

The SABRE Group Holdings, Inc.
Condensed Statements of Income
Three months ended March 31
(In millions, except per share amounts)

	<u>1997</u>	<u>1996</u>			
	<u>Actual</u>	<u>Pro forma</u>	<u>Change*</u>	<u>Actual</u>	<u>Change</u>
Revenues (2)					
Electronic travel distribution	\$308	\$292	5.7%	\$296	4.1%
Information technology solutions	<u>132</u>	<u>129</u>	1.8%	<u>132</u>	0.0%
Total revenues	440	421	4.5%	428	2.8%
Operating expenses (2)	<u>332</u>	<u>311</u>	6.6%	<u>312</u>	6.4%
Operating income	108	110	(1.7%)	116	(6.9%)
Other income (expense)					
Interest income (expense), net (3)	0	(4)	n/m	1	n/m
Other, net	<u>1</u>	<u>(2)</u>	(143.6%)	<u>(2)</u>	n/m
Income before provision for income taxes	109	104	5.0%	115	(5.2%)
Provision for income taxes	<u>42</u>	<u>40</u>	5.3%	<u>45</u>	(6.7%)
Net earnings	<u>\$67</u>	<u>\$64</u>	4.8%	<u>\$70</u>	(4.3%)
Earnings per common share	\$0.51	n/a		n/a	
Pro forma earnings per common share (1)	n/a	\$0.49		\$0.54	
Weighted average shares	130.8	130.6		130.6	
Reservations booked using SABRE	95	92		92	

(1) The pro forma earnings per common share calculations are based upon weighted average common shares outstanding assuming the Reorganization and initial public offering were consummated January 1, 1995.

(2) Pro forma adjustments include the impact of new contracts with American Airlines which were effective Jan. 1, 1996 and the impact of certain other transactions resulting from the legal reorganization of the Company.

(3) Pro forma adjustment represents interest expense resulting from the issuance of a debenture to AMR which was partially repaid with proceeds from the Company's initial public offering.

*Percents shown reflect changes in unrounded numbers and may not agree to the changes in the rounded figures.