

TheStreet Quant Ratings

SABRE CORP

BUY						HOLD			SELL								RATING SINCE	03/17/2020	
A+	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E+	E	E-	F				
Annual Dividend Rate \$0.56						Annual Dividend Yield 7.17%			Beta 1.73			Market Capitalization \$2.2 Billion			52-Week Range \$3.30-\$25.44				Price as of 6/11/2020 \$7.81

Sector: **Information** | Industry Group: **Data Processing, Hosting, and Related Services**

SABR BUSINESS DESCRIPTION

Sabre Corporation, through its subsidiary, Sabre Holdings Corporation, provides technology solutions to the travel and tourism industry worldwide. It operates in three segments: Travel Network, Airline Solutions, and Hospitality Solutions.

STOCK PERFORMANCE (%)

	3 Mo.	1 Yr.	3 Yr (Ann)
Price Change	-14.93	-64.44	-29.89

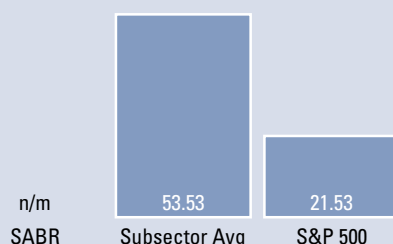
GROWTH (%)

	Last Qtr	12 Mo.	3 Yr CAGR
Revenues	-37.21	-8.75	1.49
Net Income	-474.10	-136.19	NA
EPS	-466.66	-136.36	NA

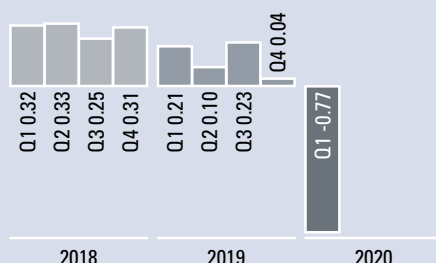
RETURN ON EQUITY (%)

	SABR	Subsector Avg	S&P 500
Q1 2020	-16.11	49.44	15.47
Q1 2019	31.85	47.79	15.83
Q1 2018	30.63	35.32	13.34

P/E COMPARISON

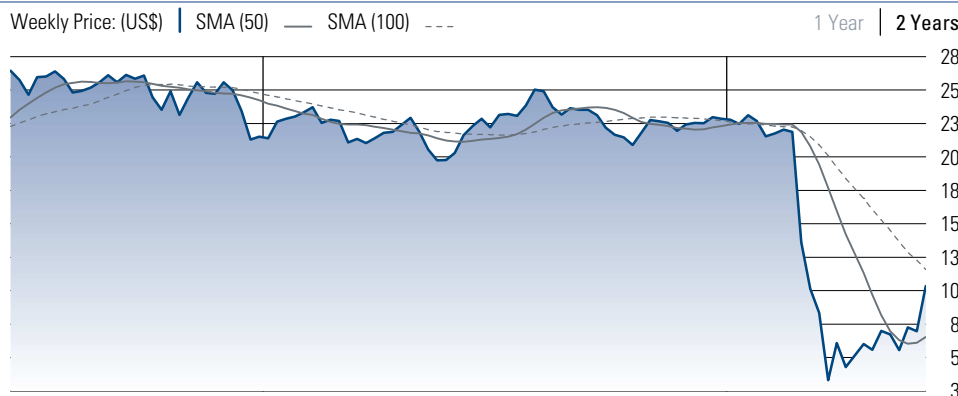


EPS ANALYSIS' (\$)



NA = not available NM = not meaningful

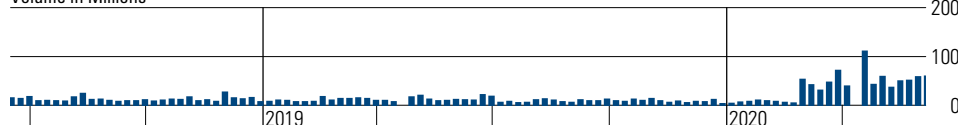
1 Compustat fiscal year convention is used for all fundamental data items.



Rating History



Volume in Millions



COMPUSTAT for Price and Volume, TheStreet Ratings, Inc. for Rating History

RECOMMENDATION

We rate SABRE CORP (SABR) a SELL. This is driven by a few notable weaknesses, which we believe should have a greater impact than any strengths, and could make it more difficult for investors to achieve positive results compared to most of the stocks we cover. The company's weaknesses can be seen in multiple areas, such as its feeble growth in its earnings per share, deteriorating net income, disappointing return on equity, poor profit margins and weak operating cash flow.

HIGHLIGHTS

SABRE CORP has experienced a steep decline in earnings per share in the most recent quarter in comparison to its performance from the same quarter a year ago. Earnings per share have declined over the last two years. We anticipate that this should continue in the coming year. During the past fiscal year, SABRE CORP reported lower earnings of \$0.58 versus \$1.21 in the prior year. For the next year, the market is expecting a contraction of 391.4% in earnings (-\$1.69 versus \$0.58).

The company, on the basis of change in net income from the same quarter one year ago, has significantly underperformed when compared to that of the S&P 500 and the Data Processing, Hosting, and Related Services subsector. The net income has significantly decreased by 474.1% when compared to the same quarter one year ago, falling from \$56.85 million to -\$212.68 million.

Return on equity has greatly decreased when compared to its ROE from the same quarter one year prior. This is a signal of major weakness within the corporation. Compared to other companies in the Data Processing, Hosting, and Related Services subsector and the overall market, SABRE CORP's return on equity significantly trails that of both the subsector average and the S&P 500.

The gross profit margin for SABRE CORP is rather low; currently it is at 22.83%. It has decreased significantly from the same period last year. Along with this, the net profit margin of -32.27% is significantly below that of the subsector average.

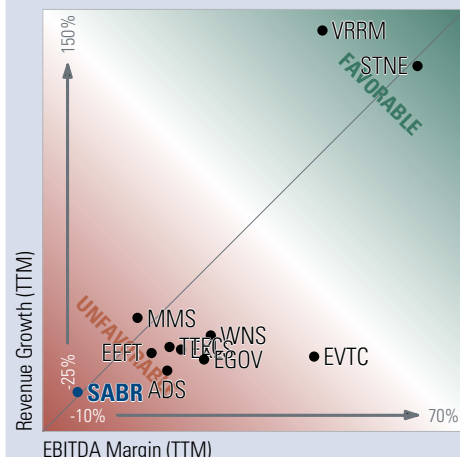
Net operating cash flow has significantly decreased to \$39.43 million or 74.04% when compared to the same quarter last year. In addition, when comparing to the subsector average, the firm's growth rate is much lower.

Sector: Information | Data Processing, Hosting, and Related Services

Annual Dividend Rate \$0.56	Annual Dividend Yield 7.17%	Beta 1.73	Market Capitalization \$2.2 Billion	52-Week Range \$3.30-\$25.44	Price as of 6/11/2020 \$7.81
---------------------------------------	---------------------------------------	---------------------	---	--	--

PEER GROUP ANALYSIS

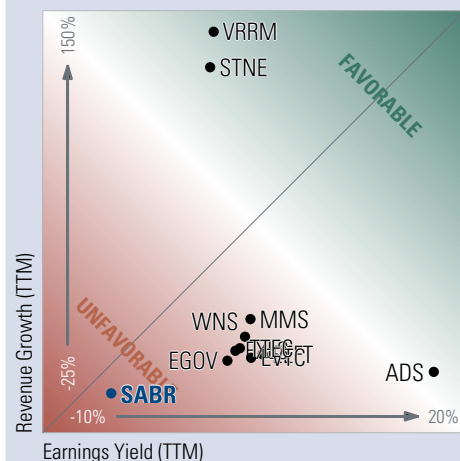
REVENUE GROWTH AND EBITDA MARGIN*



Companies with higher EBITDA margins and revenue growth rates are outperforming companies with lower EBITDA margins and revenue growth rates. Companies for this scatter plot have a market capitalization between \$1.6 Billion and \$6.2 Billion. Companies with NA or NM values do not appear.

*EBITDA – Earnings Before Interest, Taxes, Depreciation and Amortization.

REVENUE GROWTH AND EARNINGS YIELD



Companies that exhibit both a high earnings yield and high revenue growth are generally more attractive than companies with low revenue growth and low earnings yield. Companies for this scatter plot have revenue growth rates between -8.8% and 141.3%. Companies with NA or NM values do not appear.

SUBSECTOR ANALYSIS

SABRE CORP falls within the Information sector and the Data Processing, Hosting, and Related Services industry group of the North American Industry Classification System or NAICS.

TheStreet Quant Ratings is currently tracking 537 companies in the Information sector that total around \$9,706 billion in market capitalization as well as \$2,809 billion in annual sales.

The Data Processing, Hosting, and Related Services subsector accounts for 17.6% of those revenues.

Industries in the Data Processing, Hosting, and Related Services subsector group establishments that provide the infrastructure for hosting and/or data processing services.

PEER GROUP: Data Processing, Hosting, and Related Services

Ticker	Company Name	Recent Price (\$)	Market Cap (\$M)	Price/Earnings	Net Sales TTM (\$M)	Net Income TTM (\$M)
SABR	SABRE CORP	7.81	2,152	NM	3,584.60	-110.94
STNE	STONECO LTD	34.58	6,213	52.39	641.62	185.46
EEFT	EURONET WORLDWIDE INC	100.26	5,234	17.71	2,756.51	314.13
MMS	MAXIMUS INC	67.91	4,164	20.96	3,122.04	209.37
WNS	WNS (HOLDINGS) LTD -ADR	51.50	2,548	22.79	928.26	116.77
ADS	ALLIANCE DATA SYSTEMS CORP	47.57	2,266	5.62	5,628.90	158.90
EXLS	EXLSERVICE HOLDINGS INC	58.68	2,014	26.92	997.76	75.38
EVTC	EVERTEC INC	27.97	2,010	20.72	490.48	99.04
TTEC	TTEC HOLDINGS INC	42.18	1,965	24.81	1,681.56	79.70
VRRM	VERRA MOBILITY CORP	10.64	1,720	46.26	466.99	37.20
EGOV	NIC INC	23.92	1,602	31.89	360.14	50.79

The peer group comparison is based on Major Data Processing, Hosting, and Related Services companies of comparable size.

TheStreet Quant Ratings

SABRE CORP
Sector: Information | Data Processing, Hosting, and Related Services

Annual Dividend Rate \$0.56	Annual Dividend Yield 7.17%	Beta 1.73	Market Capitalization \$2.2 Billion	52-Week Range \$3.30-\$25.44	Price as of 6/11/2020 \$7.81
---------------------------------------	---------------------------------------	---------------------	---	--	--

COMPANY DESCRIPTION

Sabre Corporation, through its subsidiary, Sabre Holdings Corporation, provides technology solutions to the travel and tourism industry worldwide. It operates in three segments: Travel Network, Airline Solutions, and Hospitality Solutions. The Travel Network segment operates as a business-to-business travel marketplace that offers travel content, such as inventory, prices, and availability from a range of travel suppliers, including airlines, hotels, car rental brands, rail carriers, cruise lines, and tour operators with a network of travel buyers comprising online and offline travel agencies, travel management companies, and corporate travel departments. The Airline Solutions segment provides a portfolio of software technology products and solutions through software-as-a-service (SaaS) and hosted delivery models to airlines and other travel suppliers. Its products include SabreSonic Customer Sales & Service, a reservation system that provides capabilities around managing sales and customer service across an airline's touch points; Sabre AirVision Marketing & Planning, a set of airline commercial planning solutions; and Sabre AirCentre Enterprise Operations, a set of solutions for planning and management of airline, airport, and customer operations. The Hospitality Solutions segment provides software and solutions to hoteliers through SaaS and hosted delivery model. It offers SynXis, a central reservation system; SynXis Property Manager Solution for property management; and marketing, professional, and revenue management services. The company was founded in 2006 and is headquartered in Southlake, Texas.

SABRE CORP
3150 Sabre Drive
Southlake, TX 76092
USA
Phone: 682 605 1000
<http://www.sabre.com>

STOCK-AT-A-GLANCE

Below is a summary of the major fundamental and technical factors we consider when determining our overall recommendation of SABR shares. It is provided in order to give you a deeper understanding of our rating methodology as well as to paint a more complete picture of a stock's strengths and weaknesses. It is important to note, however, that these factors only tell part of the story. To gain an even more comprehensive understanding of our stance on the stock, these factors must be assessed in combination with the stock's valuation. Please refer to our Valuation section on page 5 for further information.

FACTOR	SCORE					
Growth	0.5 out of 5 stars	★	☆	☆	☆	☆
Measures the growth of both the company's income statement and cash flow. On this factor, SABR has a growth score better than virtually none of the stocks we rate		weak				strong
Total Return	0.5 out of 5 stars	★	☆	☆	☆	☆
Measures the historical price movement of the stock. The stock performance of this company ranks at the bottom of the companies we cover.		weak				strong
Efficiency	2.5 out of 5 stars	★	★	★	☆	☆
Measures the strength and historic growth of a company's return on invested capital. The company has generated more income per dollar of capital than 40% of the companies we review.		weak				strong
Price volatility	0.5 out of 5 stars	★	☆	☆	☆	☆
Measures the volatility of the company's stock price historically. The stock is more volatile than nearly all of the stocks we monitor.		weak				strong
Solvency	2.5 out of 5 stars	★	★	★	☆	☆
Measures the solvency of the company based on several ratios. The company is more solvent than 40% of the companies we analyze.		weak				strong
Income	5.0 out of 5 stars	★	★	★	★	★
Measures dividend yield and payouts to shareholders. The company's dividend is higher than 90% of the companies we track.		weak				strong

THESTREET QUANT RATINGS RESEARCH METHODOLOGY

TheStreet Quant Ratings' stock model projects a stock's total return potential over a 12-month period including both price appreciation and dividends. Our Buy, Hold or Sell ratings designate how we expect these stocks to perform against a general benchmark of the equities market and interest rates. While our model is quantitative, it utilizes both subjective and objective elements. For instance, subjective elements include expected equities market returns, future interest rates, implied industry outlook and forecasted company earnings. Objective elements include volatility of past operating revenues, financial strength, and company cash flows.

Our model gauges the relationship between risk and reward in several ways, including: the pricing drawdown as compared to potential profit volatility, i.e. how much one is willing to risk in order to earn profits; the level of acceptable volatility for highly performing stocks; the current valuation as compared to projected earnings growth; and the financial strength of the underlying company as compared to its stock's valuation as compared to projected earnings growth; and the financial strength of the underlying company as compared to its stock's performance. These and many more derived observations are then combined, ranked, weighted, and scenario-tested to create a more complete analysis. The result is a systematic and disciplined method of selecting stocks.

TheStreet Quant Ratings

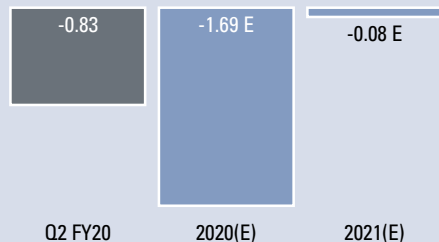
SABRE CORP

Sector: Information | Data Processing, Hosting, and Related Services

Annual Dividend Rate \$0.56	Annual Dividend Yield 7.17%	Beta 1.73	Market Capitalization \$2.2 Billion	52-Week Range \$3.30-\$25.44	Price as of 6/11/2020 \$7.81
---------------------------------------	---------------------------------------	---------------------	---	--	--

Consensus EPS Estimates² (\$)

IBES consensus estimates are provided by Thomson Financial



INCOME STATEMENT

	Q1 FY20	Q1 FY19
Net Sales (\$mil)	658.98	1,049.36
EBITDA (\$mil)	-21.99	213.45
EBIT (\$mil)	-108.30	122.11
Net Income (\$mil)	-212.68	56.85

BALANCE SHEET

	Q1 FY20	Q1 FY19
Cash & Equiv. (\$mil)	684.47	459.49
Total Assets (\$mil)	5,709.86	5,859.56
Total Debt (\$mil)	3,794.19	3,476.59
Equity (\$mil)	673.34	957.50

PROFITABILITY

	Q1 FY20	Q1 FY19
Gross Profit Margin	22.83%	33.65%
EBITDA Margin	-3.33%	20.34%
Operating Margin	-16.44%	11.64%
Sales Turnover	0.63	0.67
Return on Assets	-1.94%	5.23%
Return on Equity	-16.11%	31.85%

DEBT

	Q1 FY20	Q1 FY19
Current Ratio	1.23	1.08
Debt/Capital	0.85	0.78
Interest Expense	37.44	38.01
Interest Coverage	-2.89	3.21

SHARE DATA

	Q1 FY20	Q1 FY19
Shares outstanding (mil)	275	276
Div / share	0.14	0.14
EPS	-0.77	0.21
Book value / share	2.45	3.47
Institutional Own %	NA	NA
Avg Daily Volume	11,449,400	2,970,112

² Sum of quarterly figures may not match annual estimates due to use of median consensus estimates.

FINANCIAL ANALYSIS

SABRE CORP's gross profit margin for the first quarter of its fiscal year 2020 has significantly decreased when compared to the same period a year ago. Sales and net income fell significantly, underperforming compared to the average company in its subsector. SABRE CORP has average liquidity. Currently, the Quick Ratio is 1.08 which shows that technically this company has the ability to cover short-term cash needs. The company's liquidity has increased from the same period last year.

At the same time, stockholders' equity ("net worth") has significantly decreased by 29.67% from the same quarter last year. Together, the key liquidity measurements indicate that it is relatively unlikely that the company will face financial difficulties in the near future.

STOCKS TO BUY: TheStreet Quant Ratings has identified a handful of stocks that can potentially TRIPLE in the next 12-months. To learn more visit www.TheStreetRatings.com.

TheStreet Quant Ratings

SABRE CORP

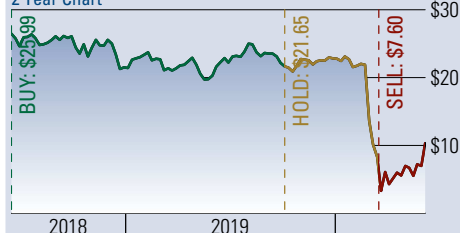
Sector: Information | Data Processing, Hosting, and Related Services

Annual Dividend Rate \$0.56	Annual Dividend Yield 7.17%	Beta 1.73	Market Capitalization \$2.2 Billion	52-Week Range \$3.30-\$25.44	Price as of 6/11/2020 \$7.81
---------------------------------------	---------------------------------------	---------------------	---	--	--

RATINGS HISTORY

Our rating for SABRE CORP was recently downgraded from Hold to Sell on 3/17/2020. As of 6/11/2020, the stock was trading at a price of \$7.81 which is 69.3% below its 52-week high of \$25.44 and 136.7% above its 52-week low of \$3.30.

2 Year Chart



MOST RECENT RATINGS CHANGES

Date	Price	Action	From	To
3/17/20	\$7.60	Downgrade	Hold	Sell
10/4/19	\$21.65	Downgrade	Buy	Hold
6/11/18	\$25.99	No Change	Buy	Buy

Price reflects the closing price as of the date listed, if available

RATINGS DEFINITIONS & DISTRIBUTION OF THESTREET RATINGS

(as of 6/11/2020)

16.02% Buy - We believe that this stock has the opportunity to appreciate and produce a total return of more than 10% over the next 12 months.

44.27% Hold - We do not believe this stock offers conclusive evidence to warrant the purchase or sale of shares at this time and that its likelihood of positive total return is roughly in balance with the risk of loss.

39.71% Sell - We believe that this stock is likely to decline by more than 10% over the next 12 months, with the risk involved too great to compensate for any possible returns.

TheStreet Quant Ratings
14 Wall Street, 15th Floor
New York, NY 10005
www.thestreet.com

Research Contact: 212-321-5381
Sales Contact: 866-321-8726

VALUATION

SELL. The current P/E ratio is negative, which has no meaningful value in the assessment of premium or discount valuation, it simply displays that the company has negative earnings. To use another comparison, its price-to-book ratio of 3.19 indicates valuation on par with the S&P 500 average of 3.21 and a significant discount versus the subsector average of 17.93. The price-to-sales ratio is well below both the S&P 500 average and the subsector average, indicating a discount. After reviewing these and other key valuation criteria, SABRE CORP proves to trade at a discount to investment alternatives.

Price/Earnings	1	2	3	4	5

SABR NM **Peers 53.53**

- Neutral. The absence of a valid P/E ratio happens when a stock can not be valued on the basis of a negative stream of earnings.
- SABR's P/E is negative making this valuation measure meaningless.

Price/Projected Earnings	1	2	3	4	5

SABR NM **Peers 100.24**

- Neutral. The absence of a valid price-to-projected earnings ratio happens when a stock can not be valued on the basis of a negative expected future earnings.
- SABR's ratio is negative making this valuation measure meaningless.

Price/Book	1	2	3	4	5

SABR 3.19 **Peers 17.93**

- Discount. A lower price-to-book ratio makes a stock more attractive to investors seeking stocks with lower market values per dollar of equity on the balance sheet.
- SABR is trading at a significant discount to its peers.

Price/Sales	1	2	3	4	5

SABR 0.60 **Peers 11.81**

- Discount. In the absence of P/E and P/B multiples, the price-to-sales ratio can display the value investors are placing on each dollar of sales.
- SABR is trading at a significant discount to its subsector on this measurement.

Price/CashFlow	1	2	3	4	5

SABR 4.58 **Peers 40.86**

- Discount. The P/CF ratio, a stock's price divided by the company's cash flow from operations, is useful for comparing companies with different capital requirements or financing structures.
- SABR is trading at a significant discount to its peers.

Price to Earnings/Growth	1	2	3	4	5

SABR NA **Peers 2.67**

- Neutral. The PEG ratio is the stock's P/E divided by the consensus estimate of long-term earnings growth. Faster growth can justify higher price multiples.
- Ratio not available.

Earnings Growth	1	2	3	4	5

SABR -136.36 **Peers 5.56**

- Lower. Elevated earnings growth rates can lead to capital appreciation and justify higher price-to-earnings ratios.
- However, SABR is expected to significantly trail its peers on the basis of its earnings growth rate.

Sales Growth	1	2	3	4	5

SABR -8.75 **Peers 19.82**

- Lower. A sales growth rate that trails the subsector implies that a company is losing market share.
- SABR significantly trails its peers on the basis of sales growth.

DISCLAIMER:

The opinions and information contained herein have been obtained or derived from sources believed to be reliable, but TheStreet Quant Ratings cannot guarantee its accuracy and completeness, and that of the opinions based thereon. Data is provided via the COMPUSTAT® Xpressfeed product from Standard & Poor's, a division of The McGraw-Hill Companies, Inc., as well as other third-party data providers.

TheStreet Quant Ratings is a division of TheStreet, Inc., which is a publisher. This research report contains opinions and is provided for informational purposes only. You should not rely solely upon the research herein for purposes of transacting securities or other investments, and you are encouraged to conduct your own research and due diligence, and to seek the advice of a qualified securities professional, before you make any investment. None of the information contained in this report constitutes, or is intended to constitute a recommendation by TheStreet Quant Ratings of any particular security or trading strategy or a determination by TheStreet Quant Ratings that any security or trading strategy is suitable for any specific person. To the extent any of the information contained herein may be deemed to be investment advice, such information is impersonal and not tailored to the investment needs of any specific person. Your use of this report is governed by TheStreet, Inc.'s Terms of Use found at <http://www.thestreet.com/static/about/terms-of-use.html>.

NAICS is the North American Industry Classification System which provides the Sector, Subsector, and Industry Group structure used in this report. As many companies are diversified, the companies may also operate in other industry segments than the one listed.