



# Datalex

H1 2017 Results



# Overview

Business Highlights

Financial Highlights

Summary & Outlook

Appendices

## FORWARD LOOKING STATEMENTS

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.



# Business Highlights

Aidan Brogan, CEO

# Hi Lisa, Where are we going today?



**Search:** Monday between 09.15 - 10.45 to New York



**Result:** Flight to New York (JFK) at 09.30



Add Gourmet meal?



Add Free Wifi?



Add a car waiting at arrival?



Would you like to stay an extra night?



It is all about the offer.

# Digital Commerce for Travel Retail



## Global Scale & Reach

**>650**

Global travel retail experts.  
5 office locations across 4 continents.  
Highest growth markets e.g. China.

## Enabling a Digital Marketplace

**>1Bn**

Shoppers use our software to shop for their travel needs.

## Product Strength & Innovation

**\$20Bn**

Passenger revenues transacted through our platform.

## Installed Customer & Partner Base

**50+**

Global brand customers & partners.

## Business Highlights

Strong performance with double digit growth across key metrics.

Continued investment in our people, product & partnerships.

Market opportunity continues to grow as more airlines undertake the transformation necessary to prosper in the digital economy.

# Business Highlights

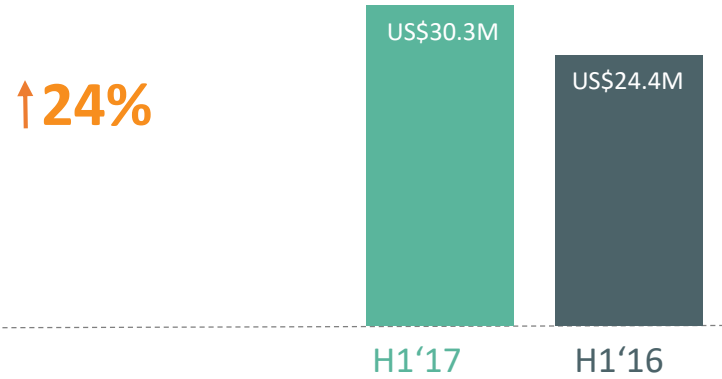
## Strategic Pillars



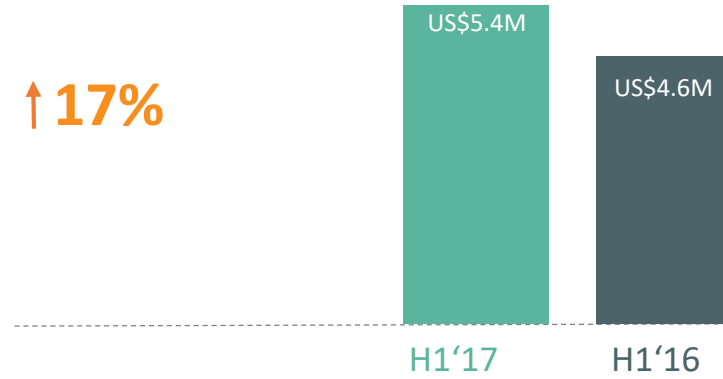


# Performance Success

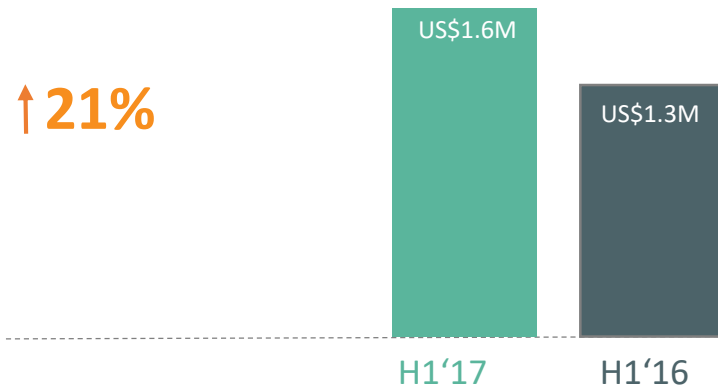
Total Revenue



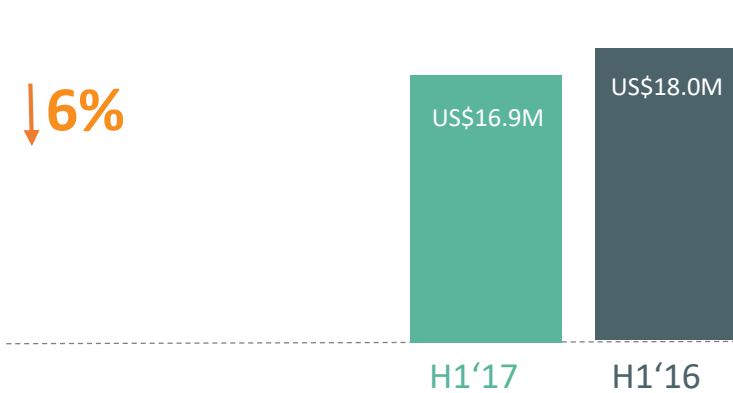
Adjusted EBITDA



Profit after tax



Cash





# Customer Success



**Product &  
Services**



**Customer Centric  
Retail**



**Revenue  
Optimisation**



Strong pipeline of airlines leading digital transformation. Further signings expected in H2.

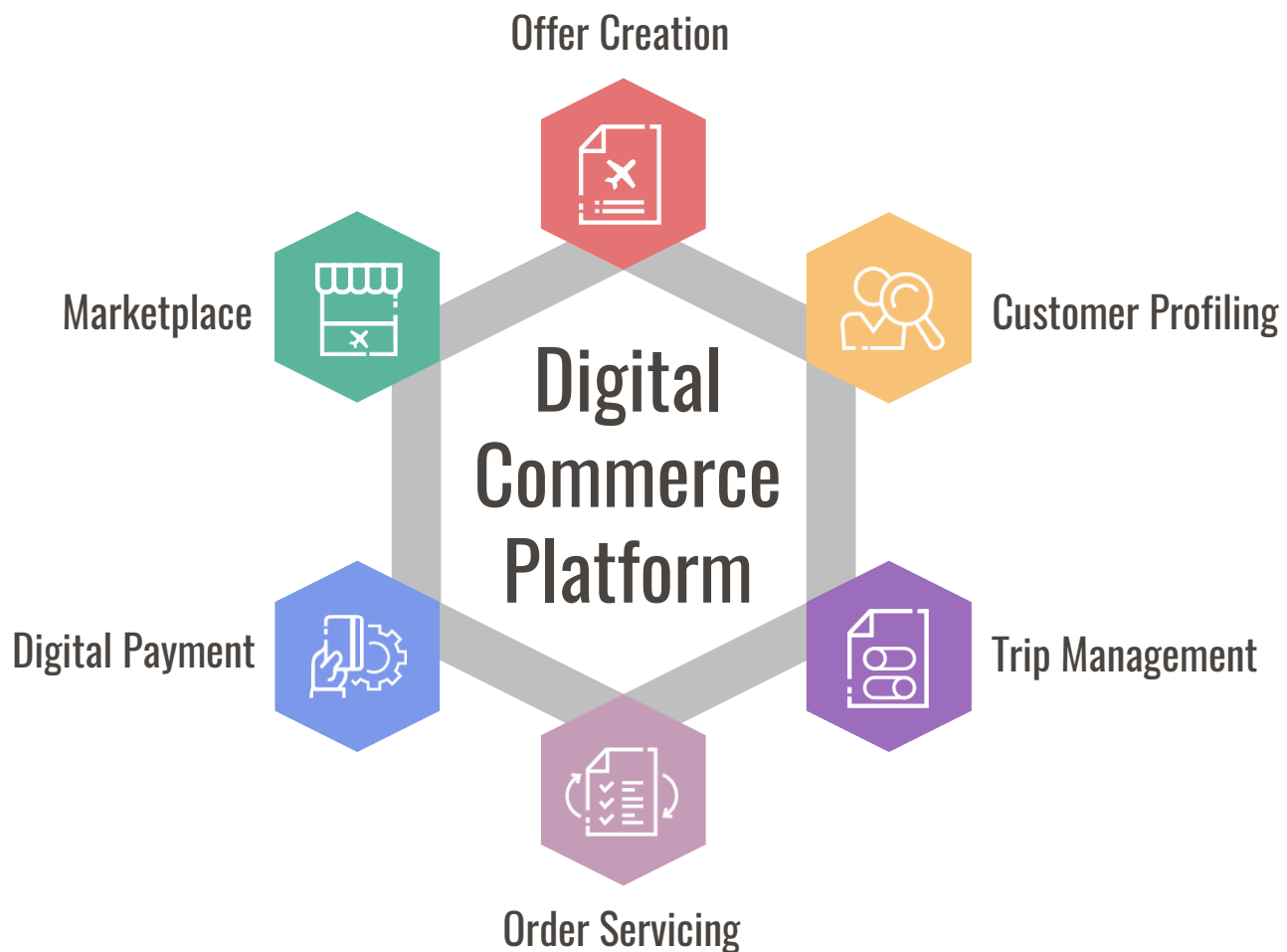


Leveraging growth in installed customer base. Platform & services revenue growth.



Established digital advisory service. Pipeline development.





## Expanded Product Portfolio

- 1 Investment in system performance – investing for scale and high volume retail.
- 2 Investment in Artificial Intelligence (AI) to drive new capability in dynamic pricing and offer creation.
- 3 Launch of cloud-based Digital Payments portfolio. 2 Customers live with further deployments in H2.
- 4 Launching new airline OTA (Online Travel Agency) Platform in H2. 1<sup>st</sup> Customer live in the coming months – enables airlines to compete with OTAs.



# Product Success Innovation

**Industry Technology Partners**  
Scale of investment.  
Broad solution scope.  
Cross vertical exposure.

**Datalex Labs @**  
API Airways.  
Hight potential start-ups.  
Airline partnership.

**Datalex R&D**  
Innovative travel retail solutions.  
Airline collaborations.  
Agile technology evaluation.





# Partner Success



IBM Travel Retail  
Digital omnichannel travel retailing platform

## Neusoft



H1 Development of joint travel solution with IBM to drive pipeline opportunity.



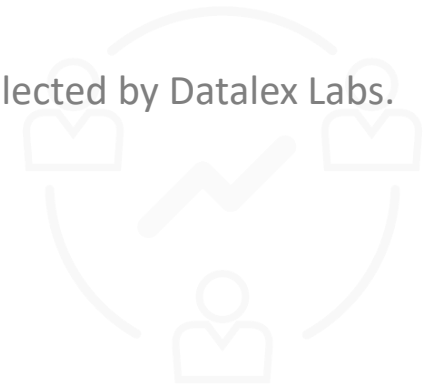
Joint solution and service development with Neusoft. Actively pursuing a pipeline of opportunities.



API First / Open Systems: Supporting a growing ecosystem of partner developers/users with substantial efficiency gains.



Launch of API Airways: Start-Ups selected by Datalex Labs.



# Financial Highlights

David Kennedy, CFO



**Datalex**  
You get a better view of people from here.

# Income Statement

US\$M	H1 2017	H1 2016	% Change
Total Revenue	30.3	24.4	24%
Platform Revenue	12.8	11.8	9%
Services Revenue	16.4	11.5	43%
Operating Costs	28.5	23.0	24%
Net Development	3.4	1.9	81%
Profit after Tax	1.6	1.3	21%
Adjusted EBITDA	5.4	4.6	17%
Basic EPS (US cent)	2.12	1.8	18%

**24%**

Increase in Total Revenue

**17%**

Growth in Adjusted EBITDA

# Balance Sheet

US\$M	H1 2017	H1 2016
Total Assets	65.4	54.9
Receivables	21.9	15.0
Total Equity	41.3	38.3
Total Liabilities	24.1	16.6
Net Working Capital	15.1	17.0
Cash & Cash Equivalents	16.9	18.0
Net Cash (Used in)/ Generated from Operations	(1.3)	5.4
Intangible Assets	22.5	17.4

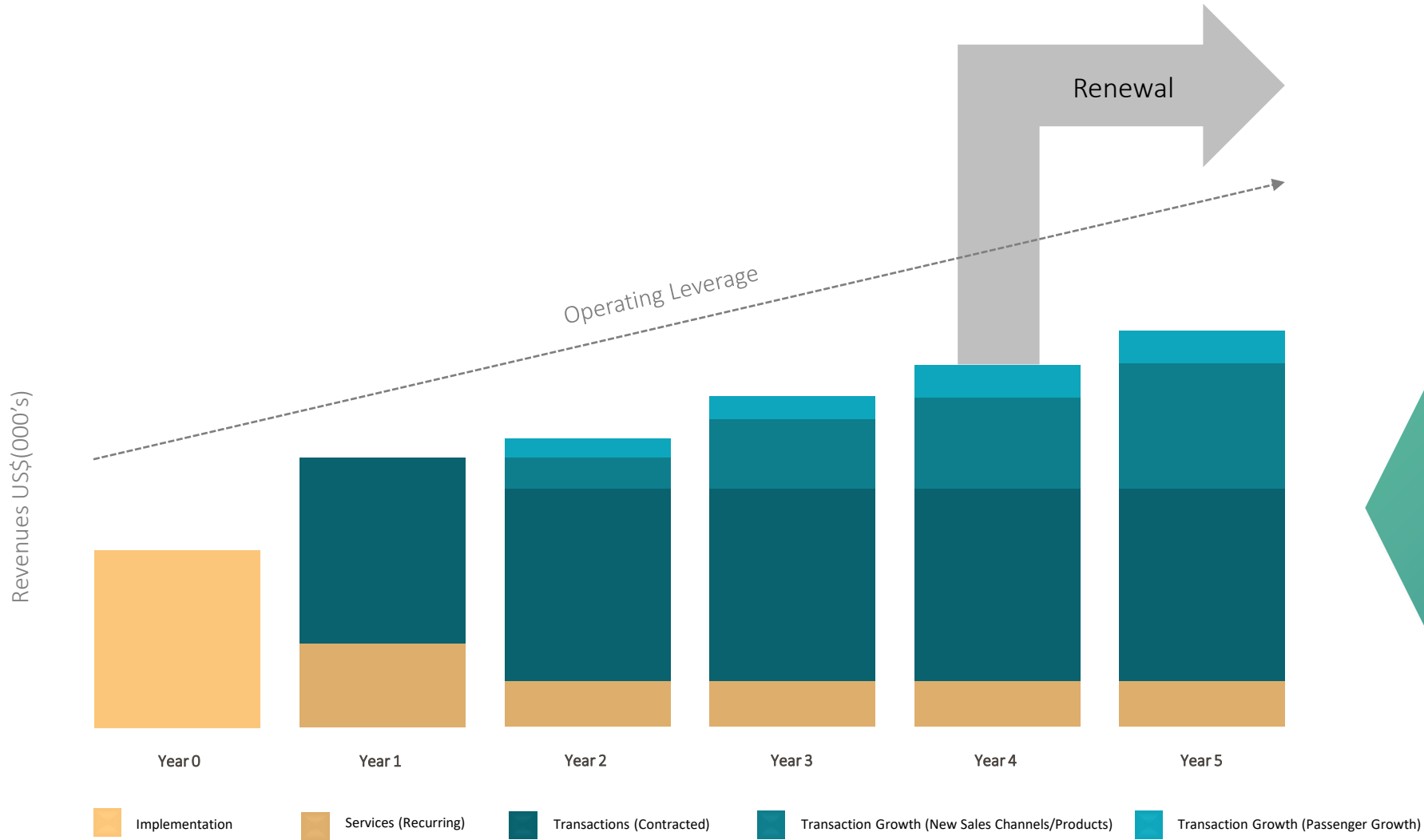


Increased working capital investment in new platform deployments.



Acceleration of product investment in a number of key areas as our market opportunity increases.

# Commercial Model

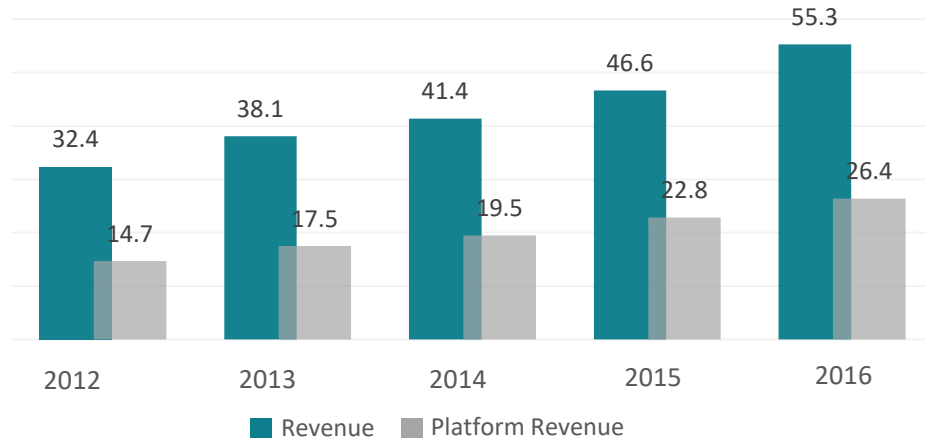


- ✓ Recurring Platform and Service Model mutually reinforcing
- ✓ Volume Driven Growth
- ✓ Five Year Contract Average
- ✓ Increasingly Critical Enterprise Solution

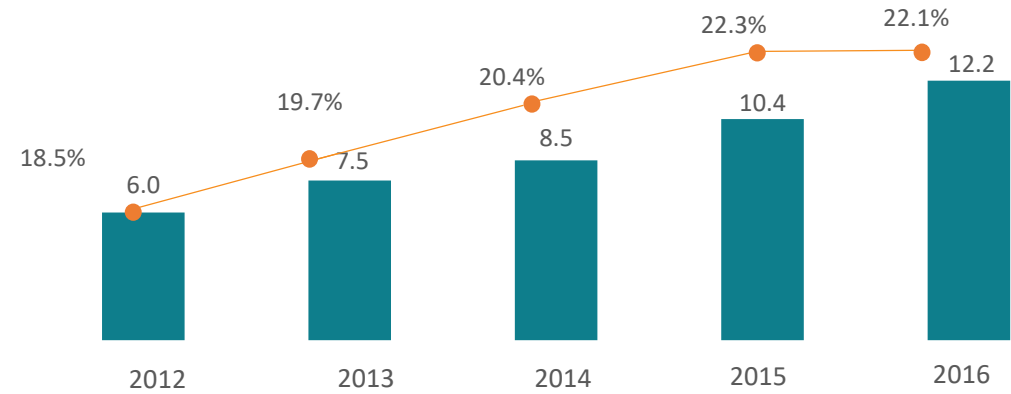




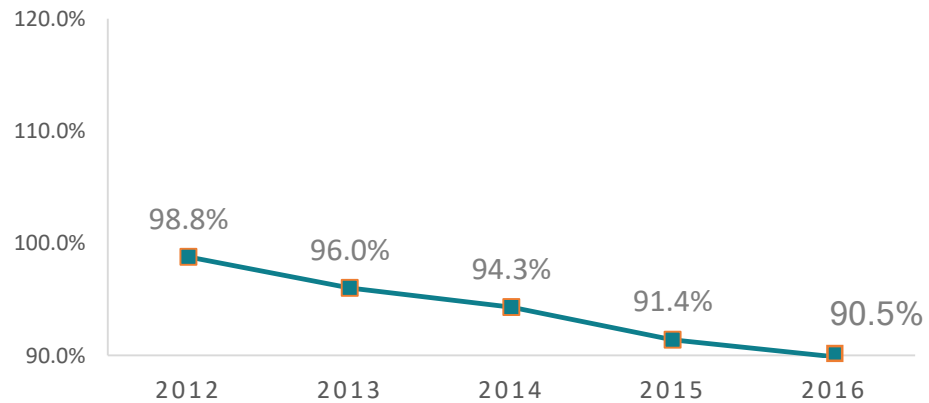
### Revenue (US\$M)



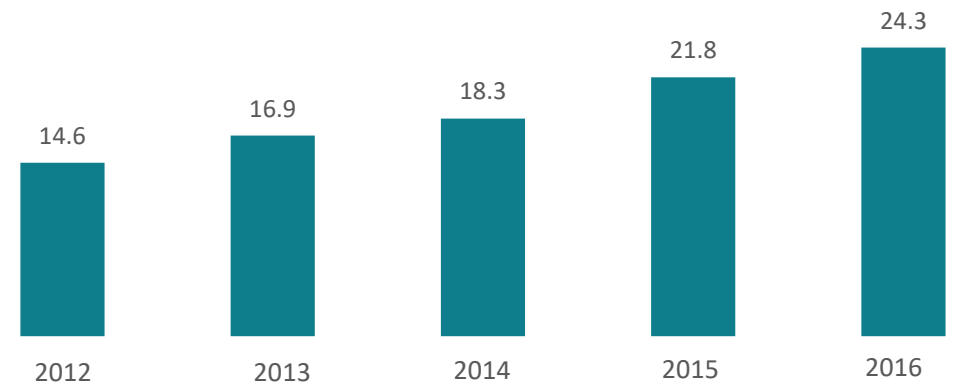
### Adjusted EBITDA (US\$M) & Margin (%)



### Costs/Revenue(%)



### Cash (US\$M)



# Summary & Outlook

Aidan Brogan

## Growth

- ✓ Double Digit Growth
- ✓ Market Opportunity
- ✓ Scaling for Growth
- ✓ Product Innovation
- ✓ Partnership

## Visibility

- ✓ Platform Revenue Visibility
- ✓ Growth in Recurring Services Revenue
- ✓ High Retention Rates
- ✓ Flexible Operating Model

## Sustainability

- ✓ Favourable Market Dynamics
- ✓ Leadership & Innovation
- ✓ Track Record of Performance
- ✓ Clear Strategy for Growth
- ✓ Solid Balance Sheet
- ✓ Partner Ecosystem

15-20% in Adjusted EBITDA Growth for 2017

## LISTING PARTICULARS

EXCHANGE	Irish Stock Exchange
TICKER	ISE:DLE
ISSUED SHARE CAPITAL	76.7m

## LARGEST SHAREHOLDERS

IIU NOMINEES LIMITED	26.9%
CAPITAL WORLD	7.96%
KABOUTER MANAGEMENT LLC.	6.05%
PASCHAL TAGGART (CHAIRMAN)	3.29%

## ANALYST COVERAGE

GOODBODY	Nuala McMahon nuala.h.mcmahon@goodbody.ie
PANMURE GORDON	Peter Smedley peter.smedley@panmure.com
DAVY	Ross Harvey ross.harvey@davy.ie
INVESTEC	Paul Cahill paul.cahill@investec.ie
CANTOR	William Heffernan wheffernan@cantor.com

# Contacts



Aidan Brogan  
CEO

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



David Kennedy  
Finance Director

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

**Datalex plc**  
Global HQ  
Block U  
EastPoint  
Clontarf  
Dublin D03 H704  
Ireland



+ 353 1 806 3500  
US Toll Free: 1 888 234 1890



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



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

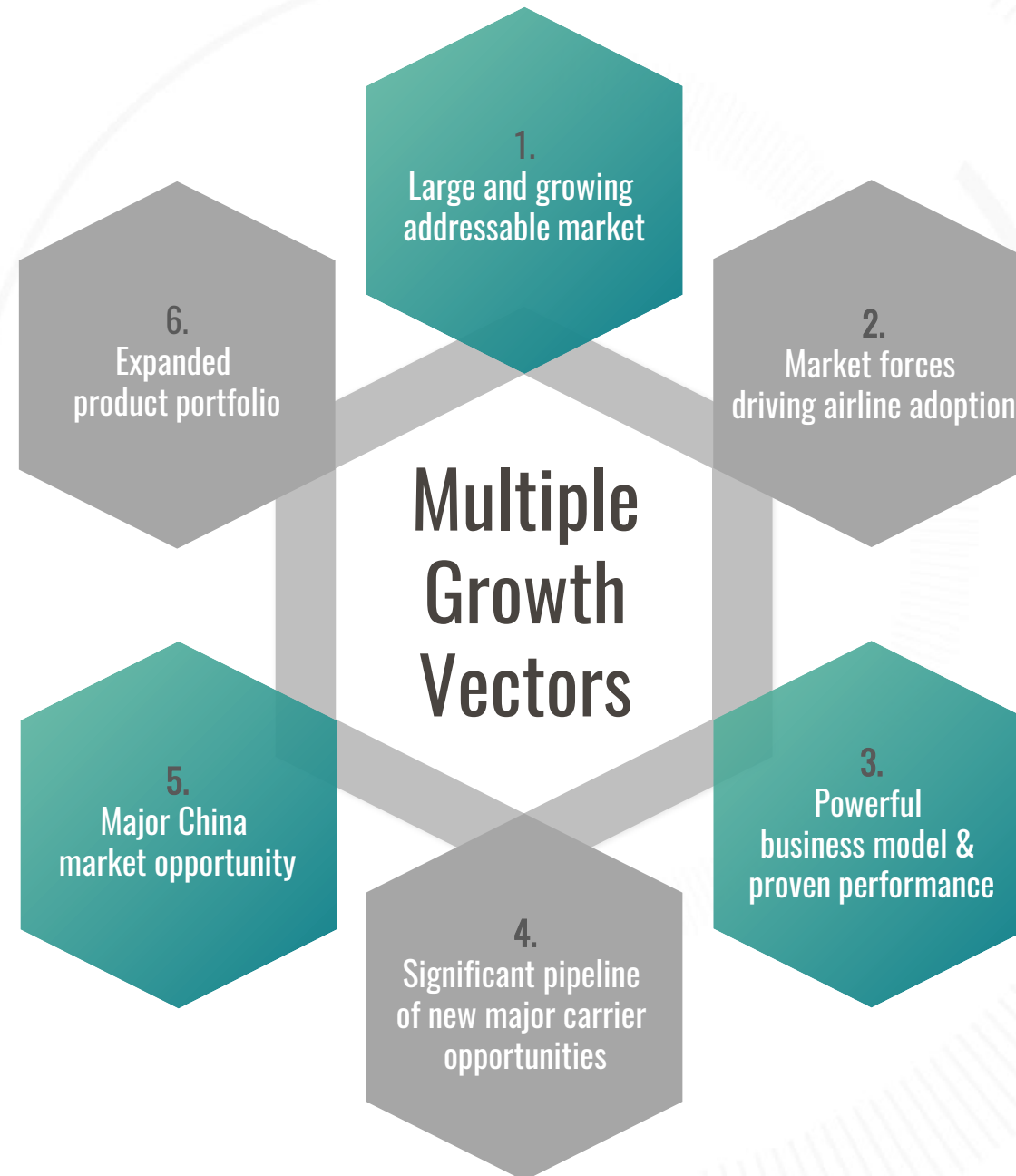


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# Appendices

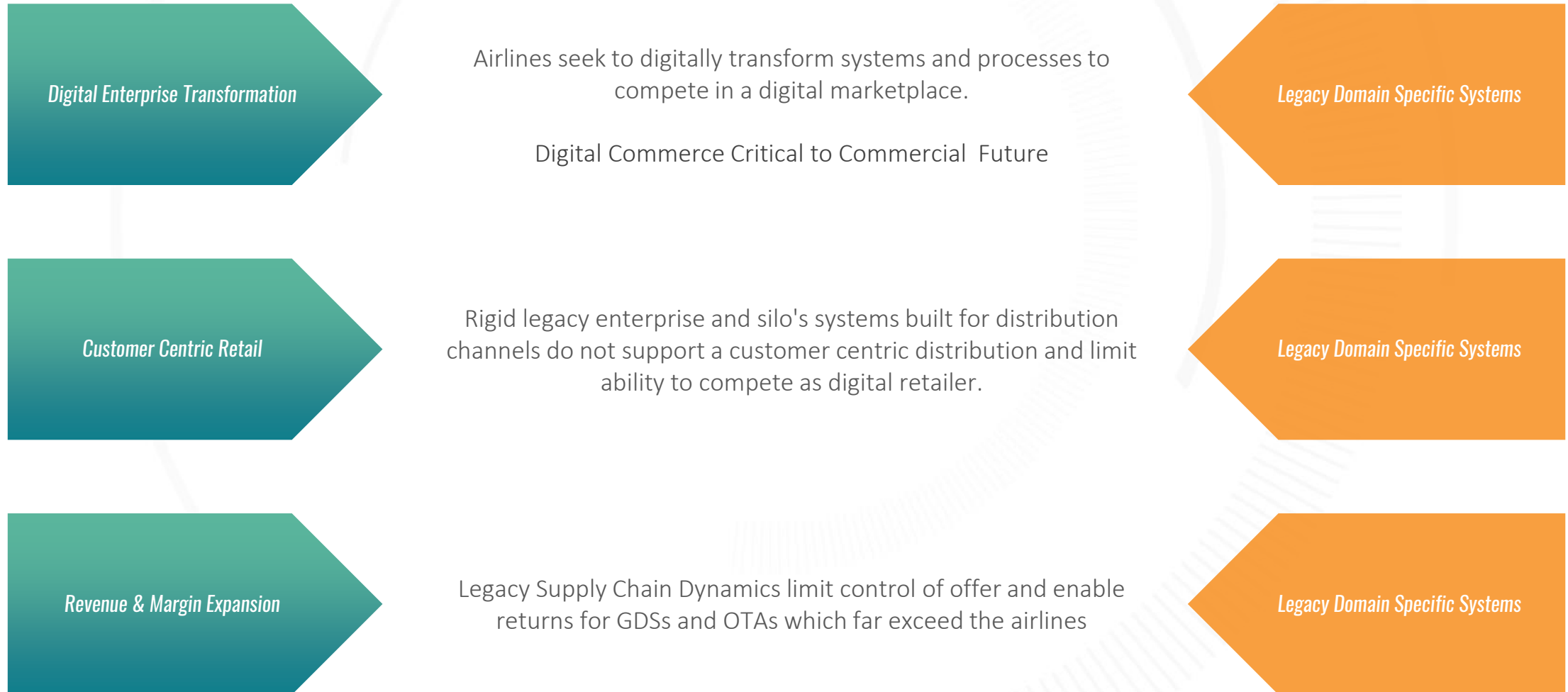
# Market Review

Favorable Market Forces drive demand for Digital Commerce

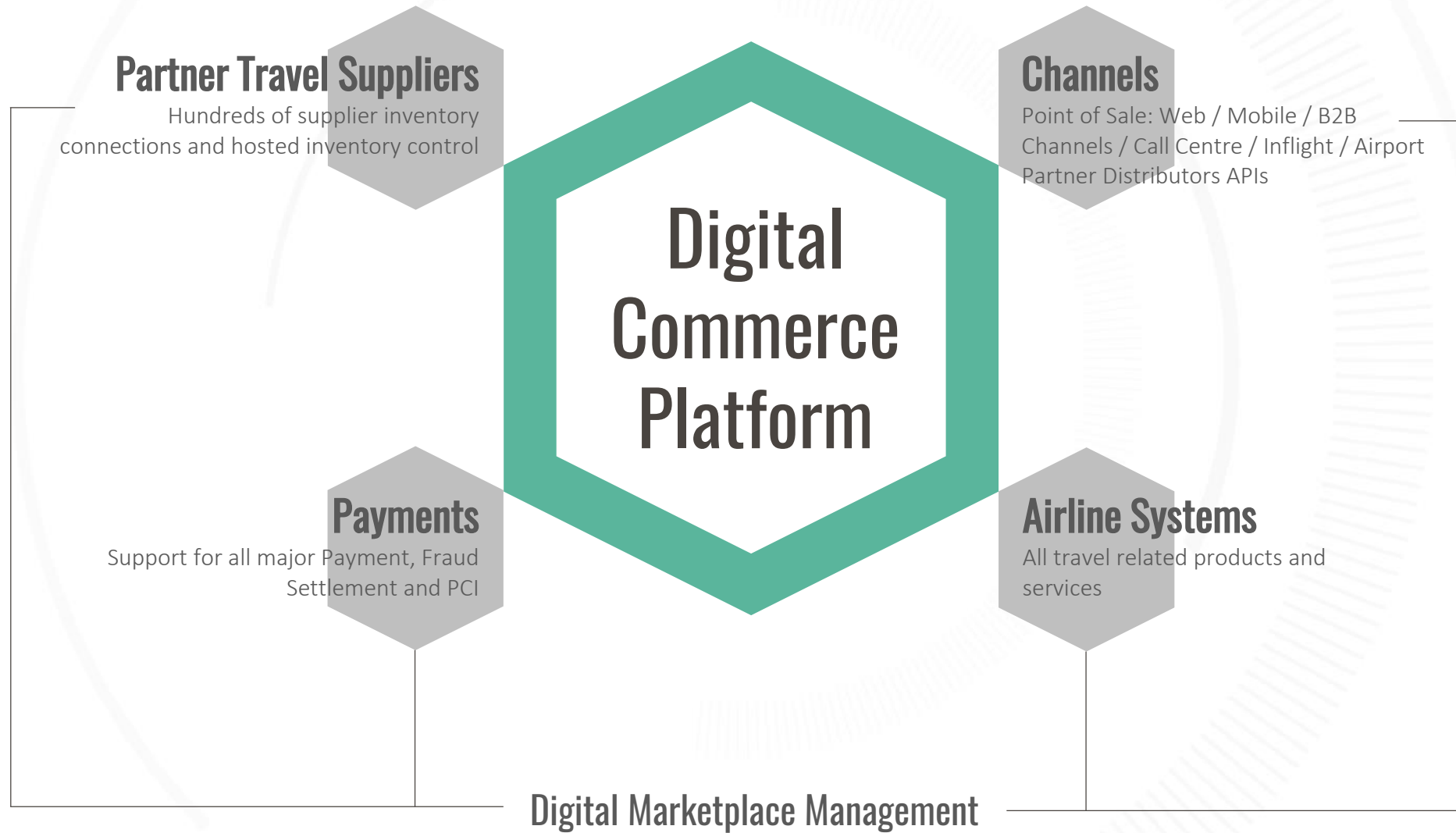


# Market Forces

The market is evolving and it is early in the adoption cycle



# Future State Airline Retail



# Growth in scale and market reach

- Headquarters
- Office location
- Customer location

