Q3 2022 Earnings Report

2 Nov 2022

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 “expect,” "believe," "likely," "encouraged," "resilient," “outlook,” "goal," “opportunity,” "target," “future,” “trend,” “plan,” "guidance," “anticipate,” “will,” "forecast," "continue," "on track,“ “objective,” "trajectory," "scenario", "strategy," "estimate," "project," "possible," “may,” “should,” “would,” “intend," “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, the severity, extent and duration of the global COVID-19 pandemic and its impact on our business and results of operations, financial condition and credit ratings, as well as on the travel industry and consumer spending more broadly, the effect of remote working arrangements on our operations and the speed and extent of the recovery across the broader travel ecosystem, dependency on transaction volumes in the global travel industry, particularly air travel transaction volumes, including from airlines' insolvency, suspension of service or aircraft groundings, the effect of cost savings initiatives, the timing, implementation and effects of the technology investment and other strategic initiatives, the completion and effects of travel platforms, exposure to pricing pressure in the Travel Solutions business, changes affecting travel supplier customers, maintenance of the integrity of our systems and infrastructure and the effect of any security incidents, failure to adapt to technological advancements, competition in the travel distribution market and solutions markets, implementation of software solutions, reliance on third parties to provide information technology services and the effects of these services, implementation and effects of new, amended or renewed agreements and strategic partnerships, including anticipated savings, dependence on establishing, maintaining and renewing contracts with customers and other counterparties and collecting amounts due to us under these agreements, dependence on relationships with travel buyers, collection, processing, storage, use and transmission of personal data and risks associated with PCI compliance, our ability to recruit, train and retain employees, including our key executive officers and technical employees, the financial and business results and effects of acquisitions and divestitures of businesses or business operations, reliance on the value of our brands, the effects of any litigation and regulatory reviews and investigations, adverse global and regional economic and political conditions, including, but not limited to, recessionary or inflationary economic conditions, risks related to the current military conflict in Ukraine, risks arising from global operations, reliance on the value of our brands, the effects of new legislation or regulations or the failure to comply with regulations or other legal requirements, use of third-party distributor partners, risks related to our significant amount of indebtedness, the effects of the implementation of new accounting standards and tax-related matters. More information about potential risks and uncertainties that could affect our business and results of operations is included in the "Risk Factors" and “Forward-Looking Statements” sections in our Quarterly Report on Form 10-Q filed with the SEC on August 2, 2022, in our Annual Report on Form 10-K filed with the SEC on February 18, 2022 and in our other filings with the SEC. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future events, outlook, guidance, 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 Operating Income (Loss), Adjusted Net Loss, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Loss from continuing operations per share (“Adjusted EPS”), Free Cash Flow, and the ratios based on these financial measures. In addition, we provide certain forward guidance with respect to Adjusted EBITDA. We are unable to provide this forward guidance on a GAAP basis without unreasonable effort; however, see “2022 Business Outlook and Financial Guidance” in the appendix for additional information including estimates of certain components of the non-GAAP adjustments contained in the guidance.

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” in the appendix for an explanation of the non-GAAP measures and “Tabular Reconciliations for Non-GAAP Measures” in the appendix for a reconciliation of the non-GAAP financial measures to the comparable GAAP measures.

Industry Data/Certain Definitions
This presentation and accompanying comments contain industry data, forecasts and other information that we obtained from industry publications and surveys, public filings and internal company sources, and there can be no assurance as to the accuracy or completeness of the included information. Statements as to our ranking, market position, bookings share and market estimates are based on independent industry publications, government publications, third-party forecasts and management’s estimates and assumptions about our markets and our internal research. We have not independently verified this third-party information nor have we ascertained the underlying economic assumptions relied upon in those sources, and we cannot assure you of the accuracy or completeness of this information.

Today's presenters

Sean Menke
Chair of the Board and CEO

Kurt Ekert
President

Mike Randolfi
EVP & CFO

Agenda

01 Travel recovery trends

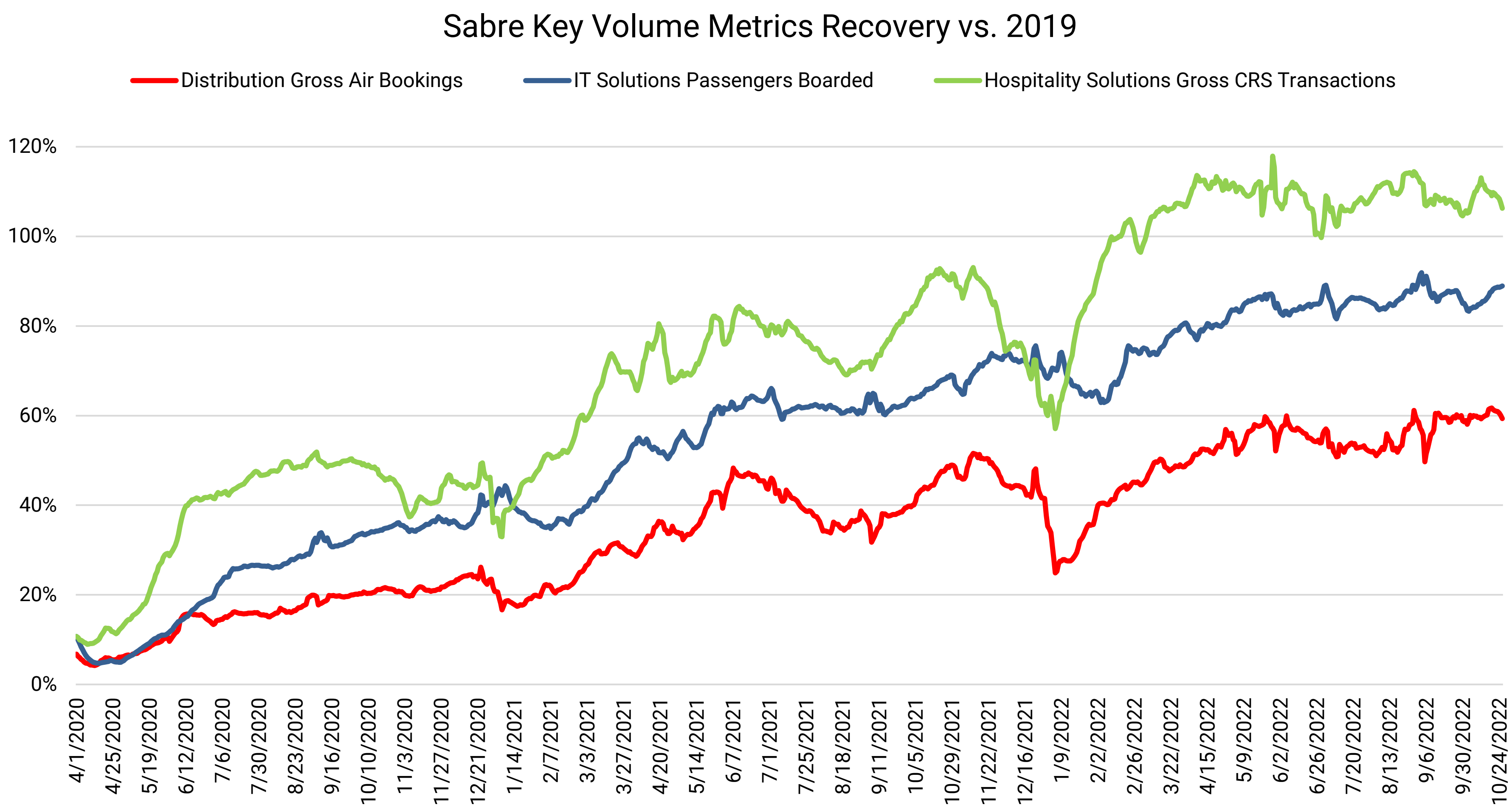
02 Technology transformation update

03 Recent commercial activity

04 Review of Q3’22 financial results

05 Q4’22 and FY 2022 financial outlook

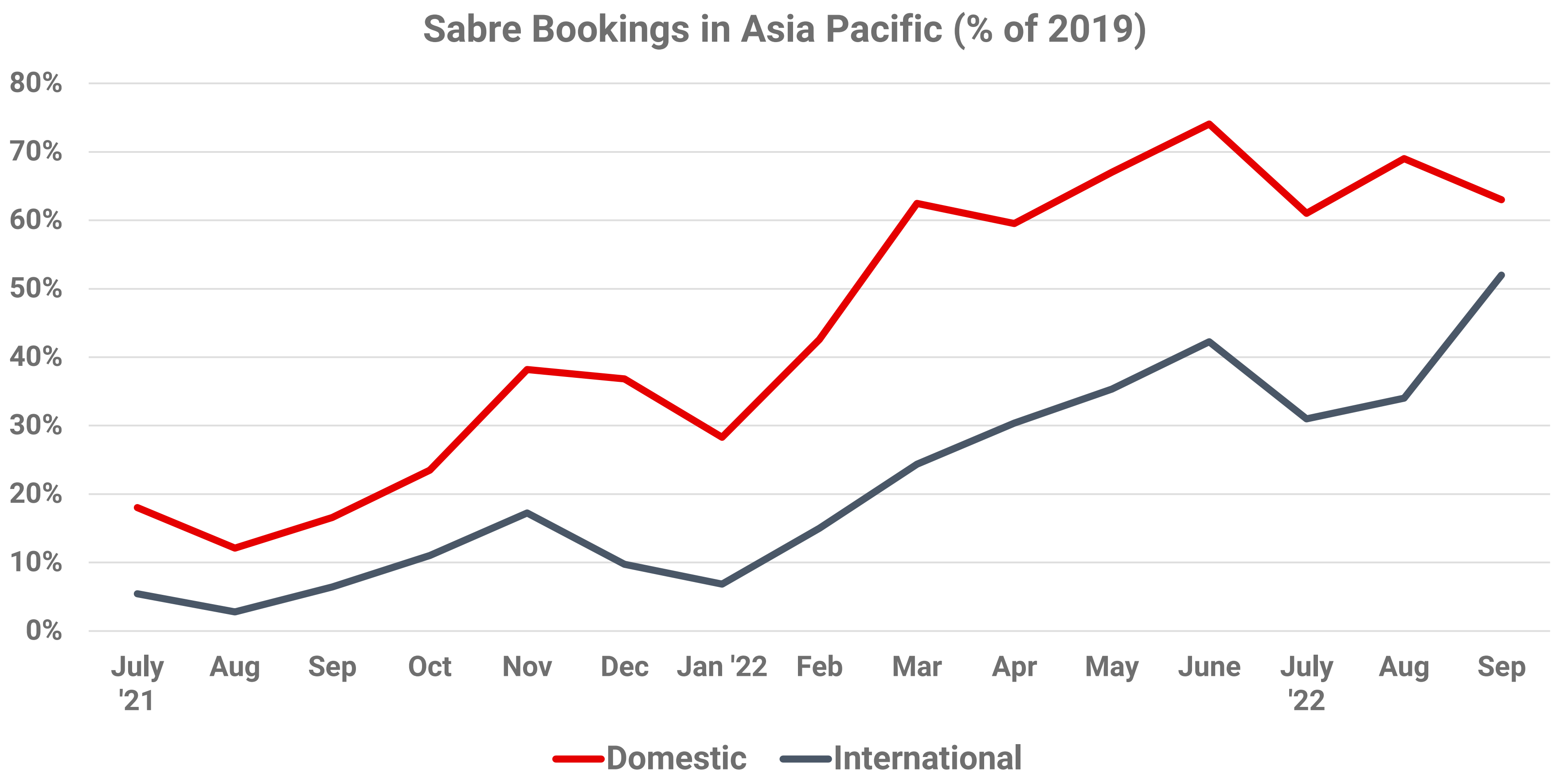
Recovery reaccelerated late in Q3 2022



- International air bookings strengthened into September
- Rate of recovery in air bookings finished September at the highest point since the pandemic began in mid-March 2020
- October air bookings continued the positive trend MTD through 10/26

7-day moving average; calendar-shifted; CRS transactions are community model only; PBs represent SabreSonic volume only; data through October 26, 2022

APAC recovery accelerating as travel restrictions relax

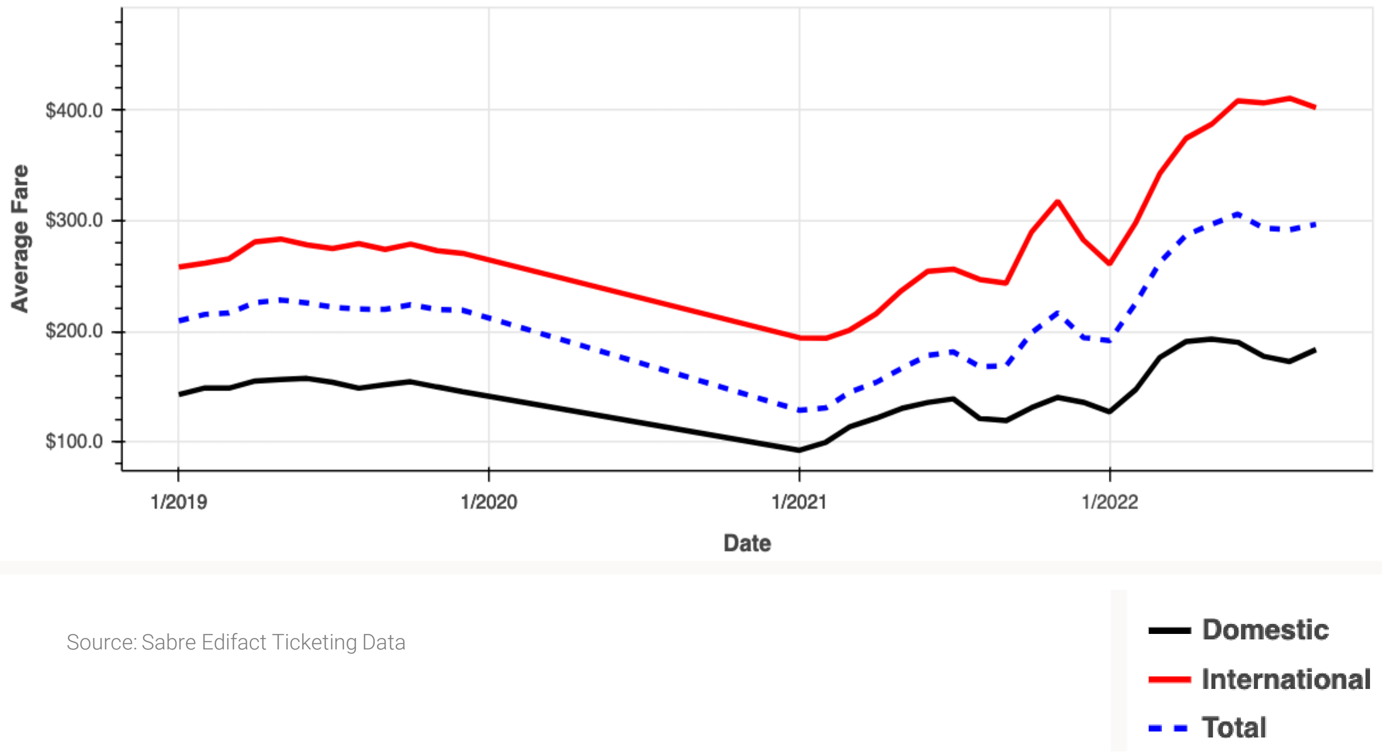


Source: Sabre net air bookings

Air fares suggest continued demand strength

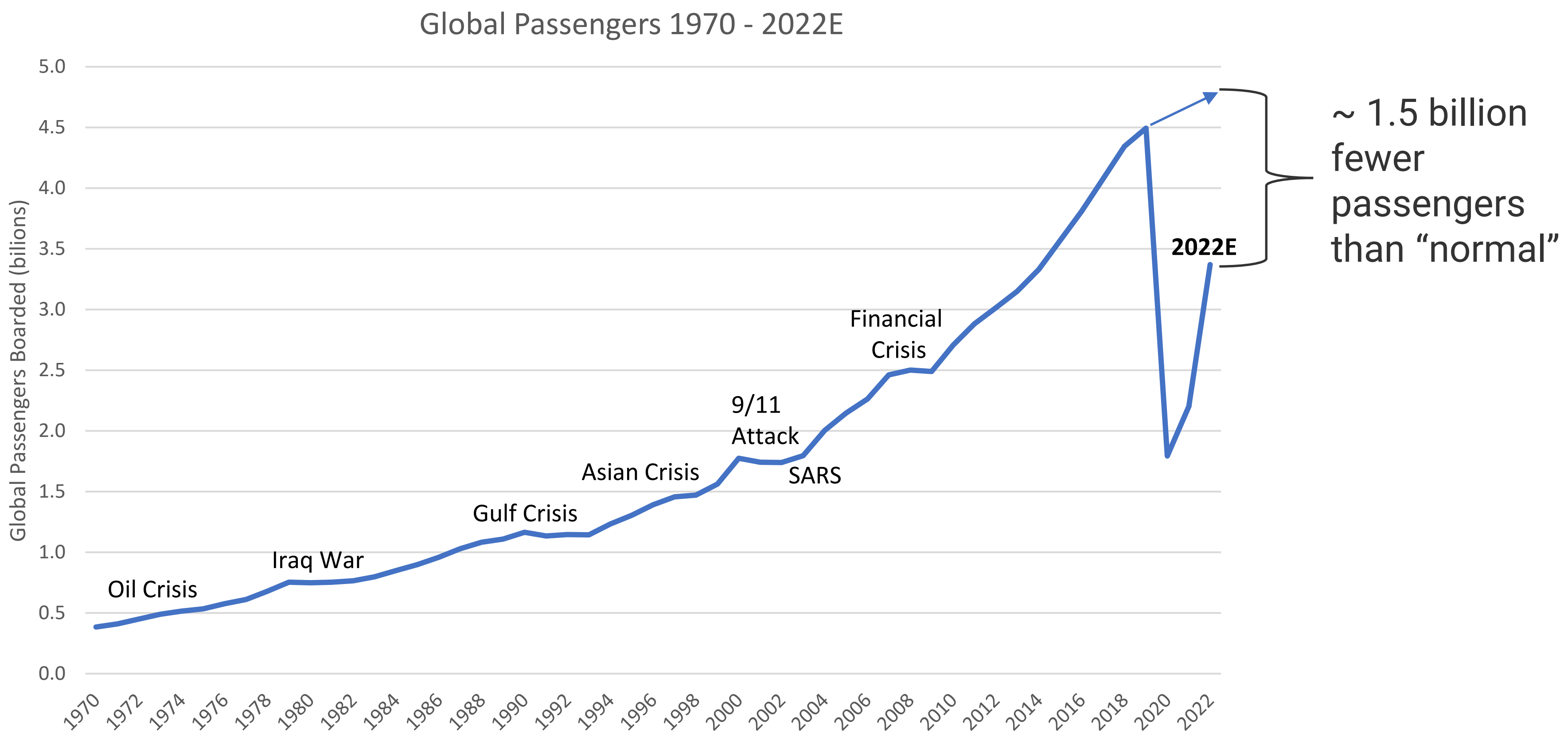
- **Before COVID-19, the average fare per ticket booked through Sabre was generally stable**
- **After collapsing in 2020, average fares showed a steep positive slope in 2021**
- **In 2022, average fares have surpassed 2019 baseline by about $100 (>30%)**

Global Average Fare Per Ticket Booked through Sabre



Source: Sabre Edifact Ticketing Data

Travel industry bookings have historically been resilient



Decade	Average Annual Growth
1970s	8.6%
1980s	4.3%
1990s	4.8%
2000s	3.8%
2010s	7.6%

Source: Worldbank.org, Sabre estimates

We are advancing our technology transformation

Our technology transformation remains on track to achieve stated goals by the end of 2024

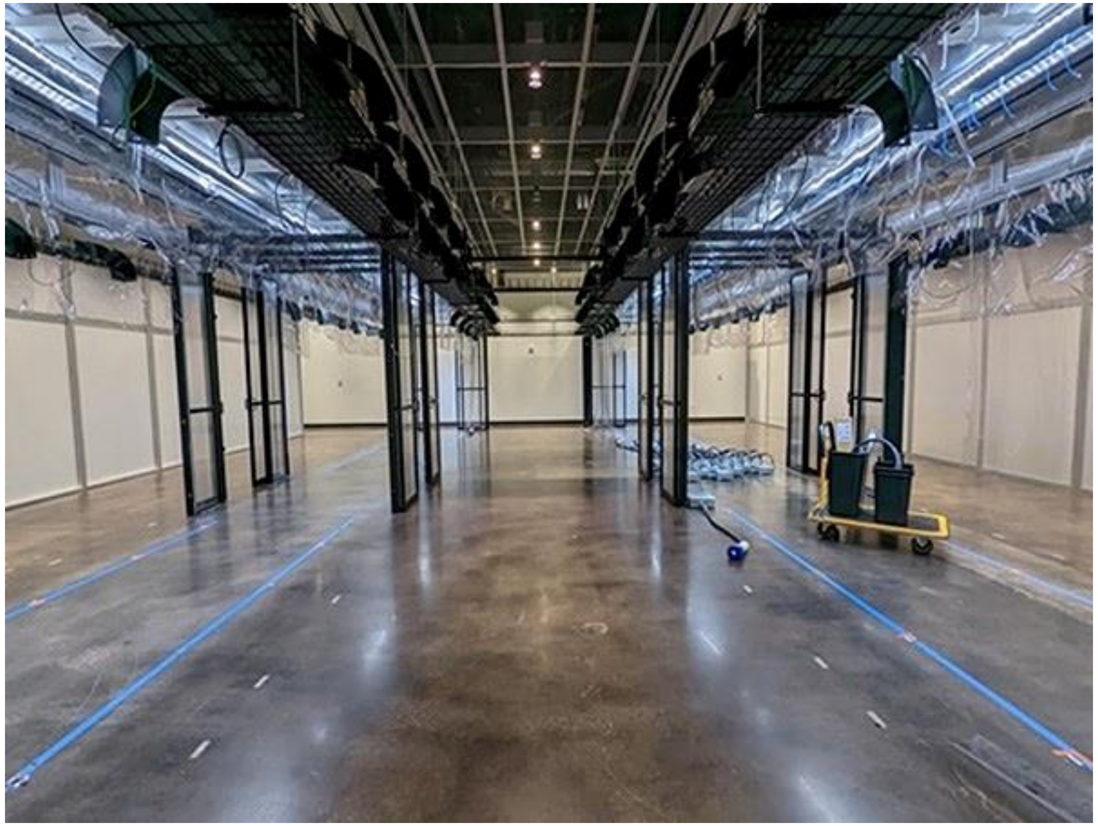
2022 Expected Milestones

- Exit Sabre-managed data centers, migrate to Google Cloud
- Offload PNR: mainframe to Google Cloud

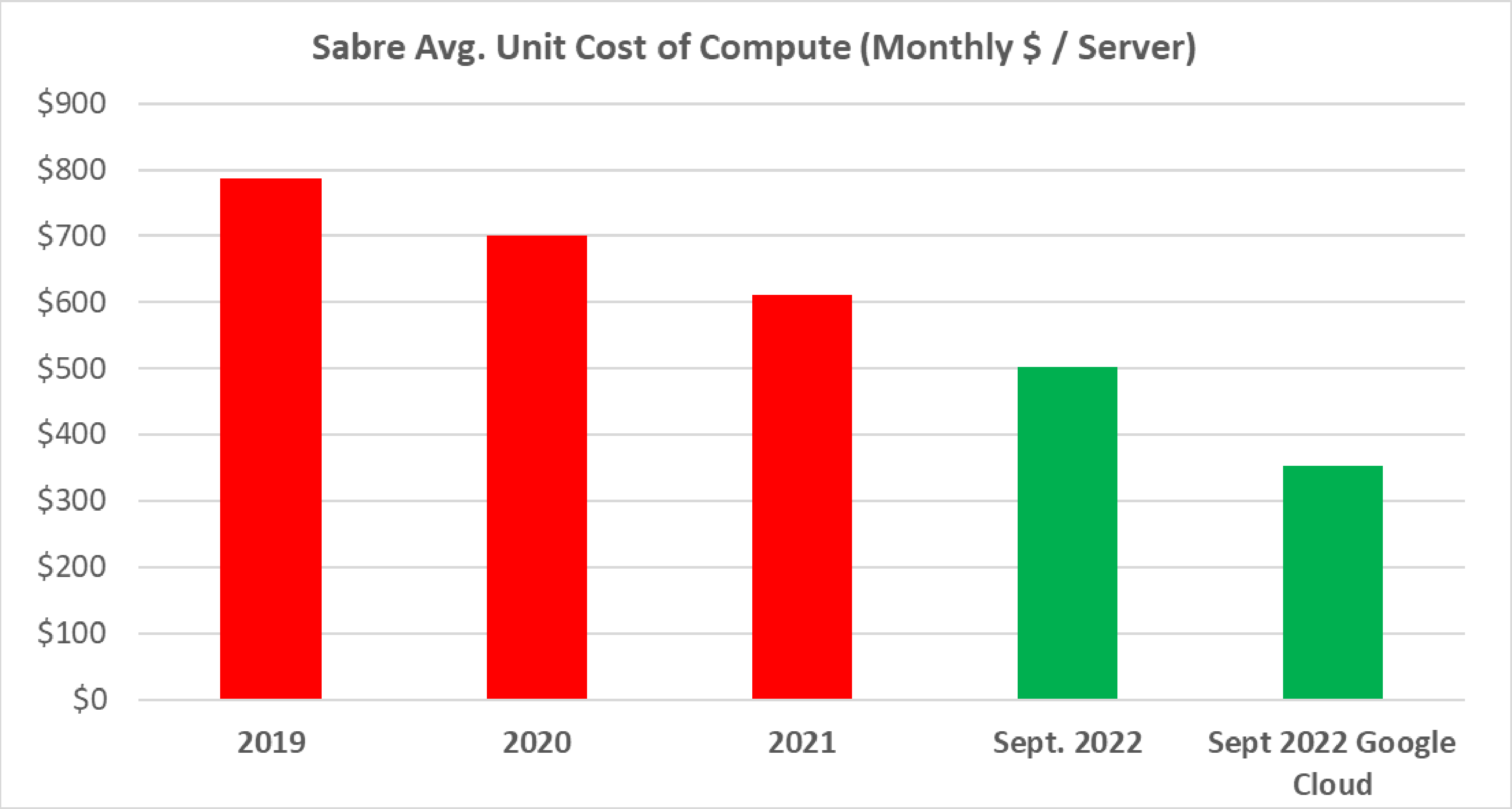
Q3'22 Accomplishments

- Migrated Hospitality Solutions Enterprise Central Reservation System to Google Cloud
- Air shopping migrated from AWS to Google Cloud
- Decommissioned Plano data center, >70% of servers decommissioned at our three other data centers

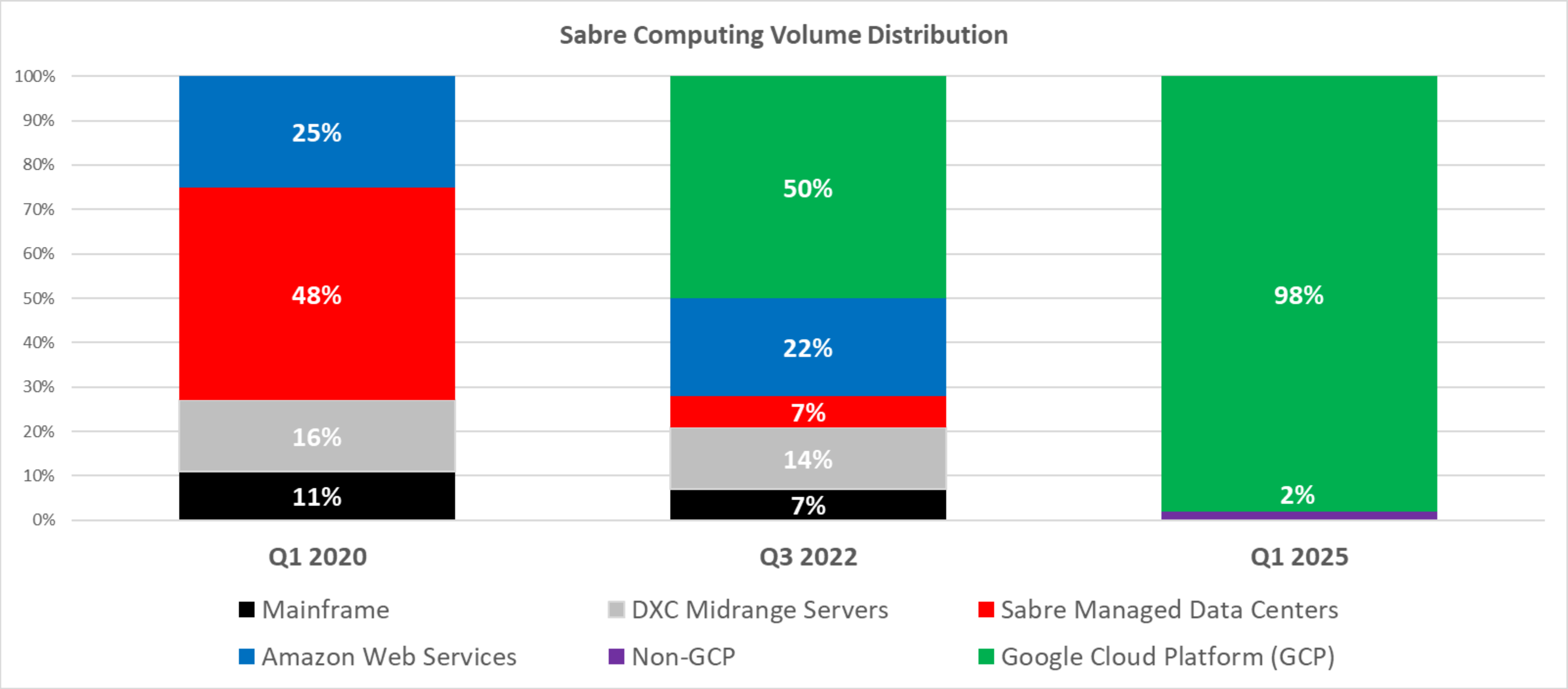
Decommissioned data center in Plano, Texas



Moving tech infrastructure to our lowest cost of compute



Simplified technology infrastructure in Google Cloud



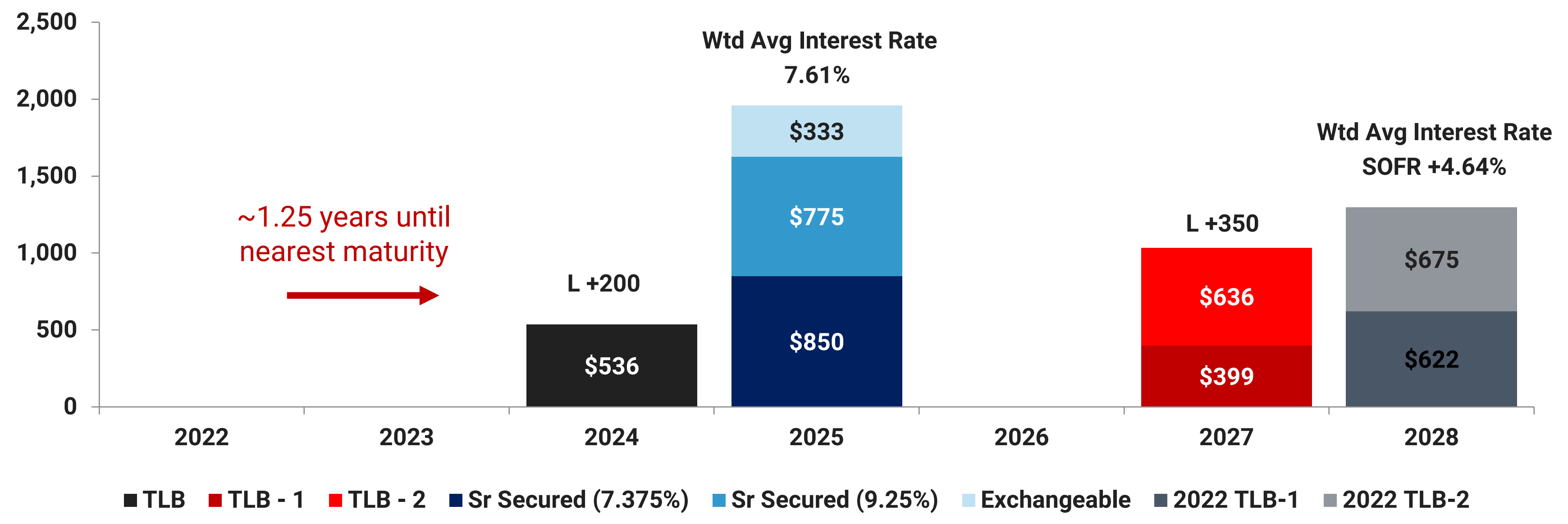
Significant financial improvement continued in Q3'22

	Q3'22	Q3'21	Commentary
Total Revenue	**$663M**	**$441M**	YOY improvement driven by increase in global air, hotel and other travel bookings due to continued recovery from the COVID-19 pandemic
Travel Solutions	$604M	$390M	
Distribution	*$431M*	*$245M*	Total Bookings at 57% recovery vs. 2019 Average booking fee of $5.38 in Q3 2022
IT Solutions	*$173M*	*$145M*	Passengers Boarded at 96% recovery in third quarter of 2022 vs. 2019, more than fully offsetting reduced revenue due to the sale of our AirCentre portfolio effective February 28, 2022
Hospitality Solutions	$67M	$55M	Central Reservation System transactions at 104% recovery vs. 2019
Adj. EBITDA	**$34M**	**($55M)**	YOY improvement driven by revenue, partially offset by increased Travel Solutions incentives expenses and Hospitality Solutions transaction-related costs. Technology costs increased due to increased hosting costs from volume recovery trends and increased labor and professional service related to our technology transformation.
Adj. Operating Profit (Loss)	**$1M**	**($103M)**	YOY improvement driven by increase in Adjusted EBITDA and lower D&A
Adj. Net Loss	**($80M)**	**($162M)**	YOY improvement driven by improvement in operating results offset by higher interest expense and taxes
Adj. EPS	**($0.25)**	**($0.50)**	YOY improvement driven by improvement in adjusted net loss
Free Cash Flow	**($123M)**	**($83M)**	YOY decline driven by higher interest payments and the timing of agency incentive payments

Debt maturity profile

- Only $536M debt maturing before April 2025
  - Previously refinanced ~70% of 2024 Term Loan B
  - Executed $625M and $675M refinancing of 2024 Term Loan B at SOFR +425 and +500 pricing respectively
- Balancing desire to extend maturity of remaining 2024 Term Loan B with higher interest expense

Debt Maturity Profile



Q4 and FY2022 Financial Outlook

Sabre's full-year 2022 outlook summarized below is an update of the 2022 financial outlook presented in our second quarter 2022 earnings presentation.[1,2] Our revenue outlook for FY2022 is unchanged.

	Q4 2022	FY 2022	Prior FY 2022 Outlook	
Sabre Bookings Recovery (% of 2019)[3]	Low 60s%	~55%	50%	60%
Adj. EBITDA[3]	~$30M	~$90M	>$0M	>$100M

[1] AirCentre results no longer included following sale effective February 28, 2022.
[2] Includes $85 million in incremental investments ($45 million technology transformation and $40 million SG&A) previously excluded from Adjusted EBITDA figures presented but separately detailed in our fourth quarter and full-year 2021 earnings presentation. Incremental investments represent operational investments and expenditures that will be expensed within our results of operations (and therefore impact Adjusted EBITDA) above what was expensed in 2021.
[3] Assumes related incremental benefit from Lodging, Ground and Sea (LGS) bookings and passengers boarded.

Sabre will be free cash flow (FCF) positive in the fourth quarter of 2022 and expects to be positive annually thereafter

The information presented here represents forward-looking statements and reflects expectations as of Nov. 2, 2022. 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 Q2 2022 Form 10-Q filed with the SEC.

Thank you

APPENDIX

2022 Business outlook and financial guidance

With respect to the 2022 financial outlook, full-year Adjusted EBITDA guidance consists of (1) full-year expected net income attributable to common stockholders adjusted for the estimated impact of loss from discontinued operations, net of tax, of approximately $2 million; net income attributable to noncontrolling interests of approximately $3 million; preferred stock dividends of approximately $20 million; acquisition-related amortization of approximately $50 million; stock-based compensation expense of approximately $90 million; other net benefit due to gains on sale of assets and foreign exchange gains and losses, partially offset by other costs including litigation, acquisition-related costs, restructuring and other costs, impairment, and loss on debt extinguishment of $70 million; and the tax benefit from the above adjustments of approximately $15 million, less (2) the impact of depreciation and amortization of property and equipment and amortization of capitalized implementation costs of approximately $135 million; interest expense, net of approximately $295 million; and income tax expense less tax impact of net income adjustments of approximately $13 million.

Non-GAAP financial measures

We have included both financial measures compiled in accordance with GAAP and certain non-GAAP financial measures, including Adjusted Operating Loss, Adjusted Net Loss from continuing operations ("Adjusted Net Loss"), Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EPS, Free Cash Flow and ratios based on these financial measures.

We define Adjusted Operating Income (Loss)[1] as operating loss adjusted for equity method loss, impairment and related charges, acquisition-related amortization, restructuring and other costs, acquisition-related costs, litigation costs, net, and stock-based compensation.

We define Adjusted Net Loss[1] as net loss attributable to common stockholders adjusted for loss from discontinued operations, net of tax, net income attributable to noncontrolling interests, preferred stock dividends, acquisition-related amortization, restructuring and other costs, loss on extinguishment of debt, other, net, acquisition-related costs, litigation costs, net, stock-based compensation, and the tax impact of adjustments.

We define Adjusted EBITDA[1] as loss from continuing operations adjusted for depreciation and amortization of property and equipment, amortization of capitalized implementation costs, acquisition-related amortization, restructuring and other costs, interest expense, net, other, net, loss on extinguishment of debt, acquisition-related costs, litigation costs, net, stock-based compensation and the remaining provision (benefit) for income taxes.

We define Adjusted EBITDA Margin as Adjusted EBITDA divided by revenue.

We define Adjusted EPS as Adjusted Net Loss divided by adjusted diluted weighted-average common shares outstanding.

We define Free Cash Flow as cash used in operating activities less cash used in additions to property and equipment.

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, fund our investments in technology transformation, and meet working capital requirements. We also believe that Adjusted Operating Loss, Adjusted Net Loss, Adjusted EBITDA, Adjusted EBITDA Margin, and Adjusted EPS 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.

[1]For previous periods, no impairment and related charges or restructuring and other costs were recognized. Accordingly, such costs were not previously included in the calculation of this non-GAAP financial measure.

Non-GAAP financial measures

Adjusted Operating Income (Loss), Adjusted Net Loss, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EPS, Free Cash Flow and ratios based on these financial measures are not recognized terms under GAAP. These non-GAAP financial measures and ratios based on them are unaudited and 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:

- these non-GAAP financial measures exclude certain recurring, non-cash charges such as stock-based compensation expense and amortization of acquired intangible assets;
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future, and Adjusted EBITDA does not reflect cash requirements for such replacements;
- Adjusted EBITDA does not reflect amortization of capitalized implementation costs associated with our revenue contracts, which may require future working capital or cash needs in the future;
- Adjusted Operating Loss, Adjusted Net Loss 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 removes the impact of accrual-basis accounting on asset accounts and non-debt liability accounts, and does not reflect the cash requirements necessary to service the principal payments on our indebtedness; and
- other companies, including companies in our industry, may calculate Adjusted Operating Income (Loss), Adjusted Net Loss, Adjusted EBITDA, Adjusted EPS or Free Cash Flow differently, which reduces their usefulness as comparative measures.

Tabular reconciliations for Non-GAAP measures

Reconciliation of net loss attributable to common stockholders to Adjusted Net Loss from continuing operations, Operating loss to Adjusted Operating Income (Loss), and loss from continuing operations to Adjusted EBITDA:
(in thousands, except per share amounts; unaudited)

	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Net loss attributable to common stockholders	$ (140,722)	$ (240,641)	$ (291,396)	$ (758,029)
Loss (income) from discontinued operations, net of tax	446	(186)	596	158
Net income attributable to non-controlling interests[1]	776	714	1,933	1,657
Preferred stock dividends	5,346	5,400	16,039	16,256
Loss from continuing operations	(134,154)	(234,713)	(272,828)	(739,958)
Adjustments:				
Impairment and related charges[2]	5,146	—	5,146	—
Acquisition-related amortization[3a]	9,824	15,939	41,075	48,296
Restructuring and other costs[5]	9,944	269	14,279	(5,722)
Loss on extinguishment of debt	—	13,070	3,533	13,070
Other, net[4]	7,687	5,993	(139,617)	(2,439)
Acquisition-related costs[6]	424	870	6,333	3,299
Litigation costs, net[7]	15,365	4,862	31,380	17,113
Stock-based compensation	16,349	32,218	70,081	86,122
Tax impact of adjustments[8]	(11,005)	(180)	(13,801)	22,501
Adjusted Net Loss from continuing operations	$ (80,420)	$ (161,672)	$ (254,419)	$ (557,718)
Adjusted Net Loss from continuing operations per share	$ (0.25)	$ (0.50)	$ (0.78)	$ (1.74)
Diluted weighted-average common shares outstanding	328,228	322,720	$ 326,170	320,055
Operating loss	$ (56,535)	$ (156,688)	$ (206,260)	$ (539,611)
Add back:				
Equity method income (loss)	199	(114)	215	(395)
Impairment and related charges[2]	5,146	—	5,146	—
Acquisition-related amortization[3a]	9,824	15,939	41,075	48,296
Restructuring and other costs[5]	9,944	269	14,279	(5,722)
Acquisition-related costs[6]	424	870	6,333	3,299
Litigation costs, net[7]	15,365	4,862	31,380	17,113
Stock-based compensation	16,349	32,218	70,081	86,122
Adjusted Operating Income (Loss)	$ 716	$ (102,644)	$ (37,751)	$ (390,898)
Loss from continuing operations	$ (134,154)	$ (234,713)	$ (272,828)	$ (739,958)
Adjustments:				
Depreciation and amortization of property and equipment[3b]	22,722	38,998	74,289	130,506
Amortization of capitalized implementation costs[3c]	10,813	8,718	27,329	25,506
Acquisition-related amortization[3a]	9,824	15,939	41,075	48,296
Impairment and related charges[2]	5,146	—	5,146	—
Restructuring and other costs[5]	9,944	269	14,279	(5,722)
Interest expense, net	77,120	65,461	205,062	193,834
Other, net[4]	7,687	5,993	(139,617)	(2,439)
Loss on extinguishment of debt	—	13,070	3,533	13,070
Acquisition-related costs[6]	424	870	6,333	3,299
Litigation costs, net[7]	15,365	4,862	31,380	17,113
Stock-based compensation	16,349	32,218	70,081	86,122
Benefit for income taxes	(6,989)	(6,613)	(2,195)	(4,513)
Adjusted EBITDA	$ 34,251	$ (54,928)	$ 63,867	$ (234,886)
Net loss margin	(21.2)%	(54.6)%	(15.3)%	(63.8)%
Adjusted EBITDA margin	5.2 %	(12.5)%	3.4 %	(19.8)%

Tabular reconciliations for Non-GAAP measures

Reconciliation of Free Cash Flow:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Cash used in operating activities	$ (102,458)	$ (69,692)	$ (314,770)	$ (408,152)
Cash (used in) provided by investing activities	(85,647)	(13,169)	186,251	(5,535)
Cash (used in) provided by financing activities	(21,238)	7,607	(61,646)	(37,013)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Cash used in operating activities	$ (102,458)	$ (69,692)	$ (314,770)	$ (408,152)
Additions to property and equipment	(20,090)	(13,169)	(53,474)	(30,409)
Free Cash Flow	$ (122,548)	$ (82,861)	$ (368,244)	$ (438,561)

Tabular reconciliations for Non-GAAP measures

Reconciliation of Adjusted Operating Income (Loss) to operating income (loss) in our statement of operations and Adjusted EBITDA to loss from continuing operations in our statement of operations by business segment:
(in thousands; unaudited)

	Three Months Ended September 30, 2022			
	Travel Solutions	Hospitality Solutions	Corporate	Total
Adjusted Operating Income (Loss)	$ 69,311	$ (11,312)	$ (57,283)	$ 716
Less:				
Equity method income	199	—	—	199
Impairment and related charges[2]	—	—	5,146	5,146
Acquisition-related amortization[3a]	—	—	9,824	9,824
Restructuring and other costs[5]	—	—	9,944	9,944
Acquisition-related costs[6]	—	—	424	424
Litigation costs, net[7]	—	—	15,365	15,365
Stock-based compensation	—	—	16,349	16,349
Operating income (loss)	$ 69,112	$ (11,312)	$ (114,335)	$ (56,535)
Adjusted EBITDA	$ 97,354	$ (6,096)	$ (57,007)	$ 34,251
Less:				
Depreciation and amortization of property and equipment[3b]	18,521	3,925	276	22,722
Amortization of capitalized implementation costs[3c]	9,522	1,291	—	10,813
Acquisition-related amortization[3a]	—	—	9,824	9,824
Impairment and related charges[2]	—	—	5,146	5,146
Restructuring and other costs[5]	—	—	9,944	9,944
Acquisition-related costs[6]	—	—	424	424
Litigation costs, net[7]	—	—	15,365	15,365
Stock-based compensation	—	—	16,349	16,349
Equity method income	199	—	—	199
Operating income (loss)	$ 69,112	$ (11,312)	$ (114,335)	$ (56,535)
Interest expense, net				(77,120)
Other, net[4]				(7,687)
Equity method income				199
Benefit for income taxes				6,989
Loss from continuing operations				$ (134,154)

Tabular reconciliations for Non-GAAP measures

Reconciliation of Adjusted Operating Loss to operating loss in our statement of operations and Adjusted EBITDA to loss from continuing operations in our statement of operations by business segment:
(in thousands; unaudited)

	Three Months Ended September 30, 2021			
	Travel Solutions	Hospitality Solutions	Corporate	Total
Adjusted Operating Loss	$ (39,078)	$ (8,868)	$ (54,698)	$ (102,644)
Less:				
Equity method income	(114)	—	—	(114)
Acquisition-related amortization(3a)	—	—	15,939	15,939
Restructuring and other costs(5)	—	—	269	269
Acquisition-related costs(6)	—	—	870	870
Litigation costs, net(7)	—	—	4,862	4,862
Stock-based compensation	—	—	32,218	32,218
Operating loss	$ (38,964)	$ (8,868)	$ (108,856)	$ (156,688)
Adjusted EBITDA	$ 2,421	$ (2,880)	$ (54,469)	$ (54,928)
Less:				
Depreciation and amortization of property and equipment(3b)	33,866	4,903	229	38,998
Amortization of capitalized implementation costs(3c)	7,633	1,085	—	8,718
Acquisition-related amortization(3a)	—	—	15,939	15,939
Restructuring and other costs(5)	—	—	269	269
Acquisition-related costs(6)	—	—	870	870
Litigation costs, net(7)	—	—	4,862	4,862
Stock-based compensation	—	—	32,218	32,218
Equity method income	(114)	—	—	(114)
Operating loss	$ (38,964)	$ (8,868)	$ (108,856)	$ (156,688)
Interest expense, net				(65,461)
Other, net(4)				(5,993)
Loss on extinguishment of debt				(13,070)
Equity method loss				(114)
Benefit for income taxes				6,613
Loss from continuing operations				$ (234,713)

Tabular reconciliations for Non-GAAP measures

Reconciliation of Adjusted Operating Income (Loss) to operating income (loss) in our statement of operations and Adjusted EBITDA to loss from continuing operations in our statement of operations by business segment:
(in thousands; unaudited)

	Nine Months Ended September 30, 2022			
	Travel Solutions	Hospitality Solutions	Corporate	Total
Adjusted Operating Income (Loss)	$ 172,501	$ (38,469)	$ (171,783)	$ (37,751)
Less:				
Equity method income	215	—	—	215
Impairment and related charges[2]	—	—	5,146	5,146
Acquisition-related amortization[3a]	—	—	41,075	41,075
Restructuring and other costs[5]	—	—	14,279	14,279
Acquisition-related costs[6]	—	—	6,333	6,333
Litigation costs, net[7]	—	—	31,380	31,380
Stock-based compensation	—	—	70,081	70,081
Operating income (loss)	$ 172,286	$ (38,469)	$ (340,077)	$ (206,260)
Adjusted EBITDA	$ 256,830	$ (21,967)	$ (170,996)	$ 63,867
Less:				
Depreciation and amortization of property and equipment[3b]	60,735	12,767	787	74,289
Amortization of capitalized implementation costs[3c]	23,594	3,735	—	27,329
Acquisition-related amortization[3a]	—	—	41,075	41,075
Impairment and related charges[2]	—	—	5,146	5,146
Restructuring and other costs[5]	—	—	14,279	14,279
Acquisition-related costs[6]	—	—	6,333	6,333
Litigation costs, net[7]	—	—	31,380	31,380
Stock-based compensation	—	—	70,081	70,081
Equity method income	215	—	—	215
Operating income (loss)	$ 172,286	$ (38,469)	$ (340,077)	$ (206,260)
Interest expense, net				(205,062)
Other, net[4]				139,617
Loss on extinguishment of debt				(3,533)
Equity method income				215
Benefit for income taxes				2,195
Loss from continuing operations				$ (272,828)

Tabular reconciliations for Non-GAAP measures

Reconciliation of Adjusted Operating Loss to operating loss in our statement of operations and Adjusted EBITDA to loss from continuing operations in our statement of operations by business segment:
(in thousands; unaudited)

	Nine Months Ended September 30, 2021			
	Travel Solutions	Hospitality Solutions	Corporate	Total
Adjusted Operating Loss	$ (212,393)	$ (30,976)	$ (147,529)	$ (390,898)
Less:				
Equity method loss	(395)	—	—	(395)
Acquisition-related amortization(3a)	—	—	48,296	48,296
Restructuring and other costs(5)	—	—	(5,722)	(5,722)
Acquisition-related costs(6)	—	—	3,299	3,299
Litigation costs, net(7)	—	—	17,113	17,113
Stock-based compensation	—	—	86,122	86,122
Operating loss	$ (211,998)	$ (30,976)	$ (296,637)	$ (539,611)
Adjusted EBITDA	(77,560)	(10,571)	(146,755)	(234,886)
Less:				
Depreciation and amortization of property and equipment(3b)	112,466	17,266	774	130,506
Amortization of capitalized implementation costs(3c)	22,367	3,139	—	25,506
Acquisition-related amortization(3a)	—	—	48,296	48,296
Restructuring and other costs(5)	—	—	(5,722)	(5,722)
Acquisition-related costs(6)	—	—	3,299	3,299
Litigation costs, net(7)	—	—	17,113	17,113
Stock-based compensation	—	—	86,122	86,122
Equity method loss	(395)	—	—	(395)
Operating loss	$ (211,998)	$ (30,976)	$ (296,637)	$ (539,611)
Interest expense, net				(193,834)
Other, net(4)				2,439
Loss on extinguishment of debt				(13,070)
Equity method loss				(395)
Benefit for income taxes				4,513
Loss from continuing operations				$ (739,958)

Non-GAAP footnotes

(1) Net income attributable to noncontrolling interests represents an adjustment to include earnings allocated to noncontrolling interests held in (i) Sabre Travel Network Middle East of 40%, (ii) Sabre Seyahat Dagitim Sistemleri A.S. of 40%, (iii) Sabre Travel Network Lanka (Pte) Ltd of 40%, and (iv) Sabre Bulgaria of 40%.

(2) Impairment and related charges represents a $5 million impairment charge associated with the impact of regulatory changes in Russia on the future recoverability of certain assets.

(3) 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. (b) Depreciation and amortization of property and equipment includes software developed for internal use as well as amortization of contract acquisition costs. (c) Amortization of capitalized implementation costs represents amortization of upfront costs to implement new customer contracts under our SaaS and hosted revenue model.

(4) Other, net includes a $180 million gain on the sale of AirCentre during 2022, a fair value loss of $5 million and $35 million on our GBT investment for the three and nine months ended September 30, 2022, respectively, and a $15 million gain on sale of equity securities during the first quarter of 2021. In addition, all periods presented include 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, and adjustments to those charges, associated with planning and implementing business restructuring activities, including costs associated with third party consultants advising on our business structure and strategy going forward which are integral to the restructuring plan and severance benefits related to employee terminations, which primarily occurred in July 2022. During 2021, adjustments to charges were recorded in conjunction with the changes implemented in 2020 to support the new organizational structure and to respond to the impacts of the COVID-19 pandemic on our business, facilities and cost structure.

(6) Acquisition-related costs represent fees and expenses incurred associated with acquisition and disposition-related activities.

(7) Litigation costs, net represent charges associated with antitrust litigation and other foreign non-income tax contingency matters.

(8) The tax impact of adjustments includes the tax effect of each separate adjustment based on the statutory tax rate for the jurisdiction(s) in which the adjustment was taxable or deductible, the impact of the adjustments on valuation allowance assessments, and the tax effect of items that relate to tax specific financial transactions, tax law changes, uncertain tax positions, and other items.