

GS Internet Conference



Michelle Peluso, President and CEO
May 25, 2005

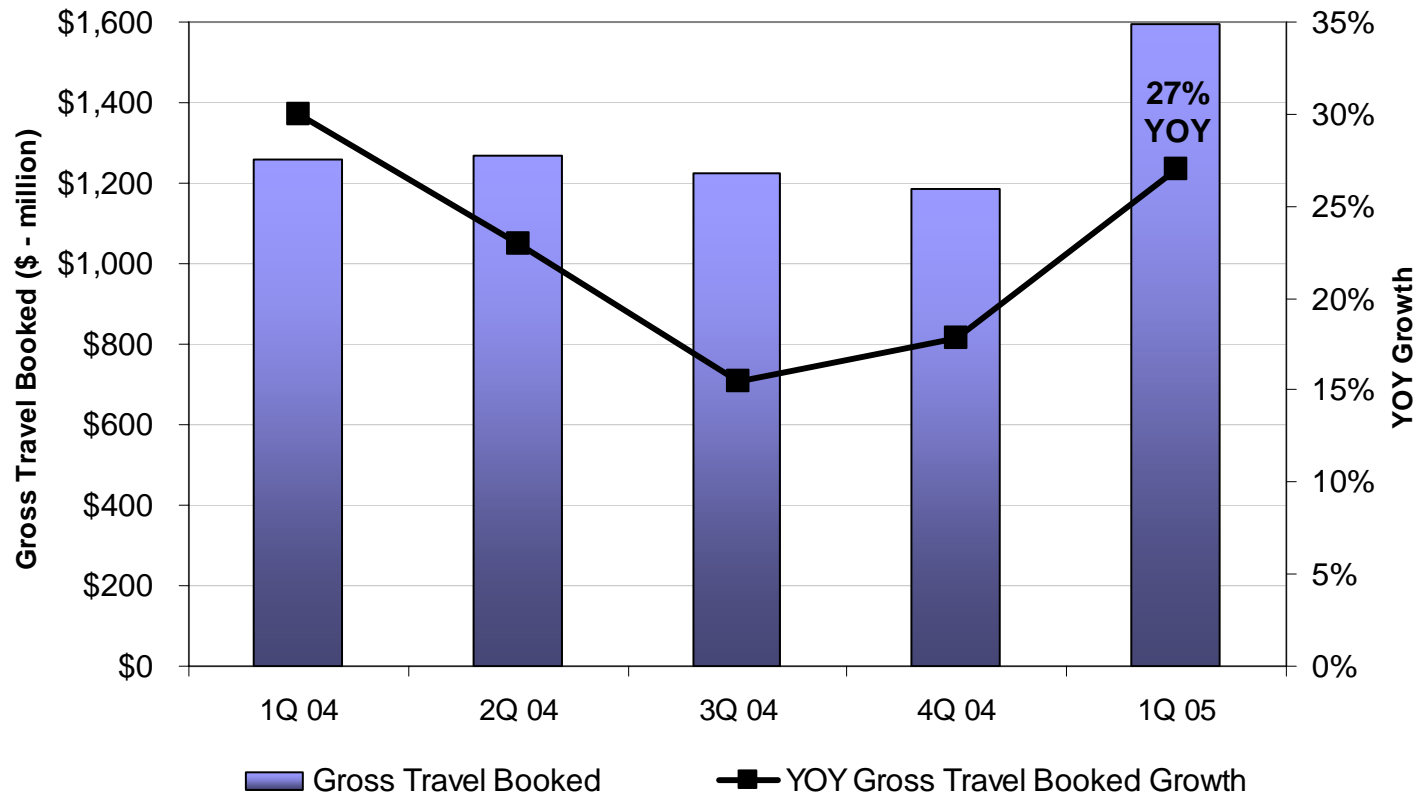
Agenda

- **Key Financials Review**
- **Online Travel v2 – Customer Championship**
- **Travelocity Business Update**
- **Travelocity Europe and lastminute.com**

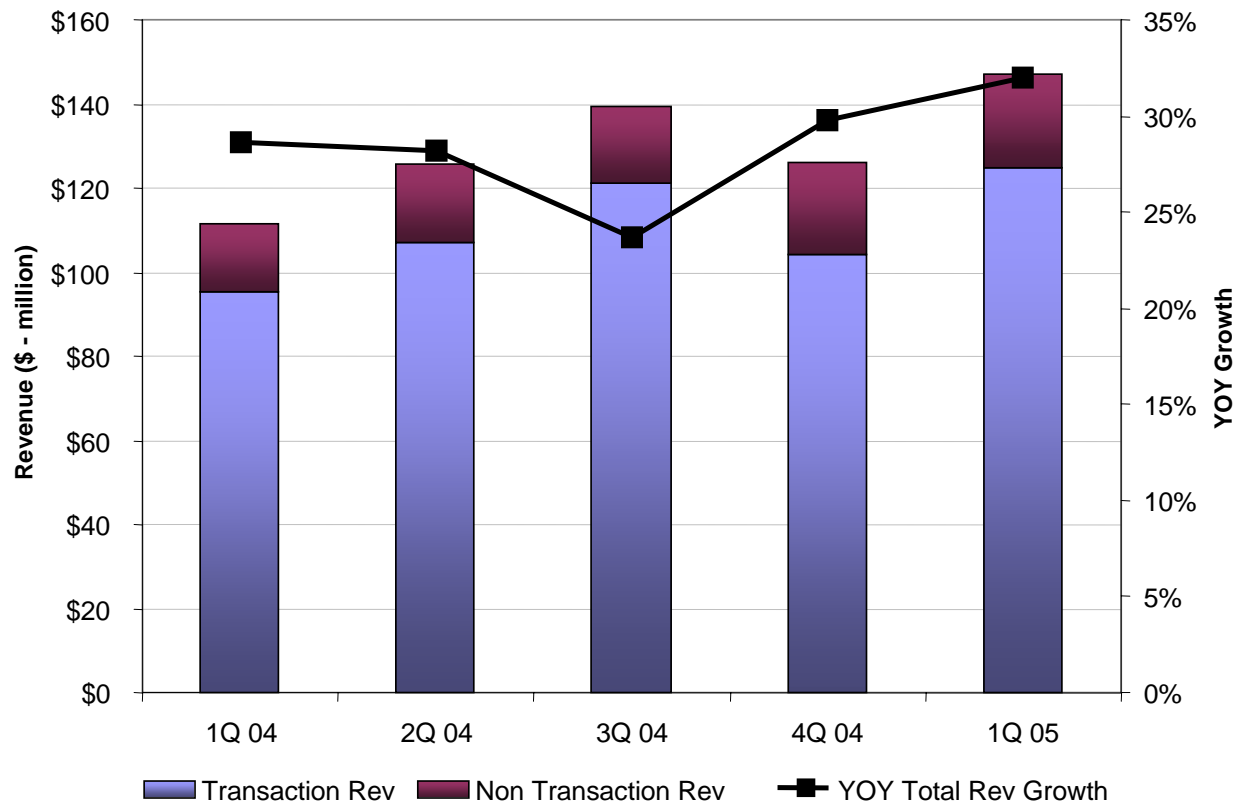
Key Financials

Gross Travel Booked

- **Gross Travel Booked in Q1 grew to \$1.6 billion**
 - Year over year growth of 27% in total

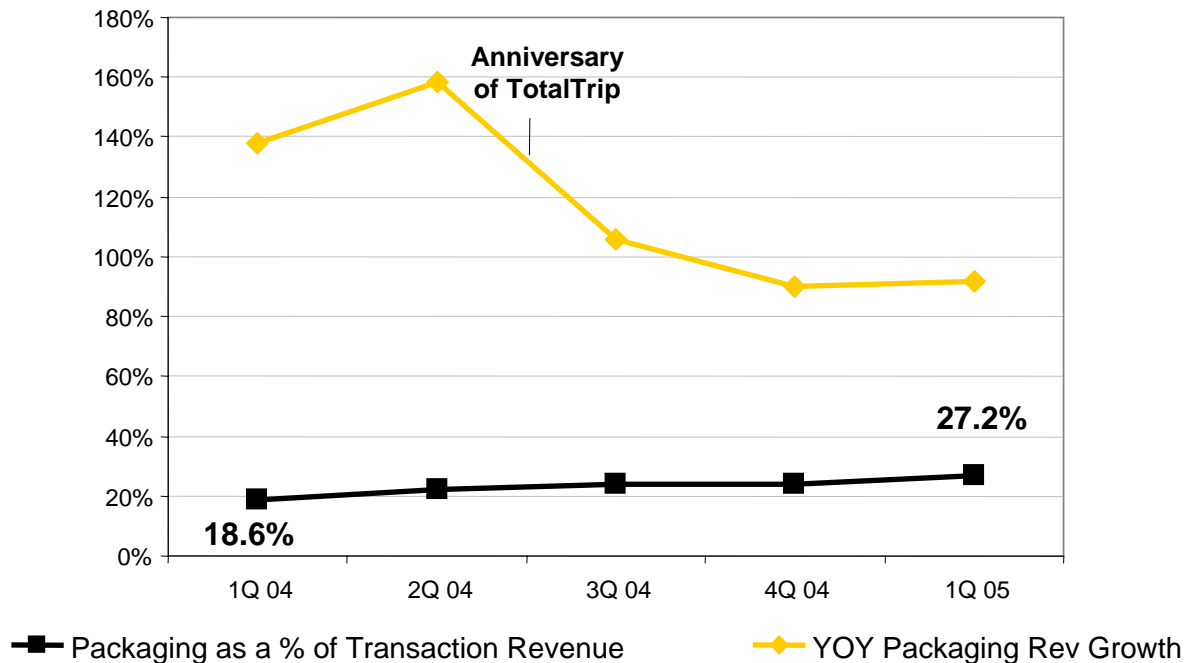


- **Robust revenue growth, five quarters in a row**
 - Led by growth in non-air transaction revenue



Non-Air Transaction Revenue

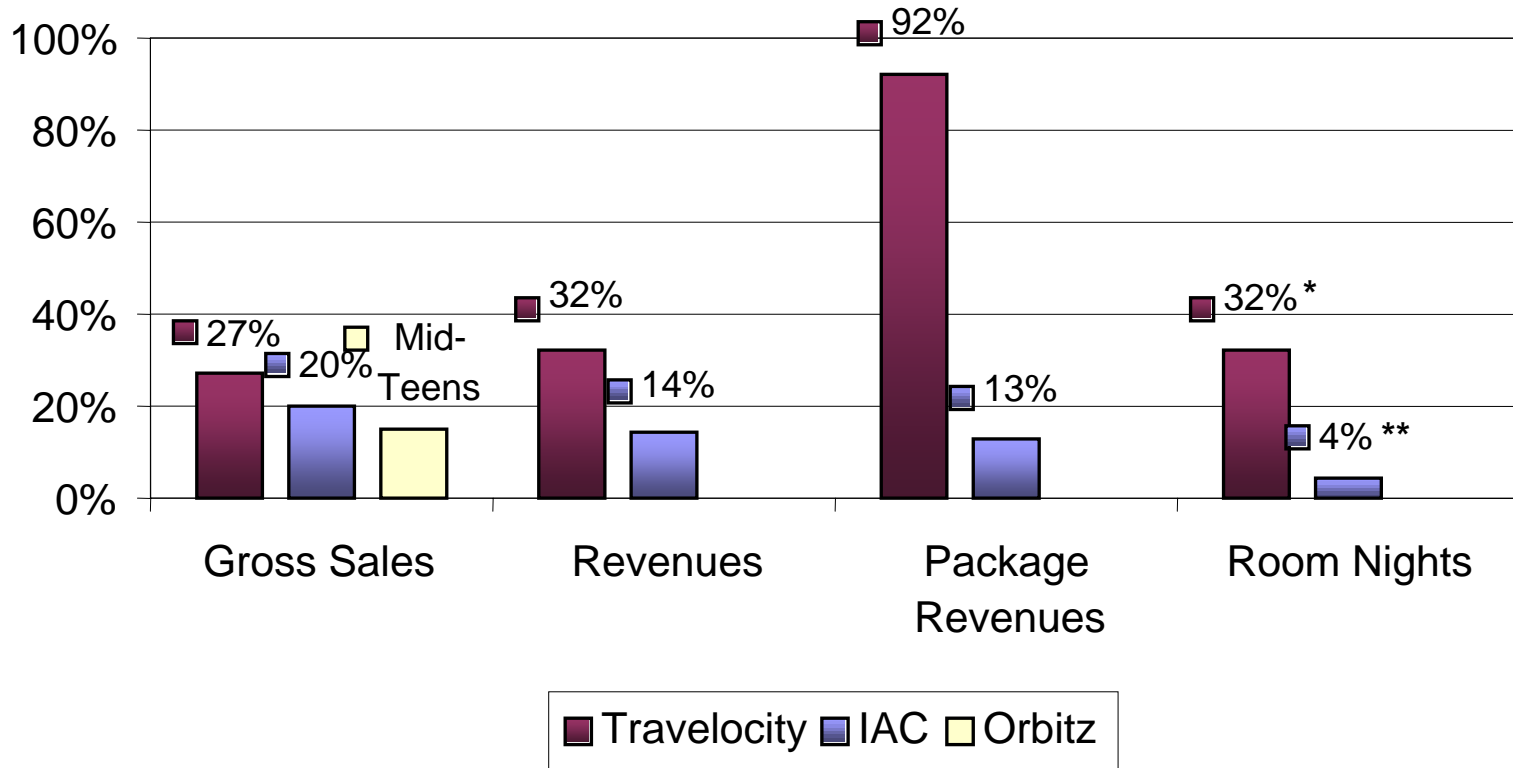
- **Non-air transaction revenue growth was driven by packaging...**
 - Packaging revenue in Q1 grew 92%, increasing its share of total transaction revenue
- **... and by Total hotel roomnights which grew 32% for the quarter**
 - Five quarters in a row of very strong growth



Comparison with IAC Travel & Orbitz



- Gained share versus competitors another quarter in a row
- Q1 05 YOY growth rates for IAC Travel, Orbitz, and Travelocity



* Travelocity Room Night growth is reported as Total Room Nights
 ** IAC Travel Room Night growth is reported as Merchant Room Nights

Customer Championship

- **Focusing on the customer is the right thing to do**
- **Championship will differentiate Travelocity from competitors**
- **Long-term, championship platform is about customer loyalty and retention**

Becoming a Customer Champion



Delivering Price Plus Value

Travel Goody Bag

Shop Las Vegas

Sure Shopping Benefits aren't just for casinos... thanks to Travelocity Las Vegas! Receive from some of the

Five Great Las Vegas Movies

Honeymoon in Vegas
No one lands in Vegas in more

NETFLIX

Leaves Las Vegas
Shot on 35mm cameras, this

-Do you think Elton wrote Tiny Dancer just for me?

Attractions

ZUMANITY - Another Side of Cirque du Soleil

See risqué acrobatics during Cirque du Soleil's first performance at the New York New York Hotel & Casino... [More](#)



Round Trip Transportation

Secretary Line Las Vegas Round Trip Transfers

CUSA/Grand Transfers offers convenient round trip airport shuttles and on the... [More](#)

Car

Car Rental in Las Vegas, NV (LAS)

All cars are air conditioned, automatic, and include... [confirm](#)

Price \$970
Per person \$485

5:50pm to 11:02pm
1 stop
Northwest Airlines

10:40pm to 10:28am
1 Stop
Northwest Airlines
Arrives Tue

THEhotel at Mandalay Bay
2 Nights- One Standard Suite

Welcome, Richard!

Preferred Member
See your [rewards!](#)
[View your profile](#)
Not Richard?

New York
\$178+ to [Las Vegas](#)
\$165+ to [London Heathrow](#)
\$156+ to [Ottawa](#)
\$204+ to [Paris de](#)
\$288+ to [Punta Cana](#)

Call a Travelocity agent toll-free at **877-815-5446**

Proactive Customer Care



- **Service Guarantee launched on May 2, 2005**
 - Feedback so far has been very encouraging – from our customers to our employees
- **We commit to customers that their booking will be right!**
 - Reservation will be there
 - Our descriptions are accurate--what the customer books is what we'll deliver, as described
- **If there is a problem, we have a live, well-trained team of people available 24/7**
 - We'll work with our partners to resolve the problem – right away
 - Agents empowered to solve more issues in first call
- **If we resolve problems well, we are more likely to increase retention rates, bookings and gain net promoters**

Guarantee and Bill of Rights are Posted Prominently on Our Site ...



Customer Care | My Stuff

Home Flights Hotels Cars/Rail Vacations Cruises Last Minute Deals

Travel Info Center Flight Status Destination Guides Travelocity Business >About Travelocity

The Travelocity Customer Bill of Rights



You have the right to...

1 Get what you booked
Neither overbooked hotel, nor missing rental car, nor lost reservation should stand in the way of you and a smooth trip. That's why [Travelocity Guarantees](#) that everything about your booking will be right, or we'll work with our partners to make it right, right away. (Click on the link above for details on the new Travelocity Guarantee.)

2 The best overall value in travel
Travel enriches your life when it's done right, and that takes a lot more than just securing a low price. We understand that on top of great pricing, travelers need useful, insider information, the security of reliable customer support, and control over the details that make a trip smooth, efficient, and truly great.

3 Accurate and objective information upfront
That's why we offer objective travel ratings—not inflated ratings to sell you—and independent reviews where travelers share their experiences, both good and bad. It's also why we give you the full price of your rental car, including the taxes and fees that typically surprise a customer, upfront with car TotalPriceSM.

These are your rights. Let nothing stand between you and them—except maybe a pair of nice sunglasses.

In other words...

Here at Travelocity we believe that you deserve great travel experiences—so strongly that we've created our own Travelocity Customer Bill of Rights. This is a promise to our customers that we're on your side—a promise that when you book with Travelocity, "you'll never roam alone" before, during, or after your trip.

This promise of our advocacy isn't a marketing ploy to win your business. Over the past 12 months, we've taken serious steps to secure your traveler rights; we've realigned our entire organization so that our products, policies and employees support them. It's on the foundation of this work, strengthened by our commitment to continually get better at what we do, that we introduce the [Travelocity Guarantee](#).

4 Find what you're looking for quickly and easily
That's why we redesigned our site for complete ease-of-use—so you can find that great last minute deal to Paris, or the best brunch in Salt Lake City (served in a 75 year-old trolley car diner tucked in the hills of Emigration Canyon).

5 A straightforward presentation of your options
We want you to choose the options that best suit you. If a hotel has rooms available, we won't lead you to believe that the hotel is sold out. We also won't subject you to impossible terms and conditions that make an offer hollow.

6 Speak with someone and get help anytime
Call one of our knowledgeable representatives at 888-872-8356 or 210-521-5871 (for international callers) before you hit the "book" button. As soon as you hit the "book" button. All trip long. Even after your trip. That means every hour of every day, 365 days a year, and 366 days in a Leap Year.

7 Be inspired by your travel company
Like a well-traveled friend just back from a wine tour of Tuscany, we want to inspire you to see the world.

Consumers

- [Products and Services](#)
- [Privacy Policy](#)
- [Customer Care / FAQ](#)
- [Sweepstakes](#)
- [International Sites](#)
- [Employment](#)
- [Contact Us](#)

Investors

- [Corporate Profile](#)
- [Executive Team](#)
- [Investor Relations](#)

Press and Media

- [Press Releases](#)
- [Press Contacts](#)
- [Logos](#)
- [Awards](#)

Affiliates and Partners

- [Advertise with Travelocity](#)
- [Advertise with Virtually There](#)
- [Affiliate Program](#)
- [Hotel Supplier Relationships](#)



Customer Care | My Stuff

Home Flights Hotels Cars/Rail Vacations Cruises Last Minute Deals

Travel Info Center Flight Status Destination Guides Travelocity Business >About Travelocity

The Travelocity Guarantee



We're proud to introduce the Travelocity Guarantee.

Backing the [Travelocity Customer Bill of Rights](#), the Travelocity Guarantee is our commitment to you that everything about your booking will be right, or we'll work with our partners to make it right, right away.

When it comes to travel, bumps and snags happen. We can't control some things, like the weather or mechanical difficulties, but we can be there to help you navigate when the waters get rough. The Travelocity Guarantee is a promise of that advocacy. Book with Travelocity and we'll be there for you.

We've invested millions of dollars in our business to make this promise true. Over the past year, we've developed new technology to streamline shipping and give customers more control over their trip details. We've also spent hundreds of hours reading your comments and responded with the creation of dozens of new policies that answer your ideas and concerns.

In addition, we've invested over 10,000 hours in training every one of our employees on both the fundamentals and fine points of true customer advocacy. As a result, Travelocity, from president to programmer, is driven by the spirit of customer championship. We've put this spirit into all of our new products and innovations, including the Travelocity Guarantee.

What do we mean when we say that everything about your booking will be "right"?

All travel booked on Travelocity will be consistent with the promise of its detailed description on our site and your travel itinerary (as confirmed on our site 24 hours prior to departure)—be it airline flights, hotels, a TotalTripSM (flight + hotel package), a Last Minute Deal package, cruises, car rentals, or attractions/event tickets.

Human error happens; nobody's perfect—but in those rare cases that we make a mistake you can count on us to take responsibility for it, and to be thoughtful and fair as we work to resolve it. If, say, we inadvertently advertise a fare that's just "too good to be true," like a free trip to Fiji, we'll work with you and our travel partners to make it up to you and find a solution that puts a smile on your face.

How do you invoke the Travelocity Guarantee?

Call us. If anything is not delivered as promised in our description and reservation confirmation, call us anytime day or night—and we'll work with our partners to make it right. Should you encounter a problem with the travel you booked with us, don't let the problem get in the way of a smooth trip, call us right away so we can resolve it and get you back to enjoying your trip.

We have over 1000 travel professionals available to assist you. You can call our toll-free number 888-872-8356 (and 210-521-5871 for international callers) 24/7 to reach a representative. Also, you can email us about less urgent matters anytime at guarantee@travelocity.com, and we'll get back to you within 4 hours.

We guarantee that with Travelocity, "you'll never roam alone" because we have complete faith in the core strength of our partner relationships and the skill and passion of the entire Travelocity Team. We trust that if you book with us, just once, you'll share this faith in Travelocity, and continue to enjoy the peace-of-mind that comes with the Travelocity Guarantee.

The Travelocity Guarantee assures that when you book with Travelocity and encounter any problem with your booking, we'll work with our partners to make it right.

- If you purchase airline tickets and notify us within 24 hours of your purchase that you've booked the wrong dates, we'll rebook your airline tickets without charging a change or cancellation fee.
- If your arrival at your hotel to find that your reservation is lost or the hotel is overbooked, we'll manage the details and work directly with the hotel to get you a room in that hotel or a comparable one.
- If your airline cancels your flight and you're stuck without help to find a hotel for the night, we'll do the legwork to locate a hotel that meets your needs at a reasonable price.
- If you arrive at your hotel for your family vacation and find that the pool is closed for renovations, we'll find a comparable hotel with a pool for you at no additional cost.
- If you arrive at your hotel room to find that your ocean view is a parking lot view, we'll ask the hotel to honor their commitment to you, or find you a room with an ocean view at a comparable hotel at no cost to you.
- If the threat of a hurricane makes traveling to your destination unsafe, we'll contact you in advance of your departure to give you the opportunity to change your travel plans, and then we'll work with our travel partners to make any itinerary changes at the most reasonable cost to you.
- If you get to the rental car counter and the car type you reserved is sold out, we'll work with that rental company or another company to get you the car-type you booked.

Have a problem with your Travelocity trip? We'll do what it takes to resolve it.

Call us 24/7: 888-872-8356
or email us at guarantee@travelocity.com.

The Travelocity Guarantee in Action:

[Security Guarantee](#) | [* Means Some Taxes & Fees Additional](#) | [Travelocity World MasterCard](#)

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... And We are Advertising with Championship Message



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IF YOU BOOK IT, IT SHOULD BE THERE.

Only Travelocity guarantees it will be, or we'll work with our travel partners to make it right, right away. So if you're missing a balcony, or anything else you booked, just call 24/7. Visit travelocity.com/guarantee for details.



May 27, 2005

INTRODUCING THE NEW TRAVELOCITY GUARANTEE

...THAT SAYS EVERYTHING YOU BOOK WILL BE RIGHT, OR WE'LL WORK WITH OUR TRAVEL PARTNERS TO MAKE IT RIGHT, RIGHT AWAY.

To drive home the point, we're going to use the word "right" in every single sentence.

Let's get right to it. Right to the meat! Only Travelocity guarantees everything about your booking will be right, or we'll work with our travel partners to make it right, right away. Right on!

The guarantee covers all but one of the items pictured to the right.



Here's a picture taken smack dab right in the middle of Antigua, where the guarantee also covers you.

For example, what if the ocean view you booked actually looks out at a downright ugly parking lot? You'd be right to call – we're there for you. And no one in their right mind would be pleased to learn the rental car place has closed and left them stranded. Call Travelocity and we'll help get you back on the right track.

Now, you may be thinking, "Yeah, right, I'm so sure." That's OK; you have the right to remain skeptical. That is until we mention help is always right around the corner. Call us right off the bat, knowing our customer

Now if you're guessing there are some things we can't control, like the weather, well you're right. But we can help you with most things – to get all the details in

Travelocity Business

Travelocity Business: Full Range Of Travel Services



Travelers

Reservations

- 24x7 online booking site with full offline support
- 24x7 offline bookings with call routing, complete online/offline integration and VIP service

Content

- All published fares via Sabre GDS
- Customer-negotiated rates
- All Travelocity special deals
- Exclusive Travelocity Business deals

Fulfillment

- Agent desktop automation
- Automated QC (Quality Control) processing
- Proprietary Sabre technology solutions

Reporting

- Multiple online reporting options
- Web access to all reports
- Travel, policy and supplier analysis

Company

Customer Services

- Experienced corporate travel agents available 24x7
- Comprehensive account management services
- Unique customer community (Travelocity Business, GetThere and Sabre)

Travelocity Business: Recent Success



Computer Associates



American Medical Association
Physicians dedicated to the health of America



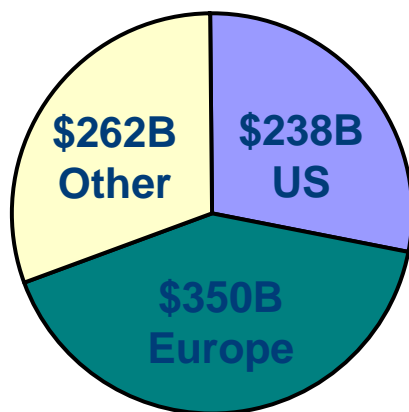
- **Additional Successes**

- Continue to see excellent sequential year-over-year brooking growth for the quarter; Q1 trip growth increased more than 60 percent year-over-year
- Won a number of other major customers we expect to announce later this quarter
- Launched new Mid-Office technology and Unused Ticket Management Service
- Launching new service center in Dallas

Travelocity Europe

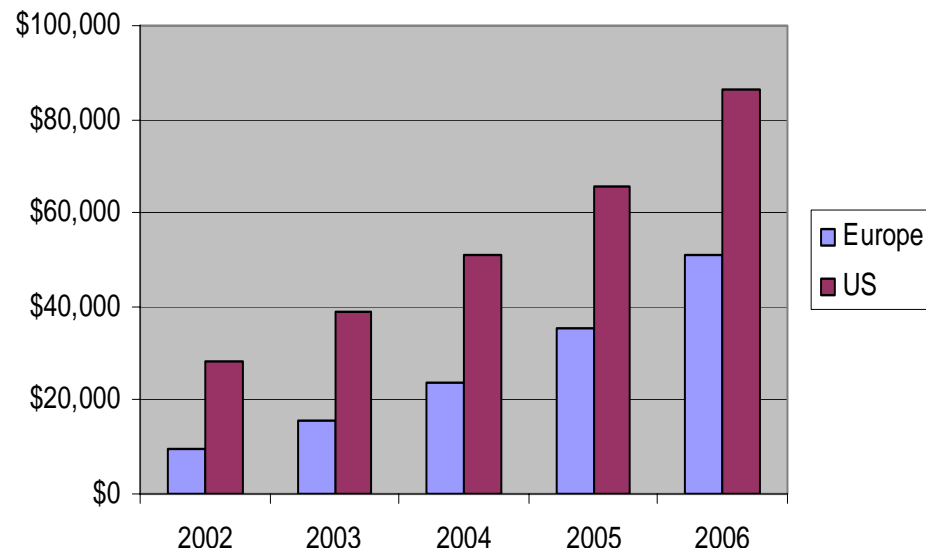
Europe – a Very Large Opportunity, Growing Faster...

The Worldwide Travel and Tourism Spend



- **World's largest leisure travel marketplace**
 - 450MM people in 25 countries
- **Average of 25 vacation days plus 10 public holidays annually**

European Online Leisure Travel Channel (\$B)



- **Europe forecast to grow faster than US**
 - **54% CAGR vs. 32% CAGR**

Travelocity Europe: Our current position



- Gross sales from our wholly-owned operations in Europe, on a pro-forma basis as if we owned them fully in 2004, were up over 60% YOY in the first quarter, or 50% on a local currency basis.

- May 12, 2005, Sabre Holdings announced agreement to acquire leading European online travel provider lastminute.com for 165 pence per lastminute.com share
 - lastminute.com operates directly in 14 European countries and participates in three international joint ventures, providing travel and leisure inspirations and solutions to customers.
 - expected to close by the end of July
- lastminute.com's diverse mix of flights, holidays, hotels, car hire, and non-travel, ties closely with Travelocity's strategy of continuing to expand our range of offerings to consumers, beyond basic air travel
- We expect the acquisition of this leading pan-Europe online travel brand, combined with Travelocity Europe's fast growing business, would create the leading position in European online travel

Cautionary Statement

Statements in this presentation which are not purely historical facts or which necessarily depend upon future events, including statements about forecasted financial performance or other statements about anticipations, beliefs, expectations, hopes, intentions or strategies for the future, may be forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. Readers are cautioned not to place undue reliance on forward-looking statements. All forward-looking statements are based upon information available to Sabre Holdings Corporation on the date of this presentation. Sabre Holdings Corporation undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Any forward-looking statements involve risks and uncertainties that could cause actual events or results to differ materially from the events or results described in the forward-looking statements, including risks or uncertainties related to the Company's revenues being highly dependent on the travel and transportation industries. Sabre Holdings Corporation may not succeed in addressing these and other risks. Further information regarding factors that could affect our financial and other results can be found in the risk factors section of Sabre Holdings Corporation's most recent filing on Form 10-Q with the Securities and Exchange Commission.

References to non-GAAP financial statements and the reconciliation to GAAP can be found on the Sabre Holdings' website <http://www.sabre-holdings.com/investor/highlights/index.html> in the investor relations section.



The End