

DISTRIBUTION

Weaker Corp., Gov't Demand Lead to Sabre Q2 Booking Decline

By **Michael B. Baker** / August 07, 2025 / **Contact Reporter**

Sabre's air distribution bookings in the second quarter declined year over year amid what CEO Kurt Ekert described as a "challenging" operating environment, and while the company expects to see growth in the back half of the year, it has tempered its expectations.

Air bookings declined 1 percent year over year in the quarter, which was below the low-single-digit growth Sabre had projected in its previous earnings call, Ekert said. Lodging, ground and sea bookings were flat year over year, leading to a 1 percent decline in total bookings for the quarter.

"While we expected some industry stabilization during the quarter, incremental industry weakness emerged in June and continued into July, which was the driver of our air distribution shortfall to expectations," Ekert said in an earnings call on Thursday.

Ekert noted "the weakness of corporate bookings" relative to leisure travel and the "pullback of government and military travel" as factors in the global distribution system booking decline in the quarter. In addition, he said some countries where Sabre has a larger share of business—Mexico, Australia and South Korea, for example—had a "disproportionate decline" while other countries in which Sabre has a smaller share of business—the U.K., Greece and Norway, for example—had a stronger quarter.

The decline is not "structural" and should stabilize over time, though "we anticipate the lower mix of corporate bookings versus leisure to continue through the remainder of 2025," Ekert said.

Sabre now expects air distribution bookings to grow in the range of 4 percent to 10 percent year over year in the second half of the year. In its previous earnings call, the company had projected double-digit bookings growth for the full year. Part of the lower expectations come from the same factors in the second quarter, and Ekert also noted the launch of a planned multi-source low-cost carrier content solution has been pushed back to early 2026 from the second half of 2025 due to "a temporary delay from technology and connectivity development." That solution had been expected to add five percentage points of air distribution in the second half of the year.

The company reported 38 live NDC connections operating, and Ekert said NDC as a percentage of total air distribution remains in the low single digits.

"We do expect going forward that NDC will scale and will scale very well," he said. "It's not going to be the majority portion of our booking any time in the near future, but it's becoming an ever-more-important part of the distribution landscape."

Sabre reported \$687.1 million in revenue for the second quarter, down 1 percent year over year. Distribution revenue was down 1 percent, and IT solutions revenue declined 2 percent year over year. The company had a net loss of \$256.3 million in the quarter, compared with a \$69.8 million net loss in the second quarter of 2024.

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