

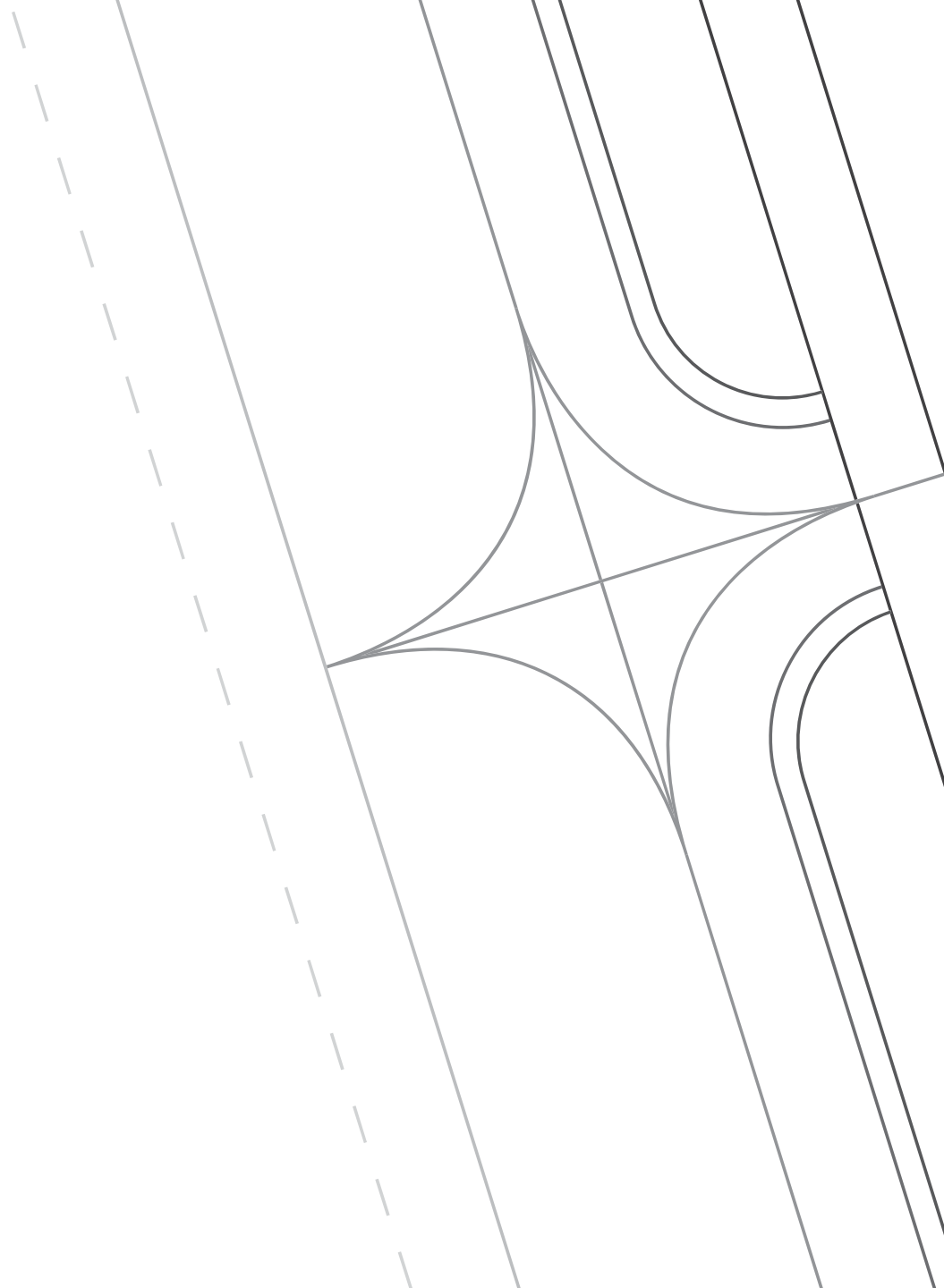
ARC

ARC

MIKE HERRITY

Director, Financial Operations

arccorp.com

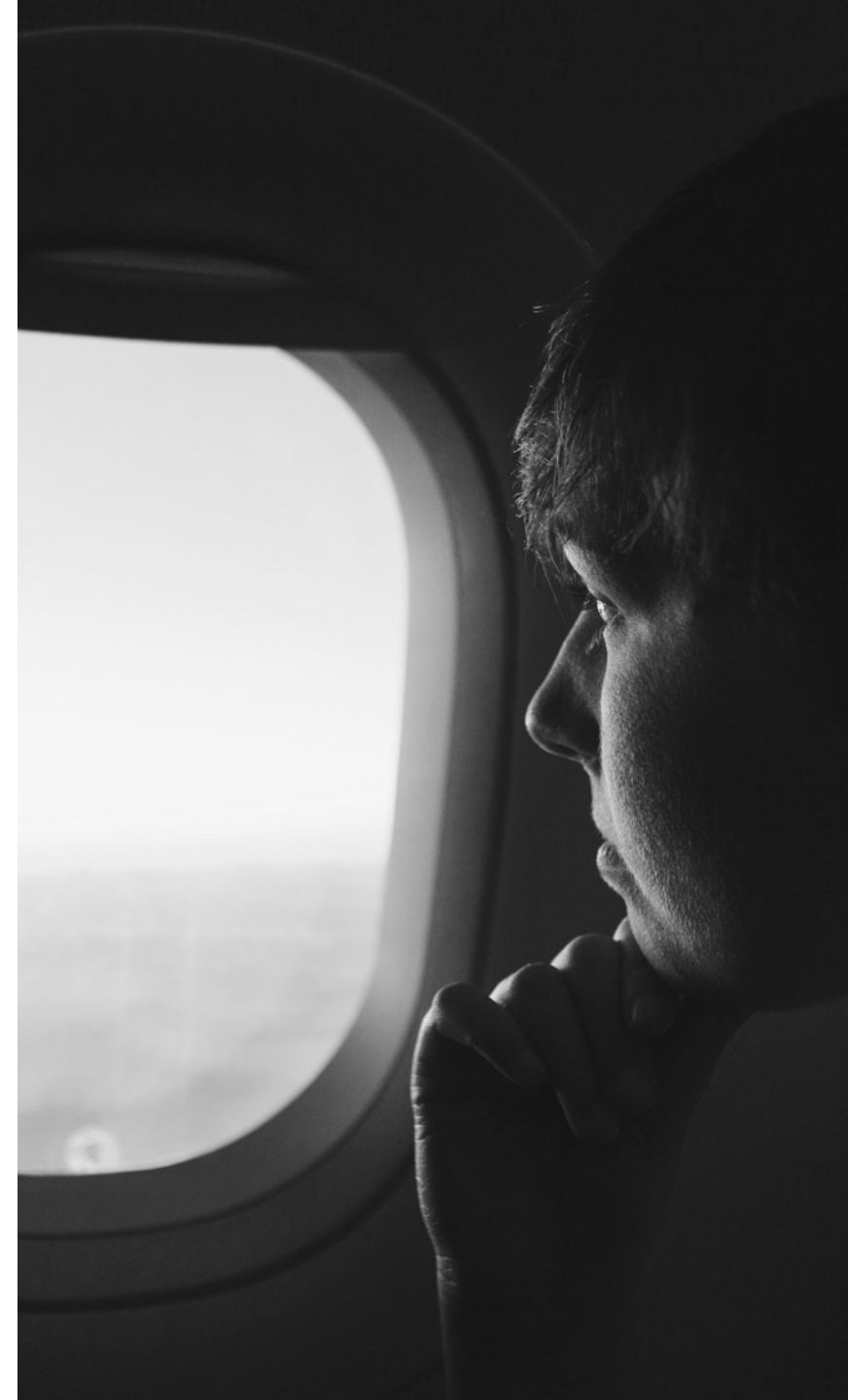


ARC's Vision

Enable the growth of global air travel to strengthen economies and enrich lives.

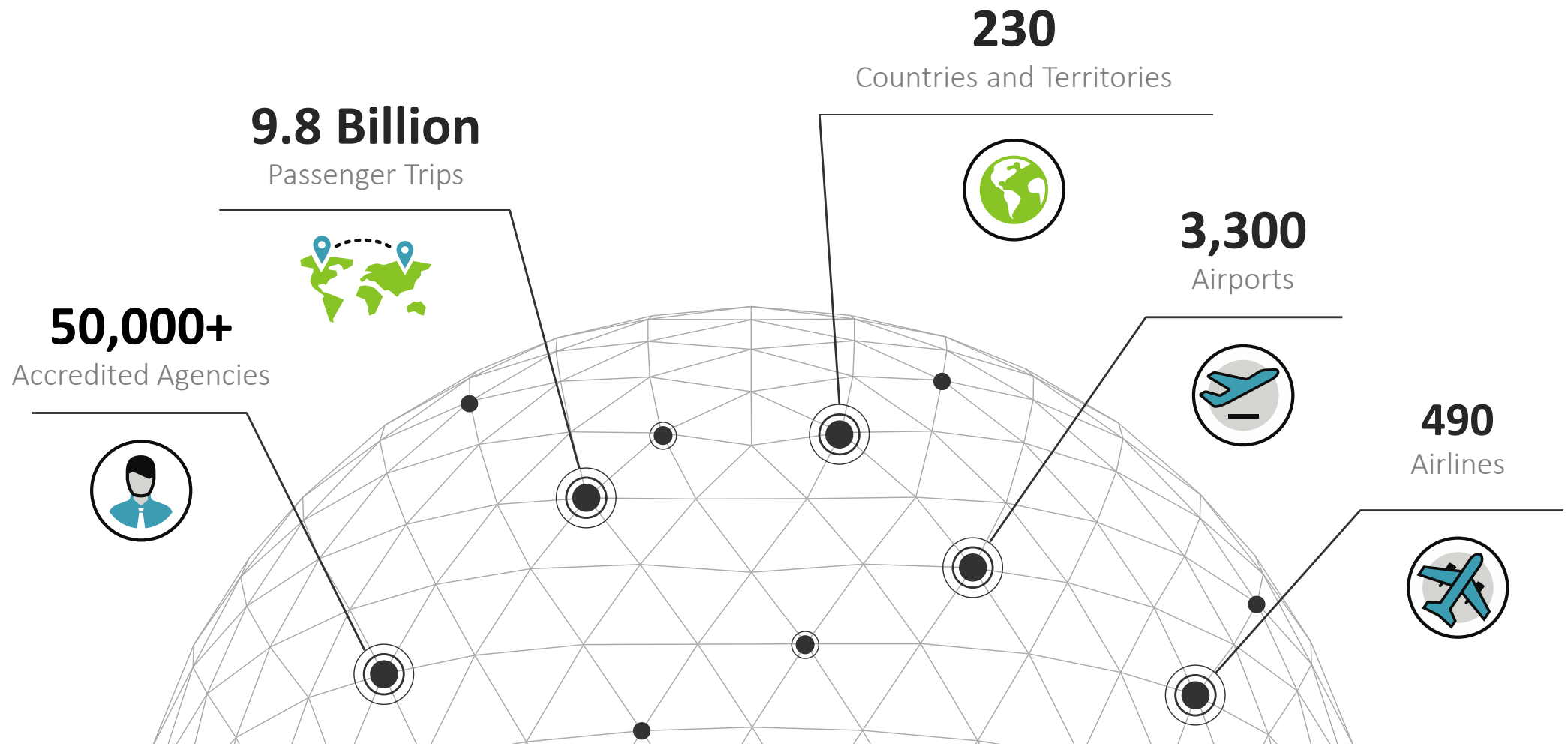
ARC's Mission

Accelerate the growth of global air travel.

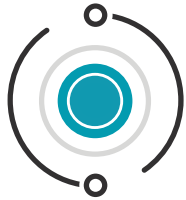


ARC's Global Dataset

The world's largest repository of global air ticketing data



Our Core Business



200 Million

Transactions settled
by ARC



\$97 Billion

Dollars settled
by ARC



234 Airlines

Participate
with ARC



11,000+ Agencies

Accredited
with ARC

ARC by the Numbers Today



296

Employees



10,724

Accredited Agency
Locations



236

Participating
Carriers



\$38.8B

2021 Air Sales



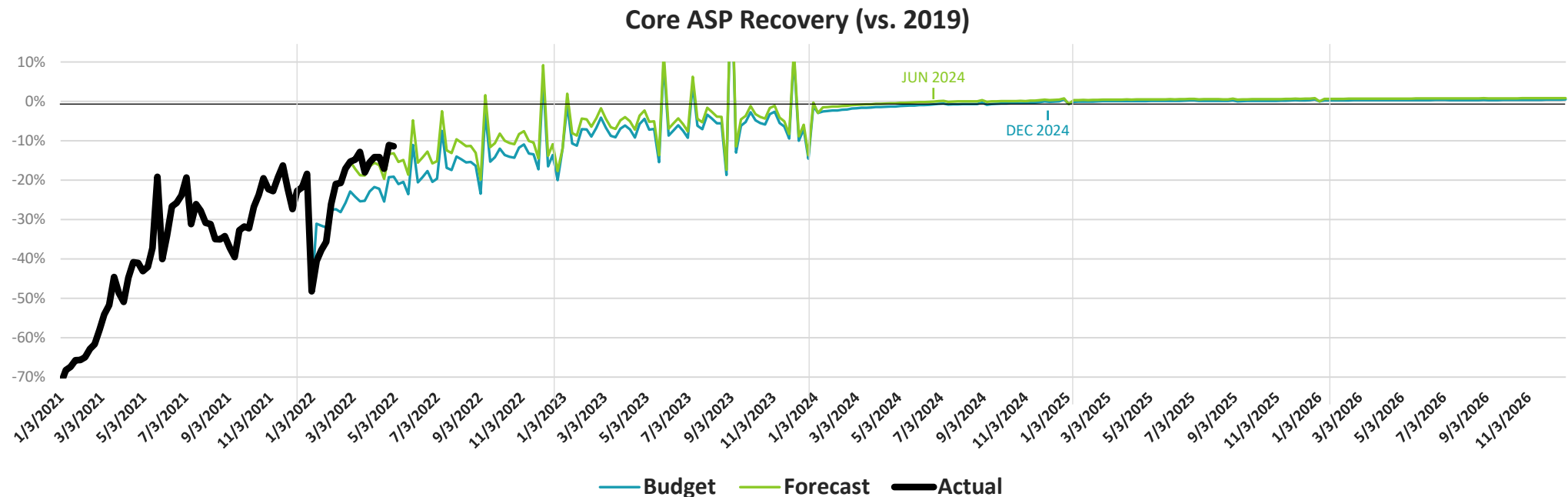
121M

2021 Tickets
Processed

Transaction Forecast

Current Transaction Forecast 2022 and Beyond – Core ASP

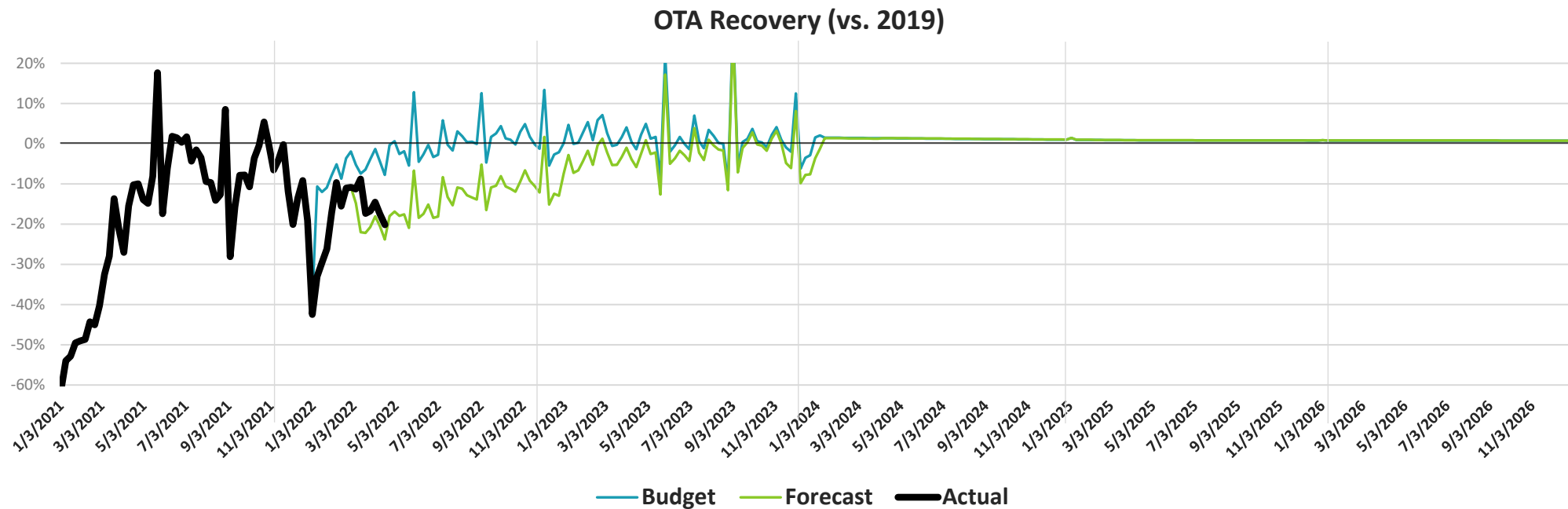
- The omicron variant impacted transaction results at the start of 2022, though transactions quickly recovered in late January.
- We're currently seeing results fluctuate around the -15% YOY mark (vs. 2019), with expectations that this trend will only slowly improve for the rest of the year.
- The forecast for the rest of 2022 is to see a modest recovery, finishing the year close to -10% YOY.
- Current expectations are for Core ASP volumes to slowly return to pre-pandemic 2019 levels by June 2024.
 - The slow recovery expectation is based on the post-financial crisis recovery trend from 2009 to 2015, where we saw stagnant growth for five years.
 - Current inflation concerns also support the conservative outlook.



Transaction Forecast

Current Transaction Forecast 2022 and beyond – OTA

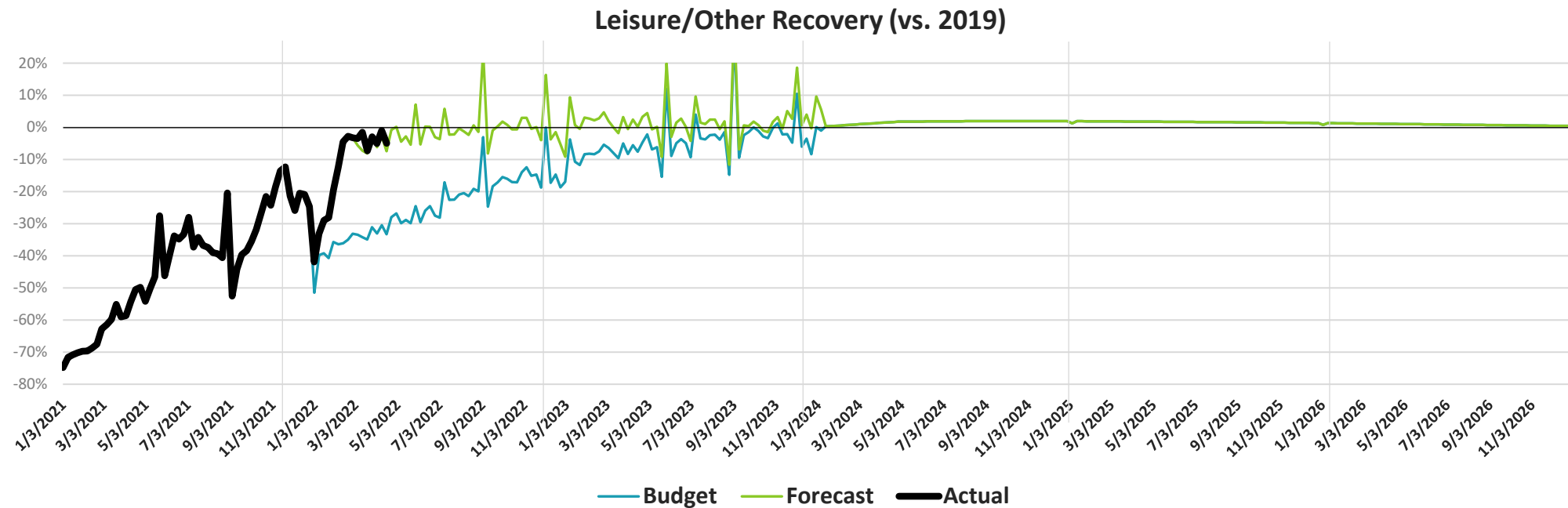
- We saw OTAs impacted by omicron right after Thanksgiving last year, with a bit of a recovery in late January 2022.
 - This post-omicron recovery stalled quickly, however, and we're currently seeing YOY variances on a decline for these agencies, most likely being driven by inflation impacts.
- OTA results are well below budgeted expectations, and it's currently expected that we'll only see a gradual recovery for the remainder of the year, finishing close to -10% YOY (vs. 2019). The OTAs were actually seeing 2019 comparable volumes last June but are currently not expected to see these levels again until late 2023.



Transaction Forecast

Current Transaction Forecast 2022 and beyond – Leisure/Other (Consolidators/Cruise/Tour/Leisure)

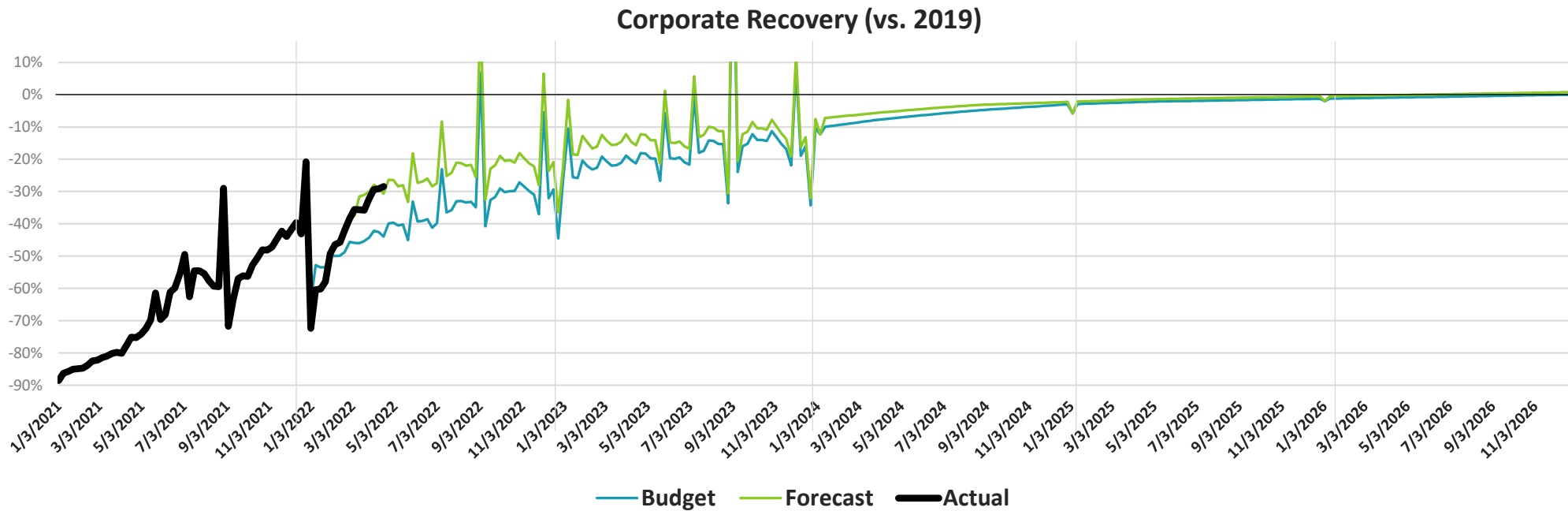
- The Leisure/Other agencies also began to see an impact from omicron after Thanksgiving last year, but these agencies saw a very strong rebound in late January 2022.
- This agency category quickly bounced up to the ~ -4% YOY mark, staying well ahead of budget all year so far, but has since stalled out at this level for the past 10 weeks.
 - It's currently expected that this agency category will slowly get back to pre-pandemic 2019 levels later this year, at which level it's expected to fluctuate around for the foreseeable future. The strong growth trends appear to be over for the most part.



Transaction Forecast

Current Transaction Forecast 2022 and beyond – Corporate

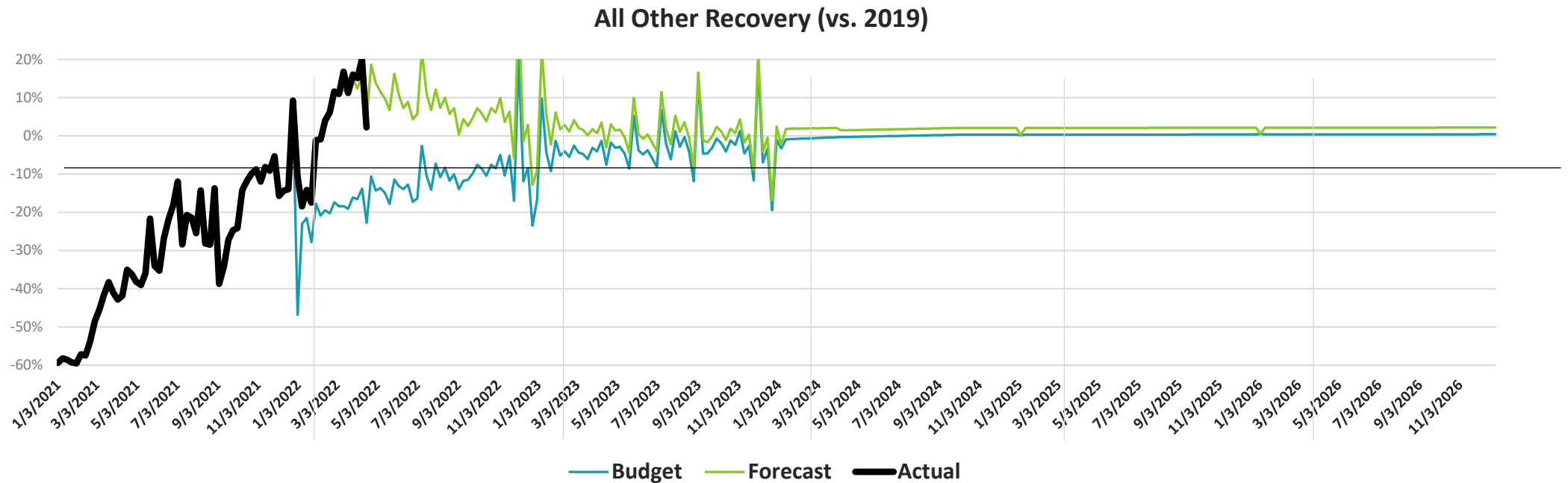
- Corporate agencies saw a distinct impact from the omicron wave to start the year, but recovered in late January, quickly surpassing budgeted expectations.
 - This quick recovery trend slowed in April and the current forecast shows a more gradual improvement for the rest of the year.
- Forecast expectations are to see a slow/steady corporate recovery trend, finishing the year with YOY variance close to -20%.



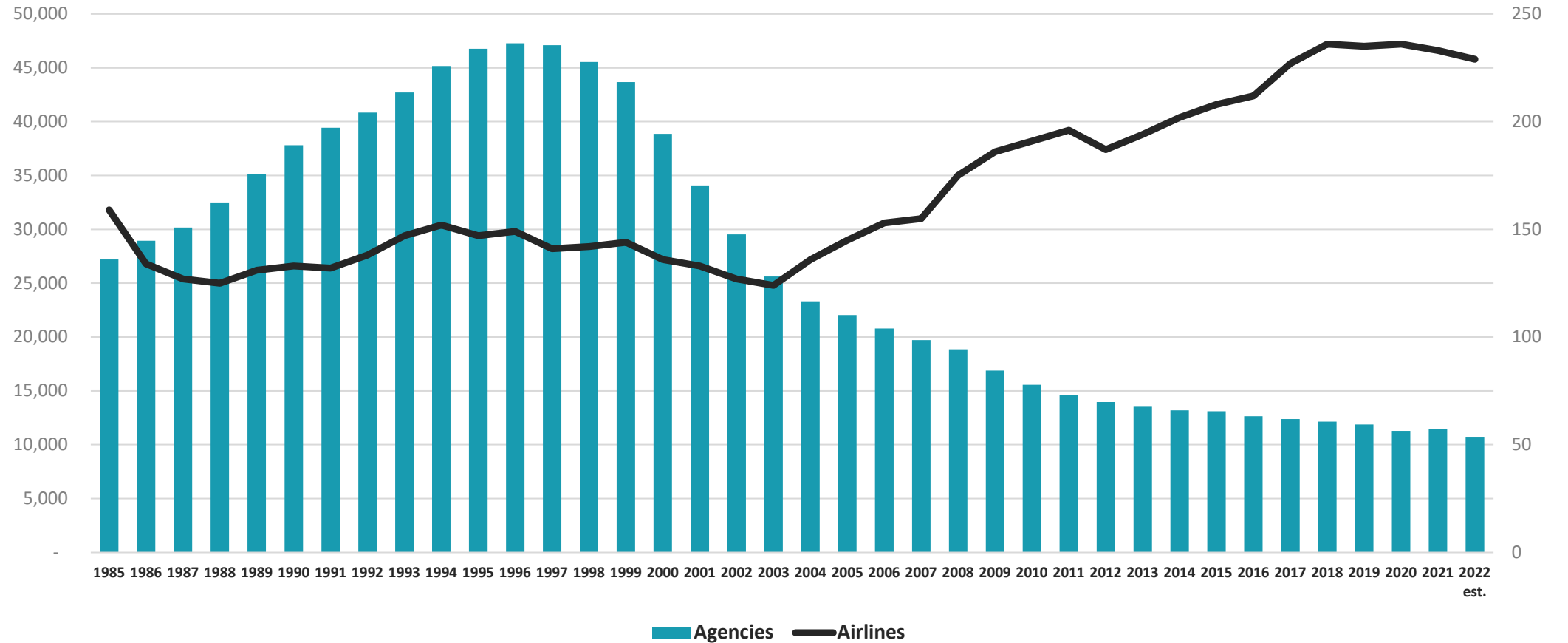
Transaction Forecast

Current Transaction Forecast 2022 and beyond – All Other

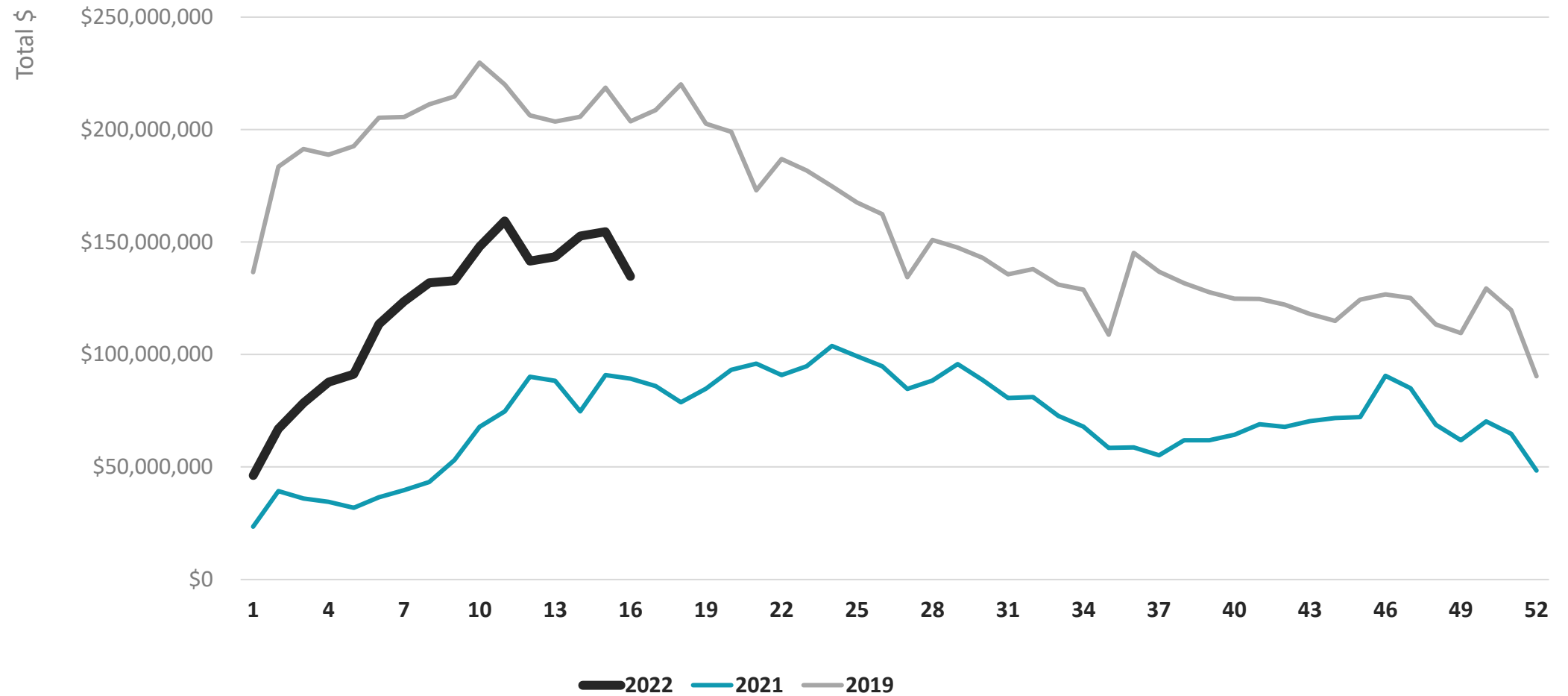
- The ‘All Other’ category of agencies were the least impacted by omicron and have been trending well ahead of budget for the year so far.
- The transaction volume coming through these agency channels surpassed 2019 levels in mid-February and continues to see an improving trend, averaging approx. +15% higher than 2019 from the end of February until the recent Easter holiday-impacted week in mid-April.
- The current expectation is for these agencies to slowly see a softening in YOY variances through the rest of the year.



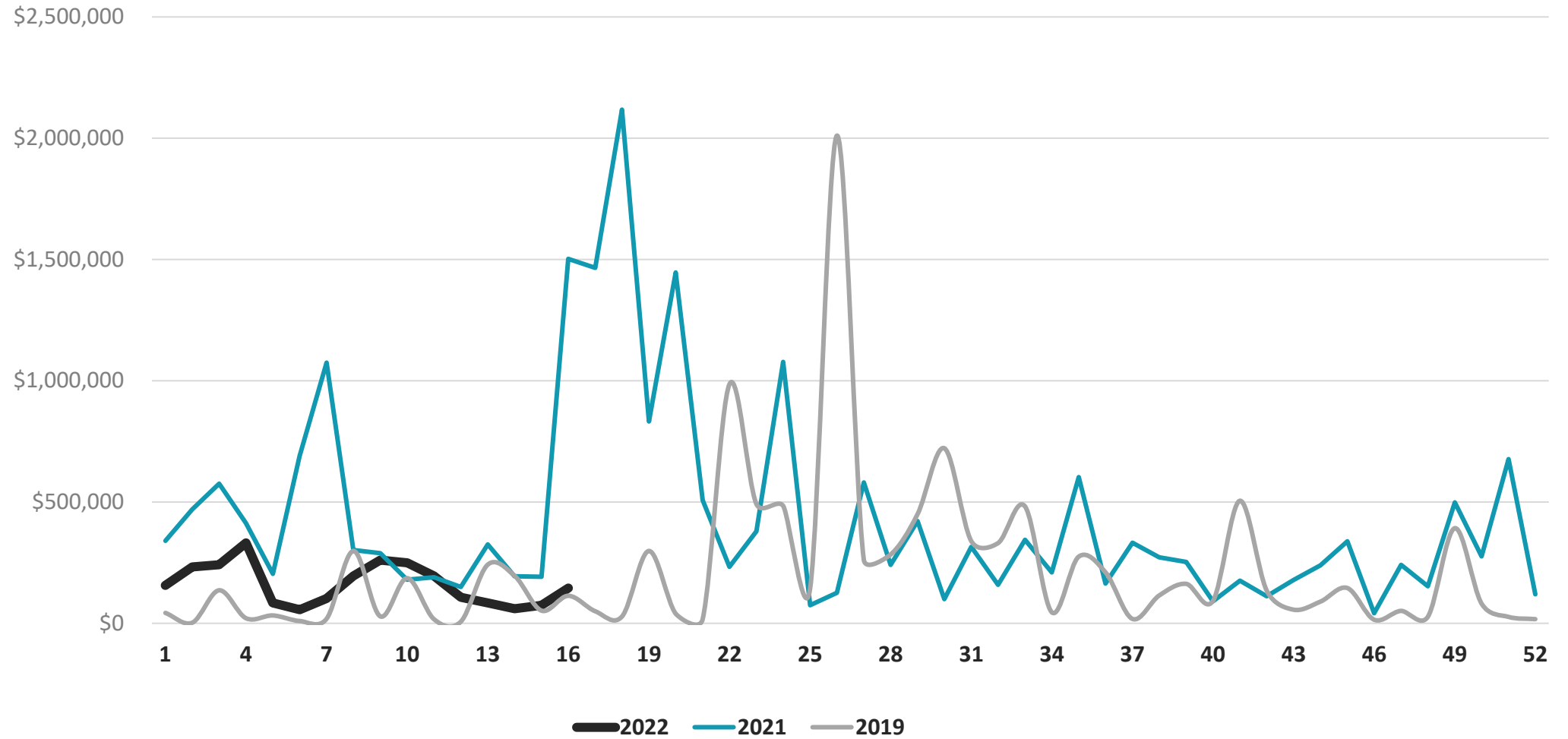
ARC Airline and Agency Participation



Carrier Disbursements by Week



Airline Shortages



What's Next for Air Travel and ARC?

Airlines

- Business and int'l recovery
- Shop-offer-order-pay
- Product differentiation
- Customer experience
- Lifetime value and loyalty

ARC

- Expand and enhance data, distribution and financial services.
 - Get more data to enrich products.
 - Enable “buy anywhere, get service anyhow” capabilities.
 - Future-proof settlement and ARC Pay.
- “I love my job!” - supporting teamwork, professional development and innovation

Changes in ARC Leadership



Lauri Reishus

President & CEO



Steve Solomon

Vice President, Global
Customers & Data Products



John McCorry

Chief Information Officer &
Vice President, Business
Technology



Tiana Moore

Vice President, Finance

ARC

**ANY
QUESTIONS?**

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