Q2 2015 Earnings Report

Sabre Corporation
August 4, 2015

Forward-looking Statements

Forward Looking Statements

Certain statements herein are forward-looking statements about trends, future events, uncertainties and our plans and expectations of what may happen in the future. Any statements that are not historical or current facts are forward-looking statements. In many cases, you can identify forward-looking statements by terms such as "guidance," "expect," "will," "outlook," "forecast," "anticipate," "trajectory," "pipeline," "on track," "confident," "plan," "momentum," "may," "should," "would," "intend," "believe," "potential" or the negative of these terms or other comparable terminology. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Sabre's actual results, performance or achievements to be materially different from any future results, performances or achievements expressed or implied by the forward-looking statements. The potential risks and uncertainties include, among others, dependency on transaction volumes in the global travel industry, particularly air travel transaction volumes, the financial and business effects of acquisitions, including integration of these acquisitions, adverse global and regional economic and political conditions, including, but not limited to, conditions in Venezuela and Russia, pricing pressure in the Travel Network business, the implementation and effects of new agreements, dependence on maintaining and renewing contracts with customers and other counterparties, dependence on relationships with travel buyers, changes affecting travel supplier customers, travel suppliers' usage of alternative distribution models, reliance on fourth-party distributor partners and joint ventures to extend our GDS services to certain regions and competition in the travel distribution market and solutions markets. More information about potential risks and uncertainties that could affect our business and results of operations is included in the "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" sections included in our Annual Report on Form 10-K filed with the SEC on March 3, 2015. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future events, results, actions, levels of activity, performance or achievements. Readers are cautioned not to place undue reliance on these forward-looking statements. Unless required by law, Sabre undertakes no obligation to publicly update or revise any forward-looking statements to reflect circumstances or events after the date they are made.

Non-GAAP Financial Measures

This presentation includes unaudited non-GAAP financial measures, including Adjusted Net Income, Adjusted EBITDA, Adjusted EPS, Adjusted Cost of Revenue, Adjusted Gross Profit and Margin, Adjusted SG&A, Adjusted JV Equity Income, Adjusted Capital Expenditures, Free Cash Flow, Adjusted Free Cash Flow and the ratios based on these financial measures. We present non-GAAP measures when our management believes that the additional information provides useful information about our operating performance. Non-GAAP financial measures do not have any standardized meaning and are therefore unlikely to be comparable to similar measures presented by other companies. The presentation of non-GAAP financial measures is not intended to be a substitute for, and should not be considered in isolation from, the financial measures reported in accordance with GAAP. See "Non-GAAP Financial Measures" below for an explanation of the non-GAAP measures and the reconciliation of the non-GAAP financial measures to the comparable GAAP measures included below.

Today’s Presenters

Tom Klein
President & CEO

Rick Simonson
EVP & CFO

Q2 2015 Highlights

	($ MM)	% Change
Total Revenue	$707	+9.4%
Total Adjusted EBITDA	$228	+6.1%
Adjusted EPS	$0.27	+17.4%
Airline & Hospitality Solutions Revenue	$217	+16.1%
Airline & Hospitality Solutions Adjusted EBITDA	$81	+29.5%
Travel Network Revenue	$495	+7.0%
Travel Network Adjusted EBITDA	$206	+4.0%

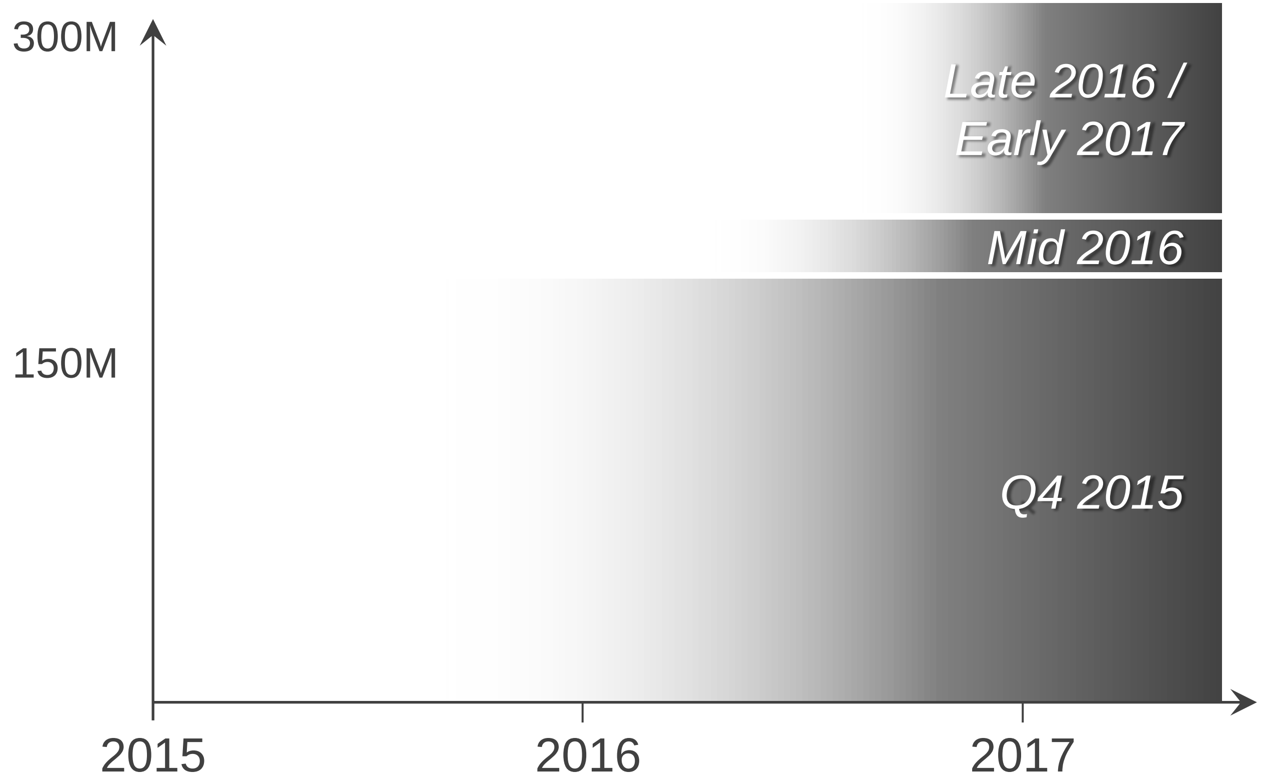
Highlights

- Strong financial results across the business
- Continued strategic progress
  - LATAM agreement
  - Abacus acquisition (completed on July 1st)
  - Refinanced 2019 bonds
- Leads to: Increasing full-year guidance

Sabre

Implementation pipeline of leading carriers

Won Airline SabreSonic Implementation Timing



>290M Airline Reservation PBs

in pipeline of planned implementations

American Airlines

Alitalia

airberlin

Copa Airlines

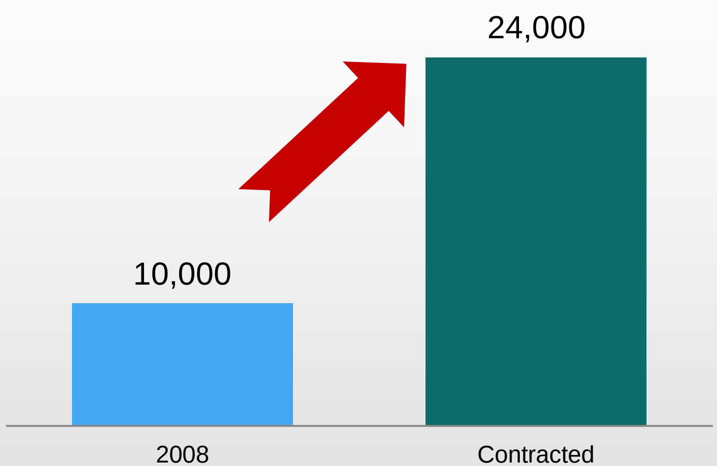
TAM

AirSERBIA

air seychelles

Hospitality Solutions growth continues

Strong historical property growth



Industry leadership

- Deep product integration
  - SynXis Enterprise Platform delivers industry-leading capabilities and single system of record across the enterprise
  - Optimized results that drive tangible value
- Expanding in Enterprise segment and the long tail
  - First firm to break into the enterprise segment with integrated solution
- Continuous innovation
  - Launched SynXis Booking Engine In-Context Suite

Abacus: The leading GDS in Asia Pacific

100,000
Agents

300+
Airlines

84MM
2014 Bookings

Local Content Fully integrated using
Sabre
Technology

39%
GDS Processed Air Bookings Share

8%
Market growth[1]

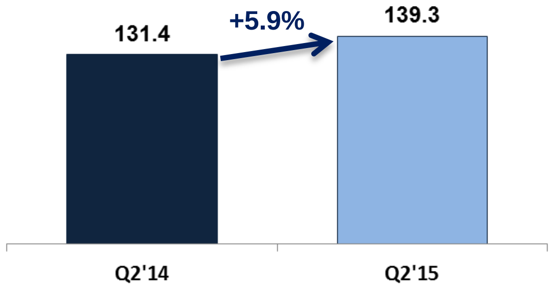
59
Markets

600
Employees

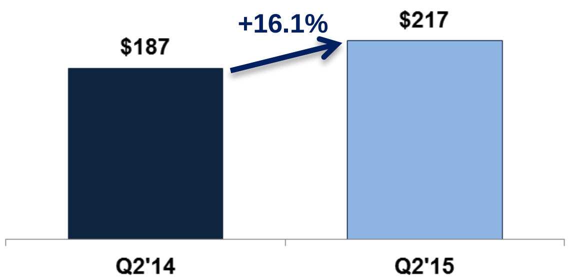
1) 2015-2018 Euromonitor

Airline and Hospitality Solutions

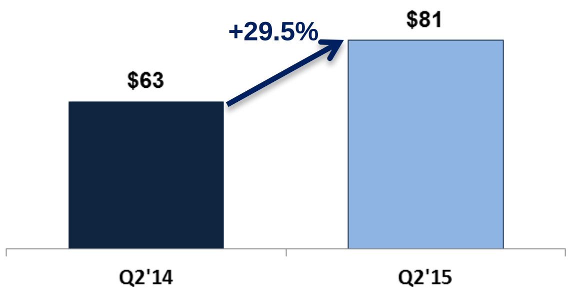
Passengers Boarded
(millions)



Revenue
(millions)



Adjusted EBITDA
(millions)



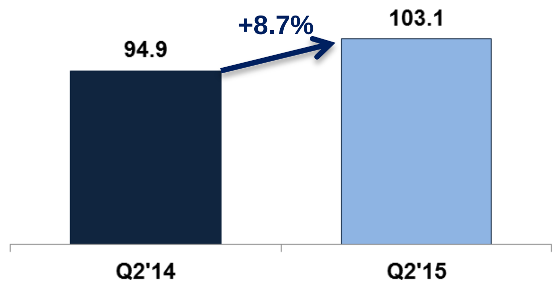
Highlights

- 6% growth in passengers boarded
- Strong Hospitality Solutions growth continues
- Adjusted EBITDA margin of 37.4%, up 3.9 points year-over-year

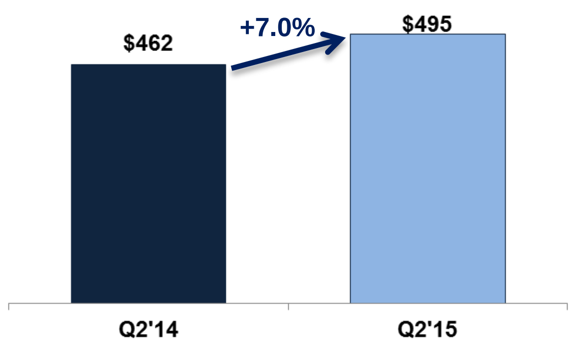
Sabre

Travel Network

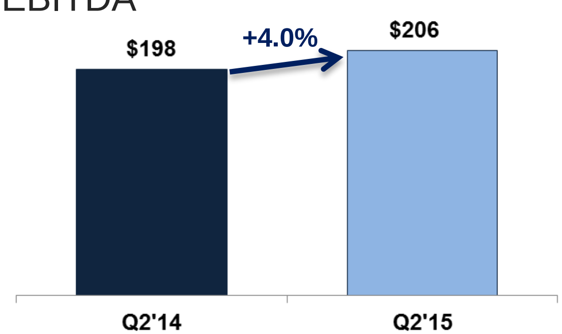
Bookings
(millions)



Revenue
(millions)



Adjusted EBITDA
(millions)



Highlights

- Total bookings* increased 8.7%, global share up 1.2 pts to 36.8%
- All geographies posted solid growth
  - North American bookings increased 7%
  - 20% bookings growth in EMEA; bookings share up over two points
- Over 50 airlines selling ancillaries and branded fares
- Completed the Abacus acquisition on July 1st

*Second quarter bookings do not include Abacus International bookings, which was acquired on July 1, 2015

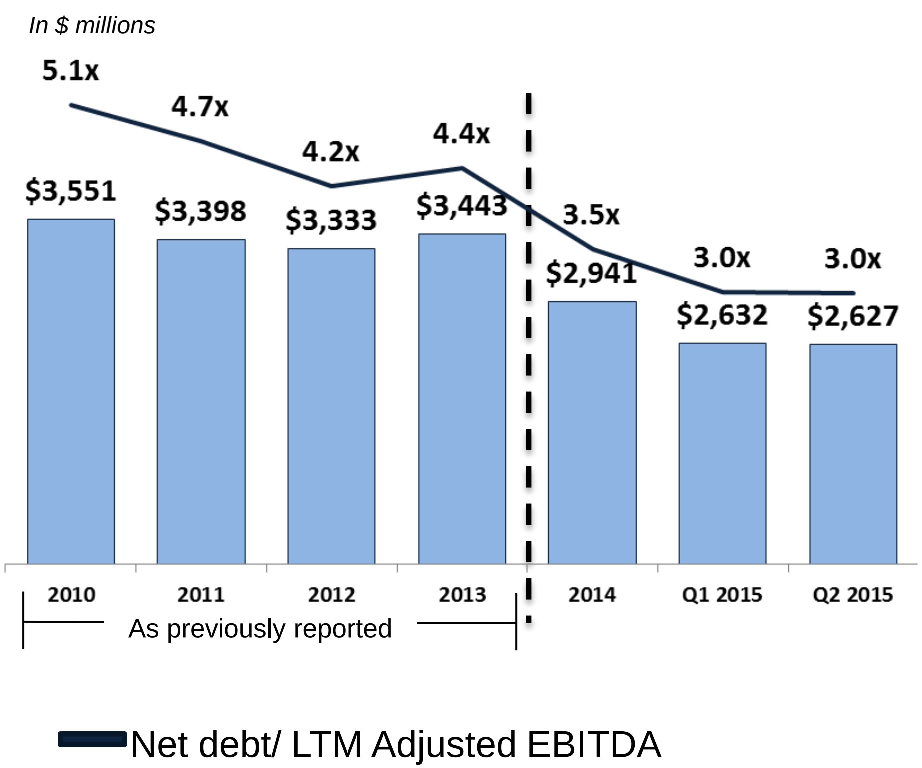
Income Statement

Adjusted Results

In $ millions, except EPS

	Q2'15	B/(W) vs. PY	
		$	%
Revenue	**$707**	**$61**	**9%**
Cost of revenue	($394)	($35)	(10%)
Gross profit	**$313**	**$26**	**9%**
SG&A	($91)	($14)	(18%)
JV equity income	$6	$1	26%
EBITDA	**$228**	**$13**	**6%**
Net income	**$76**	**$19**	**33%**
Earnings per share	**$0.27**	**$0.04**	**17%**

Net Debt and Leverage



Highlights

- Q2 Free Cash Flow of $70MM
- Q2 Adjusted CapEx of $81MM
- Q2 leverage ratio of 3.0x
- Issued $530MM 2023 5.375% Senior Secured Notes
  - Redeemed 2019 8.5% Senior Secured Notes
  - $480MM of face value; net annual interest savings of $12MM

Sabre

Increasing Guidance for Full Year 2015

In $ millions, except EPS	**Sabre**
Revenue	$2,950 - $2,980
Adjusted EBITDA	$930 - $945
Adjusted Net Income	$290 - $305
Adjusted EPS	$1.05 - $1.11
Free Cash Flow	Adj FCF $290+ FCF $240+
GAAP Capital Expenditures	~$260
Capitalized Implementation Costs -Expected to be fully offset by upfront cash solutions fees	~$75

The information presented here represents forward-looking statements and reflects expectations as of August 4, 2015. Sabre assumes no obligation to update these statements. Results may be materially different and are affected by many factors detailed in the accompanying release and in Sabre's Form 10-K filed on March 3, 2015 and Form 10-Q filed on August 4, 2015.

Summary

Strong financial results through mid-year with continued commercial momentum

Accelerated Travel Network growth, continued Airline and Hospitality momentum, completed Abacus acquisition on July 1st, signed LATAM agreement and refinanced 2019 bonds drive confidence

Increased full-year guidance

Appendix

Tabular Reconciliations for Non-GAAP Measures

Reconciliation of net income (loss) attributable to common shareholders to Adjusted Net Income and Adjusted EBITDA
(in thousands, except per share amounts; unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Net income (loss) attributable to common shareholders	$ 32,207	$ (13,132)	$ 239,701	$ (25,121)
(Income) loss from discontinued operations, net of tax	(696)	16,650	(159,607)	40,706
Net income attributable to noncontrolling interests[1]	1,078	702	1,825	1,448
Preferred stock dividends	—	2,235	—	11,381
Income from continuing operations	32,589	6,455	81,919	28,414
Adjustments:				
Acquisition-related amortization[2a]	23,211	21,953	44,886	54,842
Loss on extinguishment of debt	33,235	30,558	33,235	33,538
Other, net[4]	(197)	(391)	4,248	1,963
Restructuring and other costs[5]	—	2,128	—	3,684
Acquisition-related costs[6]	2,053	—	3,864	—
Litigation costs[7]	2,043	2,572	5,479	7,118
Stock-based compensation	7,330	4,885	16,124	8,484
Management fees[8]	—	21,576	—	23,508
Tax impact of net income adjustments	(24,210)	(32,481)	(38,767)	(51,924)
Adjusted Net Income from continuing operations	$ 76,054	$ 57,255	$ 150,988	$ 109,627
Adjusted Net Income from continuing operations per share	$ 0.27	$ 0.23	$ 0.54	$ 0.50
Diluted weighted-average common shares outstanding	279,101	252,336	278,082	219,969
Adjusted Net Income from continuing operations	$ 76,054	$ 57,255	$ 150,988	$ 109,627
Adjustments:				
Depreciation and amortization of property	46,244	40,661	107,907	81,110
Amortization of capitalized implementation costs[2c]	7,902	8,890	15,426	17,987
Amortization of upfront incentive consideration[3]	10,878	11,742	22,050	22,789
Interest expense, net	42,609	53,235	89,062	117,179
Remaining provision for income taxes	43,886	42,765	85,726	77,119
Adjusted EBITDA	$ 227,573	$ 214,548	$ 471,159	$ 425,811

Reconciliation of Adjusted Capitalized Expenditures and Adjusted Free Cash Flow:

(in thousands; unaudited)

	Three Months Ended June 30, 2015	Three Months Ended June 30, 2014	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
Additions to property and equipment	$ 66,051	$ 56,812	$ 127,963	$ 106,470
Capitalized implementation costs	15,234	9,944	29,561	17,597
Adjusted Capital Expenditures	$ 81,285	$ 66,756	$ 157,524	$ 124,067

	Three Months Ended June 30, 2015	Three Months Ended June 30, 2014	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
Cash provided by operating activities	136,226	110,134	$ 267,999	$ 204,456
Cash used in investing activities	(66,051)	(56,577)	(127,815)	(106,235)
Cash used in financing activities	56,514	25,023	34,233	(3,579)

	Three Months Ended June 30, 2015	Three Months Ended June 30, 2014	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
Cash provided by operating activities	$ 136,226	$ 110,134	$ 267,999	$ 204,456
Additions to property and equipment	(66,051)	(56,812)	(127,963)	(106,470)
Free Cash Flow	70,175	53,322	140,036	97,986
Adjustments:				
Restructuring and other costs (5)(9)	—	5,405	280	10,595
Acquisition-related costs (6)(9)	2,053	—	3,864	—
Litigation settlement (7)(10)	7,398	7,011	16,100	11,648
Other litigation costs (7)(9)	2,043	2,572	5,479	7,118
Management fees (8)(9)	—	21,576	—	23,508
Adjusted Free Cash Flow	$ 81,669	$ 89,886	$ 165,759	$ 150,855

Sabre

Reconciliation of Adjusted Gross Margin and Adjusted EBITDA by Segment:

(in thousands; unaudited)

	Three Months Ended June 30, 2015			
	Travel Network	Airline and Hospitality Solutions	Corporate	Total
Operating income (loss)	$ 173,691	$ 49,075	$ (100,161)	$ 122,605
Add back:				
Selling, general and administrative	26,600	15,036	81,724	123,360
Cost of revenue adjustments:				
Depreciation and amortization(2)	14,758	31,671	6,650	53,079
Amortization of upfront incentive consideration(3)	10,878	—	—	10,878
Stock-based compensation	—	—	2,902	2,902
Adjusted Gross Margin	225,927	95,782	(8,885)	312,824
Selling, general and administrative	(26,600)	(15,036)	(81,724)	(123,360)
Joint venture equity income	5,307	—	—	5,307
Joint venture intangible amortization(2a)	801	—	—	801
Selling, general and administrative adjustments:				
Depreciation and amortization(2)	522	239	22,716	23,477
Acquisition-related costs(6)	—	—	2,053	2,053
Litigation costs(7)	—	—	2,043	2,043
Stock-based compensation	—	—	4,428	4,428
Adjusted EBITDA	$ 205,957	$ 80,985	$ (59,369)	$ 227,573

Reconciliation of Adjusted Gross Margin and Adjusted EBITDA by Segment:

(in thousands; unaudited)

	Three Months Ended June 30, 2014			
	Travel Network	Airline and Hospitality Solutions	Corporate	Total
Operating income (loss)	$ 165,597	$ 35,855	$ (105,370)	$ 96,082
Add back:				
Selling, general and administrative	24,555	12,924	90,172	127,651
Cost of revenue adjustments:				
Depreciation and amortization(2)	15,267	26,480	6,368	48,115
Amortization of upfront incentive consideration(3)	11,742	—	—	11,742
Restructuring and other costs(5)	—	—	1,401	1,401
Stock-based compensation	—	—	1,972	1,972
Adjusted Gross Margin	217,161	75,259	(5,457)	286,963
Selling, general and administrative	(24,555)	(12,924)	(90,172)	(127,651)
Joint venture equity income	4,059	—	—	4,059
Joint venture intangible amortization(2a)	801	—	—	801
Selling, general and administrative adjustments:				
Depreciation and amortization(2)	505	220	21,863	22,588
Restructuring and other costs (5)	—	—	727	727
Litigation costs(7)	—	—	2,572	2,572
Stock-based compensation	—	—	2,913	2,913
Management fees(8)	—	—	21,576	21,576
Adjusted EBITDA	$ 197,971	$ 62,555	$ (45,978)	$ 214,548

Sabre

Reconciliation of Adjusted Gross Margin and Adjusted EBITDA by Segment:

(in thousands; unaudited)

	Six Months Ended June 30, 2015			
	Travel Network	Airline and Hospitality Solutions	Corporate	Total
Operating income (loss)	$ 370,942	$ 77,566	$ (206,911)	$ 241,597
Add back:				
Selling, general and administrative	48,484	33,015	164,219	245,718
Cost of revenue adjustments:				
Depreciation and amortization[2]	28,570	74,400	14,776	117,746
Amortization of upfront incentive consideration[3]	22,050	—	—	22,050
Stock-based compensation	—	—	6,435	6,435
Adjusted Gross Margin	470,046	184,981	(21,481)	633,546
Selling, general and administrative	(48,484)	(33,015)	(164,219)	(245,718)
Joint venture equity income	13,826	—	—	13,826
Joint venture intangible amortization[2a]	1,602	—	—	1,602
Selling, general and administrative adjustments:				
Depreciation and amortization[2]	1,054	507	47,310	48,871
Acquisition-related costs[6]	—	—	3,864	3,864
Litigation costs[7]	—	—	5,479	5,479
Stock-based compensation	—	—	9,689	9,689
Adjusted EBITDA	$ 438,044	$ 152,473	$ (119,358)	$ 471,159

Sabre

Reconciliation of Adjusted Gross Margin and Adjusted EBITDA by Segment:

(in thousands; unaudited)

	Six Months Ended June 30, 2014			
	Travel Network	Airline and Hospitality Solutions	Corporate	Total
Operating income (loss)	$ 350,114	$ 62,317	$ (212,642)	$ 199,789
Add back:				
Selling, general and administrative	50,227	25,319	162,843	238,389
Cost of revenue adjustments:				
Depreciation and amortization[2]	30,679	53,163	23,082	106,924
Amortization of upfront incentive consideration[3]	22,789	—	—	22,789
Restructuring and other costs[5]	—	—	2,579	2,579
Stock-based compensation	—	—	3,358	3,358
Adjusted Gross Margin	453,809	140,799	(20,780)	573,828
Selling, general and administrative	(50,227)	(25,319)	(162,843)	(238,389)
Joint venture equity income	6,500	—	—	6,500
Joint venture intangible amortization[2a]	1,602	—	—	1,602
Selling, general and administrative adjustments:				
Depreciation and amortization[2]	1,130	535	43,748	45,413
Restructuring and other costs [5]	—	—	1,105	1,105
Litigation costs[7]	—	—	7,118	7,118
Stock-based compensation	—	—	5,126	5,126
Management fees[8]	—	—	23,508	23,508
Adjusted EBITDA	$ 412,814	$ 116,015	$ (103,018)	$ 425,811

Reconciliation of Adjusted Cost of Revenue, Adjusted SG&A, and Adjusted JV Equity Income:

(in thousands; unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Cost of Revenue	$ 461,126	$ 422,647	$ 930,124	$ 874,617
Depreciation and amortization(2)	(53,079)	(48,115)	(117,746)	(106,924)
Amortization of upfront incentive consideration(3)	(10,878)	(11,742)	(22,050)	(22,789)
Restructuring and other costs(5)	—	(1,401)	—	(2,579)
Stock-based compensation	(2,902)	(1,972)	(6,435)	(3,358)
Adjusted Cost of Revenue	$ 394,267	$ 359,417	$ 783,893	$ 738,967

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
SG&A	$ 123,360	$ 127,651	$ 245,718	$ 238,389
Depreciation and amortization(2)	(23,477)	(22,588)	(48,871)	(45,413)
Acquisition-related costs(6)	(2,053)	—	(3,864)	—
Restructuring and other costs(5)	—	(727)	—	(1,105)
Litigation costs(7)	(2,043)	(2,572)	(5,479)	(7,118)
Stock-based compensation	(4,428)	(2,913)	(9,689)	(5,126)
Management fees(8)	—	(21,576)	—	(23,508)
Adjusted SG&A	$ 91,359	$ 77,275	$ 177,815	$ 156,119

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Joint venture equity income	$ 5,307	$ 4,059	$ 13,826	$ 6,500
Joint venture intangible amortization(2a)	801	801	1,602	1,602
Adjusted Joint Venture Equity Income	$ 6,108	$ 4,860	$ 15,428	$ 8,102

Sabre

Non-GAAP Financial Measures

We have included both financial measures compiled in accordance with GAAP and certain non-GAAP financial measures, including Adjusted Gross Margin, Adjusted Net Income, Adjusted EBITDA, Adjusted EPS, Adjusted Cost of Revenue, Adjusted SG&A, Adjusted JV Equity Income, Adjusted Capital Expenditures, Free Cash Flow, Adjusted Free Cash Flow and ratios based on these financial measures.

We define Adjusted Gross Margin as operating income adjusted for selling, general and administrative expenses, amortization of upfront incentive consideration, and the cost of revenue portion of depreciation and amortization, restructuring and other costs, and stock-based compensation.

We define Adjusted Cost of Revenue as cost of revenue adjusted for impairments, restructuring and other costs, litigation and taxes, including penalties, stock-based compensation, amortization of upfront incentive consideration and depreciation and amortization.

We define Adjusted SG&A as SG&A adjusted for impairments, restructuring and other costs, litigation and taxes, including penalties, stock-based compensation, management fees and depreciation and amortization.

We define Adjusted JV Equity Income as JV Equity income adjusted for JV intangible amortization.

Adjustments to cost of revenue, SG&A, and JV Equity Income are shown in the 'Reconciliation of Adjusted Gross Margin and Adjusted EBITDA by Segment' Reconciliation table

We define Adjusted Net Income as income from continuing operations adjusted for acquisition-related amortization, loss on extinguishment of debt, other, net, restructuring and other costs, acquisition-related costs, litigation costs, stock-based compensation, management fees and the tax impact of net income adjustments.

We define Adjusted EBITDA as Adjusted Net Income adjusted for depreciation and amortization of property and equipment, amortization of capitalized implementation costs, amortization of upfront incentive consideration, interest expense, net, and remaining provision for income taxes.

We define Adjusted EPS as Adjusted Net Income divided by the applicable share count.

We define Adjusted Capital Expenditures as additions to property and equipment and capitalized implementation costs during the periods presented.

We define Free Cash Flow as cash provided by operating activities less cash used in additions to property and equipment. We define Adjusted Free Cash Flow as Free Cash Flow plus the cash flow effect of restructuring and other costs, acquisition-related costs, litigation settlement, other litigation costs and management fees.

These non-GAAP financial measures are key metrics used by management and our board of directors to monitor our ongoing core operations because historical results have been significantly impacted by events that are unrelated to our core operations as a result of changes to our business and the regulatory environment. We believe that these non-GAAP financial measures are used by investors, analysts and other interested parties as measures of financial performance and to evaluate our ability to service debt obligations, fund capital expenditures and meet working capital requirements. Adjusted Capital Expenditures includes cash flows used in investing activities, for property and equipment, and cash flows used in operating activities, for capitalized implementation costs. Our management uses this combined metric in making product investment decisions and determining development resource requirements. We also believe that calculate these non-GAAP financial measures assist investors in company-to-company and period-to-period comparisons by excluding differences caused by variations in capital structures (affecting interest expense), tax positions and the impact of depreciation and amortization expense. In addition, amounts derived from Adjusted EBITDA are a primary component of certain covenants under our senior secured credit facilities.

These non-GAAP financial measures and ratios based on the financial measures are not recognized terms under GAAP. These non-GAAP financial measures and ratios based on them have important limitations as analytical tools, and should not be viewed in isolation and do not purport to be alternatives to net income as indicators of operating performance or cash flows from operating activities as measures of liquidity. These non-GAAP financial measures and ratios based on them exclude some, but not all, items that affect net income or cash flows from operating activities and these measures may vary among companies. Our use of these measures has limitations as an analytical tool, and you should not consider them in isolation or as substitutes for analysis of our results as reported under GAAP. Some of these limitations are:

- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future, and Adjusted Gross Margin and Adjusted EBITDA do not reflect cash requirements for such replacements;
- Adjusted Net Income and Adjusted EBITDA do not reflect changes in, or cash requirements for, our working capital needs;
- Adjusted EBITDA does not reflect the interest expense or the cash requirements necessary to service interest or principal payments on our indebtedness;
- Adjusted EBITDA does not reflect tax payments that may represent a reduction in cash available to us;
- Free Cash Flow and Adjusted Free Cash Flow do not reflect the cash requirements necessary to service the principal payments on our indebtedness;
- Free Cash Flow and Adjusted Free Cash Flow do not reflect payments related to restructuring, litigation, acquisition-related and management fees;
- Free Cash Flow and Adjusted Free Cash Flow remove the impact of accrual-basis accounting on asset accounts and non-debt liability accounts; and
- other companies, including companies in our industry, may calculate these non-GAAP financial measures differently, which reduces their usefulness as comparative measures.

Non-GAAP Footnotes

1) Net income attributable to noncontrolling interests represents an adjustment to include earnings allocated to noncontrolling interests held in Sabre Travel Network Middle East of 40% for all periods presented and in Sabre Seyahat Dagitim Sistemleri A.S. of 40% beginning in April 2014 for the three and six months ended June 30, 2015 and 2014.

2) Depreciation and amortization expenses:
    a. Acquisition-related amortization represents amortization of intangible assets from the take-private transaction in 2007 as well as intangibles associated with acquisitions since that date and amortization of the excess basis in our underlying equity in joint ventures.
    b. Depreciation and amortization of property and equipment includes software developed for internal use.
    c. Amortization of capitalized implementation costs represents amortization of upfront costs to implement new customer contracts under our SaaS and hosted revenue model.

3) Our Travel Network business at times provides upfront incentive consideration to travel agency subscribers at the inception or modification of a service contract, which are capitalized and amortized to cost of revenue over an average expected life of the service contract, generally over three to five years. Such consideration is made with the objective of increasing the number of clients or to ensure or improve customer loyalty. Such service contract terms are established such that the supplier and other fees generated over the life of the contract will exceed the cost of the incentive consideration provided upfront. Such service contracts with travel agency subscribers require that the customer commit to achieving certain economic objectives and generally have terms requiring repayment of the upfront incentive consideration if those objectives are not met.

4) Other, net primarily represents foreign exchange gains and losses related to the remeasurement of foreign currency denominated balances included in our consolidated balance sheets into the relevant functional currency.

5) Restructuring and other costs represents charges associated with business restructuring and associated changes implemented which resulted in severance benefits related to employee terminations, integration and facility opening or closing costs and other business reorganization costs.

6) Acquisition-related costs represent fees and expenses incurred associated with the acquisition of Abacus.

7) Litigation settlement and other litigation costs represent settlements or charges associated with airline antitrust litigation.

8) We paid an annual management fee, pursuant to a Management Services Agreement (“MSA”), to TPG Global, LLC (“TPG”) and Silver Lake Management Company (“Silver Lake”) in an amount between (i) $5 million and (ii) $7 million, the actual amount of which is calculated based upon 1% of Adjusted EBITDA, earned by the company in such fiscal year up to a maximum of $7 million. In addition, the MSA provided for reimbursement of certain costs incurred by TPG and Silver Lake, which are included in this line item. The MSA was terminated in April 2014 in connection with our initial public offering.

9) The adjustments to reconcile cash provided by operating activities to Adjusted Free Cash Flow reflect the amounts expensed in our statements of operations in the respective periods adjusted for cash and non-cash portions in instances where material.

10) Includes payment credits used by American Airlines to pay for purchases of our technology services. The payment credits were provided by us as part of our litigation settlement with American Airlines.

Q2 2015 Earnings Report

Sabre Corporation
August 4, 2015

Sabre®