange derivatives with banks.

When the hedges in place covering operating flows qualify for hedge accounting under IFRS, profits and losses are recognized within EBITDA. Our hedging arrangements typically qualify for hedge accounting under IFRS.

In the fourth quarter of 2022, as well as in the full year 2022, foreign exchange fluctuations had a positive impact on revenue and EBITDA and a negative impact on costs, relative to 2021.

4.2 Interest rate risk

Our target is to reduce volatility in net interest flows. In order to achieve this objective, Amadeus may enter into interest rate hedging agreements (interest rate swaps, caps, collars) to cover the floating rate debt.

At December 31, 2022, 18% of our total financial debt[6] (mainly related to a Eurobond issue) was subject to floating interest rates, indexed to the EURIBOR. As of this date, no interest rate hedges were in place.

4.3 Treasury shares price evolution risk

Amadeus has three different staff remuneration schemes which are settled with Amadeus shares. According to the rules of these plans, when they mature, all beneficiaries receive a number of Amadeus shares, which for the outstanding plans amount to (depending on the evolution of certain performance conditions), between a minimum of 668,000 shares and a maximum of 1,633,000 shares, approximately. It is Amadeus' intention to make use of its treasury shares to settle these plans at their maturity.

[6] Based on our credit facility agreements' definition.

5. Group income statement

Q4 Income statement (€millions)	Oct-Dec 2022	Oct-Dec 2021[1]	Change vs. Q4'21	Change vs. Q4'19
Revenue	**1,168.5**	**809.8**	**44.3%**	**(12.9%)**
Cost of revenue	(282.6)	(172.7)	63.6%	(18.5%)
Personnel and related expenses	(403.6)	(327.9)	23.1%	2.4%
Other operating expenses	(84.0)	(87.3)	(3.7%)	(29.3%)
EBITDA	**398.3**	**221.9**	**79.5%**	**(17.3%)**
Depreciation and amortization	(200.7)	(198.8)	0.9%	0.7%
Operating income	**197.6**	**23.1**	**756.9%**	**(29.9%)**
Net financial expense	(16.5)	(29.1)	(43.4%)	6.9%
Other income (expense)	2.0	(0.9)	n.m.	n.m.
Profit before income tax	**183.2**	**(6.9)**	**n.m.**	**(25.3%)**
Income taxes	(39.3)	6.6	n.m.	46.0%
Profit after taxes	**143.9**	**(0.3)**	**n.m.**	**(34.1%)**
Share in profit from assoc./JVs	(0.8)	(1.0)	(26.1%)	n.m.
Profit for the period	**143.1**	**(1.3)**	**n.m.**	**(36.9%)**
EPS (€)	**0.32**	**0.00**	**n.m.**	**(39.6%)**
Adjusted profit[2]	**180.7**	**38.2**	**372.5%**	**(34.5%)**
Adjusted EPS (€)[3]	**0.40**	**0.08**	**374.3%**	**(37.3%)**

[1] 2021 Income statement figures have been adjusted to exclude costs, amounting to €5.9 million (€3.4 million post tax) in the fourth quarter of 2021, related to the implementation of the cost saving program announced in 2020. See section 3.2 for more detail.
[2] 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.
[3] EPS corresponding to the Adjusted profit attributable to the parent company. Calculated based on weighted average outstanding shares of the period.

FY Income statement (€millions)	Full year 2022[1]	Full year 2021[2]	Change vs. 2021	Change vs. 2019
Revenue	**4,485.9**	**2,670.0**	**68.0%**	**(19.5%)**
Cost of revenue	(1,099.3)	(495.0)	122.1%	(23.1%)
Personnel and related expenses	(1,514.5)	(1,314.2)	15.2%	(1.9%)
Other operating expenses	(231.8)	(233.2)	(0.6%)	(36.5%)
EBITDA	**1,640.3**	**627.6**	**161.4%**	**(26.5%)**
Depreciation and amortization	(677.6)	(681.9)	(0.6%)	(10.5%)
Operating income (loss)	**962.7**	**(54.3)**	**n.m.**	**(34.7%)**
Net financial expense	(80.1)	(115.3)	(30.4%)	36.0%
Other income (expense)	(10.9)	0.8	n.m.	8.8%
Profit (loss) before income tax	**871.7**	**(168.8)**	**n.m.**	**(38.0%)**
Income taxes	(204.5)	51.9	n.m.	(33.2%)
Profit (loss) after taxes	**667.2**	**(116.9)**	**n.m.**	**(39.4%)**
Share in profit from assoc./JVs	(2.9)	(5.7)	(49.3%)	n.m.
Profit (loss) for the period	**664.3**	**(122.6)**	**n.m.**	**(40.3%)**
EPS (€)	**1.48**	**(0.27)**	**n.m.**	**(42.8%)**
Adjusted profit (loss)[3]	**742.2**	**(44.7)**	**n.m.**	**(41.2%)**
Adjusted EPS (€)[4]	**1.65**	**(0.10)**	**n.m.**	**(43.7%)**

[1] 2022 results were positively impacted by a non-refundable government grant, received in the second quarter of 2022, amounting to €51.2 million pre-tax (€38.9 million post tax), which was accounted for as a reduction of Other operating expenses. Excluding this grant, in 2022, vs. 2019, EBITDA was -28.8%, Profit was -43.8%, Adjusted profit was -44.3% and Adjusted EPS was -46.6%. See section 5.2.2 for further details.
[2] 2021 Income statement figures have been adjusted to exclude costs, amounting to €28.6 million (€19.8 million post tax) in 2021, related to the implementation of the cost saving program announced in 2020. See section 3.2 for more detail.
[3] 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.
[4] EPS corresponding to the Adjusted profit attributable to the parent company. Calculated based on weighted average outstanding shares of the period.

In this section, with respect to volumes, revenues, unitary revenues and cost of revenue (P&L line items which are highly driven by volumes), we focus on the evolution against 2019. 2019 is the base of reference before any impacts on global air traffic from the pandemic. For the line items in the P&L, which are fundamentally cost captions, as well as for the Balance Sheet and Cash flow statement (which are not directly driven by volumes), we focus on the evolution against prior year.

5.1 Revenue

In the fourth quarter of 2022, Group revenue amounted to €1,168.5 million, which was 12.9% below revenue in the same period in 2019. This quarter's revenue performance represented an improvement of 0.3 p.p. compared to the previous quarter.

- Air Distribution revenue was 21.8% lower than in the fourth quarter of 2019.
- Air IT Solutions revenue in the fourth quarter was 6.9% below Air IT Solutions revenue in the same period in 2019.
- Hospitality & Other Solutions revenue continued to outperform the overall air industry and was 3.6% higher than in the fourth quarter of 2019.

With respect to 2021, Group revenue in the fourth quarter increased by 44.3%, as the travel industry continues to progress towards a full recovery from the COVID-19 pandemic.

In the full year 2022, Group revenue amounted to €4,485.9 million, 19.5% below 2019. Relative to 2021, Group revenue grew by 68.0% in the year, driven by growth rate enhancements across our businesses.

Q4 Revenue (€millions)	Oct-Dec 2022	Oct-Dec 2021	Change vs. Q4'21	Change vs. Q4'19
Air Distribution revenue	536.9	344.2	56.0%	(21.8%)
Air IT Solutions revenue	410.9	305.7	34.4%	(6.9%)
Hospitality & Other Solutions revenue	220.7	159.9	38.1%	3.6%
Revenue	**1,168.5**	**809.8**	**44.3%**	**(12.9%)**

FY Revenue (€millions)	Full year 2022	Full year 2021	Change vs. 2021	Change vs. 2019
Air Distribution revenue	2,147.8	1,061.9	102.3%	(27.0%)
Air IT Solutions revenue	1,565.4	1,069.5	46.4%	(14.0%)
Hospitality & Other Solutions revenue	772.7	538.6	43.5%	(4.2%)
Revenue	**4,485.9**	**2,670.0**	**68.0%**	**(19.5%)**

5.1.1 Air Distribution

Evolution of Amadeus bookings

Q4 bookings (millions)	Oct-Dec 2022	Oct-Dec 2021	Change vs. Q4'21	Change vs. Q4'19
Amadeus bookings	95.6	67.7	41.1%	(28.3%)

FY bookings (millions)	Full year 2022	Full year 2021	Change vs. 2021	Change vs. 2019
Amadeus bookings	396.3	206.4	92.0%	(31.7%)

In the fourth quarter of 2022, Amadeus' bookings were 28.3% less than in the fourth quarter of 2019, resulting from the industry's evolution in the quarter, further enhanced by market share gains[7].

In the quarter, our air bookings performance was impacted by a negative effect from differences in workdays in the fourth quarter of 2022, when compared to the fourth quarter of 2019 (the amount of bookings done every day of the week presents a pattern whereby, typically, the daily amount of bookings done from Mondays to Fridays is higher than the daily amount of bookings done on Saturdays and Sundays, globally). Excluding the negative effect from workday differences, Amadeus' bookings performance in the fourth quarter continued to improve over the third quarter.

In the fourth quarter, Asia-Pacific was the region reporting the highest booking performance improvement (vs. 2019), compared to prior quarter. In the quarter, North America continued to be our best performing region, with bookings growing by 1.2% vs. 2019.

[7] Industry and market share as defined in section 3.1.

In the full year 2022, Amadeus' bookings were 31.7% below 2019. Our best performing region in the full-year period was North America, which grew 2.9% vs. 2019. North America was also our largest region by bookings, representing 30.8% of Amadeus' bookings.

Bookings Change vs. 2019	Jul-Sep 2022	Oct-Dec 2022	Full year 2022	% of Total 2022	% of Total 2019
North America	2.3%	1.2%	2.9%	30.8%	20.4%
Western Europe	(38.7%)	(35.8%)	(42.1%)	28.3%	33.3%
Middle East and Africa	(20.0%)	(20.2%)	(24.4%)	13.3%	12.0%
Asia-Pacific	(42.2%)	(39.0%)	(51.2%)	12.8%	17.9%
Latin America	(22.3%)	(31.0%)	(27.0%)	7.6%	7.1%
CESE	(45.8%)	(51.0%)	(46.2%)	7.2%	9.2%
Bookings	**(28.3%)**	**(28.3%)**	**(31.7%)**	**100.0%**	**100.0%**

Revenue

In the fourth quarter of 2022, Air Distribution revenue amounted to €536.9 million, 21.8% below the fourth quarter of 2019. This Air Distribution revenue evolution was driven by the lower booking volumes than in 2019, partly offset by a 9.1% increase in the Air Distribution revenue per booking. This increase in the revenue per booking primarily resulted from (i) various positive pricing effects (such as, inflation and other yearly adjustments, renewals and new distribution agreements), and (ii) a positive foreign exchange impact. These effects were partly offset by a higher weight of local bookings compared to 2019.

In the full year 2022, Air Distribution revenue was 27.0% below 2019, driven by the lower booking volumes. Despite the negative effect from a higher weight of local bookings compared to 2019, the Air Distribution revenue per booking increased, supported by (i) various positive pricing effects (such as, inflation and other yearly adjustments, renewals and new distribution agreements), and (ii) a positive foreign exchange impact.

	Oct-Dec 2022	Oct-Dec 2019	Change	Full year 2022	Full year 2019	Change
Air Distribution revenue (€millions)	536.9	686.7	(21.8%)	2,147.8	2,944.2	(27.0%)
Air Distribution revenue/ booking (€)	5.62	5.15	9.1%	5.42	5.07	6.8%

	Oct-Dec 2022	Oct-Dec 2021	Change	Full year 2022	Full year 2021	Change
Air Distribution revenue (€millions)	536.9	344.2	56.0%	2,147.8	1,061.9	102.3%
Air Distribution revenue/ booking (€)	5.62	5.08	10.6%	5.42	5.14	5.4%

5.1.2 Air IT Solutions

Evolution of Amadeus Passengers boarded

Q4 Passengers boarded (millions)	Oct-Dec 2022	Oct-Dec 2021	Change vs. Q4'21	Change vs. Q4'19
Passengers boarded	419.7	285.7	46.9%	(15.6%)

FY Passengers boarded (millions)	Full year 2022	Full year 2021	Change vs. 2021	Change vs. 2019
Passengers boarded	1,539.5	848.6	81.4%	(22.8%)

In the fourth quarter of 2022, Amadeus passengers boarded (PB) were 15.6% lower than in the fourth quarter of 2019, a 0.9 p.p. improvement over the -16.5% vs. 2019 growth reported in the third quarter of 2022. In the fourth quarter, Asia-Pacific and Middle East and Africa were the regions reporting the strongest performance advances vs. prior quarter's performances. North America continued to be our best performing region, delivering positive growth vs. 2019 in the quarter (+9.4%).

Amadeus' full year 2022 passengers boarded were 22.8% below 2019. Our best performing region in the year was North America, which reported 11.1% PB volume growth vs. 2019. Western Europe had the highest weight over our total PB, representing 34.8% of Amadeus' passengers boarded.

Amadeus PB Change vs. 2019	Jul-Sep 2022	Oct-Dec 2022	Full year 2022	% of Total 2022	% of Total 2019
Western Europe	(12.4%)	(12.4%)	(18.9%)	34.8%	33.1%
Asia-Pacific	(37.9%)	(29.0%)	(42.7%)	24.0%	32.4%
North America	21.1%	9.4%	11.1%	19.5%	13.5%
MEA	(8.3%)	(0.8%)	(14.1%)	8.3%	7.5%
CESE	(13.3%)	(26.7%)	(19.0%)	7.2%	6.9%
Latin America	(25.8%)	(22.3%)	(27.4%)	6.2%	6.6%
Amadeus PB	(16.5%)	(15.6%)	(22.8%)	100.0%	100.0%

Revenue

In the fourth quarter of 2022, Air IT Solutions revenue was 6.9% below the same period of 2019. This revenue performance, a continued enhancement compared to prior quarters' performances, was driven by the lower airline passengers boarded volumes, relative to 2019, described above, partly offset by a 10.2% higher than in 2019 Air IT Solutions revenue per PB. In the full year, revenue per PB grew by 11.4% vs. 2019, mainly due to (i) several revenue lines not linked to the PB evolution (such as Airport IT and airline services, among others) reporting healthier growth rates than airline passengers boarded, and (ii) positive pricing effects (such as, inflation and other yearly adjustments and upselling of solutions), partially offset by mix impacts. Air IT Solutions revenue per PB was also impacted by positive foreign exchange effects, relative to 2019.

	Oct-Dec 2022	Oct-Dec 2019	Change	Full year 2022	Full year 2019	Change
Air IT Solutions revenue (€millions)	410.9	441.5	(6.9%)	1,565.4	1,819.8	(14.0%)
Air IT Solutions revenue/PB (€)	0.98	0.89	10.2%	1.02	0.91	11.4%

	Oct-Dec 2022	Oct-Dec 2021	Change	Full year 2022	Full year 2021	Change
Air IT Solutions revenue (€millions)	410.9	305.7	34.4%	1,565.4	1,069.5	46.4%
Air IT Solutions revenue/PB (€)	0.98	1.07	(8.5%)	1.02	1.26	(19.3%)

5.1.3 Hospitality & Other Solutions

In the fourth quarter of 2022, Hospitality & Other Solutions revenue was 3.6% higher than in the same period of 2019, a 4.4 p.p. enhancement over prior quarter's revenue performance. Within the Hospitality & Other Solutions segment, Hospitality, which generates the majority of the revenues, continued to advance in the fourth quarter, supported by performance improvements, relative to prior quarter, across its revenue lines. (i) In Hospitality IT, several areas reported enhanced growth rates vs. 2019 in the fourth quarter, relative to prior quarter, including, among others, Sales & Event Management, Service Optimization and Amadeus central reservation system revenues, supported by new customer implementations. (ii) Media and Distribution revenues continued to advance, backed by stronger growth rates in media transactions. (iii) Business Intelligence revenue, which has a high weight of non transaction-based revenues, also had a performance improvement in the quarter, relative to prior quarter, driven by new customer implementations. Hospitality & Other Solutions revenue was impacted by positive foreign exchange effects.

In the full year 2022, Hospitality & Other Solutions revenue decreased by 4.2% vs. 2019, impacted by the effects of the COVID-19 pandemic. Within the Hospitality & Other Solutions segment, Hospitality continued to outperform Payments, as Hospitality is supported by a greater weight of non transaction-based revenues. In contrast, Payments is largely composed of transaction-based revenues and remains more impacted by the pandemic effects, within the Hospitality & Other Solutions segment. Within Hospitality, quarter-on-quarter performance improvements, vs. 2019, were seen across its revenue lines. (i) Hospitality IT delivered an enhanced performance (vs. 2019), relative to 2021, supported by new customer implementations and strengthening transaction growth rates. (ii) Media and Distribution revenues grew notably quarter-on-quarter in 2022, driven by media and booking volumes performance advances, and were above 2019 revenues in the second half of 2022. (iii) Business Intelligence revenue performance (vs. 2019) also improved in the year, compared to prior year, backed by customer implementations. Hospitality & Other Solutions revenue was impacted by positive foreign exchange effects in 2022, vs. 2019.

5.2 Group operating costs

5.2.1 Cost of revenue

These costs are mainly related to: (i) incentive fees paid to travel sellers for bookings done through our air distribution and hospitality reservation platforms, (ii) fees paid to local distributors (mainly in the Middle East, North Africa, India and South Korea), (iii) fees paid in relation to advertizing and data analytics activities in Hospitality, (iv) commissions paid to travel agencies for the use of the Amadeus B2B Wallet payment solution, and (v) data communication expenses related to the maintenance of our computer network.

In the fourth quarter of 2022, cost of revenue amounted to €282.6 million, an 18.5% reduction vs. the same period of 2019. In the full year 2022, cost of revenue declined by 23.1%. This cost of revenue reduction resulted from (i) the lower booking volumes over the period, vs. 2019, as detailed in section 5.1.1., (ii) an increase in variable costs linked to our hospitality business, vs. 2019 (primarily caused by business mix, such as costs linked to the media and distribution revenues, which delivered positive growth vs. 2019), (iii) a contraction in variable costs in our payments business, driven by the reduction in transactions vs. 2019, caused by the pandemic, and (iv) a negative foreign exchange effect, compared to 2019.

5.2.2 Personnel and related expenses and Other operating expenses

In the fourth quarter of 2022, our combined Personnel and Other operating expenses cost line amounted to €487.6 million, representing 17.5% growth vs. 2021. This growth was largely driven by (i) an increase in R&D investment vs. 2021 (of 23.5% in the fourth quarter of 2022, see section 6.2.2), (ii) higher travel and training spend (among others) derived from the business expansion relative to prior year and, and (iii) a negative impact from foreign exchange effects.

In 2022, Personnel and Other operating expenses grew by 12.9% vs. 2021. In the second quarter of 2022, Amadeus received a non-refundable government grant, amounting to €51.2 million, as a compensation for costs incurred as a consequence of the COVID-19 pandemic. This amount was recognized as a reduction of Other operating expenses. Excluding the effect of this grant on our costs, our combined Personnel and Other operating expenses cost line grew by 16.2% in 2022, vs. 2021, resulting mainly from (i) an expansion in resources devoted to our R&D activity (R&D investment grew by 29.2% in the year, vs. 2021), (ii) growth in other cost lines, such as travel and training, driven by the business expansion, and (iii) a negative impact from foreign exchange effects.

Excluding the government grant and foreign exchange effects, the combined Personnel and Other operating expenses cost line increased by 11.8% in 2022, vs. 2021 (14.3% in the fourth quarter).

Q4 Personnel + Other op. expenses (€millions)	Oct-Dec 2022	Oct-Dec 2021[1]	Change vs. Q4'21	Change vs. Q4'19
Personnel + Other operating expenses	(487.6)	(415.2)	17.5%	(4.9%)

[1] 2021 figures adjusted to exclude costs, amounting to €5.9 million in the fourth quarter of 2021, related to the implementation of the cost saving program announced in 2020. See section 3.2 for more detail.

FY Personnel + Other op. expenses (€millions)	Full year 2022	Full year 2021[1]	Change vs. 2021	Change vs. 2019
Personnel + Other operating expenses	(1,746.2)	(1,547.4)	12.9%	(8.5%)
Personnel+Other opex excluding grant[2]	(1,797.4)	(1,547.4)	16.2%	(5.8%)

[1] 2021 figures adjusted to exclude costs, amounting to €28.6 million, related to the implementation of the cost saving program announced in 2020. See section 3.2 for more detail.
[2] Adjusted to exclude the €51.2 million grant received in the second quarter of 2022.

5.2.3 Depreciation and amortization expense

In the fourth quarter of 2022, depreciation and amortization expense amounted to €200.7 million, €1.9 million, or 0.9%, higher than in the same period of 2021. In the full year period, depreciation and amortization expense declined by 0.6% vs. 2021, due to a 1.4% reduction in ordinary D&A, resulting from (i) a contraction in depreciation expense, mostly driven by a reduction in hardware at our data center in Erding, largely offset by (ii) a higher amortization expense, due to an increase in capitalized, internally developed assets. In 2022, impairment losses amounted to €36.8 million, in line with prior year, and were mostly related to (i) specific developments and implementation efforts carried out for customers that have either cancelled contracts, or suspended or ceased operations, and (ii) investments related to new solutions or technology which did not or will not deliver the expected benefits.

Depreciation & Amort. (€millions)	Oct-Dec 2022	Oct-Dec 2021	Change	Full year 2022	Full year 2021	Change
Ordinary D&A	(146.2)	(148.3)	(1.4%)	(579.2)	(587.3)	(1.4%)
PPA amortization	(18.2)	(14.3)	27.2%	(61.7)	(57.9)	6.5%
Impairments	(36.3)	(36.2)	0.1%	(36.8)	(36.7)	0.1%
D&A expense	**(200.7)**	**(198.8)**	**0.9%**	**(677.6)**	**(681.9)**	**(0.6%)**

5.3 EBITDA and Operating income

In the fourth quarter of 2022, EBITDA amounted to €398.3 million, 17.3% below the same period of 2019, driven by 12.9% lower revenue, as described in section 5.1, an 18.5% cost of revenue contraction, and a fixed cost decrease of 4.9%, relative to 2019. The fourth quarter EBITDA performance was an improvement over the -20.5% evolution vs. 2019 reported in the third quarter of 2022.

In turn, Operating income amounted to €197.6 million in the fourth quarter of 2022, 29.9% below the same period of 2019, driven by the EBITDA evolution.

In 2022, EBITDA amounted to €1,640.3 million, 26.5% lower than in 2019. Operating income amounted to €962.7 million, 34.7% below 2019. Excluding the effect of the government grant received in the second quarter of 2022, in 2022, EBITDA and Operating income were 28.8% and 38.2% lower than in 2019, respectively. Relative to 2021, EBITDA grew by 161.4% in 2022, driven by performance improvements across our businesses.

Q4 Operating income – EBITDA (€millions)	Oct-Dec 2022	Oct-Dec 2021[1]	Change vs. Q4'21	Change vs. Q4'19
Operating income (loss)	197.6	23.1	756.9%	(29.9%)
D&A expense	200.7	198.8	0.9%	0.7%
EBITDA	398.3	221.9	79.5%	(17.3%)
EBITDA margin (%)	34.1%	27.4%	6.7 p.p.	(1.8 p.p.)

[1] 2021 figures adjusted to exclude costs, amounting to €5.9 million in the fourth quarter of 2021, related to the implementation of the cost saving program announced in 2020. See section 3.2 for more detail.

FY Operating income – EBITDA (€millions)	Full year 2022[1]	Full year 2021[2]	Change vs. 2021	Change vs. 2019
Operating income (loss)	962.7	(54.3)	n.m.	(34.7%)
D&A expense	677.6	681.9	(0.6%)	(10.5%)
EBITDA	1,640.3	627.6	161.4%	(26.5%)
EBITDA margin (%)	36.6%	23.5%	13.1 p.p.	(3.5 p.p.)

[1] 2022 EBITDA and Operating income were positively impacted by a non-refundable government grant, received in the second quarter of 2022, amounting to €51.2 million. Excluding this grant, in 2022, EBITDA and Operating income were 28.8% and 38.2% below 2019, respectively, and EBITDA margin was 35.4%. See section 5.2.2 for further details.
[2] 2021 figures adjusted to exclude costs, amounting to €28.6 million, related to the implementation of the cost saving program announced in 2020. See section 3.2 for more detail.

In 2022, the EBITDA evolution, relative to 2019, was driven by:

– A 26.7% decrease in Air Distribution contribution, resulting from a decline in revenue of 27.0%, as explained in section 5.1.1 above, and a 27.3% reduction in net operating costs, which mainly resulted from (i) lower variable costs, driven by the booking volume evolution, and (ii) a reduction in net fixed costs, impacted by our cost saving measures.

– A 17.3% contraction in Air IT Solutions contribution, as a result of a 14.0% revenue decrease, as explained in section 5.1.2, and a 4.4% net operating costs reduction, supported by cost saving measures.

– A 16.9% reduction in Hospitality & Other Solutions contribution, resulting from a 4.2% revenue contraction, as explained in section 5.1.3, and a 3.2% net operating cost increase. Cost increase vs. 2019 primarily resulted from (i) business expansion at Payments, (ii) business mix within Hospitality (mainly, the positive growth in 2022, vs. 2019, reported by the media and distribution business, causing an increase in the variable costs linked to this business), (iii) an increase in the bad debt effect, softening towards the end of the year, and (iv) negative foreign exchange effects.

– A 6.2% decline in net indirect costs, impacted by the €51.2 million government grant received in the second quarter of 2022 (as described in section 5.2.2). Excluding the effect of this grant, net indirect costs increased by 0.7% vs. 2019, resulting from (i) a reduction in operating costs of 3.4%, supported by cost efficiency measures, offset by (ii) a decrease of 16.1% in capitalizations, on the back of a lower capitalization ratio, impacted by project mix.

Contribution by segment and EBITDA (€millions)	Full year 2022	Full year 2021[1]	Change vs. 2021	Change vs. 2019
Air Distribution				
Revenue	2,147.8	1,061.9	102.3%	(27.0%)
Operating costs	(1,245.3)	(721.2)	72.7%	(27.1%)
Capitalizations	67.2	54.7	23.1%	(23.2%)
Net operating costs	(1,178.0)	(666.6)	76.7%	(27.3%)
Contribution	969.8	395.3	145.3%	(26.7%)
Contribution margin	45.2%	37.2%	7.9 p.p.	0.2 p.p.
Air IT Solutions				
Revenue	1,565.4	1,069.5	46.4%	(14.0%)
Operating costs	(579.9)	(474.6)	22.2%	(7.6%)
Capitalizations	135.8	110.3	23.1%	(16.7%)
Net operating costs	(444.1)	(364.2)	21.9%	(4.4%)
Contribution	1,121.3	705.3	59.0%	(17.3%)
Contribution margin	71.6%	65.9%	5.7 p.p.	(2.8 p.p.)
Hospitality & Other Solutions				
Revenue	772.7	538.6	43.5%	(4.2%)
Operating costs	(660.1)	(448.0)	47.3%	8.2%
Capitalizations	132.6	81.3	63.1%	33.7%
Net operating costs	(527.5)	(366.7)	43.8%	3.2%
Contribution	245.1	171.8	42.7%	(16.9%)
Contribution margin	31.7%	31.9%	(0.2 p.p.)	(4.9 p.p.)
Net indirect costs				
Operating costs	(892.9)	(802.9)	11.1%	(8.6%)
Capitalizations	197.1	158.1	24.7%	(16.1%)
Net indirect costs[2]	(695.8)	(644.8)	7.9%	(6.2%)
EBITDA[2]	1,640.3	627.6	161.4%	(26.5%)
EBITDA margin	36.6%	23.5%	13.1 p.p.	(3.5 p.p.)

[1] Adjusted to exclude costs amounting to €28.6 million, incurred in 2021, related to the implementation of the cost saving program announced in 2020. See section 3.2 for more detail.

[2] 2022 net indirect costs and EBITDA were positively impacted by a non-refundable government grant, amounting to €51.2 million, received in the second quarter of 2022. Excluding this grant, in 2022, net indirect costs grew by 0.7% and EBITDA contracted by 28.8%, vs. 2019, respectively. See section 5.2.2 for further details.

5.4 Net financial expense

In the fourth quarter of 2022, net financial expense amounted to €16.5 million, lower by €12.6 million, or 43.4%, than in the same period of 2021. This reduction resulted from (i) a financial income increase, of €7.6 million, vs. the fourth quarter of 2021, driven by the rise in interest rates over our cash, cash equivalents and short term financial investments, and (ii) exchange gains of €3.1 million, compared to losses in the fourth quarter of 2021. In the quarter, interest expense was 11.4%, or €2.5 million, higher than in fourth quarter of 2021, as a consequence of a higher average cost of debt over the period.

In 2022, net financial expense amounted to €80.1 million, 30.4% below 2021, resulting mainly from (i) €26.0 million higher financial income, partly due to €19.7 million income, driven by the partial repurchase of the outstanding notes issued in September 2020 (with maturity in September 2028), for a principal amount of €250 million (see section 6.1.1 for further details), and partly due to the rise in interest rates over our cash, cash equivalents and short term financial investments, (ii) €8.2 million reduction in exchange losses, and (iii) a 5.4% reduction in interest expense, resulting from lower average gross debt.

Net financial expense (€millions)	Oct-Dec 2022	Oct-Dec 2021	Change	Full year 2022	Full year 2021	Change
Interest expense	(24.3)	(21.8)	11.4%	(89.8)	(95.0)	(5.4%)
Financial income	9.1	1.5	503.4%	35.6	9.5	272.8%
Other financial expenses	(4.4)	(3.9)	11.0%	(20.0)	(15.7)	26.9%
Exchange gains (losses)	3.1	(4.9)	n.m.	(5.9)	(14.1)	(57.9%)
Net financial expense	(16.5)	(29.1)	(43.4%)	(80.1)	(115.3)	(30.4%)

5.5 Income taxes

In 2022, income taxes amounted to €204.5 million. The Group income tax rate for the year was 23.5%, lower than the 30.8% income tax rate reported in 2021. This decrease in the Group income tax rate was mainly driven by (i) a lower corporate tax rate in France, in accordance with government regulatory changes, and (ii) non-recurring adjustments.

5.6 Profit (loss) for the period. Adjusted profit (loss)

5.6.1 Reported and Adjusted profit (loss)

In the fourth quarter of 2022, Reported profit amounted to €143.1 million, 36.9% lower than in the fourth quarter of 2019. In turn, Adjusted profit amounted to €180.7 million, 34.5% below Adjusted profit reported in the fourth quarter of 2019.

In 2022, Reported profit amounted to €664.3 million, 40.3% lower than in 2019, and Adjusted profit amounted to €742.2 million, 41.2% below the Adjusted profit reported in 2019. Excluding the effect of the government grant received in the second quarter of 2022, in 2022, Reported profit and Adjusted profit were 43.8% and 44.3% lower than in 2019, respectively.

Q4 Reported-Adj. profit (loss) (€millions)	Oct-Dec 2022	Oct-Dec 2021[1]	Change vs. Q4'21	Change vs. Q4'19
Reported profit (loss)	143.1	(1.3)	n.m.	(36.9%)
Adjustments				
PPA amortization[2]	13.7	10.7	27.5%	(48.5%)
Impairments[2]	27.8	25.1	10.7%	486.4%
Non-operating FX gains (losses)[2]	(2.3)	3.1	n.m.	n.m.
Non-recurring items	(1.5)	0.6	n.m.	n.m.
Adjusted profit	180.7	38.2	372.5%	(34.5%)

[1] Adjusted to exclude costs, amounting to €3.4 million (post tax) in the fourth quarter of 2021, related to the implementation of the cost saving program announced in 2020. See section 3.2 for more detail.
[2] After tax impact of (i) accounting effects derived from purchase price allocation exercises and impairment losses, and (ii) non-operating exchange gains (losses).

FY Reported-Adj. profit (loss) (€millions)	Full year 2022	Full year 2021[1]	Change vs. 2021	Change vs. 2019
Reported profit (loss)[2]	664.3	(122.6)	n.m.	(40.3%)
Adjustments				
PPA amortization[3]	46.3	43.3	7.0%	(59.1%)
Impairments[3]	28.1	25.4	10.6%	26.7%
Non-operating FX gains (losses)[3]	4.5	9.7	(53.5%)	(31.7%)
Non-recurring items	(1.0)	(0.6)	73.9%	n.m.
Adjusted profit (loss)[2]	742.2	(44.7)	n.m.	(41.2%)

[1] Adjusted to exclude costs, amounting to €19.8 million (post tax) in 2021, related to the implementation of the cost saving program announced in 2020. See section 3.2 for more detail.
[2] 2022 Reported profit and Adjusted profit were positively impacted by a non-refundable government grant, received in the second quarter of 2022, amounting to €38.9 million (post tax). Excluding this grant, in 2022, Reported profit and Adjusted profit were 43.8% and 44.3% below 2019, respectively. See section 5.2.2 for further details.
[3] After tax impact of (i) accounting effects derived from purchase price allocation exercises and impairment losses, and (ii) non-operating exchange gains (losses).

5.6.2 Earnings (loss) per share (EPS)

The table below shows EPS for the period, based on the profit (loss) attributable to the parent company (after minority interests), both on a reported basis and on an adjusted basis (Adjusted profit as detailed in section 5.6.1). In the fourth quarter of 2022, our reported EPS was €0.32 and our adjusted EPS was €0.40, 39.6% and 37.3% below the same period in 2019, respectively. In the full year 2022, reported EPS was €1.48 and our adjusted EPS was €1.65, 42.8% and 43.7% lower than 2019, respectively.

Excluding the effect of a the government grant received in the second quarter of 2022, amounting to €38.9 million (post tax) (see section 5.2.2 for details), in 2022, Reported EPS and Adjusted EPS were 46.2% and 46.6% lower than 2019, respectively.

(millions of euros)

Q4 Earnings per share	Oct-Dec 2022	Oct-Dec 2021[1]	Change vs. Q4'21	Change vs. Q4'19
Weighted average issued shares (m)	450.5	450.5	0.0%	4.5%
Weighted av. treasury shares (m)	(0.5)	(0.6)	(22.7%)	94.3%
Outstanding shares (m)	450.0	449.9	0.0%	4.4%
EPS (€)[2]	0.32	0.00	n.m.	(39.6%)
Adjusted EPS (€)[3]	**0.40**	**0.08**	**374.3%**	**(37.3%)**
Diluted outstanding shares (m)[4]	465.4	465.1	0.1%	8.0%
Diluted EPS (€)[2]	0.31	0.00	n.m.	(40.7%)
Diluted adjusted EPS (€)[3]	0.39	0.09	355.9%	(38.7%)

[1] Adjusted to exclude costs, amounting to €3.4 million (post tax) in the fourth quarter of 2021, related to the implementation of the cost saving program announced in 2020. See section 3.2 for more detail.
[2] EPS and diluted EPS (dilution effect related to the potential conversion of the convertible bonds into ordinary shares) corresponding to the Profit attributable to the parent company. EPS is calculated based on weighted average outstanding shares of the period.
[3] Adjusted EPS and diluted adjusted EPS (dilution effect related to the potential conversion of the convertible bonds into ordinary shares) corresponding to the Adjusted profit attributable to the parent company. Adjusted EPS is calculated based on weighted average outstanding shares of the period.
[4] Includes the dilution effect related to the potential conversion of the convertible bonds into ordinary shares.

FY Earnings per share	Full year 2022[1]	Full year 2021[2]	Change vs. 2021	Change vs. 2019
Weighted average issued shares (m)	450.5	450.5	0.0%	3.6%
Weighted av. treasury shares (m)	(0.6)	(0.5)	17.9%	(86.9%)
Outstanding shares (m)	449.9	450.0	0.0%	4.4%
EPS (€)[3]	1.48	(0.27)	n.m.	(42.8%)
Adjusted EPS (€)[4]	**1.65**	**(0.10)**	**n.m.**	**(43.7%)**
Diluted outstanding shares (m)[5]	465.3	465.2	0.0%	8.0%
Diluted EPS (€)[3]	1.45	(0.25)	n.m.	(44.1%)
Diluted adjusted EPS (€)[4]	1.61	(0.08)	n.m.	(45.0%)

[1] 2022 EPS and Adjusted EPS were positively impacted by a non-refundable government grant, received in the second quarter of 2022, amounting to €38.9 million (post tax). Excluding this grant, in 2022, Reported EPS and Adjusted EPS were 46.2% and 46.6% below 2019, respectively, and diluted EPS and diluted adjusted EPS were 47.3% and 47.8% below 2019, respectively. See section 5.2.2 for further details.
[2] Adjusted to exclude costs, amounting to €19.8 million (post tax) in 2021, related to the implementation of the cost saving program announced in 2020. See section 3.2 for more detail.
[3] EPS and diluted EPS (dilution effect related to the potential conversion of the convertible bonds into ordinary shares) corresponding to the Profit attributable to the parent company. EPS is calculated based on weighted average outstanding shares of the period.
[4] Adjusted EPS and diluted adjusted EPS (dilution effect related to the potential conversion of the convertible bonds into ordinary shares) corresponding to the Adjusted profit attributable to the parent company. Adjusted EPS is calculated based on weighted average outstanding shares of the period.
[5] Includes the dilution effect related to the potential conversion of the convertible bonds into ordinary shares.

6. Other financial information

Statement of financial position (€millions)	Dec 31,2022	Dec 31,2021	Change
Intangible assets	3,952.6	3,914.8	37.8
Goodwill	3,766.7	3,654.2	112.5
Property, plant and equipment	220.9	278.9	(58.0)
Other non-current assets	706.1	690.3	15.8
Non-current assets	8,646.3	8,538.2	108.1
Cash and equivalents	1,434.8	1,127.7	307.1
Other current assets[1]	1,631.1	1,516.0	115.1
Current assets	3,065.9	2,643.7	422.2
Total assets	**11,712.2**	**11,181.9**	**530.3**
Equity	4,582.6	3,745.0	837.6
Non-current debt	3,086.4	4,344.5	(1,258.1)
Other non-current liabilities	1,074.6	1,088.1	(13.5)
Non-current liabilities	4,161.0	5,432.6	(1,271.6)
Current debt	1,324.8	635.4	689.4
Other current liabilities	1,643.7	1,368.9	274.8
Current liabilities	2,968.5	2,004.3	964.2
Total liabilities and equity	**11,712.2**	**11,181.9**	**530.3**
Net financial debt (as per financial statements)[1]	2,406.5	3,173.4	(766.9)

[1] Other current assets include short term investments (and fair value adjustments to hedging contracts linked to them), amounting to €569.9 million at December 31, 2022 and €678.8 million at December 31, 2021, that have been included in Net financial debt as per financial statements as they are considered cash equivalent assets under our credit facility agreements´ definition.

6.1 Intangible assets

This caption principally includes the cost of acquisition or development, as well as the excess purchase price allocated to, patents, trademarks and licenses[8], technology and content[9] and contractual relationships[10], net of amortization.

Intangible assets amounted to €3,952.6 million at December 31, 2022, an increase of €37.8 million vs. December 31, 2021. This increase was mainly the result of the combination of the following effects: (i) additions of internally developed software (+€504.8 million), (ii) amortization charges and impairment losses (-€541.6 million), and (iii) foreign exchange effects (+€66.4 million).

[8] Net cost of acquiring brands and trademarks (either by means of business combinations or in separate acquisitions) as well as the net cost of acquiring software licenses developed outside the Group.

[9] Net cost of acquiring technology and travel content, either by means of acquisitions through business combinations/separate acquisitions or internally developed (software applications developed by the Group). Travel content is obtained by Amadeus through its relationships with travel providers.

[10] Net cost of contractual relationships with customers, as acquired through business combinations, as well as, costs related to travel agency incentives that can be recognized as an asset.

6.2 Goodwill

Goodwill mainly relates to the unallocated amount of the excess purchase price derived from (i) the business combination (acquisition) between Amadeus IT Group, S.A. (the currently listed company, formerly named Amadeus IT Holding, S.A. or WAM Acquisition, S.A.) and Amadeus IT Group, S.A. (the former listed company in 2005) in 2005, and (ii) acquisitions, most of them completed between 2014 and 2018.

Goodwill amounted to €3,766.7 million as of December 31, 2022. Goodwill increased by €112.5 million in 2022, due to (i) adjustments of non-Euro denominated balances to exchange rates at December 31, 2022 (+ €92.5 million), and (ii) the addition of goodwill in relation to Kambr's acquisition, in March 2022 (+€20.0 million).

6.3 Property, plant and equipment (PP&E)

This caption principally includes land and buildings, data processing hardware and software, and other PP&E assets such as building installations, furniture and fittings.

PP&E amounted to €220.9 million at December 31, 2022, a decrease of €58.0 million vs. December 31, 2021. This decrease mainly resulted from additions (+€39.6 million) and depreciation charges (-€95.8 million) in the year.

6.4 Financial indebtedness

Indebtedness[1] (€millions)	**Dec 31, 2022**	**Dec 31, 2021**	**Change**
Long term bonds	2,000.0	3,250.0	(1,250.0)
Short term bonds	1,250.0	500.0	750.0
Convertible bonds	750.0	750.0	0.0
European Investment Bank loan	200.0	215.0	(15.0)
Obligations under finance leases	82.1	91.8	(9.7)
Other debt with financial institutions	7.2	52.8	(45.6)
Financial debt	**4,289.3**	**4,859.6**	**(570.3)**
Cash and cash equivalents	(1,434.8)	(1,127.7)	(307.1)
Other current financial assets[2]	(569.9)	(678.8)	108.8
Net financial debt	**2,284.5**	**3,053.1**	**(768.5)**
Net financial debt / LTM EBITDA	**1.4x**	**5.1x**	
Reconciliation with financial statements			
Net financial debt (as per financial statements)	**2,406.5**	**3,173.4**	**(766.9)**
Operating lease liabilities	(130.9)	(148.5)	17.6
Interest payable	(29.2)	(27.6)	(1.5)
Convertible bonds	18.9	26.9	(8.0)
Deferred financing fees	19.3	29.0	(9.7)
Net financial debt (as per credit facility agreements)	**2,284.5**	**3,053.1**	**(768.5)**

[1] Based on our credit facility agreements' definition.

[2] Short term investments (and fair value adjustments to hedging contracts linked to them) that are considered cash equivalent assets under our credit facility agreements´ definition.

Net financial debt, as per our credit facility agreements' terms, amounted to €2,284.5 million at December 31, 2022 (representing 1.4 times last-twelve-month EBITDA).

The main changes to our debt in 2022 were:

- On February 18, 2022, Amadeus redeemed the outstanding notes issued on February 9, 2021 (with maturity date February 9, 2023) for a principal amount of €500 million. At the same time, Amadeus issued a €500 million Floating Rate Note with a two-year term (January 25, 2024) and an optional redemption for the issuer within 373 days after the issuance date (February 2, 2023). This notes issue was increased by €250 million on April 1, 2022. On December 21, 2022, Amadeus announced the early redemption, on February 2023, of these €750 million outstanding notes.
- On September 22, 2022, Amadeus carried out a partial repurchase of the outstanding notes issued in September 2020 (with maturity in September 2028), for a principal amount of €250 million.
- The amortization of €500 million bonds, which reached maturity in March 2022 (issued in September 2018).
- The repayment of €15.0 million related to our European Investment Bank loans.

On April 27, 2018 Amadeus executed a €1,000 million Euro Revolving Loan Facility, with maturity in April 2025, to be used for working capital requirements and general corporate purposes. On January 17, 2023 its maturity was extended to January 2028 (plus two annual extensions at maturity). This facility remained undrawn at December 31, 2022.

Reconciliation with net financial debt as per our financial statements

Under our credit facility agreements' terms, financial debt (i) does not include debt related to assets under operating lease agreements (which form part of the financial debt in the statement of financial position) amounting to €130.9 million at December 31, 2022, (ii) does not include the accrued interest payable (€29.2 million at December 31, 2022) which is treated as financial debt in our financial statements, (iii) includes the part of the convertible bond that has been accounted for as equity in our financial statements (€40.1 million) and does not include the accrued interest of the convertible bonds (€21.2 million), which has been accounted for as financial debt in our financial statements, and (iv) is calculated based on its nominal value, while in our financial statements our financial debt is measured at amortized cost, i.e. after deducting the deferred financing fees (that mainly correspond to fees paid upfront in connection with the convertible bond issued in April 2020, and amount to €19.3 million at December 31, 2022).

7. Group cash flow

Consolidated Cash Flow (€millions)	Oct-Dec 2022	Oct-Dec 2021[1]	Change	Full year 2022[2]	Full year 2021[1]	Change
EBITDA	398.3	216.0	84.4%	1,640.3	599.0	173.9%
Change in working capital	16.4	92.6	(82.3%)	(131.2)	82.5	n.m.
Capital expenditure	(164.3)	(147.3)	11.5%	(566.7)	(460.2)	23.1%
Pre-tax operating cash flow	**250.5**	**161.4**	**55.2%**	**942.5**	**221.2**	**326.1%**
Cash taxes	(65.2)	(15.5)	320.3%	(68.4)	(45.1)	51.4%
Interest & financial fees paid	(8.2)	(10.0)	(17.7%)	(69.2)	(78.4)	(11.7%)
Free Cash Flow	**177.1**	**135.9**	**30.3%**	**805.0**	**97.7**	**724.0%**
Equity investment	0.0	0.0	0.0%	(14.1)	(2.9)	384.7%
Non-operating items	(3.8)	(0.9)	309.6%	(20.4)	1.0	n.m.
Debt payment	(10.3)	(29.3)	(65.0%)	(553.9)	(734.1)	(24.5%)
Cash to shareholders	0.0	(0.7)	(100.0%)	(3.8)	(37.5)	(89.9%)
Short term financial flows[3]	139.4	220.9	(36.9%)	93.1	249.4	(62.7%)
Change in cash	**302.4**	**325.9**	**(7.2%)**	**305.9**	**(426.4)**	**n.m.**
Cash and cash equivalents, net[4]						
Opening balance	1,131.0	801.6	41.1%	1,127.5	1,553.9	(27.4%)
Closing balance	1,433.4	1,127.5	27.1%	1,433.4	1,127.5	27.1%

[1] 2021 free cashflow restated for an amount of €1.5 million, reclassified from the Interest and financial fees paid caption to the Debt payment caption (prior to this restatement, free cashflow amounted to €99.2 million in 2021, and €137.4 million in the fourth quarter of 2021). 2021 Change in cash was not impacted by this reclassification.
[2] In 2022, EBITDA and Free Cash Flow were positively impacted by a non-refundable government grant, received in the second quarter of 2022, amounting to €51.2 million. Excluding this grant, in 2022, EBITDA and Free Cash Flow amounted to €1,589.2 million and €753.8 million, respectively. See section 5.2.2 for further details.
[3] Mainly related to short-term investments, as well as hedge results from USD-denominated short term investments, which are 100% hedged.
[4] Cash and cash equivalents are presented net of overdraft bank accounts.

In the fourth quarter and the full year 2022, Amadeus Group Free Cash Flow amounted to €177.1 million and €805.0 million, respectively.

Excluding cost saving program implementation costs paid in 2022, of €1.7 million in the fourth quarter and €29.1 million in the full year (see further details on the implementation costs in section 3.2), Free Cash Flow amounted to €178.8 million and €834.1 million in the fourth quarter and in the full year 2022, respectively.

If we also exclude the positive impact from the non-refundable government grant, amounting to €51.2 million, received in the second quarter of 2022 (see section 5.2.2 for further details), Free Cash Flow amounted to €782.9 million in 2022.

7.1 Change in working capital

Change in working capital amounted to an inflow of €16.4 million in the fourth quarter of 2022. Change in working capital was negatively impacted by cost saving program implementation costs amounting to €1.7 million, paid in the fourth quarter of 2022. Excluding these, Change in working capital amounted to an inflow of €18.1 million in the fourth quarter of 2022, mainly driven by (i) a net inflow from collections and payments vs. revenues and expenses accounted for in the fourth quarter of 2022 (typically, December volumes, which are collected in the first quarter of the following year, are lower than September volumes, which are collected in the fourth quarter of the current year), and (ii) timing differences in personnel related payments, accrued for in the fourth quarter of 2022 and scheduled to be paid in 2023.

In 2022, Change in working capital amounted to an outflow of €131.2 million, or an outflow of €102.1 million, if cost saving program implementation costs paid in the period, amounting to €29.1 million, are excluded. Change in working capital outflow mainly resulted from timing differences in collections and payments.

7.2 Capital expenditure, R&D investment

Capital expenditure

The table below details the capital expenditure, both in relation to property, plant and equipment ("PP&E") and to intangible assets. Based on the nature of our investments in PP&E, the figures may show variations on a quarterly basis, depending on the timing of certain investments. The same applies to our investments in contractual relationships where payments to travel agencies may take place in different periods, based on the timing of the negotiations. In turn, our capitalized R&D investment may fluctuate depending on the level of the capitalization ratio, which is impacted by the intensity of the development activity, the mix of projects under way and the different stages of the various projects.

Capital Expenditure (€millions)	Oct-Dec 2022	Oct-Dec 2021	Change	Full year 2022	Full year 2021	Change
Capital Expenditure in intangible assets	148.9	124.0	20.1%	527.2	416.2	26.6%
Capital Expenditure PP&E	15.4	23.3	(33.8%)	39.5	44.0	(10.3%)
Capital Expenditure	164.3	147.3	11.5%	566.7	460.2	23.1%

In the fourth quarter of 2022, capital expenditure increased by €17.0 million, or 11.5%, compared to the same quarter of 2021, as a result of higher capitalizations from software development, driven by a 23.5% increase in R&D investment. In the full year, capex was 23.1% above 2021, driven by growth in R&D capitalizations, which resulted from a 29.2% expansion in R&D investment during the year.

R&D investment (€millions)	Oct-Dec 2022	Oct-Dec 2021	Change	Full year 2022	Full year 2021	Change
R&D investment[1]	269.7	218.3	23.5%	988.4	765.3	29.2%

[1] R&D investment is reported net of Research Tax Credit (RTC).

R&D investment amounted to €269.7 million in the fourth quarter of 2022, an increase of 23.5% vs. prior year. For the full year, R&D investment amounted to €988.4 million, 29.2% higher than in 2021. Our larger projects in the period included:

- Efforts related to customer implementations across our businesses.

(millions of euros)

- The evolution of our hospitality platform to integrate our offering, including, among others, our modular and combined Central Reservation and Property Management Systems and our Sales & Event Management solutions, as well as, further enhancements to our solutions.
- Investments in Airline IT digitalization and enhanced shopping, retailing and merchandizing tools.
- The evolution of our portfolio for airlines, travel sellers and corporations to drive NDC forward, delivering a full end-to-end integration of content via NDC connectivity.
- Our partnership with Microsoft, including our shift to cloud services, the application of artificial intelligence and machine learning to our product portfolio and our co-innovation program.

7.3 Cash taxes

In 2022, cash taxes amounted to €68.4 million, €23.2 million, or 51.4%, higher than taxes paid in 2021, mostly resulting from an increase in prepaid taxes in some legal entities, locally, driven by higher results in 2022 than in 2021.

7.4 Interest and financial fees paid

In 2022, interest and financial fees paid amounted to €69.2 million, a 11.7% decrease over 2021, driven by (i) a lower average gross debt, and (ii) higher financial income from our cash, cash equivalents and short term financial investments (see sections 5.4 and 6.5 for further details).

7.5 Equity investments

In 2022, equity investments amounted to €14.1 million, and mainly resulted from the acquisition of Kambr, a start-up specialized in revenue management solutions for airlines.

7.6 Short term financial flows

In 2022, short term financial flows amounting to €93.1 million corresponded to the net movement in the year in short term investments, which amounted to €534.4 million at December 31, 2022. These short term investments are denominated in USD and are 100% hedged from exchange variations.

8. Investor information

8.1 Capital stock. Share ownership structure

At December 31, 2022, Amadeus' capital stock amounted to €4,504,992.05, represented by 450,499,205 shares with a nominal value of €0.01 per share, all belonging to the same class, fully subscribed and paid in.

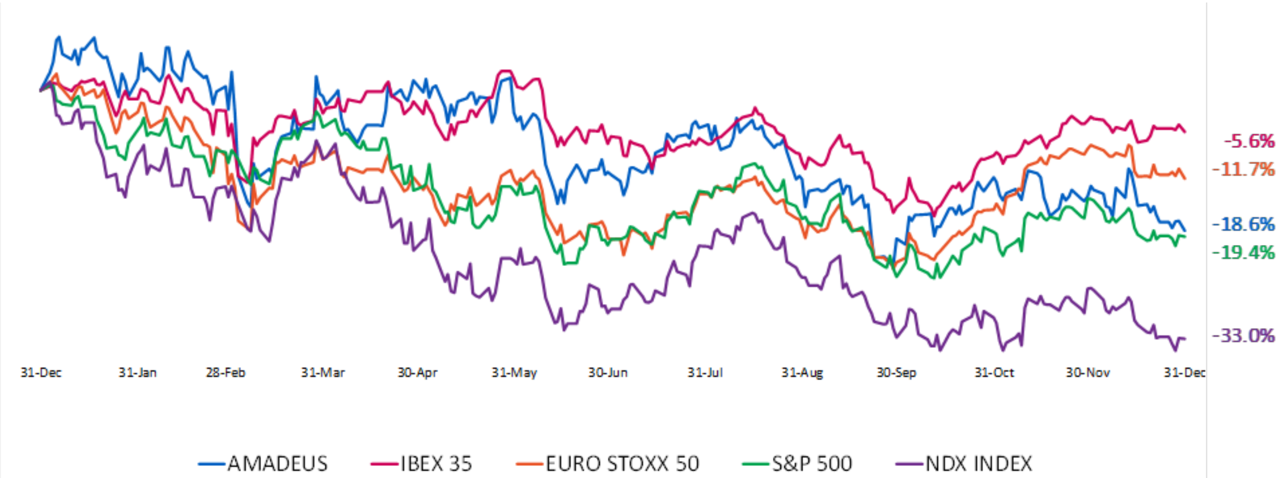
The shareholding structure as of December 31, 2022 is as described in the table below:

Shareholders	Shares	% Ownership
Free float	449,927,164	99.87%
Treasury shares[1]	475,397	0.11%
Board members	96,644	0.02%
Total	**450,499,205**	**100.00%**

[1] Voting rights suspended for as long as the shares are held by the company. Includes treasury shares acquired to cover the exchange ratio related to the merger of Amadeus IT Holding, S.A. and Amadeus IT Group, S.A. not yet delivered.

On May 6, 2022, Amadeus announced a share repurchase program for a maximum investment of €4.6 million, or 65,000 shares (representing 0.014% of share capital), to meet the obligations related to the allocation of shares to employees and Senior Management of Amadeus SAS (and its wholly owned subsidiary Amadeus Labs) for the year 2022. The maximum investment under this program was reached on May 12, 2022.

8.2 Share price performance in 2022



Key trading data (as of December 31, 2022)	
Number of publicly traded shares (# shares)	450,499,205
Share price at December 31, 2022 (in €)	48.55
Maximum share price in 2022 (in €) (January 1, 2022)	63.86
Minimum share price in 2022 (in €) (September 29, 2022)	45.79
Market capitalization at December 31, 2022 (in € million)	21,871.7
Weighted average share price in 2022 (in €)[1]	55.13
Average daily volume in 2022 (# shares)	769,195

[1] Excluding cross trade.

8.3 Shareholder remuneration

Considering the 2021 financial results due to the COVID-19 pandemic, on February 24, 2022, the Board of Directors of Amadeus agreed to not distribute dividends pertaining to the 2021 financial results.

In June 2023, the Board of directors will submit to the General Shareholders' Meeting for approval a final gross dividend of €0.74 per share, representing 50% of the reported Profit. Based on this, the proposed appropriation of the 2022 results included in our 2022 audited consolidated financial statements includes a total amount of €333.4 million corresponding to dividends pertaining to the financial year 2022.

9. Other additional information

9.1 Expected Business Evolution

9.1.1 Macroeconomic environment

Amadeus' businesses and operations are largely dependent on the evolution of the worldwide travel and tourism industry, which is sensitive to general economic conditions and trends.

In January 2023, the IMF has reported in its World Economic Outlook update that they forecast global economic growth of 2.9%.

In addition, in 2023, COVID-19 pandemic might still have a negative impact on the travel industry, and it is difficult to predict how travel volumes will evolve during the year.

In December 2022, the International Air Transport Association (IATA) forecast that air traffic RPks in 2023 will be 14.5[11] below 2019 levels, by region: Africa -16%, Asia-Pacific -25%, Middle East -6%, Latin America -6%, North America -1% and Europe -11%

9.1.2 Amadeus strategic priorities and expected business evolution in 2023

Amadeus is a leading technology provider for the travel industry. Amadeus has built commercial relationships with players across the industry, including airlines, travel agencies, hotels and airports, among others, and across the globe (with presence in more than 190 countries). Amadeus has invested consistently over the years to have a unique technology offering. Having market leading technology allows us to serve our customers better and to continue driving innovation in travel.

In 2023, the performance across our business units will depend on the recovery of the travel industry. We expect to maintain our leadership positions in both Air Distribution and Airline IT, while continuing to grow our Hospitality business, supported by our focus on R&D, local market understanding and travel industry expertise.

In Air Distribution, the Amadeus Travel Platform continues to bring together travel content from different sources, including NDC content, as evidenced by multiple recent airline agreements including Lufthansa Group, Finnair and Aeroméxico. In Airline IT we will work on the implementation programs of contracted airlines such as Etihad Airways, Hawaiian Airlines, and ITA Airways, as well as on the transformation of airline retailing, together with Finnair, while continuing to enhance and expand our solutions portfolio. In Hospitality, we will continue work on the implementation program of Marriott to the Amadeus Central Reservation System, while we continue to integrate our portfolio, to create a hospitality leader that offers a broad range of innovative solutions to hotels and chains of all sizes across the globe.

Investing in technology is a key pillar to our success. In 2023, while investment will be prioritized and closely managed, Amadeus will maintain investment in R&D to support long term growth, such as new customer implementations, product evolution, portfolio expansion and cross-area technological projects

[11] IATA Airline Industry Economic Performance - December 2022

9.2 Research and Development Activities

Research and development (R&D) is core to the company's strategy and key to a sustainable competitive advantage. In addition, R&D activities help increase efficiency and improve the Amadeus System functionality, as well as to reduce maintenance and operating costs.

The Group is continuously investing in its systems, including the development of new products and functionalities, as well as the evolution of the existing platform, based on the latest state-of-the-art technology available.

The research and development costs expensed for the year ended December 31, 2022, amounted to €491.8 million (€377.9 million, 2021). The development costs that have been capitalized for the year ended December 31, 2022, amounted to €525.2 million (€408.7 million, 2021).

Our R&D investment enables us to offer some of the most advanced, integrated and powerful business tools available in the market, in order to deliver a best-in-class service to airlines and travel agencies. Indeed, Amadeus offers enhanced functionalities, such as advanced search and booking engines, both for travel agencies and travel providers. In addition, our product offering addresses the Passenger Service Systems for airlines, enabling processes such as central reservation, inventory management, departure control and e-commerce, as well as providing direct distribution technologies.

9.3 Treasury Shares

The reconciliation of the carrying amounts for the years ended December 31, 2022 and 2021, of the treasury shares is set forth in the table below:

	Treasury Shares	Millions of euros
Carrying amount as of December 31, 2020	231,196	9.5
Acquisitions	640,000	36.9
Retirements	(257,599)	(12.9)
Carrying amount as of December 31, 2021	613,597	33.5
Acquisitions	65,000	3.8
Retirements	(203,200)	(12.0)
Carrying amount as of December 31, 2022	475,397	25.3

9.4 Other financial risks

9.4.1 Credit risk

Credit risk is the risk that a counterparty to a financial asset will cause a loss for the Group by failing to discharge an obligation.

The Group cash and cash equivalents are deposited in major banks on the basis of diversification and the credit risk of the available investment alternatives.

During 2022 and 2021 the Group had some low risk short-term financial investments in order to invest a portion of the liquidity of the Group. As at December 31, 2022, the total amount of these investments was €534.4 million (€683.2 million as at December 31, 2021). Some of these investments are denominated in USD, which are fully hedged from foreign exchange variations. These investments are the following:

_ A repo backed Note of a USD 450.0 million (€421.9 million as at December 31, 2022), secured by tri-party repos. This Note has the double guarantee of a diversified portfolio of financial instruments acting as collateral and additionally it has the guarantee of the bank acting as counterparty of the repo transaction. The counterparty bank of the repo transaction is a prime international bank in the investment grade category. The portfolio of assets used as underlying of the repo transaction is valued by a third party (Euroclear) and matched on daily basis in order to reach at least 75% of the value of the investment.

_ A Term Liquidity Fund of USD 120.0 million (€112.5 million as at December 31, 2022) which invests in tri-party repos. This Fund benefits from a similar package of security than the repo backed Note. This investment can be cancelled with a six-months notice period.

The credit risk of the Group’s customer accounts receivable is mitigated by the fact that the majority are settled through the clearing houses operated by the International Air Transport Association (‘IATA’) and Airlines Clearing House, Inc. (‘ACH’). These systems guarantee that the cash inflows from our customers will be settled at a certain fixed date, and partially mitigate the credit risk by the fact that the members of the clearing house are required to make deposits that would be used in the event of default. Moreover, our customer base is large and well diversified which results in a low concentration of the credit risk.

9.4.2 Liquidity risk

The Corporate Treasury is responsible for providing the cash needed by all the companies of the Group. In order to perform this task more efficiently, the Company concentrates the excess liquidity of the subsidiaries and channels it to the companies with cash needs.

This allocation of the cash position among the companies of the Group is mainly made through:

_ Three different cash pooling agreements. One in EUR with most of the subsidiaries located in the euro area; another one in US Dollars for the US subsidiaries and another one in British Pounds for the UK subsidiaries.

_ Through bilateral Treasury Optimization agreements between Amadeus IT Group, S.A. and its subsidiaries.

Corporate Treasury monitors the Group’s cash position through rolling forecasts of expected cash flows. These forecasts are performed by the subsidiaries of the Group and later on consolidated in order to examine both the liquidity situation and the prospects of the Group and its subsidiaries.

Additionally, the Company has access to a Revolving Credit Facility. This facility has a notional of €1,000 million, and can be used to cover possible working capital needs and general corporate purposes. As of December 31, 2022 and 2021, the facility was fully unused.

9.5 Subsequent events

On January 17, 2023, the Company has signed an amendment agreement extending the maturity to January 17, 2028 of the unused revolving credit facility, with a two year additional extension at the Banks Lenders' option, and now Unicredit Bank AG is acting as the agent.

10. Non-financial information statement

The Non-Financial information statement is part of the Directors' Report in accordance with the Spanish Capital Companies Act. The aforementioned report is submitted to the CNMV separately and it can be found on the website www.cnmv.es.

11. Corporate Governance Information

The Annual Corporate Governance Report is part of the Directors' Report in accordance with the Spanish Capital Companies Act. The aforementioned report is submitted to the CNMV separately and it can be found on the website www.cnmv.es.

12. Annual report on Directors´ remunerations

The Annual report on Directors' remunerations is part of the Directors' Report in accordance with the Spanish Capital Companies Act. The aforementioned report is submitted to the CNMV separately and it can be found on the website www.cnmv.es.

Annex 1: Key terms

- "CESE": stands for "Central, Eastern and Southern Europe"
- "CRS": stands for "Central Reservation System"
- "D&A": stands for "depreciation and amortization"
- "EDIFACT": stands for "Electronic Data Interchange For Administration, Commerce and Transport"
- "EPS": stands for "Earnings Per Share"
- "IFRS": stands for "International Financial Reporting Standards"
- "JV": stands for "Joint Venture"
- "KPI": stands for "Key Performance Indicators"
- "LTM": stands for "last twelve months"
- "MEA": stands for "Middle East and Africa"
- "NDC": stands for "New Distribution Capability". NDC is a travel industry-supported program launched by IATA for the development and market adoption of a new, XML-based data transmission standard
- "n.m.": stands for "not meaningful"
- "PB": stands for "passengers boarded", i.e. actual passengers boarded onto flights operated by airlines using at least our Amadeus Altéa Reservation and Inventory modules or Navitaire New Skies
- "p.p.": stands for "percentage point"
- "PPA": stands for "Purchase Price Allocation"
- "PP&E": stands for "Property, Plant and Equipment"
- "PSS": stands for "Passenger Services System"
- "R&D": stands for "Research and Development"
- "Super-App": is a mobile application that provides services via a single mobile interface
- "TA IT": stands for "Travel Agency IT"

BOARD OF DIRECTORS

Members of the Board of Director on the date when the consolidated annual accounts and the consolidated Directors' Report were prepared.

CHAIRMAN

William Connelly

VICE-CHAIRMAN

Francesco Loredan

EXECUTIVE DIRECTOR

Luis Maroto Camino

DIRECTORS

Amanda Mesler

David Vegara Figueras

Eriikka Söderström

Jana Eggers

Peter Kürpick

Pilar García Ceballos-Zúñiga

Stephan Gemkow

Xiaoqun Clever

SECRETARY (non-Director)

Jacinto Esclapés Díaz

VICE-SECRETARY (non-Director)

Ana Gómez Ruiz

Madrid, February 23, 2023