

Goldman Sachs Internet Conference

Michelle Peluso



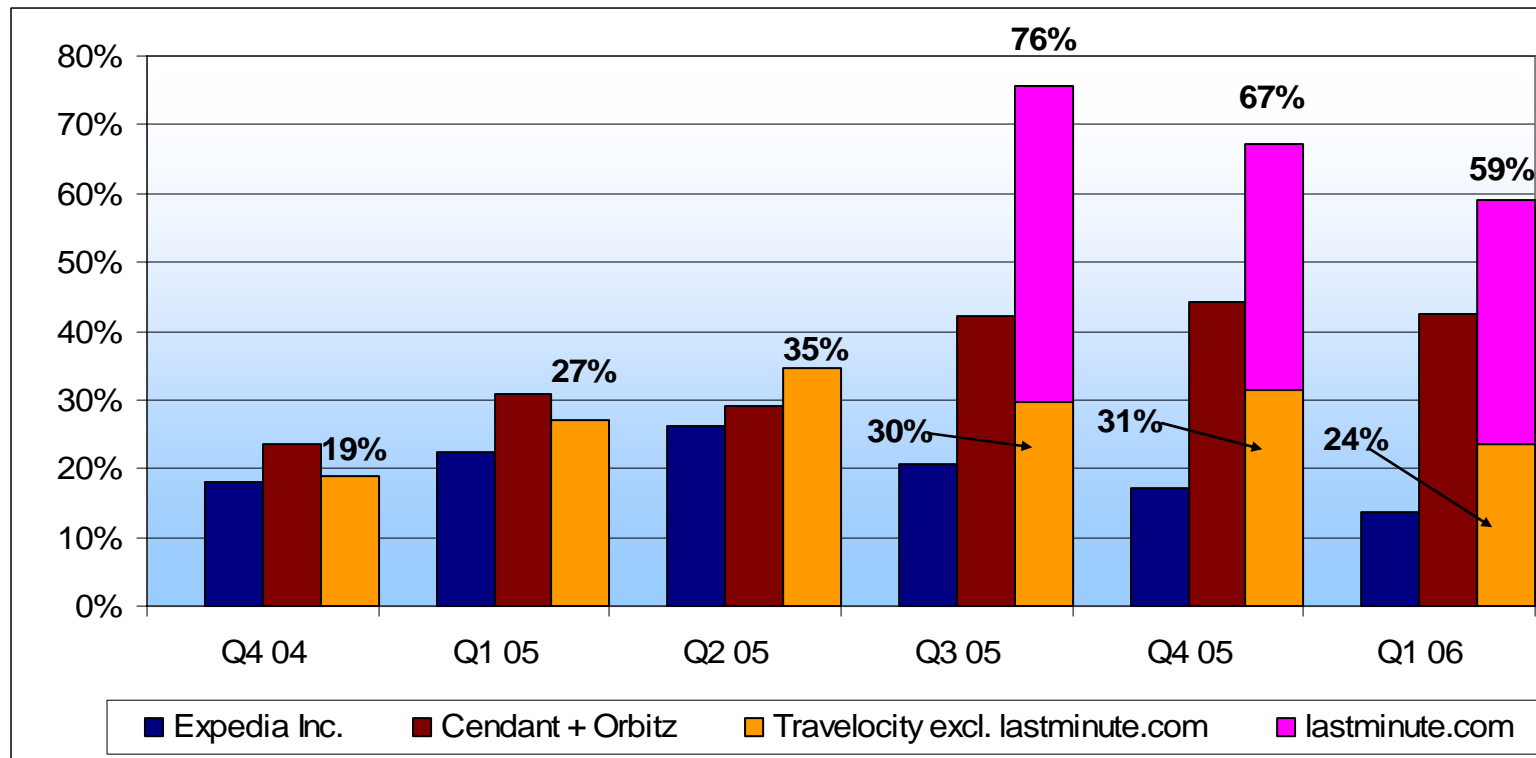
Las Vegas
May 25, 2006

2005 Accomplishments & Financial Results

Travelocity 2005 Accomplishments

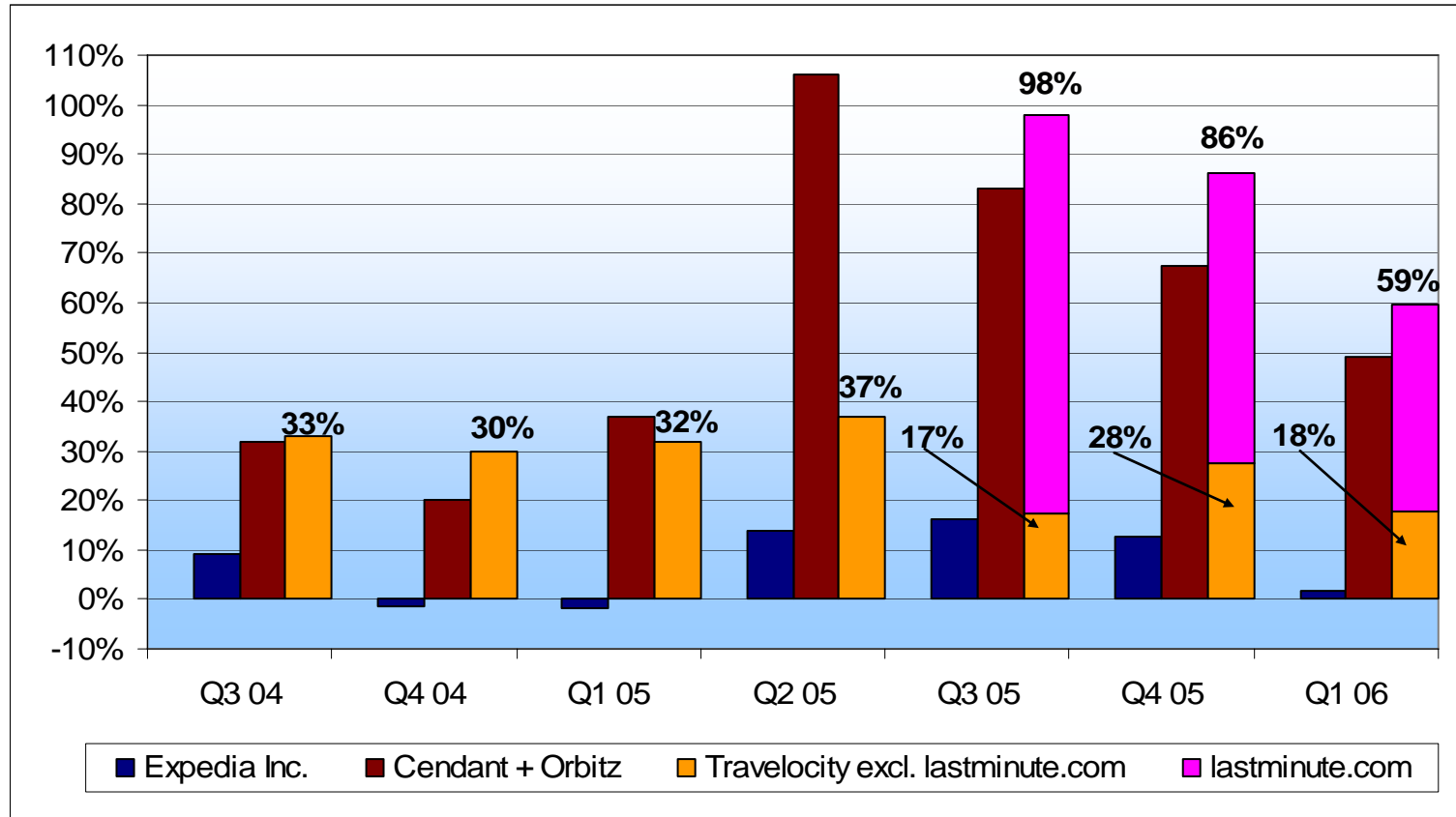
- **Acquired lastminute.com, significantly increasing scale and online presence in Europe**
- **Launched Travelocity's Service Guarantee Program**
- **Strong North America growth rates, significantly better than the industry average**
- **Achieved substantial share gains versus online agency competitors**
- **Gross travel booked for the year of \$7.4 billion – 51% growth**
- **Full year global revenue of \$830 million, growth of 65%**
- **More than doubled full year operating income.....with more work to do**

Gross Sales Growth (including International)



• In North America, Travelocity grew at 1.7 times the rate of competitors in 2005

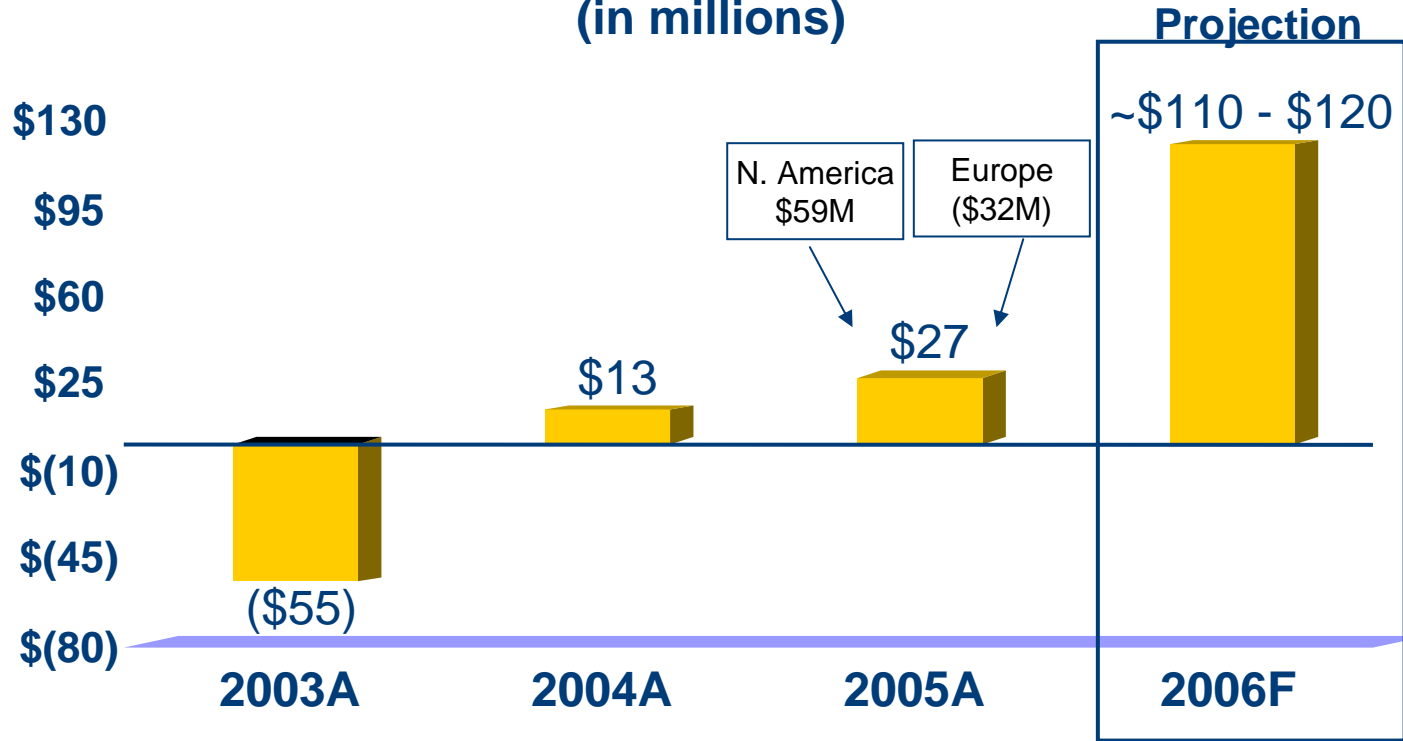
Revenue Growth (including International)



We've Registered, and Continue to Drive, Sizeable Improvements in Operating Income



Travelocity Adjusted Operating Income* (in millions)



GAAP Operating Income 2003 (\$100) 2004 (\$21) 2005 (\$3) 2006 ~\$43 - \$53

*GAAP reconciliation in Appendix A

1Q06 Results

- **Strong growth in global revenue and gross travel booked of 59%**
 - North America revenue of \$167 million, growth of 18% with transaction revenue growth of 21%
 - Revenue from Europe of \$67 million
- **Exceeded operating income targets for the North American business; below expectations in the European business**
- **Continued to see benefit from effective marketing**
 - Strong revenue growth in North America while keeping marketing spend flat
- **3.2 million hotel room nights sold across the Travelocity network, growth of 54% y/y**
- **Strong performance in Travelocity Business with bookings up 87% y/y**

lastminute.com

Who is lastminute.com?

Holidays

- **Over 250 tour operator relationships**

Airlines

- **Over 100 partnerships**

Hotels

- **Over 15,000 contracted relationships**

Car Hire

- **Over 150 worldwide relationships with majors and national independents**

Lifestyle

- **More West-End theatre partners than Ticketmaster**
- **Over 1,000 restaurant partners**

Source: Broker's Research

A Strong Strategic Fit for Travelocity

Geographic diversification



Product diversification



Strategic benefit

- Creates the leading position in Europe
- Global supplier value proposition
- Complementary supplier relationships
- Significant combined brand power
- Strong management team
- Excellent cultural fit and entrepreneurial spirit

Status of lastminute.com Integration



Revenue Opportunities

Opportunity	Status
Leverage best products	Travelocity merchant hotels in Europe - 4Q05 lastminute.com hotels on Travelocity.com by 2Q06
Refer customers between sites	Currently in progress
Sabre GDS conversion	Partial conversion to be completed by 2Q06
Launch lastminute.com in U.S.	Began in 1Q06
Holiday Autos and Med Hotels available through Sabre GDS	Expect to begin in 3Q06

Cost Reduction Opportunities

lastminute.com cost reductions	Currently in progress
Rationalize marketing spend	Complete
Consolidate technology platforms	Front-end integration in every country complete
Call center consolidation	U.K. complete and work underway across Europe
Significant cost reductions in G&A	Currently in progress

Customer Championship

Becoming a Customer Champion



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.

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.

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](#).

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 shopping 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 you arrive 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.

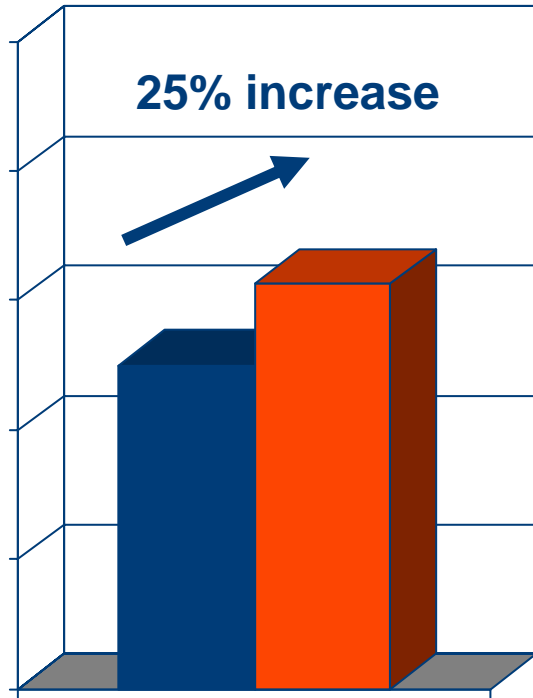
Call us 24/7: **888-872-8356**
or email us at guarantee@travelocity.com.

The Travelocity Guarantee in Action

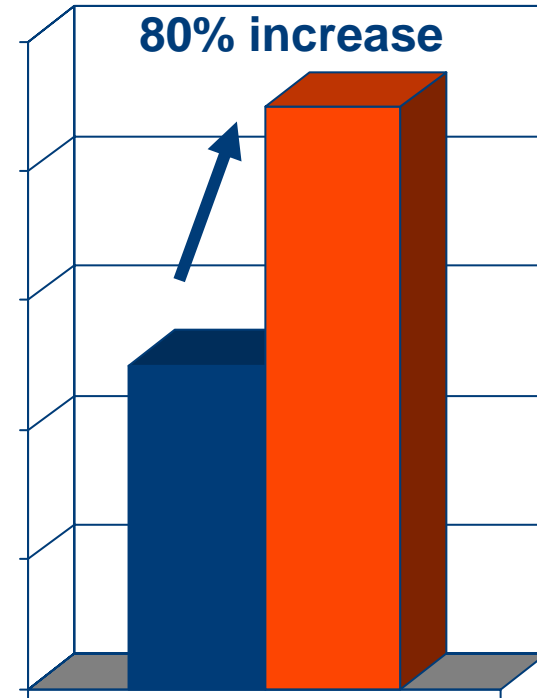
[Security Guarantee](#) | [* Means Some Taxes & Fees Additional](#) | [Travelocity World MasterCard](#)

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Results Are Encouraging



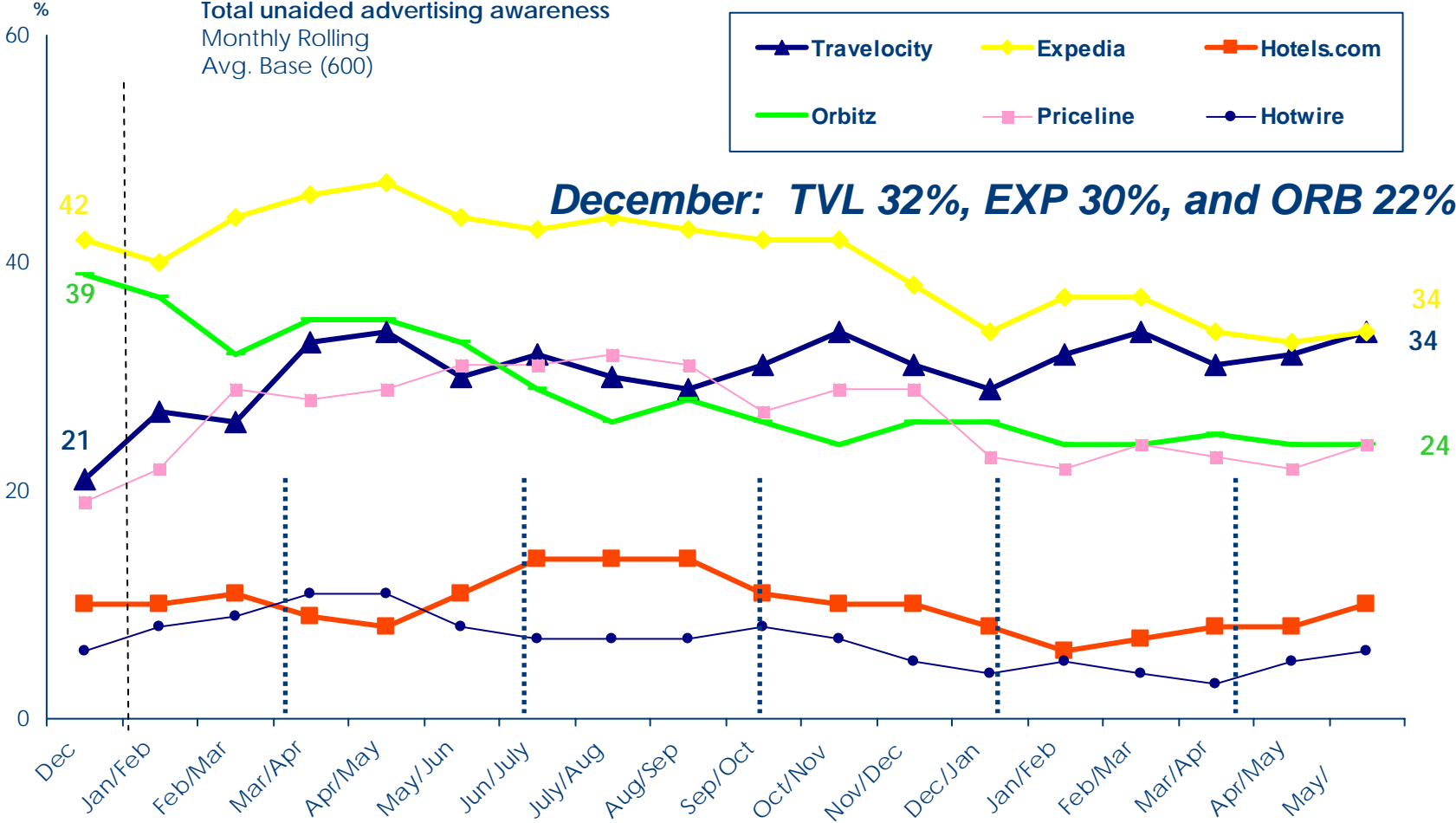
Customer Satisfaction



Brand Perception



Our Marketing Effectiveness Has Improved Significantly



Q3 Which online travel sites have you seen or heard advertising for recently thinking both of more traditional places such as magazines, newspapers, on television, radio, or billboards, as well as less traditional places like stickers, postcards, events, the Internet, etc..?
 □= significant difference at 90% confidence level vs. previous month

2006 Priorities/Financial Projections

- **Grow profitability and cash flow**
 - Top-line expansion
 - Ongoing cost reduction
- **Differentiate in North America by being the customers' champion every step of the way**
- **Complete lastminute.com integration and drive operational excellence and profitability**
- **Continue to lead on supplier relationships and marketing effectiveness**
- **Ensure each employee is passionate about Travelocity's success**

2006 Financial Projections*

- **Global revenue approaching \$1.2 billion, ~ 40% growth**
 - North America growth approaching 20%
 - Europe revenue of \$410 - \$420 million, >100% growth
- **Operating margin approaching 10%, adjusted**
 - Operating margin mid-single digits, GAAP
- **Adjusted EBITDA and operating income more than tripling Y/Y**
 - GAAP operating income of ~\$50 million

*Projections as of May 4th, 2006. We are not reiterating or updating our guidance.



The End

Appendix A – Travelocity Reconciliations

Travelocity Operating Earnings Reconciliation

	2003	2004	2005			2006	
			N.A.	Europe	Total	Low	High
GAAP Operating Income (loss)	(\$100)	(\$21)	\$52	(\$55)	(\$3)	\$43	\$53
Add: Amortization of intangibles	42	28	6	22	28	54	54
Add: stock compensation	8	5	1	-	1	13	13
Add: facilities charge related to BU integration	4						
Less: recognition of deferred revenue on warrants	(8)						
Adjusted Operating Income (Loss)	(\$55)	\$13	\$59	(\$32)	\$27	\$110	\$120

Travelocity Adjusted EBITDA Reconciliation

	2006
GAAP Operating Income	47
Add: Amortization of intangibles	95
Add: stock compensation	13
Adjusted EBITDA	>155

*Beginning in 2006, definitions of certain non-GAAP financial measures including Adjusted Operating Income, Adjusted Net Earnings and Adjusted EBITDA have been revised to adjust for all stock compensation expenses recognized in accordance with FAS 123R. As a result, 2006 non-GAAP financial measures may not be directly comparable to similarly titled financial measures for prior years. Definitions of 2006 and 2005 non-GAAP financial measures are available at <http://www.sabreholdings.com/investor/index.html>.

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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-K 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>.