

Travelport Limited Travel Content Leadership -First Quarter 2014 Results-

8 May 2014

ATLANTA, May 8, 2014 /[PRNewswire](#)/ -- Travelport is a travel commerce marketplace providing distribution, technology, payment and other solutions for the \$7 trillion global travel and tourism industry.

Commenting on developments, Gordon Wilson, President and CEO of Travelport, said:

"As we celebrate the one year anniversary of our merchandising platform, I am pleased we have further strengthened our air proposition with the signing of new ground-breaking agreements with Ryanair and AirAsia, an extended partnership with easyJet, and over thirty airline agreements for our Rich Content and Branding functionality. Through these unrivalled agreements, we are now uniquely positioned to sell the content of all the world's top ten airlines. This milestone builds on our leadership in global hotel content distribution and augments our strong financial performance."

Highlights:

- Net Revenue +4% and Adjusted EBITDA +7%
- Unrivalled content added to our Travel Commerce Platform:
 - Uniquely distributing content from all the world's top ten airlines
 - One year anniversary of Travelport Merchandising Platform™ marked by:
 - New agreements with Ryanair and AirAsia and an extended partnership with easyJet
 - Over 30 airlines signed for Rich Content and Branding functionality, including British Airways / Iberia and Air China
 - Expanded hotel content leadership – now offering 580,000 unique properties
- Improvement of capital structure with deleveraging \$135 million debt-for-equity exchange transactions completed in March

Financial Highlights

During the first quarter 2014, we realigned our reporting to better reflect our underlying operations to enable travel commerce through our platform. As a result, we are reporting Adjusted EBITDA and Adjusted Net Income as key non-GAAP performance metrics, as defined on page 12, and presented in the table below:

<i>(in \$ millions)</i>	Q1 2014	Q1 2013	\$ Change	% Change
Net Revenue	572	548	24	4
Operating Income	75	69	6	9
Net Income (Loss)	(27)	(10)	(17)	(170)
Adjusted Net Income	3	14	(11)	(79)
Adjusted EBITDA	151	141	10	7

Further, we have added Adjusted Free Cash Flow and Adjusted Unlevered Free Cash Flow to our cash flow reporting metrics on page 7 as also defined on page 12. We are also reporting a split of our Revenue into Travel Commerce Platform revenue, including our Air and Beyond Air revenue, and Technology Services revenue in the table on page 8 with three year historical information provided on page 9.

Net Revenue of \$572 million for the first quarter of 2014 was \$24 million (4%) higher than the first quarter of 2013, and Adjusted EBITDA of \$151 million was \$10 million (7%) higher than the first quarter of 2013.

Adjusted Net Income of \$3 million decreased from \$14 million for the first quarter of 2014 primarily due to a \$13 million increase in interest costs.

Travel Commerce Platform RevPas increased 3% to \$5.61.

Interest costs of \$83 million for the three months ended March 31, 2014 were \$13 million higher than 2013 due to higher interest rates on debt as a result of our debt refinancing in 2013.

Travelport's net debt reduced to \$3,226 million as of March 31, 2014, which comprised debt of \$3,485 million less \$180 million in cash and cash equivalents and less \$79 million of cash held as collateral, from \$3,340 million as of December 31, 2013 following the deleveraging \$135 million debt-for-equity exchange transactions completed in March.

Travelport generated \$23 million in net cash from operating activities for the three months ended March 31, 2014 compared to net cash used in operating activities of \$21 million for the three months ended March 31, 2013. The improvement of \$44 million is primarily a result of the timing of interest payments, as some payments were deferred into the second quarter of 2014 as a result of our 2013 refinancing.

We continue to assess and evaluate potential capital markets transactions, including potential debt-for-equity exchanges, and similar transactions. We can give no assurances that we will pursue or consummate such transactions as they are dependent, among other things, on market conditions and other factors that are inherently unpredictable.

Conference Call

The Company's first quarter 2014 earnings conference call will be held on May 8, 2014 beginning at 2.30 p.m. (EST). Details for this conference call as well as the earnings presentation are available through the Investor Center section of the Company's website (www.travelport.com/investors/Financial-Calendar), where pre-registration for the call is required.

A recording of the call will be made available within 24 hours in the Financial/Operating Data section of the Investor Centre on the Company's website.

TRAVELPORT LIMITED

CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS

(unaudited)

<i>(in \$ millions)</i>	Three Months Ended March 31, 2014	Three Months Ended March 31, 2013
Net Revenue	572	548
Costs and expenses		
Cost of revenue	353	333
Selling, general and administrative	88	94
Depreciation and amortization	56	52
Total costs and expenses	497	479
Operating income	75	69
Interest expense, net	(83)	(70)
Loss on extinguishment of debt	(5)	—
Loss before income taxes and equity in (losses) earnings of investment in Orbitz Worldwide	(13)	(1)
Provision for income taxes	(10)	(11)
Equity in (losses) earnings of investment in Orbitz Worldwide	(4)	2
Net loss	(27)	(10)
Net income attributable to non-controlling interest in subsidiaries	(2)	—
Net loss attributable to the Company	(29)	(10)

TRAVELPORT LIMITED
CONSOLIDATED CONDENSED BALANCE SHEETS
(unaudited)

<i>(in \$ millions)</i>	March 31, 2014	December 31, 2013
Assets		
Current assets:		
Cash and cash equivalents	180	154
Accounts receivable (net of allowances for doubtful accounts of \$13 and \$13)	233	177
Deferred income taxes	1	1
Other current assets	146	134
Total current assets	560	466
Property and equipment, net	422	428
Goodwill	986	986
Trademarks and tradenames	314	314
Other intangible assets, net	677	671
Cash held as collateral	79	79
Investment in Orbitz Worldwide	13	19
Non-current deferred income taxes	5	5
Other non-current assets	133	120
Total assets	3,189	3,088
Liabilities and equity		
Current liabilities:		
Accounts payable	70	72
Accrued expenses and other current liabilities	616	540
Deferred income taxes	24	24
Current portion of long-term debt	96	45
Total current liabilities	806	681

Total current liabilities	800	681
Long-term debt	3,389	3,528
Deferred income taxes	21	18
Other non-current liabilities	174	172
Total liabilities	4,390	4,399
Commitments and contingencies		
Shareholders' equity (deficit):		
Common shares (\$1.00 par value; 12,000 shares authorized; 12,000 shares issued and outstanding)	—	—
Additional paid in capital	829	691
Accumulated deficit	(1,968)	(1,939)
Accumulated other comprehensive loss	(83)	(82)
Total shareholders' equity (deficit)	(1,222)	(1,330)
Equity attributable to non-controlling interest in subsidiaries	21	19
Total equity (deficit)	(1,201)	(1,311)
Total liabilities and equity	3,189	3,088

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CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS

(unaudited)

	Three Months Ended March 31, 2014	Three Months Ended March 31, 2013
<i>(in \$ millions)</i>		
Operating activities		
Net loss	(27)	(10)
Adjustments to reconcile net loss to net cash provided by (used in)		

operating activities:		
Depreciation and amortization	56	52
Amortization of customer loyalty payments	18	14
Amortization of debt finance costs	3	7
Accrual of repayment fee and amortization of debt discount	3	—
Loss on extinguishment of debt	5	—
Payment-in-kind interest	6	4
Gain on interest rate derivative instruments	(1)	—
(Gain) loss on foreign exchange derivative instruments	(1)	7
Equity in losses (earnings) of investment in Orbitz Worldwide	4	(2)
Equity-based compensation	1	—
Deferred income taxes	3	—
Customer loyalty payments	(26)	(12)
Changes in assets and liabilities:		
Accounts receivable	(55)	(60)
Other current assets	4	(12)
Accounts payable, accrued expenses and other current liabilities	42	(2)
Other	(12)	(7)
Net cash provided by (used in) operating activities	23	(21)
Investing activities		
Property and equipment additions	(26)	(23)
Minority investment	(10)	—
Net cash used in investing activities	(36)	(23)
Financing activities		
Proceeds from revolver borrowings	50	53
Repayment of term loans	(4)	—
Repayment of capital lease obligations	(7)	(4)
Payment related to extinguishment of debt	(3)	—

Proceeds from settlement of foreign exchange derivative contracts	3	2
Debt finance costs	—	(2)
Payments on settlement of foreign exchange derivative contracts	—	(7)
Net cash provided by financing activities	39	42
Net increase (decrease) in cash and cash equivalents	26	(2)
Cash and cash equivalents at beginning of period	154	110
Cash and cash equivalents at end of period	180	108
Supplementary disclosures of cash flow information		
Interest payments	57	88
Income tax payments, net	7	6
Non-cash exchange of Senior Subordinated Notes for equity of a parent company	135	—
Non-cash capital lease additions	5	1

TRAVELPORT LIMITED**NON-GAAP MEASURES***(in \$ millions and unaudited)*

<i>Reconciliation of Net Loss to Adjusted Net Income and Adjusted EBITDA</i>	Three Months Ended March 31,	
	2014	2013
Net loss	(27)	(10)
Adjustments:		
Amortization of acquired intangible assets	19	20
Corporate costs	3	1
Equity-based compensation	1	—
Litigation and related costs	—	10
Other-non cash	(2)	(5)
Equity in losses (earnings) of investment in Orbitz Worldwide	4	(2)
Loss on extinguishment of debt	5	—
Adjusted Net Income	3	14
Adjustments:		
Depreciation and amortization of property and equipment	37	32
Amortization of customer loyalty payments	18	14
Interest expense, net	83	70
Provision for income taxes	10	11
Adjusted EBITDA	151	141

Reconciliation of Adjusted EBITDA to Net Cash Provided (Used in) by Operating Activities and Unlevered (Adjusted) Free Cash Flow

	Three Months Ended March 31,	
	2014	2013
Adjusted EBITDA	151	141
Less:		
Interest payments	(57)	(88)
Tax payments	(7)	(6)
Changes in operating working capital	(32)	(39)
Customer loyalty payments	(26)	(12)
Other adjusting items(*)	(6)	(17)
Net cash provided by (used in) operating activities	23	(21)
Add: Other adjusting items(*)	6	17
Less: Capital expenditures on property and equipment additions	(26)	(23)
Less: Repayment of capital lease obligations	(7)	(4)
Adjusted Free Cash Flow	(4)	(31)
Add: Interest paid	57	88
Unlevered Adjusted Free Cash Flow	53	57

* Other adjusting items relate to payments for costs included within operating income but excluded from Adjusted EBITDA. These include (i) \$6 million and \$13 million of corporate costs payments during the three months ended March 31, 2014 and 2013, respectively, and (ii) \$4 million of litigation and related costs payments for the three months ended March 31, 2013.

TRAVELPORT LIMITED

OPERATING STATISTICS AND DEFINITIONS

(unaudited)

Net revenue is comprised of:

<i>(in \$ millions)</i>	Three Months		Change	
	Ended March 31,		\$	%
	2014	2013		
Air	445	428	17	4
Beyond Air	97	89	8	9
Travel Commerce Platform	542	517	25	5
Technology Services	30	31	(1)	(1)
Net revenue	572	548	24	4

Our revenue is earned through our Travel Commerce Platform (including our Air and Beyond Air revenue) and Technology Services. Our Travel Commerce Platform combines state-of-the-art technology with industry leading features, functionality and innovative solutions to address the high volume and growing transaction processing requirements for the evolving needs of the travel industry.

Air: We provide sophisticated and comprehensive real-time search pricing, booking, change, payment and integrated itinerary creation for travelers who use the services of online and offline travel agents for both leisure and corporate travel.

Beyond Air: Our Beyond Air portfolio includes hospitality and advertising, payments and other platform services.

The table below sets forth Travel Commerce Platform revenue by region:

	Three Months		Change	
	Ended March 31,			
<i>(in \$ millions)</i>	2014	2013	\$	%
Asia Pacific	101	94	7	7
Europe	178	164	14	8
Latin America and Canada	23	22	1	4
Middle East and Africa	72	70	2	3
International	374	350	24	7
United States	168	167	1	—
Travel Commerce Platform	542	517	25	5

The table below sets forth Travel Commerce Platform segments by region and global RevPas:

	Segments (in millions)			
	Three Months		Change	
	Ended March 31,			
	2014	2013		%
Asia Pacific	16	15	1	3
Europe	25	24	1	5
Latin America and Canada	4	4	—	3
Middle East and Africa	10	10	—	3
International	55	53	2	4
United States	42	42	—	(1)
Travel Commerce Platform Segments	97	95	2	2
Travel Commerce Platform RevPas	\$5.61	\$5.47	\$0.14	3

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HISTORICAL FINANCIAL INFORMATION

(in \$ millions and unaudited)

The table below sets forth the historical quarterly Net revenue for the Travel Commerce Platform and Technology Services for the three years ended December 31, 2013:

	Q1 2013	Q2 2013	Q3 2013	Q4 2013	FY 2013
Air	428	410	387	363	1,588
Beyond Air	89	97	96	89	371
Travel Commerce Platform	517	507	483	452	1,959
Technology Services	31	30	28	28	117
Net revenue	548	537	511	480	2,076
	Q1 2012	Q2 2012	Q3 2012	Q4 2012	FY 2012
Air	434	395	375	344	1,548
Beyond Air	73	82	84	87	326
Travel Commerce Platform	507	477	459	431	1,874
Technology Services	43	29	30	26	128
Net revenue	550	506	489	457	2,002
	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011
Air	422	412	391	352	1,577
Beyond Air	67	73	74	69	283
Travel Commerce Platform	489	485	465	421	1,860

Technology Services	42	45	44	44	175
Net revenue	531	530	509	465	2,035

Note:

1) FY 2011 includes \$35 million of Travel Commerce Platform Air revenue and \$61 million of Technology Services revenue under the United MSA.

2) FY 2013 includes \$8 million of Travel Commerce Platform Air revenue and \$19 million of Technology Services revenue under the United MSA.

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HISTORICAL FINANCIAL INFORMATION

(in \$ millions and unaudited)

The table below sets forth the historical quarterly Travel Commerce Platform revenue by geographic region for the three years ended December 31, 2013:

	Q1 2013	Q2 2013	Q3 2013	Q4 2013	FY 2013
Asia Pacific	94	96	94	85	369
Europe	164	150	140	142	596
Latin America and Canada	22	22	22	20	86
Middle East and Africa	70	74	69	64	277
International	350	342	325	311	1,328
United States	167	165	158	141	631
Travel Commerce	517	507	483	452	1,959

Platform	Q1 2012	Q2 2012	Q3 2012	Q4 2012	FY 2012
Asia Pacific	89	85	81	81	336
Europe	149	136	134	130	549
Latin America and Canada	19	20	20	18	77
Middle East and Africa	69	73	66	62	270
International	326	314	301	291	1,232
United States	181	163	158	140	642
Travel Commerce Platform	507	477	459	431	1,874
	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011
Asia Pacific	84	85	82	72	323
Europe	150	136	128	121	535
Latin America and Canada	21	19	17	16	73
Middle East and Africa	56	72	67	62	257
International	311	312	294	271	1,188
United States	178	173	171	150	672
Travel Commerce Platform	489	485	465	421	1,860

Note:

1) FY 2011 includes \$35 million of Travel Commerce Platform Air revenue (all earned in the United States) under the United MSA.

2) FY 2012 includes \$8 million of Travel Commerce Platform Air revenue (all earned in the United States)

under the United MSA.

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HISTORICAL FINANCIAL INFORMATION

(in millions, except Travel Commerce Platform RevPas and unaudited)

The table below sets forth the historical quarterly Travel Commerce Platform Reported Segments by geographic region and historical quarterly Travel Commerce Platform RevPas for the three years ended December 31, 2013:

	Q1 2013	Q2 2013	Q3 2013	Q4 2013	FY 2013
Asia Pacific	15	14	14	13	56
Europe	24	22	19	20	85
Latin America and Canada	4	3	4	4	15
Middle East and Africa	10	10	10	9	39
International	53	49	47	46	195
United States	42	40	39	34	155
Travel Commerce Platform	95	89	86	80	350
Travel Commerce Platform RevPas	\$5.47	\$5.66	\$5.60	\$5.68	\$5.60

	Q1 2012	Q2 2012	Q3 2012	Q4 2012	FY 2012
Asia Pacific	15	14	13	12	54
Europe	24	20	19	19	82
Latin America and Canada	3	3	4	3	13
Middle East and Africa	10	10	10	9	39
International	52	47	46	43	188
United States	46	40	39	34	159

Travel Commerce Platform	98	87	85	77	347
Travel Commerce Platform RevPas	\$5.19	\$5.46	\$5.39	\$5.61	\$5.40
	Q1 2011	Q2 2011	Q3 2011	Q4 2011	FY 2011
Asia Pacific	15	14	14	13	56
Europe	24	20	20	19	83
Latin America and Canada	3	3	3	2	11
Middle East and Africa	10	10	9	9	38
International	52	47	46	43	188
United States	44	43	43	37	167
Travel Commerce Platform	96	90	89	80	355
Travel Commerce Platform RevPas	\$5.11	\$5.34	\$5.23	\$5.31	\$5.24

Note:

1) FY 2011 includes 8 million Travel Commerce Platform Reported Segments (all in the United States) under the United MSA.

2) FY 2012 includes 2 million Travel Commerce Platform Reported Segments (all in the United States) under the United MSA.

About Travelport

Travelport is the technology company which makes the experience of buying and managing travel continually better. It operates a travel commerce platform providing distribution, technology, payment and other solutions for the global travel and tourism industry. The company facilitates travel commerce by connecting

the world's leading travel providers with online and offline travel buyers in a proprietary business-to-business (B2B) travel platform.

Travelport has a leading position in airline merchandising, hotel content and distribution, car rental, mobile commerce and B2B payment solutions. The company also provides IT services to airlines, such as shopping, ticketing, departure control and other solutions. With net revenue of over \$2.5 billion in 2018, Travelport is headquartered in Langley, U.K., has over 3,700 employees and is represented in approximately 180 countries and territories.

Forward-looking Statements

This press release contains forward-looking statements and information that are necessarily subject to risks, uncertainties, and assumptions. Consummation of the Restructuring Plan is subject to numerous conditions, some of which are beyond our control, including the tender of the requisite principal amount of notes in the exchange offers, the receipt of requisite consents in the consent solicitations and that no event shall have occurred or be likely to occur and no event affecting our business or financial affairs shall have occurred or be likely to occur that would or might reasonably be expected to prohibit, prevent, restrict or delay consummation of the exchange offers and consent solicitations, among others. Therefore, no assurance can be given that the Restructuring Plan will be consummated on the terms described herein or at all. The Company assumes no obligation to update the information contained in this current report due to changes from time to time in the terms of the Restructuring Plan or for any other reason.

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