

# Datalex



**2013 RESULTS**

Some statements in this presentation are forward looking. They represent expectations for Datalex's business and involve risks and uncertainties. Datalex has based these forward-looking statements on current expectations and projections about future events. Datalex believes that expectations and assumptions with respect to these forward-looking statements are reasonable. However, because they involve known and unknown risks, uncertainties and other factors, which are in some cases beyond Datalex's control, actual results or performance may differ materially from those expressed or implied by such forward-looking statements.

	<b>Slide</b>
• 2013 Highlights	5
• Company Overview	7
• Industry Overview	10
• Financials	17
• Summary & Outlook	21
• Company History & Team	22
• Corporate Information	24



# Delivering Shareholder Value

26% growth in adjusted EBITDA, significant customer wins and a first dividend proposed

# 2013 HIGHLIGHTS

## Financial Highlights

- 41% growth in EPS to US\$ 2.24 cents
- 26% increase in Adj. EBITDA to \$7.5m
- 43% increase in Net Profit to US\$1.6m
- 15% growth in Cash Reserves to \$16.9m
- Transaction revenue up 19% to \$17.5m
- First dividend of US\$ two cents proposed

## Operational Highlights

- New customers live on our travel retail platform including WestJet and Virgin Australia
- New customers signed including JetBlue and Virgin Atlantic
- Datalex named “Worlds’ Leading Travel Merchandising Solution Provider - 2013”
- Global technology partnerships with HP Enterprise Services and PROS Inc.

### REVENUE



### ADJUSTED EBITDA



### CASH





# The World's Leading Travel Retail Platform

In 2013, one billion people used Datalex software to shop for their travel needs

# AT A GLANCE



## Our Goal

To be the leading provider of travel retail capabilities to the global travel industry.

### HORIZON 3: END TO END OFFERING

Enable the complete travel experience, extend offering to include fulfilment and merchant services.

### HORIZON 2: VERTICAL & HORIZONTAL GROWTH

1. Extend offering to new horizontal segments such as in-flight and destination based services.
2. Expand market reach to new travel verticals such as rail, hotel, agency etc.

### HORIZON 1: ORGANIC GROWTH

Focus on new customer acquisition and organic growth from current customers, enhanced by strategic partnerships with industry leading players.

2013



2015



2017

\$  
GROWTH





## Why we exist

“Aer Lingus.com is a retail engine for revenue growth, the Datalex TDP platform drives this and gives us the ability to personalise the retail offer.”

Stephen Kavanagh, CCO, Aer Lingus

## Airlines seek to enhance revenue and margin

- IATA project a US\$19.7 billion profit from US\$743 billion revenues by transporting some 3.3 billion passengers across the globe\*.
- This margin of 2.6% (or less than \$6 per passenger carried) is far below their cost of capital.
- Ancillary revenues are greater than the \$5.94/passenger profit that airlines are expected to earn in 2014.
- Incumbent technologies have constrained innovation as airlines seek to align with consumer trends.
- By 2017 - Airline ecommerce is forecast to be 59% of booking volumes, versus 35% in 2012\*\*.

\* IATA, *Financial Outlook*, December 2013

\*\* Atmosphere Research Group *"The Future of Airline Distribution"*, Dec. 2012

## Our Customers Lead:

*WestJet's fare bundles and check-in upgrade incremental revenues are tracking to produce over \$80M in our first year after market launch."*

Gregg Saretsky, CEO, WestJet Airlines



## Why we exist

“This strategic agreement with Datalex will further strengthen our ecommerce capabilities with a state-of-the-art merchandising platform and expanded self-service capabilities.”

**Eash Sundaram, EVP & CIO, JetBlue**

# COMPETITIVE ENVIRONMENT



ONLINE	MOBILE	KIOSK	ON BOARD	AGENT / CALL CENTRE

Multiple solution providers serving disconnected channels

# DATALEX - THE CHOICE OF THE WORLD'S MOST INNOVATIVE AIRLINES



ONLINE

MOBILE

KIOSK

ON BOARD

AGENT / CALL CENTRE

**Retarget** **UNIFIED** **CONSISTENT USER EXPERIENCE** Define, Price, Control  
**LOYALTY** **RETAIL** Reservations Management **BIG Data** Promos  
 Inventory Control **INSPIRE** **Recommend** Single View of Customer  
 Manage Complex Booking **Stored Value** Up-sell & Cross-Sell **Optimise**  
 Advanced Pricing **PERSONALISE** Business Rules **Reward**

## TDP – AN OMNI CHANNEL RETAIL PLATFORM

*Consistent Retail Across Connected Consumer Touchpoints*



## **In the last 60 seconds we have**

listened to the concerns of 20,000 travellers and tailored an offer in REAL TIME!



## SHOP

Opportunity to Engage and Add Value  
Purchase Continuum 1-68 days

## RETURN

Opportunity to Enhance & Add Value

## TRAVEL

Opportunity to Enhance and Add Value  
Purchase Continuum 1-20 days

## BOOK

Opportunity to Create Affinity, Retarget  
Purchase Continuum 1-50 days

Inspire

Add Value

Create Need

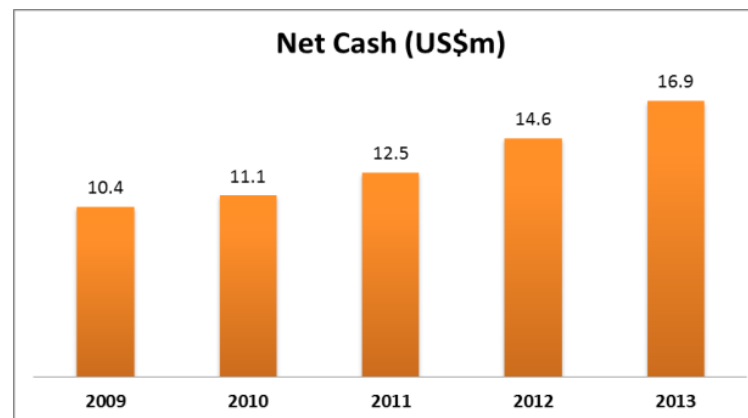
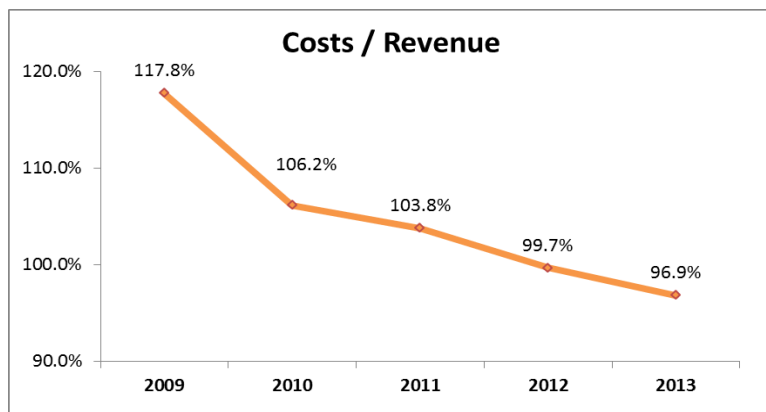
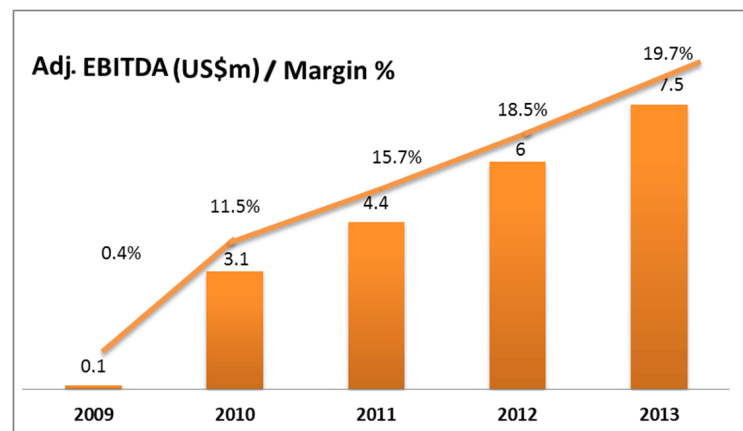
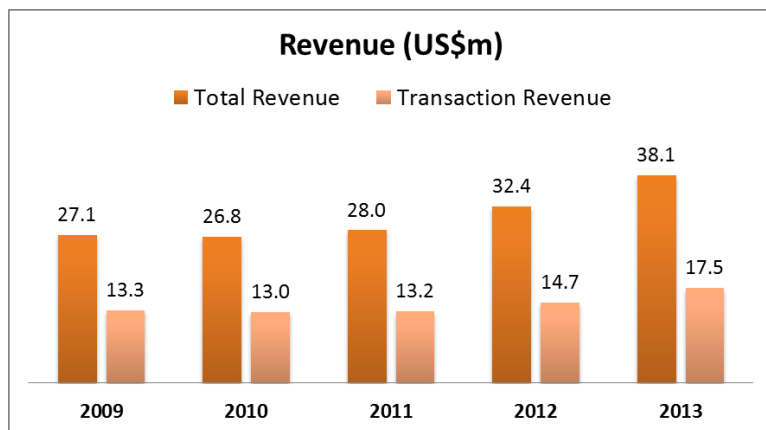
Retarget

Context comes from Persona Shopping Intelligence

A large window with a black grid frame looks out onto an airport tarmac. In the foreground, the silhouettes of three people are visible as they look out the window. The ground is highly reflective, mirroring the people and the window frame. The sky is bright and clear. The overall scene conveys a sense of activity and modern infrastructure.

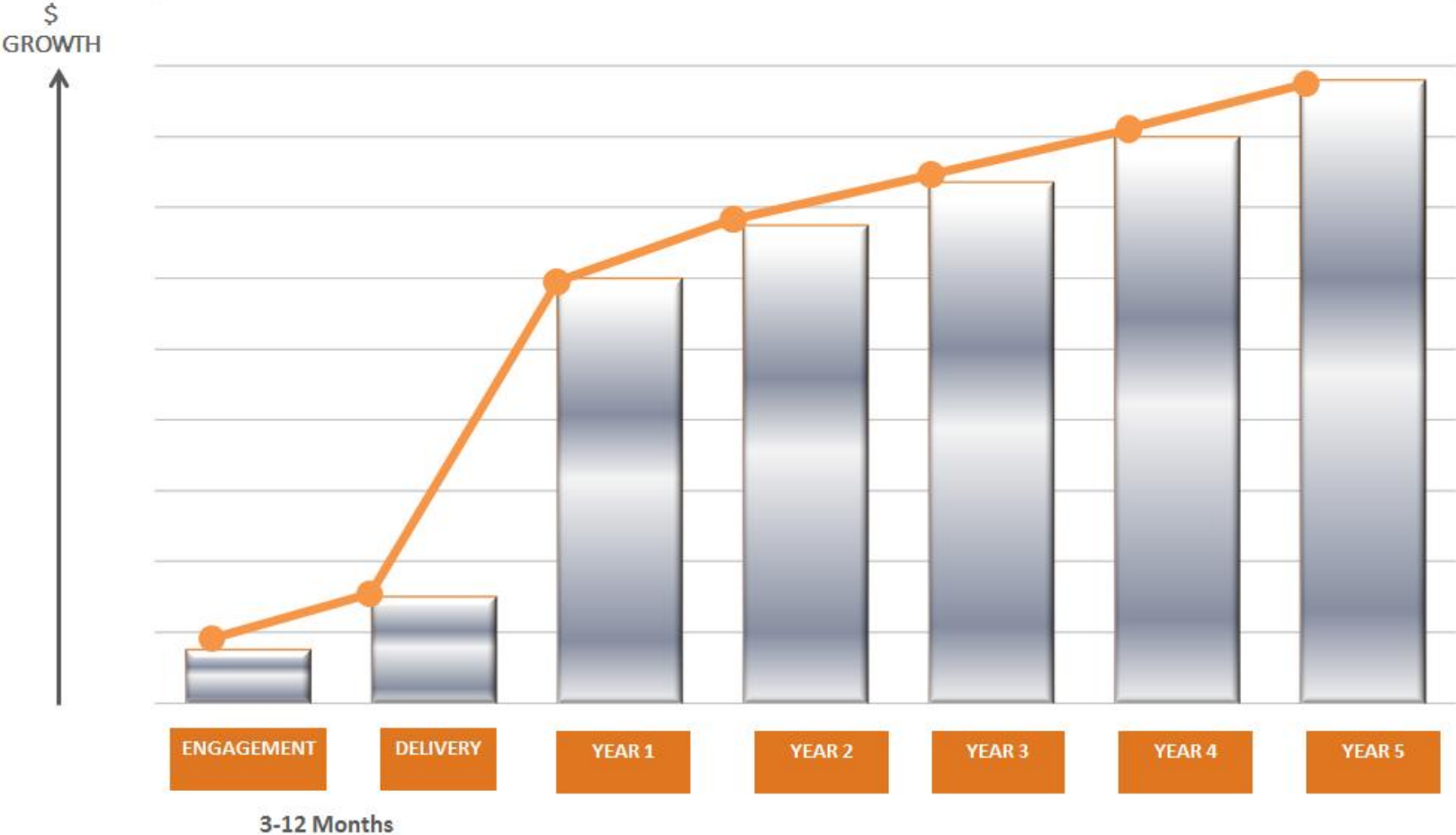
# Performance & Growth

# 5 YEAR FINANCIAL REVIEW



Extracting operating leverage as we grow transaction revenue

# REVENUE LIFECYCLE



US\$M	2013	2012	2011
Total Revenue	\$38.1	\$32.4	\$28.0
Transaction Revenue	\$17.5	\$14.7	\$13.2
Total Costs	\$36.8	\$32.3	\$29.1
Net Amortised Dev.	(\$1.1)	(\$1.3)	(\$2.4)
Adjusted EBITDA	\$7.5	\$6.0	\$4.3
Profit (Loss) after tax	\$1.6	\$1.1	(\$1.4)
Basic EPS/(LPS)	2.24c	1.59c	(2.0c)

- Total Revenue increased by 18%
- Transaction Revenue growth of 19%:
  - 7% from new go lives
  - 12% from organic growth / full year impact
- Service revenue up 13% to \$15.9m
- Operating cost growth of 11%:
  - Increase in services revenue
  - Sales and account management personnel
- 26% growth in Adjusted EBITDA
- 29% increase in Net Profit to \$1.6m
- 41% growth in EPS

**2013 Customer wins secure future transaction revenue growth**

# BALANCE SHEET

<b>US\$M</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
Total Assets	\$42.6	\$39.0	\$36.8
Receivables & Accrued Income	\$10.8	\$7.9	\$8.4
Total Equity	\$33.9	\$31.0	\$29.2
Total Liabilities	\$8.7	\$8.0	\$7.6
Net Cash	\$16.9	\$14.6	\$12.5
Intangible Assets	\$12.4	\$13.8	\$14.7

- Receivables growing with new business
- Working Capital increase consistent with growth in new customers and deployments
- \$40m+ invested in product platform to date
- Deferred tax asset recognised of \$0.2m (2012: \$0.8m)
- Unrecognised tax assets of US\$31.3m
- First dividend proposed of US\$ two cents per share

**Strong Balance Sheet offers flexibility**

## **Continued performance and growth in 2013**

- Datalex consolidates position as a leading provider of ecommerce and retail software solutions
  - Track record of innovation and first mover status
- 

## **Strong financial results**

- 26% growth in Adjusted EBITDA to \$7.5m
  - 41% growth in EPS to US\$ 2.24 cents
  - First dividend of US\$ two cents proposed
- 

## **Revenue Model**

- Transaction based model delivers performance and growth with visibility
- 

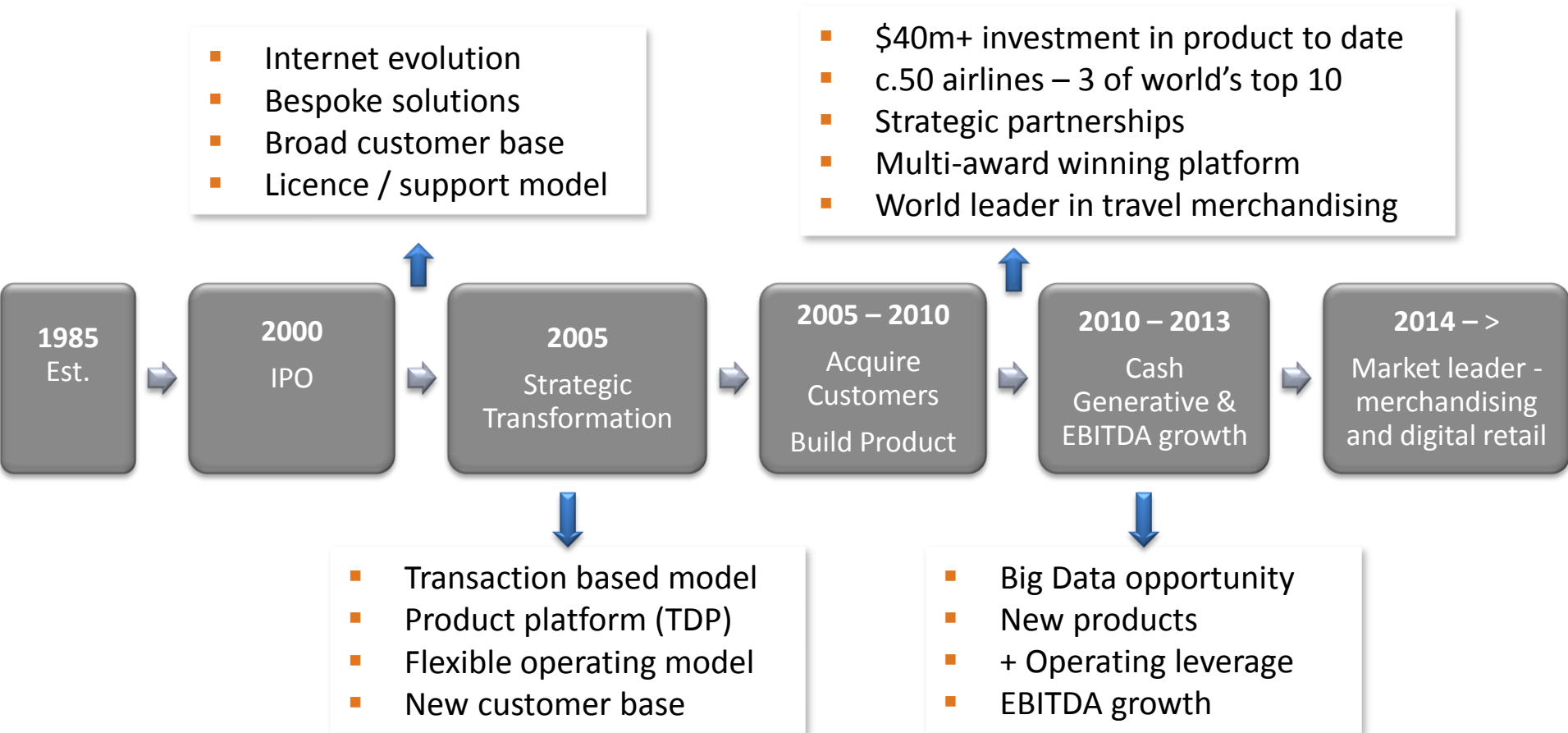
## **Global customer base**

- New customer 'go-lives' – JetBlue and Virgin Atlantic
  - New partnerships – HP Enterprise Services and PROS
- 

## **Positive outlook for FY 2014**

- Strong business pipeline
  - Continued investment in product and market (e.g. Beijing office)
  - Guiding growth in Adjusted EBITDA 18-20% for FY 2014
- 

**Continued growth in revenue, Adjusted EBITDA and customers**



**Datalex - Global leader in travel retail solutions**

# MANAGEMENT TEAM



Name	Position	Since	Experience
Aidan Brogan	Chief Executive Officer	1994	Westinghouse
David Kennedy	Chief Financial Officer	2007	Arthur Andersen, ESB International
Alan Dunne	Chief Technology Officer	1997	Solution Architect, Chief Architect (Datalex)
Malachi Faughnan	Chief Information Officer	1987	Engineering Manager US, Solution Architect (Datalex)
Dominic Clarke	SVP - Sales	2013	BA, EB2 Int., Sabre Air Solutions, Mobile Travel Technologies
Ornagh Hoban	VP – Marketing & Strategy	1999	European Commission, Datac Ltd. Services. Business Development Director (Datalex)
Karen O’ Mahony	VP – Delivery & Org. Change	2005	Abbey Tours, MCPS, Conduit
Gianni Cataldo	GM – Americas	2006	Carlson Wagonlit, Worldspan, Travelport

**Team with over 150 years’ collective industry experience**

## Listing Particulars

Exchange	Irish Stock Exchange
Ticker	DLE.I /DLE ID
Shares	74.1m

## Analyst Coverage

Davy	Ross Harvey ross.harvey@davy.ie
Goodbody	Colm Foley colm.j.foley@goodbody.ie

## Largest Shareholders

IIU Nominees Ltd.	27.85%
Pageant Holdings Ltd.	10.79%
Farringdon Cap. Mgt.	5.00%
Paschal Taggart (Chairman)	2.63%

Datalex plc  
Global HQ  
Block U  
East Point Business Park  
Dublin 3  
Ireland

t: + 353 1 806 3500

US Toll Free: 1 888 234 1890

w: [datalex.com](http://datalex.com)

e: [info@datalex.com](mailto:info@datalex.com)

Twitter: [@datalex](https://twitter.com/datalex)

Aidan Brogan (CEO)

[aidan.brogan@datalex.com](mailto:aidan.brogan@datalex.com)

David Kennedy (CFO)

[david.kennedy@datalex.com](mailto:david.kennedy@datalex.com)

---

<b>EVENT</b>	<b>DATE</b>
--------------	-------------

AGM & Q1 IMS	May 2014
--------------	----------

Interim Results	August 2014
-----------------	-------------

Q3 IMS	November 2014
--------	---------------