

Orbitz Worldwide, Inc. Reports First Quarter 2008 Results

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Gross bookings in the first quarter of 2008 totaled \$2.9 billion as international gross bookings grew 41 percent to \$488 million.

- Net revenue for the first quarter of 2008 increased three percent to \$219 million.

- Net loss for the first quarter of 2008 was \$15 million.

- Adjusted EBITDA for the first quarter of 2008 was \$21 million.

Orbitz Worldwide, Inc. (NYSE:OWW) today announced results for the first quarter ended March 31, 2008. Net revenue increased to \$219 million for the first quarter of 2008, up three percent from \$212 million for the first quarter of 2007. The company reported a net loss in the first quarter of 2008 of \$15 million or \$0.18 per share, compared to a net loss of \$10 million in the first quarter of 2007. Adjusted EBITDA for the first quarter of 2008 was \$21 million.

"We anticipated that the first quarter of 2008 would be a difficult comparison against a very strong 2007 first quarter," said Steven Barnhart, CEO and president of Orbitz Worldwide. "We plan to launch new functionality on our domestic sites and support it with a new advertising campaign, and thus we expect both topline and bottomline growth to accelerate through the balance of 2008. We are excited about these new features, which we believe will offer real value to our customers, strengthen the position of Orbitz.com and Cheaptickets.com as the best places to search for and book travel, and reignite growth in our domestic business. Consumers have indicated that they still intend to enjoy their summer vacations, and we believe these new tools will help price-conscious consumers find and purchase the best travel values.

"In the first quarter, we continued to pursue our key initiatives of expanding our presence in rapidly growing international markets and building our non-air businesses," continued Barnhart. "We are pleased with the performance of our international businesses and are on track to move the balance of our ebookers sites onto our new global platform by the end of this year. We continue to add to our global sourcing team and build direct relationships with more hotels."

The attached Appendix A entitled "Non-GAAP Financial Measures" provides a definition and information about the use of non-GAAP financial measures in this press release and reconciles these non-GAAP financial measures to the GAAP financial measures that Orbitz Worldwide considers to be the most comparable.

First Quarter Financial Highlights

Gross Bookings and Net Revenue

For the first quarter of 2008, Orbitz Worldwide's gross bookings were \$2.9 billion, equal to the first quarter of 2007. International gross bookings were \$488 million, an increase of 41 percent (28 percent after adjusting for the impact of foreign currency fluctuations). Most of the growth in international gross bookings resulted from a higher number of transactions. Gross bookings at ebookers increased 45 percent to \$386 million in the quarter, with strength in both air and non-air. More than half of ebookers' markets achieved growth of over 50 percent in gross bookings in the quarter. HotelClub reported an increase in gross bookings of 31 percent to \$102 million. Results were particularly strong in Asia Pacific markets such as Australia, with 55 percent growth, and Japan, with 41 percent growth. These comparisons exclude the results of Travelbag, the U.K. offline travel company sold in July 2007.

Domestic gross bookings declined six percent for the first quarter of 2008 to \$2.4 billion, with price increases more than offset by declines in transaction levels for both air and non-air bookings. Worldwide bookings for the air business declined one percent to \$2.1 billion, and worldwide bookings for the non-air and other businesses increased three percent to \$804 million compared to the first quarter of 2007.

Net revenue for the first quarter of 2008 was \$219 million, an increase of three percent from \$212 million in the first quarter of 2007. The impact of purchase accounting adjustments, which reduced reported net revenue in the first quarter of 2007, was largely offset by the absence of revenue in the 2008 quarter from Travelbag, the offline U.K. travel business sold in July 2007.

Air net revenue was \$95 million for the first quarter of 2008, down \$4 million or four percent from \$99 million in the first quarter of 2007. A decline in domestic air transactions was offset in part by higher net revenue per ticket in our U.S. operations.

Non-air and other net revenue, which consists primarily of hotel, car, dynamic packaging, advertising and insurance revenue, was \$124 million for the first quarter of 2008, up 10 percent from \$113 million in the first quarter of 2007. International non-air and other net revenue increased 15 percent, while domestic non-air and other net revenue improved eight percent.

Domestic revenue was \$168 million for the first quarter of 2008, an increase of one percent from first quarter 2007 revenue of \$166 million. The company continued to experience weakness in the domestic air business in the first quarter of 2008, but the decline in domestic air revenue was offset by revenue increases from advertising, travel insurance and hotels.

International revenue was \$51 million for the first quarter of 2008, an increase of 11 percent from \$46 million reported in the first quarter of 2007.

In an effort to improve comparability between years, the company has posted on its website (<http://orbitz-ir.com/>) a chart that adjusts net revenue for purchase accounting impacts, the sale of the offline U.K. travel business and currency fluctuations.

Additional operating metrics used by management to evaluate the results of Orbitz Worldwide are attached to this press release in Appendix B.

Expenses

Orbitz Worldwide's cost of revenue was \$43 million (20 percent of net revenue) in the first quarter of 2008, compared to \$38 million (18 percent of net revenue) in the first quarter of 2007. Some of this increase is attributable to a higher level of charge-backs at one of our international locations early in 2008. The company has installed new revenue protection software and tighter security measures, and as a result, charge-backs are expected to decline.

Marketing expenses in the first quarter of 2008 were \$85 million, an increase of four percent from \$82 million in the first quarter of 2007. Increased advertising in continental Europe was offset in part by slightly lower online marketing expenditures in the U.S.

Selling, general and administrative (SG&A) expenses increased 10 percent in the first quarter of 2008 to \$77 million from \$70 million in the same period of 2007. Some portion of the increase relates to higher staffing levels as the company builds its hotel sourcing team and adds capabilities in the finance and legal functions to undertake corporate-level functions formerly provided by Travelport.

Adjusted EBITDA

Adjusted EBITDA was \$21 million in the first quarter of 2008. Additional details can be found in Appendix A attached to this press release.

Interest and Capital Spending

Orbitz Worldwide incurred net interest expense of \$16 million in the first quarter of 2008, compared to net interest expense of \$19 million in the first quarter of 2007. Interest expense for the 2008 quarter primarily related to the \$600 million term loan the company entered into in connection with its initial public offering in July 2007. Interest expense for the 2007 quarter related to the intercompany loan with Travelport that was repaid in connection with the IPO. Cash interest payments (net of capitalized interest) were \$11 million for the first quarter 2008, whereas all of the interest expense in the first quarter of 2007 was non-cash.

Capital spending for the first quarter of 2008 was \$12 million, a decrease of \$2 million from capital expenditures of \$14 million in the first quarter of 2007.

Other Highlights through April

The company continued to build its global hotel sourcing team, increasing the size of its market manager team by 13 percent in the first quarter.

The company announced a new distribution agreement with Carlson Hotels Worldwide, one of the world's largest hotel companies operating in more than 970 locations in 71 countries. The agreement brings additional Carlson Hotels Worldwide inventory and services to Orbitz Worldwide's global portfolio of brands and increases the company's direct access to nearly 1,000 additional hotel properties around the world.

HotelClub launched a new extranet on HotelClub.com in order to create an enhanced and more flexible partnership with hoteliers around the world, enabling properties to adjust rates and availability directly.

Orbitz.com launched myidealbeach.com, a new online tool that helps customers find their ideal beach vacations based on the criteria that are important to them.

In April, HotelClub launched DreamClub, an extension and enhancement of its existing HotelClub rewards program.

HotelClub launched a new advertising campaign with the theme "We are competitive in beds."

Orbitz for Business added major new clients including Fujitsu, Michaels Stores and Bendix Commercial Vehicle Systems.

Harrah's Entertainment signed a partnership agreement with Orbitz Worldwide that makes the hotel inventory of the Harrah's Operating Company, including Harrah's Resort, Caesars, Showboat, and Bally's, available through a portfolio of Orbitz Worldwide brands.

Orbitz introduced live destination specialists for select vacation hotspots who are available to assist online bookers with planning the perfect vacation as they browse Orbitz.com. Orbitz destination specialists, travel experts with extensive knowledge of local information, assist with air, hotel and car reservations, as well as attractions and services.

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