Sabre

Q1 '18 Earnings Report

May 1, 2018

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," "believe," "position," "momentum," "outlook," "expect," "on track," "plan," "estimate," "preliminary," "anticipate," "will," "project," "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, dependency on transaction volumes in the global travel industry, particularly air travel transaction volumes, maintenance of the integrity of our systems and infrastructure and the effect of any security breaches, reliances on third parties to provide information technology services, implementation of software solutions, exposure to pricing pressure in the Travel Network business, the implementation and effects of new or renewed agreements, the effects of the implementation of new accounting standards, travel suppliers' usage of alternative distribution models, failure to adapt to technological advancements, competition in the travel distribution market and solutions markets, the implementation and results of our cost reduction and business alignment program, 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, changes affecting travel supplier customers, our ability to recruit, train and retain employees, including our key executive officers and technical employees, our collection, processing, storage, use and transmission of personal data and risks associated with PCI compliance, adverse global and regional economic and political conditions, including, but not limited to, economic conditions in countries or regions with traditionally high levels of exports to China or that have commodities-based economies and the effect of "Brexit" and uncertainty due to related negotiations, risks arising from global operations, reliance on the value of our brands, the effects of litigation, failure to comply with regulations, use of third-party distributor partners, the financial and business effects of acquisitions, including integration of these acquisitions, and tax-related matters, including the effect of the Tax Cuts and Jobs Act. 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 Annual Report on Form 10-K filed with the SEC on February 16, 2018 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 Gross Profit, Adjusted Operating Income (Loss), Adjusted Net Income, Adjusted Operating Income margin, Adjusted EBITDA, 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, Adjusted Operating Income, Adjusted Net Income, Adjusted EPS and Free Cash Flow. We are unable to provide this forward guidance on a GAAP basis without unreasonable effort; however, see "2018 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" below 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

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
President & CEO

Rick Simonson
EVP & CFO

Strong start to the year

1. **Cloud-first, microservices-enabled technology strategy**
   Accelerated innovations are resonating with customers and delivering value

2. **Solid revenue growth across the business**
   Driven by supportive macro global travel environment, new business wins and implementations

3. **Progressing well against prioritized initiatives**
   Positioned to deliver strong full-year results and increasing full-year guidance

Q1 '18 Financial highlights

	Q1 2018	Growth
Revenue	**$988M**	**+8%**
Adjusted EBITDA	**$301M**	**+1%**
Adjusted Op Income	**$198M**	**(6%)**
Adjusted EPS	**$0.44**	**+5%**
Free Cash Flow	**$130M**	**+276%**

Reimagining the business of travel

Digital Airline Commercial Platform

Announced roadmap for major advancements across SabreSonic and AirVision commercial planning products to provide the industry's first end-to-end intelligent retailing and fulfillment platform

New Sabre Red Workspace

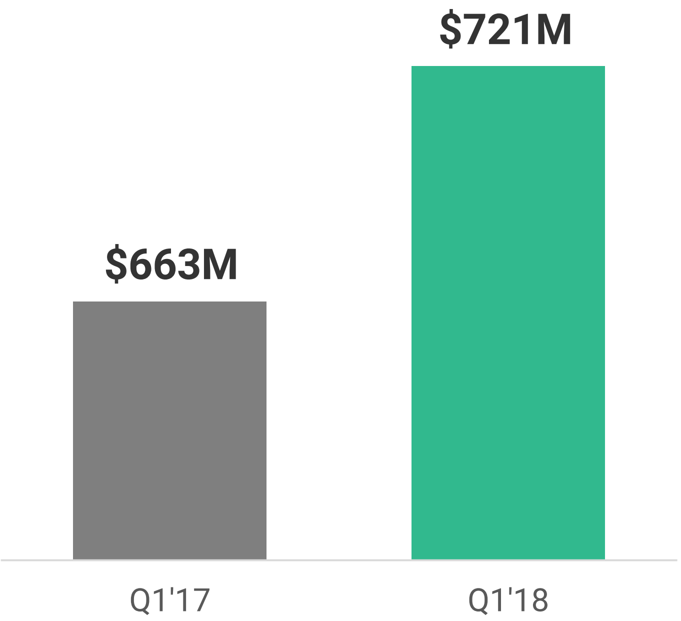
In the midst of a major upgrade initiative at travel agencies worldwide to unlock data-driven insights, increase cross-sell and upsell capabilities, reduce training time and reach new levels of productivity

SynXis Property Hub, Booking Engine and Voice Agent

Launched new and upgraded solutions that leverage unique integrated capabilities from across the entire SynXis platform to revolutionize how hotel properties run their day-to-day operations and bring personalization to hotel shopping and guest support

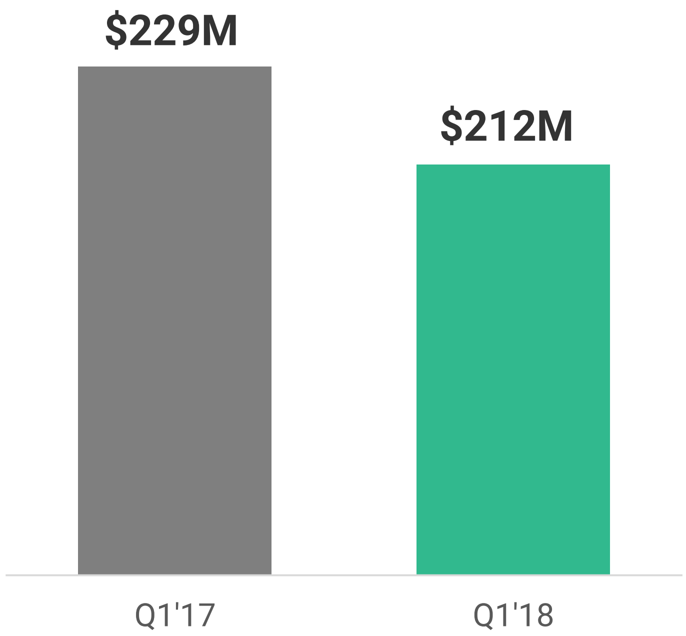
Q1 ‘18 Travel Network

Revenue



+8.7%
Q1 2018
YOY Growth

Adjusted Operating Income

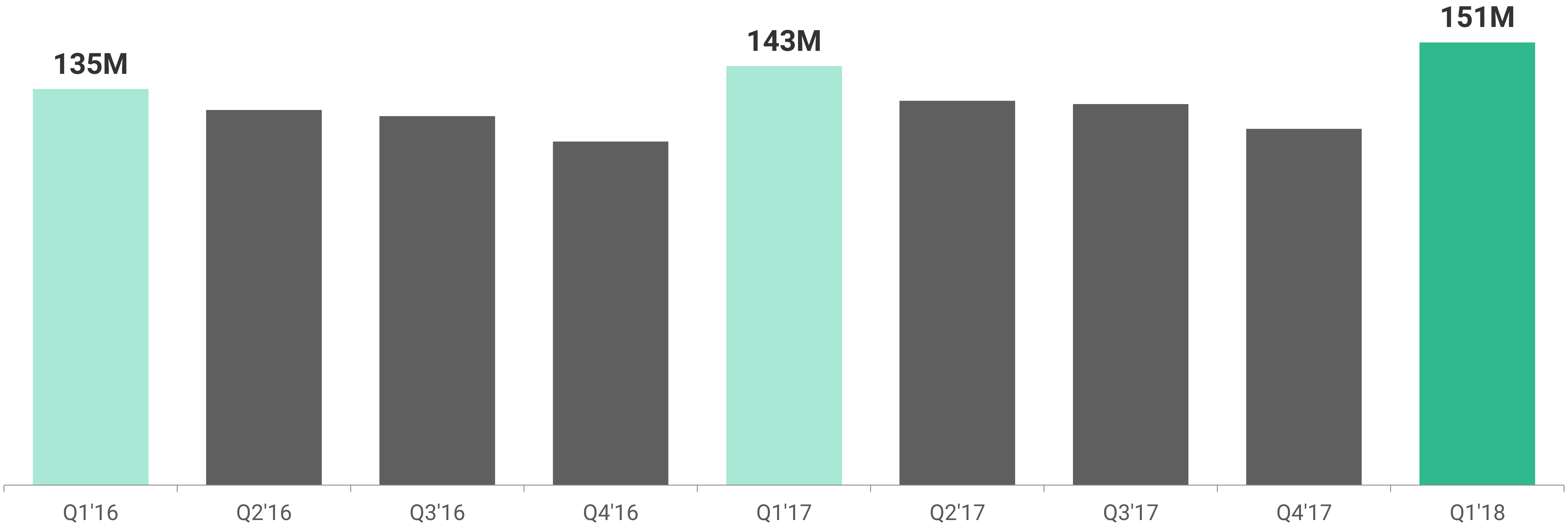


(7.5%)
Q1 2018
YOY Change

29.4%
Adjusted Operating
Income Margin

Impacted by $16M incentive contract reversal in prior year

Total quarterly bookings



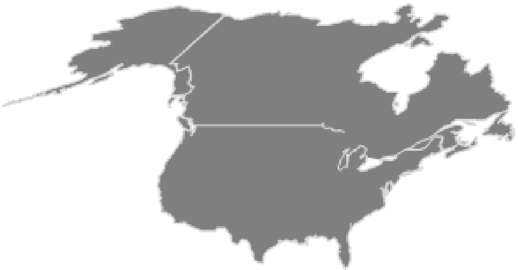
+5.7%

Q1 2018 YOY Growth

Total Q1 ‘18 bookings growth by region

+19.7%
APAC

+3.0%
NAM



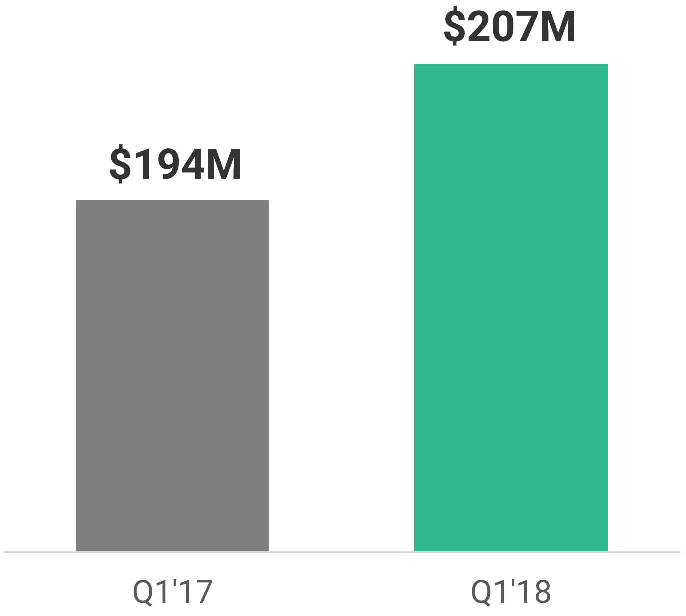
+1.7%
EMEA

+0.5%
LAC

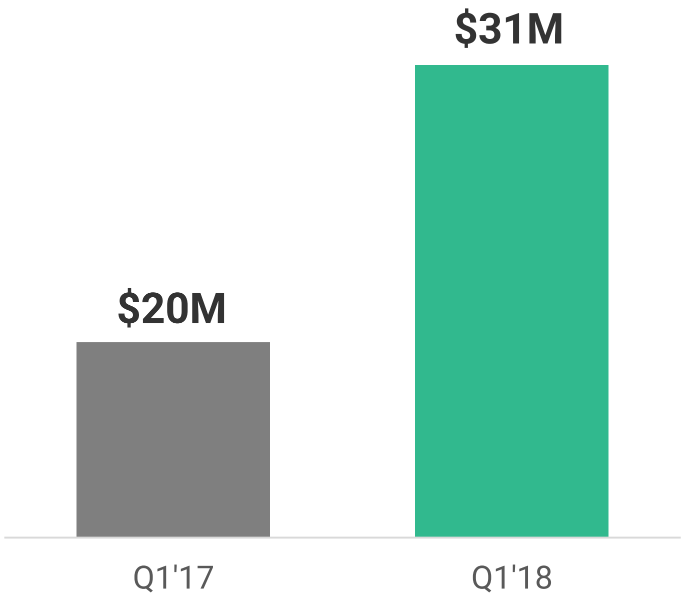
36.9%
Q1 2018
Global Air Bookings Share

Q1 ‘18 Airline Solutions

Revenue



Adjusted Operating Income

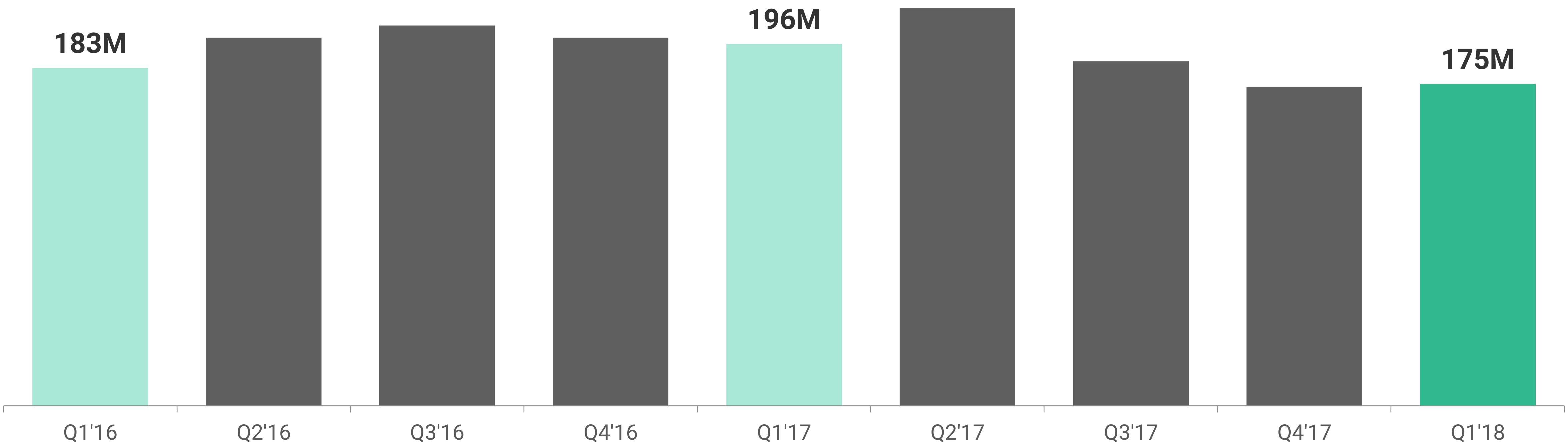


+6.7%
Q1 2018
YOY Growth

+55.7%
Q1 2018
YOY Growth

14.9%
Adjusted Operating
Income Margin

Total quarterly passengers boarded

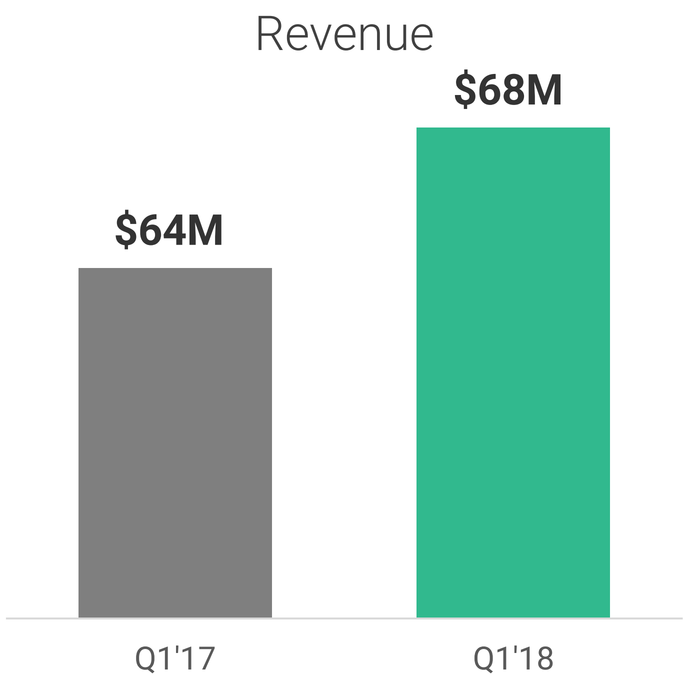


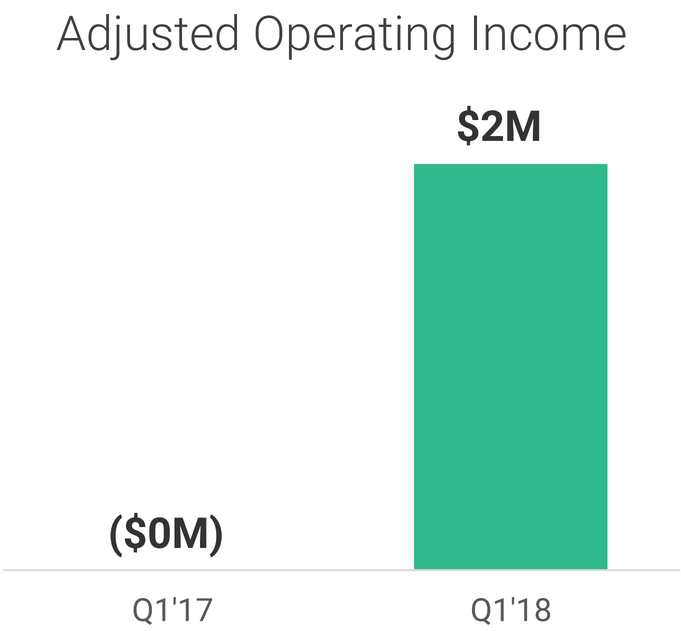
(11.1%)

Q1 2018 YOY Change

5.6% passengers boarded growth on a consistent carrier basis

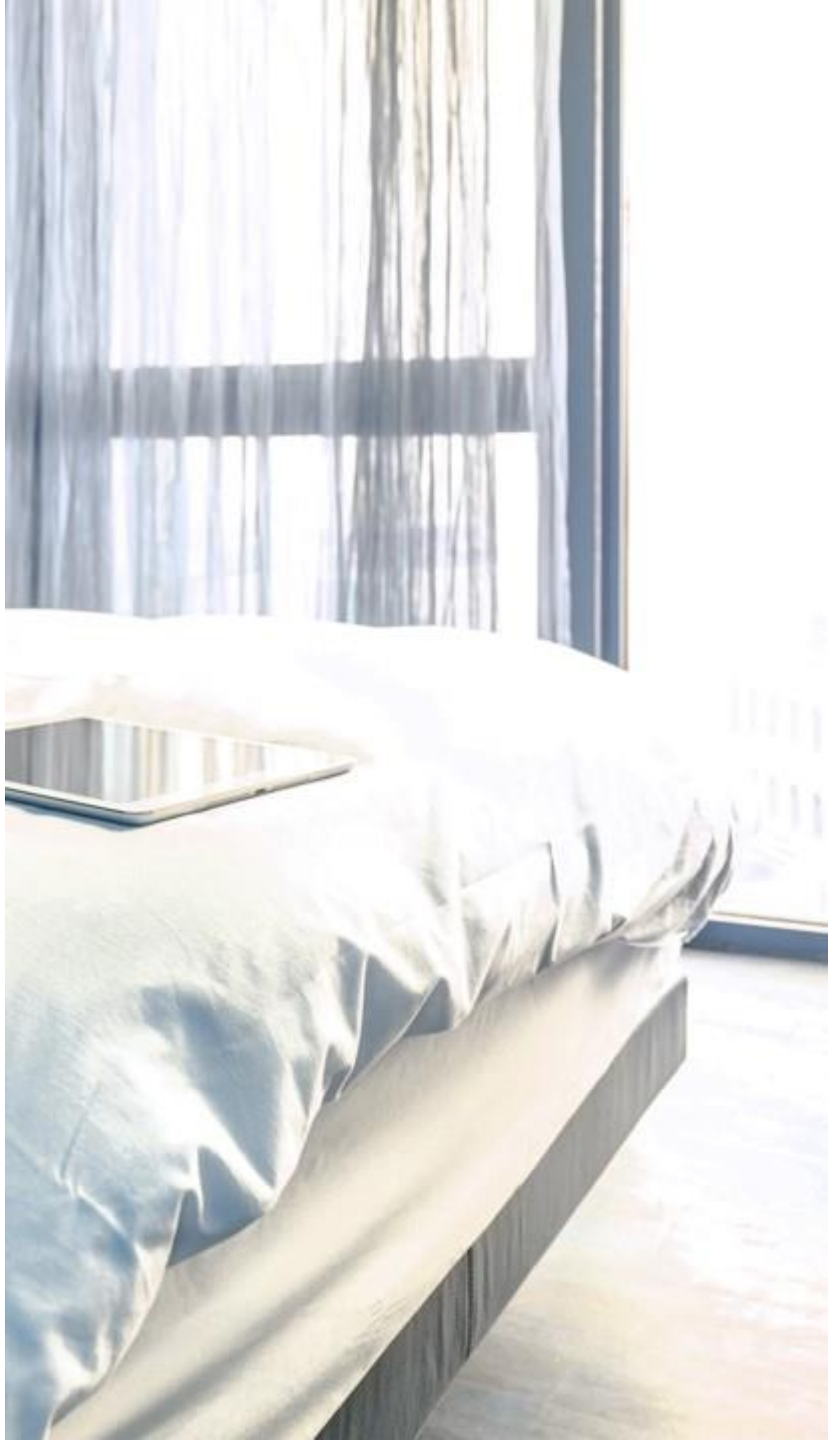
Q1 '18 Hospitality Solutions



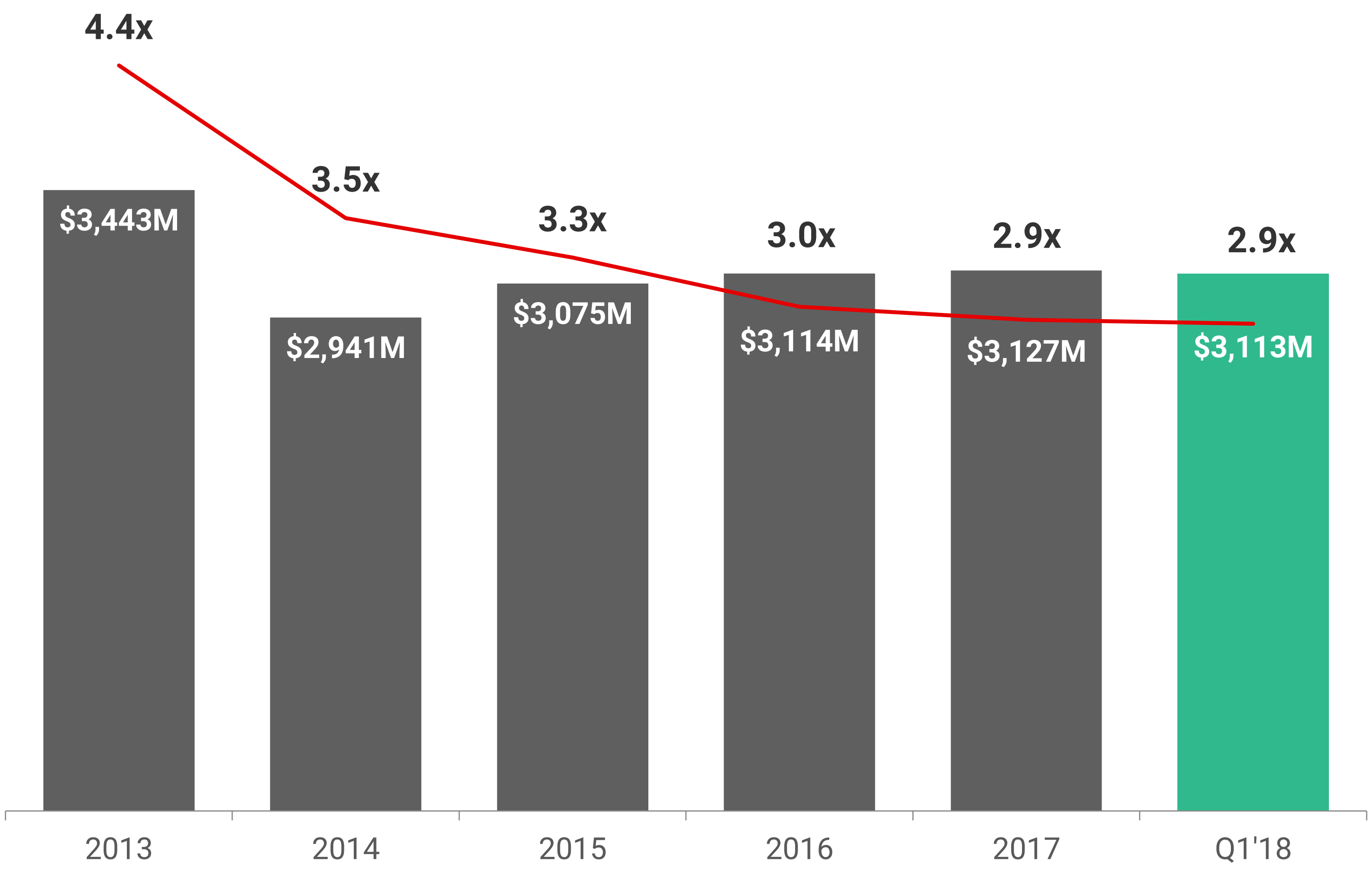


+5.8%
Q1 2018
YOY Growth

3.1%
Adjusted Operating
Income Margin



Net debt, leverage[1] and cash flow



$195M
Q1 2018
Cash provided by operating activities

$130M
Q1 2018
Free Cash Flow

$39M
Q1 2018
Returned to Shareholders

[1]Net Debt/LTM Adjusted EBITDA.

Raising FY '18 Guidance

	FY 2018 Guidance		Versus Previous Expectations Issued Feb 14, 2018
	$	% Growth	$
Revenue	**$3,760M - $3,840M**	**4% - 7%**	**+$75M**
Adjusted EBITDA	**$1,075M - $1,115M**	**0% - 3%**	**+$20M**
Adjusted Operating Income	**$665M - $705M**	**(6%) – 0%**	**+$15M**
Adjusted Net Income	**$385M - $425M**	**(1%) - 9%**	**+$10M**
Adjusted EPS	**$1.39 - $1.53**	**(1%) - 9%**	**+$0.05**
Free Cash Flow	**~$425M**	**~18%**	**+$35M**
GAAP Capital Expenditures	**$290M - $310M**	**(8%) – (2%)**	**($15M)**

The information presented here represents forward-looking statements and reflects expectations as of May 1, 2018. 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 2017 Form 10-K.

Momentum expected to continue

Accelerating
innovations and unlocking value for our customers

Progressing well
against prioritized initiatives introduced at Investor Day

Strong start
in Q1 for us to build on over the balance of the year

Thank you

APPENDIX

Tabular reconciliations for Non-GAAP measures

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

	Three Months Ended March 31, 2018	Three Months Ended March 31, 2017
Net income attributable to common stockholders	$ 87,880	$ 75,939
Loss from discontinued operations, net of tax	1,207	477
Net income attributable to noncontrolling interests[1]	1,362	1,306
Income from continuing operations	90,449	77,722
Adjustments:		
Acquisition-related amortization[2a]	17,590	35,181
Loss on extinguishment of debt	633	—
Other, net[4]	1,106	15,234
Litigation costs[5]	828	3,501
Stock-based compensation	12,606	8,034
Tax impact of net income adjustments	(2,002)	(21,568)
Adjusted Net Income from continuing operations	$ 121,210	$ 118,104
Adjusted Net Income from continuing operations per share	$ 0.44	$ 0.42
Diluted weighted-average common shares outstanding	276,844	279,559
Adjusted Net Income from continuing operations	$ 121,210	$ 118,104
Adjustments:		
Depreciation and amortization of property and equipment[2b]	74,463	61,300
Amortization of capitalized implementation costs[2c]	9,823	9,189
Amortization of upfront incentive consideration[3]	19,456	16,132
Interest expense, net	38,109	39,561
Remaining provision for income taxes	38,277	53,275
Adjusted EBITDA	$ 301,338	$ 297,561
Less:		
Depreciation and amortization[2]	101,876	105,670
Amortization of upfront incentive consideration[3]	19,456	16,132
Acquisition-related amortization[2a]	(17,590)	(35,181)
Adjusted Operating Income	$ 197,596	$ 210,940

Tabular reconciliations for Non-GAAP measures

Reconciliation of operating income (loss) to Adjusted Gross Profit, Adjusted EBITDA, Adjusted Operating Income (Loss) and Adjusted Operating Income margin by business segment
(in thousands; unaudited)

	Three Months Ended March 31, 2018				
	Travel Network	**Airline Solutions**	**Hospitality Solutions**	**Corporate**	**Total**
Operating income (loss)	$ 210,674	$ 30,712	$ 2,137	$ (78,122)	$ 165,401
Add back:					
Selling, general and administrative	40,505	18,217	9,416	61,973	130,111
Cost of revenue adjustments:					
Depreciation and amortization(2)	27,382	40,835	8,690	7,019	83,926
Amortization of upfront incentive consideration(3)	19,456	—	—	—	19,456
Stock-based compensation	—	—	—	5,686	5,686
Adjusted Gross Profit	298,017	89,764	20,243	(3,444)	404,580
Selling, general and administrative	(40,505)	(18,217)	(9,416)	(61,973)	(130,111)
Joint venture equity income	1,171	—	—	—	1,171
Selling, general and administrative adjustments:					
Depreciation and amortization(2)	2,905	2,872	932	11,241	17,950
Litigation costs(5)	—	—	—	828	828
Stock-based compensation	—	—	—	6,920	6,920
Adjusted EBITDA	$ 261,588	$ 74,419	$ 11,759	$ (46,428)	$ 301,338
Less:					
Depreciation and amortization(2)	30,287	43,707	9,622	18,260	101,876
Amortization of upfront incentive consideration(3)	19,456	—	—	—	19,456
Acquisition-related amortization(2a)	—	—	—	(17,590)	(17,590)
Adjusted Operating Income (Loss)	$ 211,845	$ 30,712	$ 2,137	$ (47,098)	$ 197,596
Operating income margin	29.2%	14.9%	3.1%	NM	16.7%
Adjusted Operating Income Margin	29.4%	14.9%	3.1%	NM	20.0%

Tabular reconciliations for Non-GAAP measures

Reconciliation of operating income (loss) to Adjusted Gross Profit, Adjusted EBITDA, Adjusted Operating Income (Loss) and Adjusted Operating Income margin by business segment
(in thousands; unaudited)

	Three Months Ended March 31, 2017				
	Travel Network	Airline Solutions	Hospitality Solutions	Corporate	Total
Operating income (loss)	$ 228,132	$ 19,719	$ (322)	$ (84,203)	$ 163,326
Add back:					
Selling, general and administrative	39,710	19,888	12,060	72,783	144,441
Cost of revenue adjustments:					
Depreciation and amortization(2)	23,093	34,923	7,077	8,604	73,697
Amortization of upfront incentive consideration(3)	16,132	—	—	—	16,132
Stock-based compensation	—	—	—	3,181	3,181
Adjusted Gross Profit	307,067	74,530	18,815	365	400,777
Selling, general and administrative	(39,710)	(19,888)	(12,060)	(72,783)	(144,441)
Joint venture equity income	898	—	—	—	898
Selling, general and administrative adjustments:					
Depreciation and amortization(2)	3,259	2,192	267	26,255	31,973
Litigation costs(5)	—	—	—	3,501	3,501
Stock-based compensation	—	—	—	4,853	4,853
Adjusted EBITDA	$ 271,514	$ 56,834	$ 7,022	$ (37,809)	$ 297,561
Less:					
Depreciation and amortization(2)	26,352	37,115	7,344	34,859	105,670
Amortization of upfront incentive consideration(3)	16,132	—	—	—	16,132
Acquisition-related amortization(2a)	—	—	—	(35,181)	(35,181)
Adjusted Operating Income (Loss)	$ 229,030	$ 19,719	$ (322)	$ (37,487)	$ 210,940
Operating income margin	34.4%	10.2%	(0.5)%	NM	17.8%
Adjusted Operating Income Margin	34.5%	10.2%	(0.5)%	NM	23.0%

Tabular reconciliations for Non-GAAP measures

Reconciliation of net income (loss) attributable to common shareholders to LTM Adjusted EBITDA (for Net Debt Ratio)
(in thousands; unaudited)

	Three Months Ended				
	Jun 30, 2017	Sep 30, 2017	Dec 31, 2017	Mar 31, 2018	LTM
Net income attributable to common stockholders	$ (6,487)	$ 90,989	$ 82,090	$ 87,880	$ 254,472
(Income) loss from discontinued operations, net of tax	1,222	529	(296)	1,207	2,662
Net income attributable to noncontrolling interests(1)	1,113	1,307	1,387	1,362	5,169
(Loss) income from continuing operations	(4,152)	92,825	83,181	90,449	262,303
Adjustments:					
Impairment and related charges(8)	92,022	—	(10,910)	—	81,112
Acquisition-related amortization(2a)	20,259	20,226	20,194	17,590	78,269
Loss on extinguishment of debt	—	1,012	—	633	1,645
Other, net(4)	752	3,802	(56,318)	1,106	(50,658)
Restructuring and other costs (6)	25,304	—	(1,329)	—	23,975
Litigation costs (reimbursements), net(5)	958	(40,929)	963	828	(38,180)
Stock-based compensation	14,724	11,655	10,276	12,606	49,261
Depreciation and amortization of property and equipment(2b)	63,810	66,332	73,438	74,463	278,043
Amortization of capitalized implementation costs(2c)	8,948	10,484	11,510	9,823	40,765
Amortization of upfront incentive consideration(3)	16,161	18,005	17,113	19,456	70,735
Interest expense, net	38,097	38,919	37,348	38,109	152,473
Provision for income taxes	(15,466)	40,595	71,201	36,275	132,605
Adjusted EBITDA	$ 261,417	$ 262,926	$ 256,667	$ 301,338	$ 1,082,348
Net Debt (total debt, less cash)					$ 3,113,248
Net Debt / LTM Adjusted EBITDA					2.9x

Please reference SABR HISTORICAL Excel spreadsheet at investors.sabre.com for reconciliation of Net Debt / LTM Adjusted EBITDA for twelve months ended 12/31/2016, 12/31/2015, 12/31/2014 and 12/31/2013.

Tabular reconciliations for Non-GAAP measures

Reconciliation of net income (loss) attributable to common shareholders to LTM Adjusted EBITDA (for Net Debt Ratio)
(in thousands; unaudited)

	Three Months Ended				
	Jun 30, 2016	Sep 30, 2016	Dec 31, 2016	Mar 31, 2017	LTM
Net income attributable to common stockholders	$ 72,019	$ 40,815	$ 24,561	$ 75,939	$ 213,334
Loss from discontinued operations, net of tax	2,098	394	5,309	477	8,278
Net income attributable to noncontrolling interests[1]	1,078	1,047	1,150	1,306	4,581
Income from continuing operations	75,195	42,256	31,020	77,722	226,193
Adjustments:					
Acquisition-related amortization [2a]	34,018	39,430	35,847	35,181	144,476
Loss on extinguishment of debt	—	3,683	—	—	3,683
Other, net [4]	(876)	(281)	(23,100)	15,234	(9,023)
Restructuring and other costs [6]	1,116	583	16,463	—	18,162
Acquisition-related costs [7]	516	90	65	—	671
Litigation costs, net [5]	1,901	7,034	41,906	3,501	54,342
Stock-based compensation	12,810	12,913	12,512	8,034	46,269
Depreciation and amortization of property and equipment [2b]	56,214	58,271	65,153	61,300	240,938
Amortization of capitalized implementation costs [2c]	8,211	11,529	9,030	9,189	37,959
Amortization of upfront incentive consideration [3]	13,896	17,139	12,352	16,132	59,519
Interest expense, net	37,210	38,002	41,837	39,561	156,610
Provision for income taxes	31,273	7,208	6,740	31,707	76,928
Adjusted EBITDA	$ 271,484	$ 237,857	$ 249,825	$ 297,561	$ 1,056,727
Net Debt (total debt, less cash)					$ 3,245,084
Net Debt / LTM Adjusted EBITDA					3.1x

Please reference SABR HISTORICAL Excel spreadsheet at investors.sabre.com for reconciliation of Net Debt / LTM Adjusted EBITDA for twelve months ended 12/31/2016, 12/31/2015, 12/31/2014 and 12/31/2013.

Tabular reconciliations for Non-GAAP measures

Reconciliation of Free Cash Flow
(in thousands; unaudited)

	Three Months Ended March 31,	
	2018	2017
Cash provided by operating activities	$ 195,192	$ 123,035
Cash used in investing activities	(64,699)	(88,318)
Cash used in financing activities	(128,471)	(107,788)

	Three Months Ended March 31,	
	2018	2017
Cash provided by operating activities	$ 195,192	$ 123,035
Additions to property and equipment	(64,699)	(88,318
Free Cash Flow	$ 130,493	$ 34,717

2018 Business outlook and financial guidance

With respect to the 2018 guidance provided, full-year Adjusted EBITDA guidance consists of Adjusted Operating Income guidance adjusted for the impact of depreciation and amortization of property and equipment, amortization of capitalized implementation costs and amortization of upfront incentive consideration of approximately $410 million.

Full-year Adjusted Operating Income guidance consists of Adjusted Net Income guidance adjusted for the impact of interest expense, net of approximately $155 million and provision for income taxes less tax impact of net income adjustments of approximately $125 million.

Full-year Adjusted Net Income guidance consists of full-year expected net income attributable to common stockholders adjusted for the estimated impact of loss from discontinued operations, net of tax, of approximately $5 million; net income attributable to noncontrolling interests of approximately $5 million; acquisition-related amortization of approximately $70 million; stock-based compensation expense of approximately $60 million; other items (primarily consisting of litigation and other costs) of approximately $5 million; and the tax benefit of the above adjustments of approximately $20 million. Full-year Adjusted EPS guidance consists of Adjusted Net Income divided by the projected weighted-average diluted common share count for the full year of approximately 278 million.

Full-year Free Cash Flow guidance consists of expected full-year cash provided by operating activities of $715 million to $735 million adjusted for additions to property and equipment of $290 million to $310 million.

Non-GAAP financial measures

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

We define Adjusted Gross Profit as operating income (loss) adjusted for selling, general and administrative expenses, impairment and related charges, amortization of upfront incentive consideration, and the cost of revenue portion of depreciation and amortization, restructuring and other costs, litigation costs, net, and stock-based compensation included in cost of revenue.

We define Adjusted Operating Income (Loss) as operating income (loss) adjusted for joint venture equity income, acquisition-related amortization, restructuring and other costs, acquisition-related costs, litigation costs (reimbursements), net, and stock-based compensation.

We define Adjusted Net Income as net income attributable to common stockholders adjusted for income (loss) from discontinued operations, net of tax, net income attributable to noncontrolling interests, acquisition-related amortization, impairment and related charges, loss on extinguishment of debt, other, net, restructuring and other costs, acquisition-related costs, litigation costs (reimbursements), net, stock-based compensation 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 (benefit) for income taxes.

We define Adjusted Net Income from continuing operations per share (Adjusted EPS) as Adjusted Net Income divided by diluted weighted-average common shares outstanding.

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

Non-GAAP financial measures

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. We also believe that Adjusted Gross Profit, Adjusted Operating Income (Loss), Adjusted Net Income, Adjusted EBITDA 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.

Adjusted Gross Profit, Adjusted Operating Income (Loss), Adjusted Net Income, Adjusted EBITDA, 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 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 Gross Profit and Adjusted EBITDA do not reflect cash requirements for such replacements;
- Adjusted Operating Income (Loss), 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 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 Gross Profit, Adjusted Operating Income (Loss), Adjusted Net Income, Adjusted EBITDA, Adjusted EPS, Free Cash Flow 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 (i) Sabre Travel Network Middle East of 40%, (ii) Sabre Seyahat Dagitim Sistemleri A.S. of 40%, (iii) Abacus International Lanka Pte Ltd of 40%, and (iv) Sabre Bulgaria of 40% beginning in November 2017.
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. This consideration is made with the objective of increasing the number of clients or to ensure or improve customer loyalty. These 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. These 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) In the first quarter of 2017, we recognized a $12 million loss related to debt modification costs associated with our debt refinancing. In the full year 2017, Other, net includes a benefit of $60 million due to a reduction to our liability under the tax receivable agreement ("TRA") primarily due to a provisional adjustment resulting from the enactment of the Tax Cuts and Jobs Act ("TCJA") which reduced the U.S. corporate income tax rate, offset by a loss of $15 million related to debt modification costs associated with a debt refinancing. In 2016, we recognized a gain of $15 million from the sale of our available-for-sale marketable securities. In addition, other, net includes 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) Litigation costs (reimbursements), net represent charges and legal fee reimbursements associated with antitrust litigation. In 2017, we recorded a $43 million reimbursement, net of accrued legal and related expenses, from a settlement with our insurance carriers with respect to the American Airlines litigation. In 2016, we recorded an accrual of $32 million representing the trebling of the jury award plus our estimate of attorneys' fees, expenses and costs in the US Airways litigation.
6) Restructuring and other costs represent 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. We recorded $25 million and $20 million in charges associated with announced actions to reduce our workforce in 2017 and 2016, respectively. These reductions aligned our operations with business needs and implemented an ongoing cost and organizational structure consistent with our expected growth needs and opportunities.
7) Acquisition-related costs represent fees and expenses incurred associated with the acquisition of the Trust Group and Airpas Aviation.
8) Impairment and related charges represents an $81 million charge in 2017 associated with net capitalized contract costs related to an Airline Solutions' customer based on our analysis of the recoverability of such amounts.