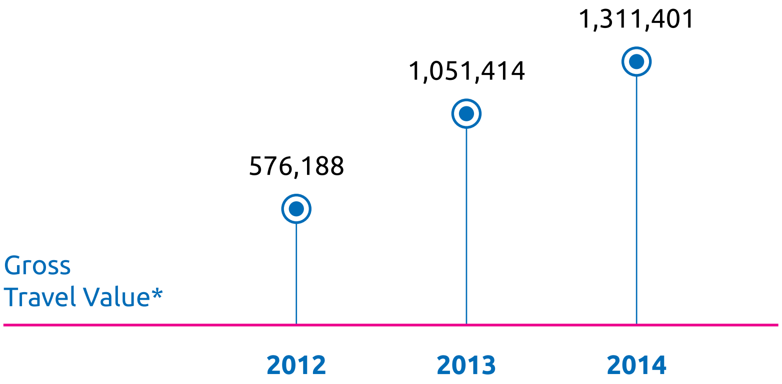
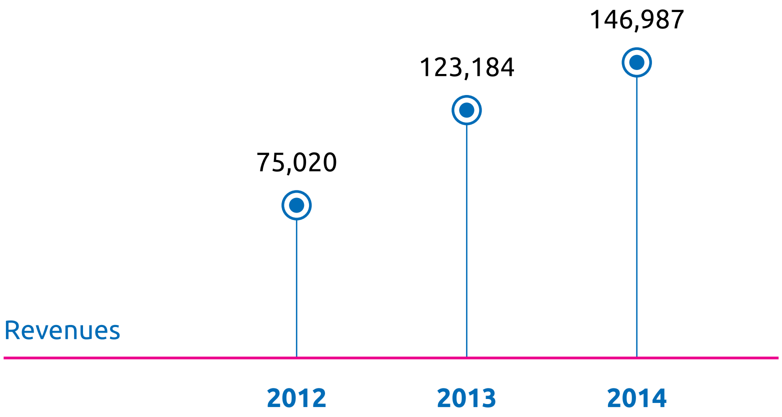
annualreport2014

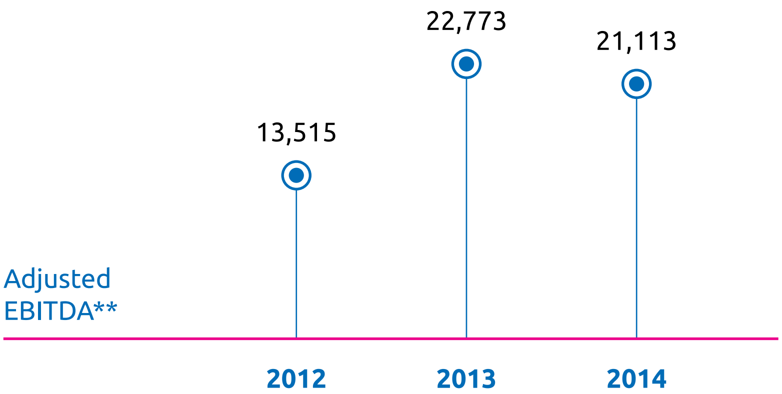
lastminute.comgroup

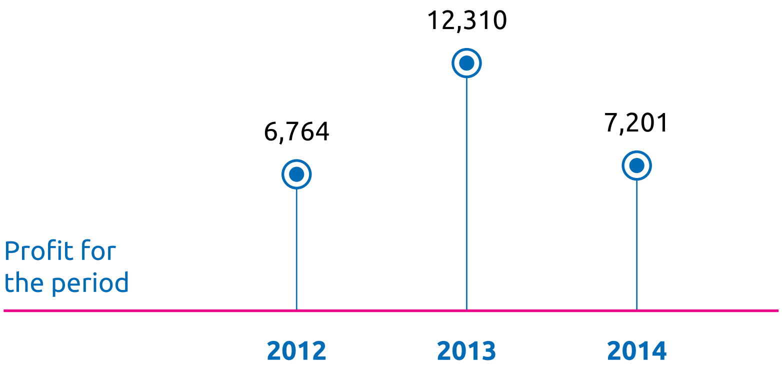
Financial information in summary

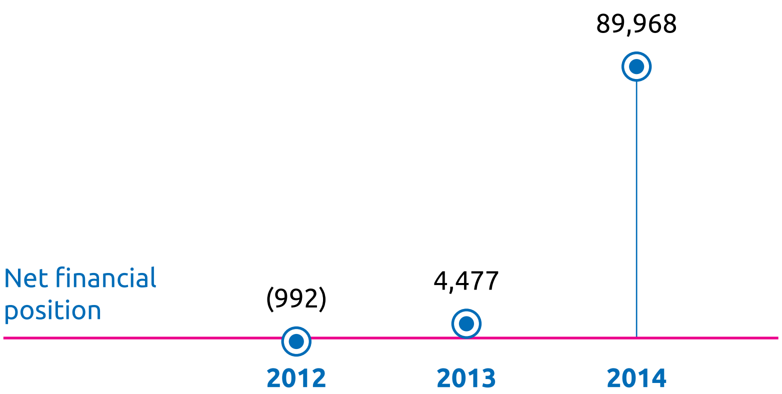
(in '000 EUR)

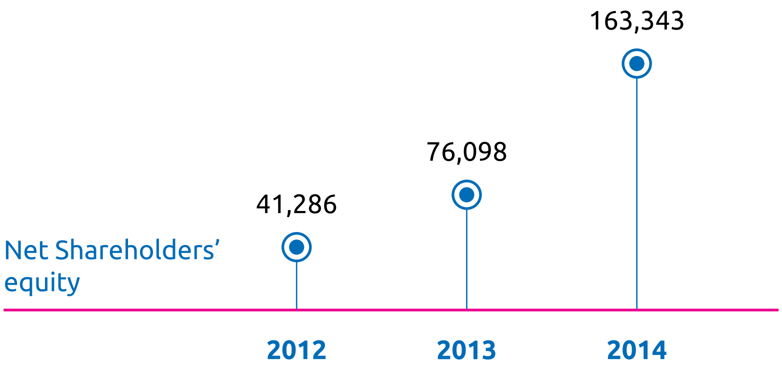












Footnotes

* Gross Travel Value ("GTV") is defined as the value of the travel products purchased by the Group's clients using the Group's platforms, including agency fees, insurance, cruises and gross of any discounts and cancellations.

** The Group defines "Adjusted EBITDA" as EBITDA (Profit before interest and income tax plus depreciation and amortization) adjusted for the effects of stock option plans and income and costs considered by management as incidental to operating activities, such as those related to acquisitions, litigations and restructuring.

Contents

Chairman's message

I am pleased to share our first Annual Report as a listed company. I'm sure you'll agree that 2014 was a very intense year and required a lot of hard work at every level within the Bravofly Rumbo Group. At the same time, it was a year full of accomplishments. We achieved two very ambitious objectives over the year. First, there was the Initial Public Offering on the SIX Swiss Exchange, and the second was the kick-off of the lastminute.com acquisition process, which was recently successfully closed. Today, thanks to these achievements, we have the size, competencies and know-how to achieve our goals and, above all, a clear vision of where we want to go.

We are committed to shaping the future of the Online Travel Business and becoming the unconventional European leader, known to consumers for being the travel solution that dares to enrich lives. Our strategy for delivering sustainable growth is to simplify travel, thereby allowing travellers to enjoy every minute by leveraging our technology and innovations. We aim to be the brand that first comes to mind for travellers during each phase of their experience.

In December 2014, we made a binding offer to acquire lastminute.com from the Sabre Corporation and closed the deal in the first quarter of 2015 as expected. We believe that the integration of the lastminute.com business will lead to a deep change in our Group, as it will enable us to significantly strengthen our market positioning. The acquisition, while doubling our gross profit, reinforces our European leadership, with a strong presence in United Kingdom and France and an enriched and balanced product mix. lastminute.com is an iconic and highly relevant consumer brand and will become our lead brand in the future.
We have proposed, and our shareholders have approved in the Ordinary Annual General Meeting of 19 May 2015, the change of the company name from Bravofly Rumbo Group NV to lastminute.com NV.
In the next few weeks we will finalise the process and will communicate accordingly the date this milestone is effective of.

A key value from lastminute.com that we have already embraced is "spontaneity". I think this word perfectly sums up our aim of allowing travellers to feel free in creating and booking their dream vacations. Only a well-structured, flexible organisation can offer room for creativity and for a mix of spontaneous, well thought-out decisions.
2014 also marked the 10-year anniversary since the launch of our first Volagratis website in Italy. This anniversary prompted me to look back and reassess our results and what we could have improved.
Marco Corradino and I founded a company with limited funding, high ambition and significant know-how both in the travel industry and in e-commerce. Ten years of rapid growth have turned Bravofly Rumbo Group into a leading player, operating websites in more than 35 countries and with approximately 2000 employees and support staff.
Today our objectives are even more ambitious. We are well placed to seize growth opportunities, and we intend to exploit innovations in technology, improvements in products and services, and the rise of new sales and marketing channels. We are also closely monitoring the dynamic travel start-up scene, which is bringing disruptive ideas and technologies. I would like to conclude this letter by thanking the people who have enabled us to achieve our ambitious objectives over the year and who are the key for our future.

First of all, I would like to thank our customers, whose growing numbers prove that we are continuing to do a good job. This confirms their appreciation of our efforts to make any travel experience one of top quality. We are now increasingly focused on supporting them at every moment of their trip by offering useful content as well as ancillary services – especially through the mobile channel.
I am grateful to our employees, who are endlessly committed to providing travellers with cutting-edge technologies, a growing offering, and quality sale and post-sale assistance in order to help them to easily and quickly arrange their trip and book other leisure products while on holiday.
Special mention also goes to our management team. They have worked very hard and were ruthlessly focused on our objectives. Even amid the market turmoil that affected the online travel industry over the summer, they successfully handled a fast-changing competitive scenario, providing winning strategies that will enable us to pursue our long-term goals.

Last but not least, I would like to thank the investors, who have shown faith in our Group. The IPO that we completed in April has given us the means to accelerate the implementation of our development strategy, taking advantage of external growth opportunities through mergers and acquisitions. We are aware of our duties towards our new shareholders and are committed to creating value, independently from the challenges of the context in which we operate.
The Group is willing to set reasonable targets consistent with the horizon of strategy implementation. We have thereby decided to disclose mid-term targets to better signal our commitment to creating long-term, sustainable shareholder value and encourage our investors to adopt a similar outlook. Our aim is a Gross Travel Value of EUR 3 billion by 2017, with revenues of EUR 330 million and an EBITDA margin of 18%.

Fabio Cannavale
Founder and Chairman Bravofly Rumbo Group,
now lastminute.com group

CEO's message

In the difficult economic climate of 2014, Bravofly Rumbo Group was able to maintain its double-digit trend of growth while achieving overall results in line with the forecast announced in July 2014. Despite the sudden increase in competition that we experienced, especially in our core markets, our performance has confirmed, once again, a trend of growth in both volume and customer base.

In 2014, Gross Travel Value grew by 24.7% compared to the previous year to reach EUR 1,311 million. The number of bookings was up by 18.6% to 3.499 million, achieved entirely through organic growth. Revenues grew by 19.3% to EUR 147 million, thanks in particular to the Jetcost consolidation as well as internal growth. In terms of products, flight and non-flight revenues contributed proportionally to this growth. Performance was particularly strong in non-core markets, with revenues up 54.3%.

We delivered positive results for the first quarter, but since the second quarter, especially in Italy and Spain, we have experienced an increase in competition. Aggressive pricing policies pursued by some players, as well as a strong advance of certain metasearch engines, have abruptly affected the European online travel market, impacting our performance in Italy and Spain in particular. These factors have lead to an increase in competition for traffic and have heightened the pressure on pricing, especially in paid marketing channels.
We were able to rapidly cope with a more challenging environment by prioritising growth in volume and the expansion of our customer base. In particular, we focused on enhancing the user experience, which we regard as a key element to increasing traffic, site conversion, and, as a result, the efficiency of marketing spending. Responding to the strong shift towards mobile applications, we have significantly upgraded our mobile app and responsive website. Last but not least, we have leveraged the Jetcost acquisition and better exploited the metasearch business. We were pleased to see these actions resulted in tangible results. Bravofly Rumbo Group's organic growth rate accelerated in the second half of 2014 compared to the first six months.

We are strongly focused on our long-term strategy. We are increasing our capabilities to gain more value, especially through cross-selling activities. Geographically, we are constantly adding new languages and launching into new markets, and these expansion activities have had a direct and positive impact on our performance.
To support our strategy, we can rely on resilient profitability and strong cash generation, as well as on the CHF 100 million in gross proceeds from the IPO completed in April. The acquisition of lastminute.com, as announced in December 2014 and closed in the first quarter of 2015, had no impact on our financial position and we still have plenty of resources to support our growth.

This operation is a part of our plans to select and integrate valuable assets and represents another significant step forward our development following the Rumbo and Jetcost acquisitions in 2012 and 2013. We are working on integrating the lastminute.com business. On the one hand, it will further strengthen the offering of hotels and vacation packages, as well as leisure products; on the other, it will enable us to expand and consolidate our presence in Europe with our new core markets now being the UK, France, Italy, Spain and Germany. lastminute.com is one of Europe's leading online travel and leisure retailers, and its brand is recognized by more than 90 percent of European consumers. We aim to further grow brand awareness by investing in strong online and offline campaigns this year and making lastminute.com our core brand.

In particular, we are committed to developing and consolidating our presence in the vacation-packages market, which in the last few years has gained great importance within the travel industry. We intend to take advantage of lastminute.com's extensive experience in this segment, as well as of our advanced platform for dynamic vacation packages, which enables customers to build tailor-made travel solutions. We are also increasingly focused on expanding our ancillary services in order to further improve the overall travel experience for customers and to exploit an important revenue source.

The acquisition of lastminute.com will have a significant impact on our Group in terms of size and organization. We have implemented a new organizational structure that will enable us to better manage the integration process. We are working to create quickly one single company, with one brand, one platform and one main brand, and we have designed a flexible structure in order to quickly adapt to changes, in connection to both M&A deals and to evolution in the industry. To this end, we are developing a new technological architecture to improve innovation and have adopted new processes, which affect not only technological departments, but also our Group as a whole.

We regard innovation, including leveraging mobile capabilities and features, as a key asset for providing our customers with the best service, along with a constantly growing offer. We aim to be the full-service provider of choice for travellers, and in 2014 we worked on several aspects that I believe will enable us to reach our ambitious goal.

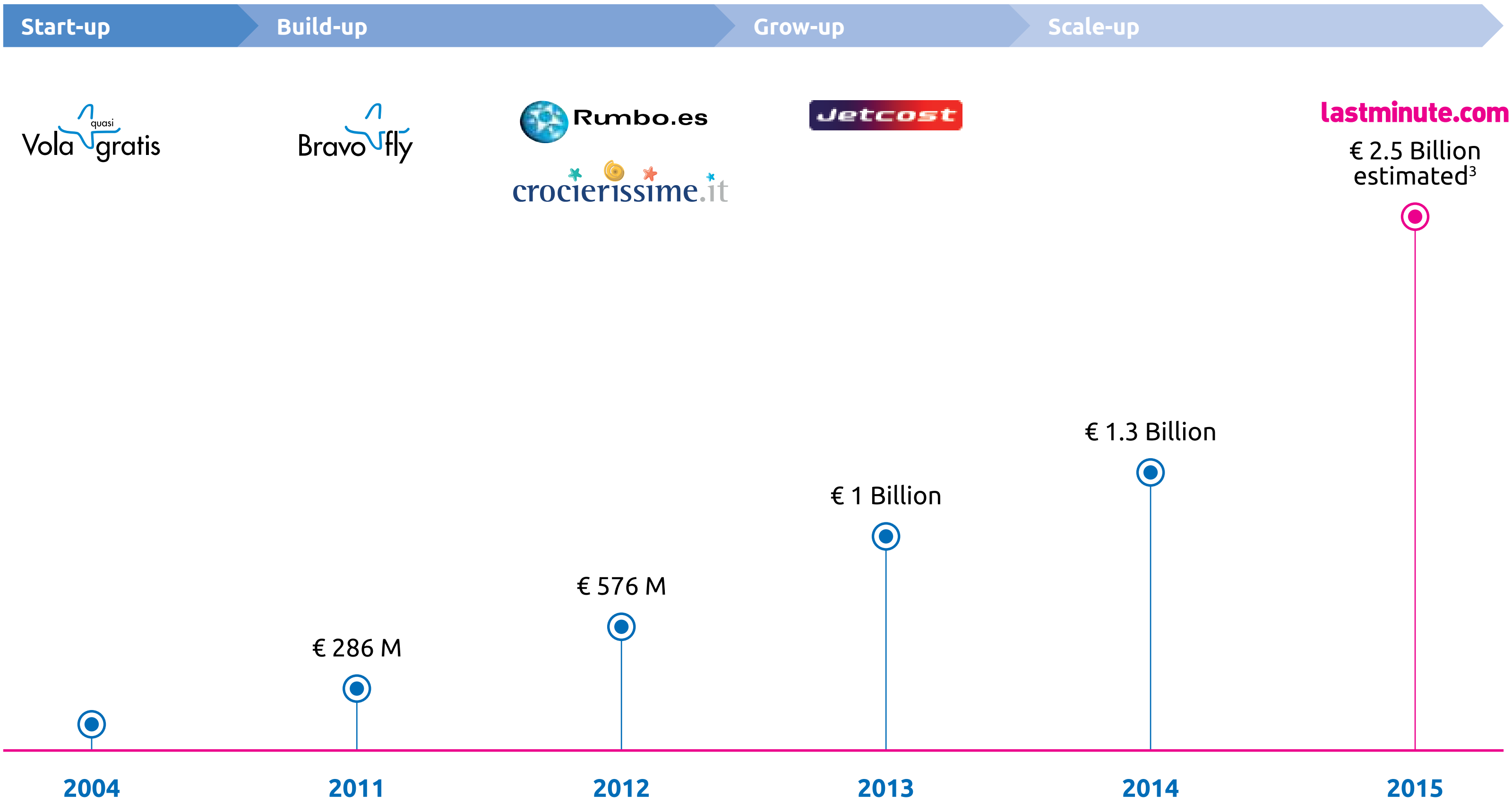
Francesco Signoretti
Chief Executive Officer Bravofly Rumbo Group,
now lastminute.com group

The Group at a glance

As European leader in the online travel and leisure industry, Bravofly Rumbo Group aims to be a smart travel provider by leveraging technology to simplify the life of travellers. Across its portfolio of well known brands such as lastminute.com, Bravofly, Rumbo, Volagratis and Jetcost, customers find an extensive offering for all their needs. They can search, book and manage flights, hotels, holidays, city breaks, cruises, car hire as well as other travel and leisure related products. Through our websites and mobile apps in 15 languages and across 35 countries more than 10 million customers[1] book their travel and leisure experiences every year.

A Growing Company

We have strengthened our presence in the European market with the acquisitions of Spanish online travel agency Rumbo in 2012, French metasearch engine Jetcost in 2013 and iconic brand lastminute.com in early 2015.
We are now ranked among the top five OTAs worldwide according to GTV[2].



Footnotes

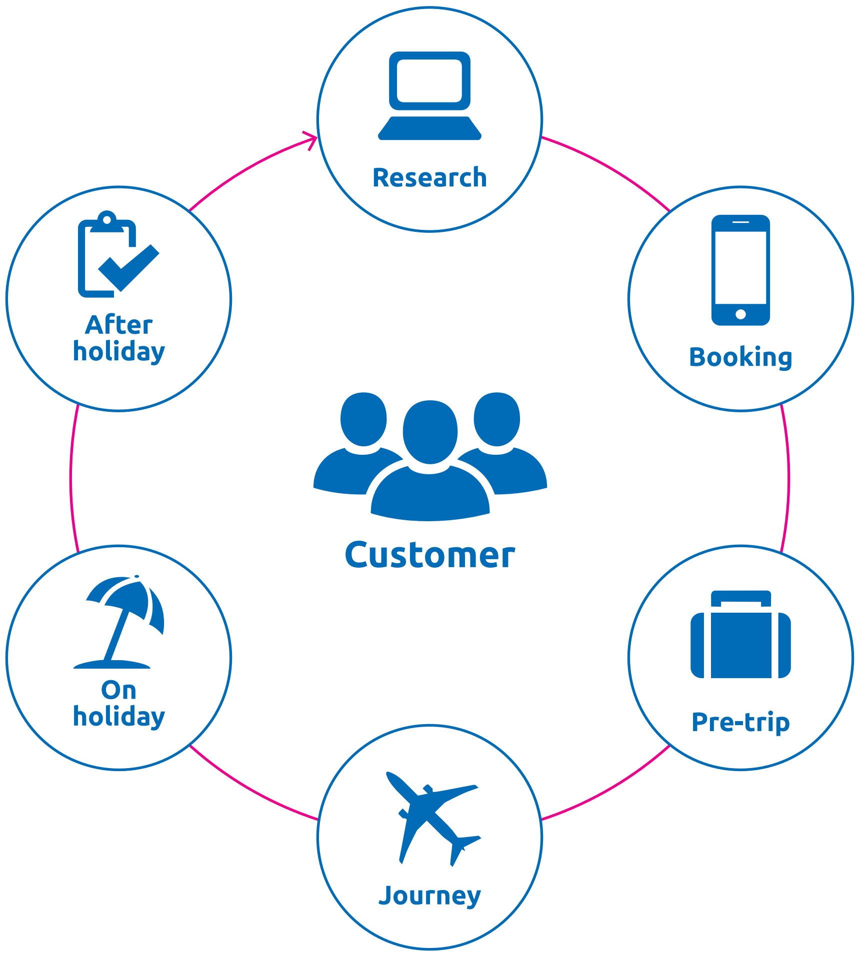
[1] Number of customers after lastminute.com consolidation.

[2] Source Euromonitor International and Company estimates.

[3] 2015 GTV estimate is based on 10 months of lastminute.com consolidation (from 1 March 2015).

Our vision

- we are committed to shaping the future of the online travel business through innovation
- we want to simplify the life of travellers by supporting our customers across the entire value chain of our business, from searching to booking, and from the arrangements before departure, during the holiday and upon return
- we intend to do that through innovation leading to the development of new user interfaces and a wider range of products and services in order to provide our customers with the best user experience.



Key Success Factors

We are confident in reaching our targets as we can rely on all the key success factors that enable an online travel agency (OTA) to become a Smart Travel Provider, and we are certain that, thanks to lastminute.com, we will achieve this success quickly and effectively.

Economic scale benefits

The new Group will be the result of a challenging and transforming integration plan, touching the whole organisation of both Bravofly Rumbo Group and lastminute.com.
We have the clear purpose of exploiting the full potential of the combined entity by generating synergies of revenues and costs, whilst also benefiting from scale.

Breadth of product mix

Today we have already achieved the result of having a highly balanced revenue structure. Whereas previously 80% of revenues came from the "flight" business and 20% from the "non-flight" business of Bravofly Rumbo Group, we are now at a more balanced 50/50 due to the consolidation of lastminute.com operations.

Technology strength

To support the growth and guarantee a strong customer base acquisition, we will provide our travellers with new tools with innovative features, which will be developed with the help of the expertise and competencies of lastminute.com employees. It is our aim to integrate the offering and push successful products such as "Top Secret®Hotels".

Vibrant, relevant consumer brand

We will be investing in marketing and advertising campaigns to revive the lastminute.com brand across Europe and to ensure autonomy and identity for our strong historic brands (Volagratis, Rumbo and Bravofly) by channel and geographic area.

Experienced management team

We will be able to rely on our top-tier management team that features great business understanding, international experience and integration capabilities.

Robust financial structure

All of that is supported by a sound financial structure enabling continuous investments both internally and in new business opportunities.

In 2004, the travel industry was experiencing disruptive innovation brought about by low-cost airlines that actually created an entire new market of budget travellers. Fabio Cannavale and Marco Corradino realised that, while demand for low-cost flights were rising, none of the largest online travel agencies was selling in this product segment. They aimed to fill this market gap by launching Volagratis in Italy, a website for searching and booking low cost flights.

2004

2006

The success was immediate and exceeded the founders' expectations. In 2006 they established the Bravofly Group, headquartered in Chiasso (Switzerland). Under the Bravofly brand, websites were rolled out in France, Spain, Germany and the UK.

To better handle this rapid growth and boost international development, in 2010 the Bravofly Group strengthened the management team by hiring top-notch executives. In particular, Francesco Signoretti took the helm of the Group as CEO. A pool of investors, including AXA Private Equity (renamed Ardian in 2013) and Micheli Associati, invested in the company, thereby consolidating the shareholding structure.

2010

2011

In 2011, the Group launched a state-of-the-art platform for dynamic vacation packages. We also acquired Crocierissime, the Italian website specialising in cruises. These moves marked a major step in expanding the offering of non-flights products.

2012 was a remarkable year for the Group. The acquisition of Rumbo, the leading OTA in the Spanish market and well positioned in other European countries, was completed in November. This move led to the creation of the Bravofly Rumbo Group, an international player uniquely positioned to take advantage of the huge opportunities in the online travel industry.

2012

2013

Just a year later, the Group completed the acquisition of French-based Jetcost, thereby entering the fast-growing business of travel metasearch engines.

2014

This was another key year for the Bravofly Rumbo Group. In April we listed our shares on the Swiss Six Exchange. At the end of the year we made a binding offer to acquire lastminute.com from Sabre Corporation.

2014: entering a new phase of our development

The year 2014 has been a landmark year for Bravofly Rumbo Group. On the one hand, we have celebrated 10 years of rapid growth since the launch of the Volagratis website in Italy in 2004. On the other, we have paved the way for the development of the Group as a leading full-service travel and leisure provider.

A successful IPO process

In April, we completed the IPO process, which marked the successful transition from a private entrepreneurial firm to a structured public company. The main objective of the IPO was to raise proceeds in order to:

- seize external growth opportunities through carefully selected acquisitions;
- widen the portfolio of products and services;
- grow internationally;
- support continuous investments in technology and human capital.

During 2014 we experienced a significant depreciation of Bravofly Rumbo Group share value due to changed market conditions and half-year and full-year results below the initial expectations of both investors and ourselves.

Thanks to the lastminute.com acquisition, as well as the CHF 105 million of gross proceeds raised through the IPO and the clear strategy implemented to address markets changes and properly handle the new trends of our industry, we are confident to see our enterprise value to lift-up again in the future.

2015

lastminute.comgroup

The Group acquired lastminute.com, an iconic brand with deep heritage, unrivalled brand awareness and emotional resonance. Following the approval by the AGM of 19 May 2015, Bravofly Rumbo Group changed name in lastminute.com N.V.

2015: the new Group

Our Group by numbers*

Local websites in more than **35** countries and in **15** languages across the world

more than **10 million** passengers handled per year

2000 employees and supporting staff in nine countries

more than **1.8 million** fans and followers across **15** social media channels activated in **14** countries worldwide

more than **2 million** app downloads since launch

Footnotes
* after consolidation of lastminute.com.

In December 2014, Bravofly Rumbo Group made a binding offer to acquire lastminute.com from Sabre Corporation. The deal was closed effective 1 March 2015.

The lastminute.com acquisition represents the primary element enabling the fulfilment of our growth strategy and the creation of sustainable value over the long term.
It is thanks to perfect business complementarity that we can reach our target of quickly becoming one company supported by one global brand and backed by one technology infrastructure.

This acquisition follows those of Rumbo in 2012 and Jetcost in 2013 and contributes to making important steps forward in our international expansion. We expect to further strengthen our presence in the European market, establishing a strong leadership position in the UK, France, Italy, Spain and Germany. We aim to further increase lastminute.com's enormous brand awareness, by making it the core brand of Bravofly Rumbo Group, including investing in aggressive and differentiated offline and online campaigns across Europe, starting this summer.

Total Revenues
€ 257.9 M

Countries	Business
United Kingdom € 67.8	**Flight 51%** € 131
France € 58.2	
Italy € 43	**Travel & Leisure 44%** € 114.1
Spain € 40.3	
Germany € 22	**Meta 5%** € 12.8
Other € 26.6	

Footnotes
Preliminary 2014 pro-forma figures based on management accounts.

Our brands

In 2014 we began a restyling process for our historic brands in order to build greater recognition of our Group and a consistent image for all of our brands. Their unique individual features are represented by graphic marks from their original logos. We sought to create a visual identity that better communicates the innovation, energy, and passion that drive our Group and, at the same time, highlights each brand's own key characteristics.

The redesign has already involved Bravofly, Rumbo and Volagratis.

Bravofly was founded in 2006 to start the international expansion of the Group. Now Bravofly websites are available in 15 languages and are present in over 35 countries.

Rumbo is a full-service travel website that launched in Spain in 2000. The brand became part of the Bravofly Rumbo Group in 2012. Rumbo also has a significant presence in Portugal and localised websites are available around Europe as well as in South America.

Volagratis was launched in Italy in 2004 as a pioneering search engine for low cost flights and is now a full service travel provider. Volagratis is perceived as a leading brand in the Italian market, according to a survey conducted by Doxa in 2013.

Jetcost is a metasearch website that enables users to search for and compare travel and leisure products from a range of suppliers. Jetcost websites operate in a number of European countries, as well as in Brazil and Australia.

lastminute.com is a champion of last minute travel and leisure that has been in the spontaneity business for over 15 years. Since starting in the UK in 1998, the brand quickly branched out into other markets launching websites in France, Germany, Spain and Italy. Offering last minute European travel and experiences online before anyone else, lastminute.com serves up last minute hotels, holidays, flights and city breaks and created unique products across its markets such as Top Secret® Hotels, exclusive holiday packages for French customers and a raft of pamper and going-out offerings in the UK (spa days, West End theatre shows, restaurants, days out and experiences. lastminute.com became part of the Bravofly Rumbo Group in 2015.

lastminute.com offered last minute European travel and leisure experiences online before anyone else: it started in 1998 in London with an ambition to help everyone live a five-star lifestyle for three-star prices by booking at the last minute. This was a completely new way for people to make the most of their free time, minus the extravagant price tag. The online travel pioneer quickly branched out across Europe launching websites in France, Italy, Spain and Germany. By 2003 lastminute.com had sold enough hotel rooms to fill the London Ritz more than 33,000 times and an incredible 1.5 million theatre tickets by 2009.

The product mix of lastminute.com is built around price, value and inspiring spontaneity. This was achieved by creating unique products such as Top Secret® Hotels, exclusive holiday packages for French customers as well as lifestyle offerings in the UK (e.g. spa days, West End theatre shows, restaurants and experiences). It was also one of the first online travel businesses to offer dynamic packaging (flight + hotel). This extensive product experience will allow the Bravofly Rumbo Group to develop and expand its offering across all its brands.

The evolution of mobile technologies is having an extraordinary impact on last minute lifestyles and is a catalyst for more spontaneous behaviour, making lastminute.com more relevant than ever. lastminute.com has focused its brand around mobile and strengthened its business to offer customers a great experience whenever and wherever. There is even a lab in the London office where new ideas and technologies are tested on customers. In 2014, lastminute.com was voted Best UK Travel App[4].

Footnotes

[4] EpiServer research, 2014.

Our business

Giving customers whatever they need anytime anywhere.
That's why we are constantly committed to broadening our offering of travel products and ancillary services as well as developing cutting-edge technologies to enable the best travel experience.

How we work

Bravofly Rumbo Group operates through a combination of OTA and metasearch businesses.

Through our metasearch and OTA platforms, users can run searches across a comprehensive range of travel products and services. Our advanced filtering capabilities allow them to narrow and easily compare search results. The OTA platforms enable our customers to build their ideal vacation by dynamically mixing and matching multiple travel components (e.g. airline tickets, hotel rooms, rental cars and travel insurance) into one bundled package.

Our metasearch engine redirects the users to an airline, cruise, hotel, or car rental site or other OTAs for the final purchase of a ticket. Users of our OTA platforms can complete the reservation and purchase of a number of ancillary services through our booking system, which ensures an easy and secure buying process.

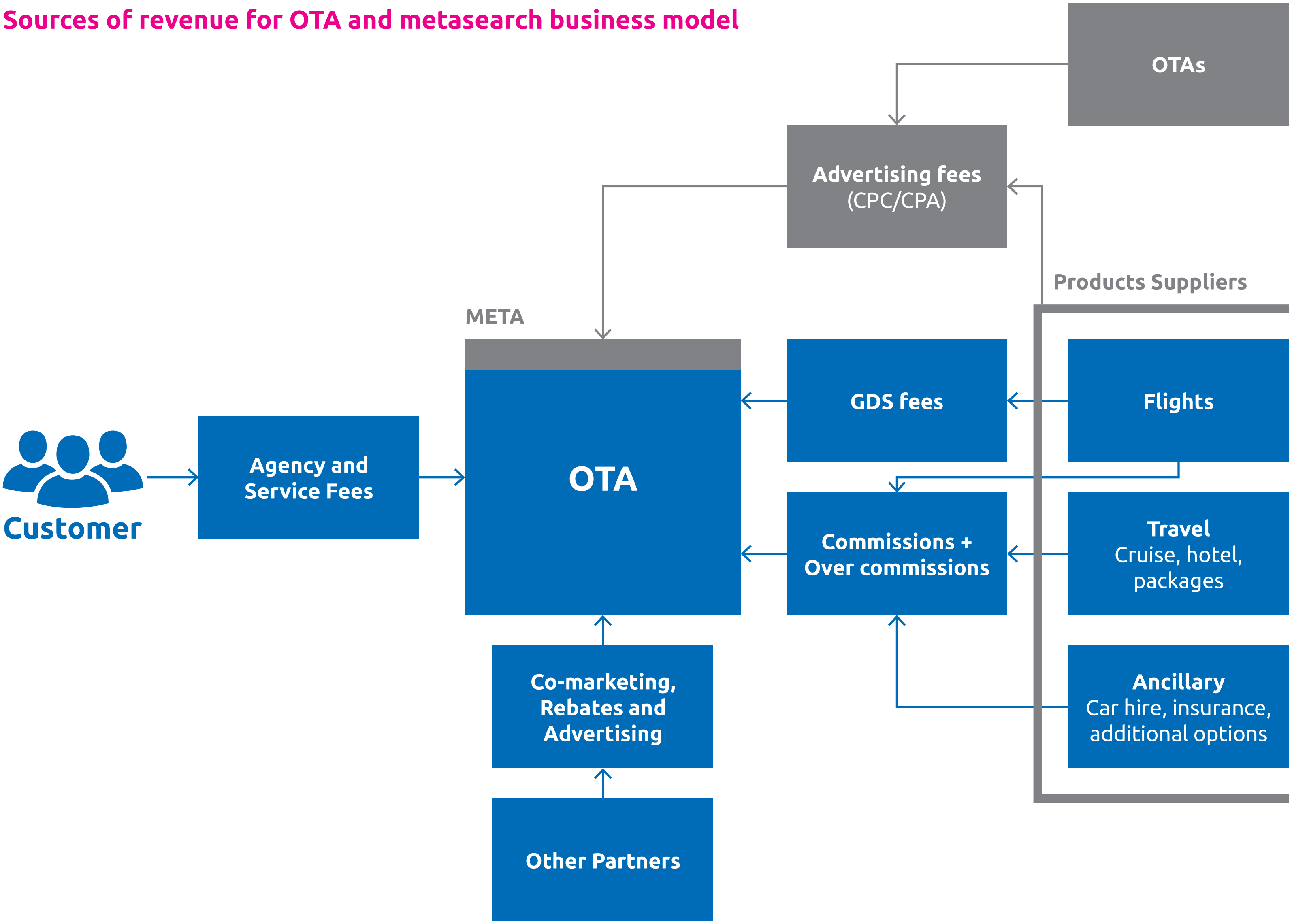
Our skilled support staff are there for the customer at every stage of the travel arrangement and booking process, as well through post-sale assistance.

The revenue streams

Our business model is sustained by a clear and compelling revenue stream. It is primarily transaction-based and volume-driven and relies on diversified sources of income, enabling a structural risk mitigation.
Major sources include:

- fees paid by customers when they purchase a service from our selling channels;
- a wide variety of commissions paid by travel providers and other commercial partners;
- advertising;
- metasearch business that generates revenues from commission paid by travel providers and OTAs when their users simply visit the OTA site (CPC model) or complete a transaction on such booking sites (CPA model).

Sources of revenue for OTA and metasearch business model



Sources of flight revenue

We offer flights from more than 400 airlines, both low cost and traditional. Airline ticketing is our largest business, with websites specialising in searching, comparing and booking flights.

Service and agency fees

We generate revenue from mark-ups as well as service and agency fees that we charge customers for the services we provide. We analyse and adjust our pricing models on a daily basis with the goal of optimising conversion.

Commissions from airlines

In certain markets, airlines may pay us a commission calculated as a percentage of the gross value of the flights booked through our platforms. Airlines may also pay an additional commission (over-commission) typically upon the achievement of certain sales targets.

GDS revenues

We receive incentive payments from our Global Distribution System (GDS) service providers based on the booking volumes completed through their systems.

Sources of non-flight revenue

Hotels

We offer thousands of hotels and have a strong focus on last minute deals, which we are able to secure because of our strong supplier relationships built up over many years. We further differentiate from competitors through our unique Top Secret® Hotels: these are opaque hotels at unrivalled prices saving customers up to 35% in key cities - a product lastminute.com established ten years ago.

The hotel booking segment generates revenue through a combination of commissions paid by suppliers on the basis of volumes generated and mark-ups over net price that we charge to our customers.

Vacation Packages

We enable our customers to create dynamic packages, as well as to purchase static packages pre-arranged by tour operators. We are able to provide more than 40 million dynamic packages updated on a daily basis.

Revenues related to dynamic vacation packages stem from a combined stream of flight revenues, revenue from hotel bookings and, where relevant, from other products and services that customers include in their package. Revenues related to static vacation packages derive from commissions paid by suppliers on the basis of volumes generated. In some cases, we have access to net prices and charge a mark-up to our customers.

Cruises

We offer cruise deals from the major cruise lines, including Msc Crociere, Costa Crociere, Norwegian Cruise Line and Royal Caribbean, Ibero Cruceros and Pullmantur Cruises.

We generate revenue connected with cruise bookings through a dual approach. Usually, our suppliers pay us a commission on the basis of volumes generated. In other cases, we have access to net prices and charge a mark-up to our customers.

Car Rental

We cooperate with RentalCars.com to provide low-cost car rental services in 165 countries around the world, leveraging a large network of global suppliers such as Sixt, Europcar, Avis and Hertz, as well as local players.

We receive commissions from our supplier on the basis of the volumes generated.

Lifestyle

lastminute.com in the UK has a unique and differentiated lifestyle proposition, which offers experiences, spa days and breaks, restaurants as well as theatre and entertainment ticketing. Unrivalled prices for theatre tickets, particular in the London West End, are available for customers based on our direct and exclusive supplier relationships, making lastminute.com one of the UK's largest theatre ticket agents.

For our lifestyle category, we receive variable commissions and for certain products additional fees if we hit the agreed traffic commitments.

Sources of ancillary services

We offer a constantly growing range of ancillary travel-related services. These include insurance policies, prearranged airport parking, transfers, web check-in and some distinctive proprietary products such as the assistance package "Full Flex" giving customers unrivalled flexibility and coverage when purchasing flight tickets.

We generate margins on the sale of additional services connected with both our flight and non-flights products, such as third-party insurance or flight-flexibility options.

Other sources

Co-marketing and promotional activities

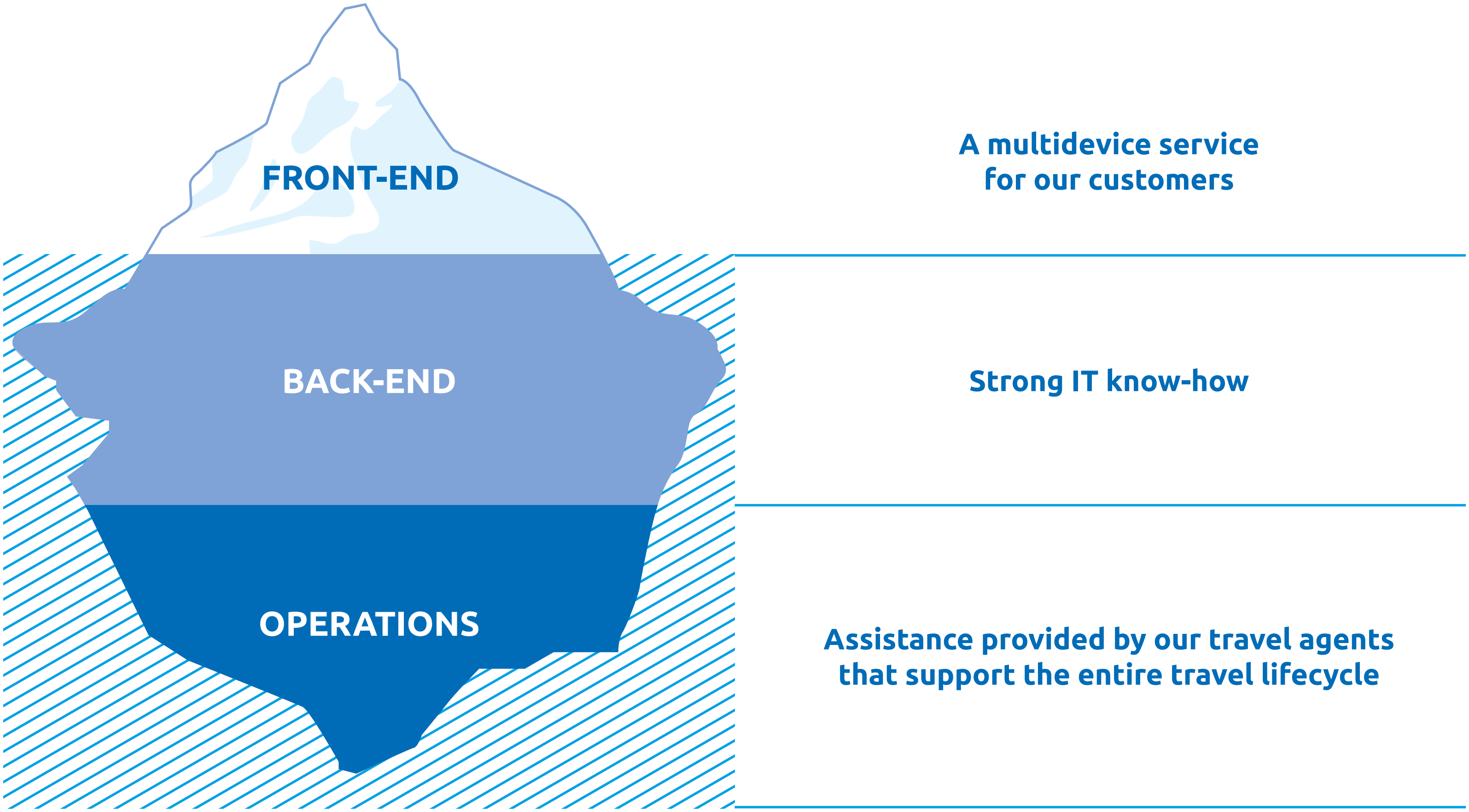
We develop incentive, promotional and co-marketing projects. In addition to generating revenue and building a database of potential new customers, these initiatives give us a powerful opportunity to link our brands to well-known offline brands of leading international companies, such as Enel, Telecom, Unicredit, Intesa San Paolo, Unieuro, Vodafone, Orange, Axa, Wall Street Institute, Samsung and General Optica.

Advertising and agreements with tourist boards

The size and engagement of the audience makes our websites an ideal place for advertisers to maximise the impact of advertising investments. We provide them with a wide range of innovative solutions to satisfy their targeting objectives. We also cooperate with tourist boards in order to attract travellers to their destinations. Particularly in Spain we are involved in several projects to promote local attractions and boost hotel bookings and other services in a given region.

Our approach

IT and operational excellence



Simplifying our customers' lives has been in our DNA since the launch of the Group's first website. Over the years innovation in technology has enabled us to constantly improve the platforms and tools provided, and to integrate new products and services that enhance the entire travel lifecycle. At the same time, we have focused on improving the assistance provided by our travel agents, in order to better support our customers in the crucial phases of travel arrangements and post-sale assistance.

We have state-of-the-art functionality built upon strong IT know-how and complemented by operational support. Our developers are essential to the success of our business, as they are key contributors to the various aspects of the value chain in areas such as: the integration of travel and ancillary product providers; the optimisation of results and combination of different travel products; the smooth functioning of our back-office and CRM systems; business intelligence; management of the payment and fraud prevention systems; and the optimisation of our administration and control tools.

We have optimised our platfoms by designing a unique architecture that integrates technological functions with service operations. Even in the case of sporadic system and automatic process interruptions, customers can complete bookings with our operators manually helping them to complete the reservation.

Our way of doing business focuses on giving customers the confidence that we are providing them with the widest selection, the best offers and simplest, most secure way to plan their holidays. At the same time we strive to make the relationship with the customer as friendly and efficient as possible.
Our processes are designed to turn anonymous visitors into registered users, users into customers, customers into returning and loyal customers.

Always on the innovation path

The success of our Group mostly depends on our ability to be responsive to changes affecting our industry. Since the very beginning we have been able to understand and foresee new trends in the online travel business.

Bravofly Rumbo Group has established itself as one of the most innovative players in the online travel industry. We are well known for having developed cutting-edge desktop platforms that integrate advanced multiple filtering, sorting and comparison tools with an extensive database of travel products and services. The aim is to facilitate online users to find, compare and book travel solutions through a fast, easy-to-use interface, that conceals the complexity of the underlying technological infrastructure.

Today, the online travel industry is dealing with increasingly hyper-interactive travel consumers who switch channels on an hourly basis (e.g. desktop platforms during the day; smartphones during lunch break; tablets after work hours). To cope with these rapid changing travel shopper trends, we have increasingly focused on multiple marketing and sales channels, thereby offering customers more than one way to buy our products and services.

While in 2014 the desktop was still our main distribution channel, over the last few years we have experienced a strong growth in mobile users. We are embracing mobile not only as a searching and booking vehicle, but also as an opportunity to engage with our customers by providing content and offering ancillary services while on holidays. We are strongly committed to developing mobile apps and mobile-responsive websites to make our products available across any device our customers are on, whenever and wherever they are.

A new technology architecture to keep innovating

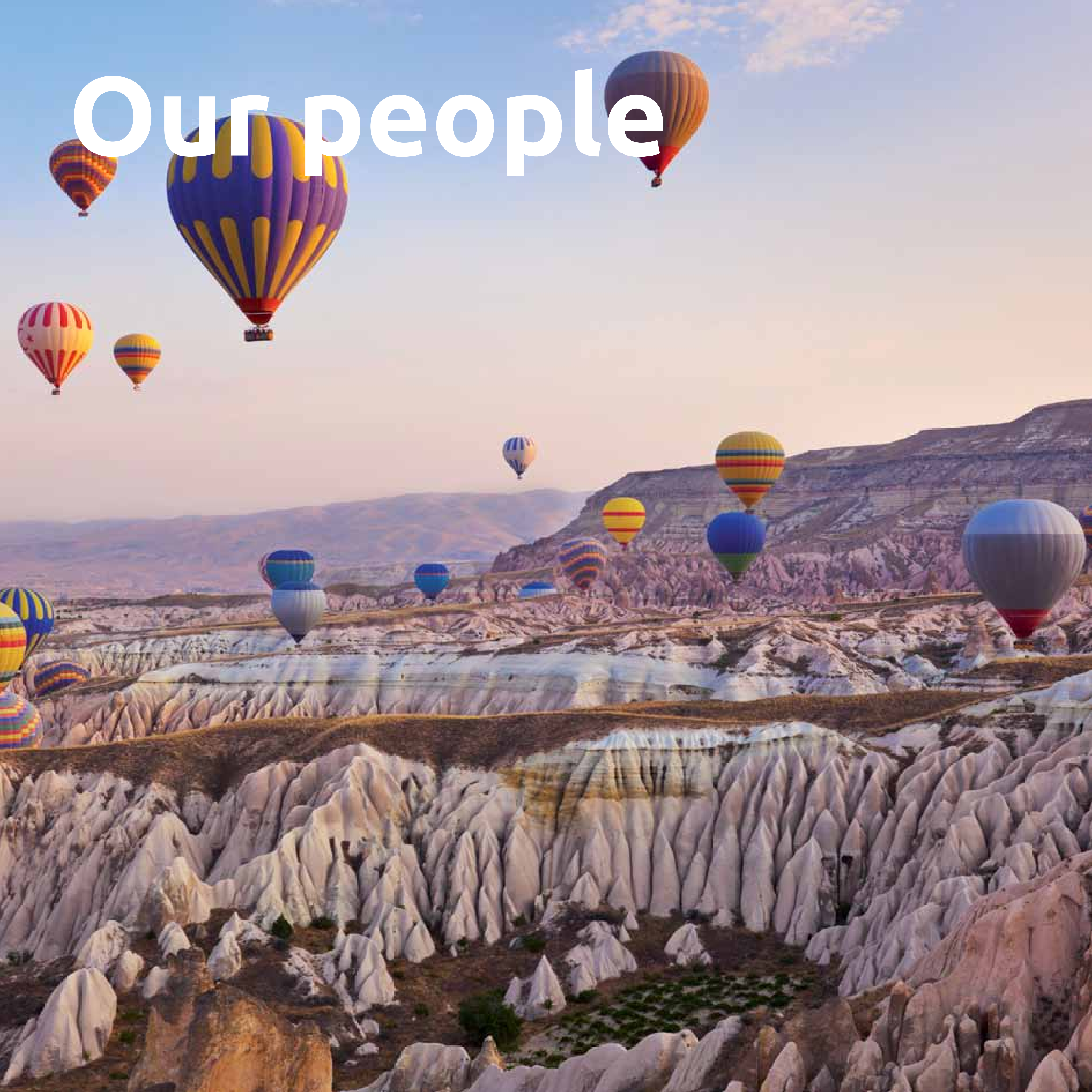
In 2014, we planned the development of a new more scalable technology architecture with the clear purpose of improving responsiveness and time-to-market, increasing flexibility and driving efficiency, and providing our customers with the most advanced high-level quality of service

We have designed an architecture that, from an organisational perspective, simplifies procedures and improves communication among all the different business areas whilst, from a financial perspective, is expected to deliver better results, boost revenue growth and increase customer retention.

Human interface as a key asset

As a technology-driven company, we rely heavily on our IT solutions to sell our products and services. At the same time we consider human-interface operations as a key asset in managing the relationship with our customers and in responding to any sudden changes affecting our business. We regard our dual technological and operational approach as a strategic strength and one of our key differentiators.

Our people



Bravofly Rumbo Group considers the quality of human capital a basis for outstanding achievement.
During 2014, we hired 239 people while 156 left, meaning that our workforce grew by 14.6% going from 567 to 650 employees.
More than 65% are under 35 years old, and many have started their careers with us.

Our strategy is to drive organisational excellence by attracting and retaining the very best people in all areas of the company. We focus on making Bravofly Rumbo Group an innovative, exciting place to work, where talent is nurtured and young people are empowered to reach their professional goals. We have complemented the dynamic young team with a strong, experienced management group.

Workforce by contract type	2014
Permanent Staff	568
Temporary Staff	82
Total employees	**650**
Outsourcing Staff	381
Total	**1031**

Workforce by gender	
Female	47%
Male	53%

Based on permanent and temporary staff, before lastminute.com consolidation.

Workforce by range of age at 31/12/2014	
<30 years old	34%
30 - 35 years old	31%
35 - 40 years old	19%
>40 years old	16%

Talent sourcing

The first step of our recruitment process is to define the technical and soft skills needed for a given position. We use a variety of channels to source talent at different career stages. Entry-level staff are recruited from universities and through Career Days, which are a great opportunity to present our company and meet a large number of students and graduates.
In 2014 we strengthened our relationships with the Bocconi University in Milan and the University of Lugano (known as Università della Svizzera italiana) as key sources of new talent. We also took part in initiatives devoted to innovation, such as the Codemotion events in Milan, Rome and Madrid, in order to get in touch with developers and coding experts. Recruitment in 2014 mainly focused on the IT area, with more than 30 people joining our IT department over the year.

Training & development

Bravofly Rumbo Group considers training to be a critical investment in orfer to ensure continuing success. We are committed to improving and developing our people's technical and soft skills as well as management expertise, thereby providing them wit the tools they need to achieve professional and personal growth. Training initiatives also create opportunities to share knowledge and information between the company's functions as well as to promote team building.

In 2014 we introduced a new employee welcome and orientation programme. Newly hired employees attend a 4-day training course and certain positions require additional individual training, which consists of one week of working alongside colleagues from different departments in order to better understand the processes within our Group.

Over the year our employees have been involved in the "360 Programme". This is an individual development program built around a multi-rater feedback questionnaire aimed at personal and organisational development. The feedback is based on an online questionnaire regarding the observed behaviour of each participant, which is linked to specific and organisationally relevant competencies. The person receiving the feedback completes a self-assessment and then gets feedback from the manager, a group of peers and a group of direct reports based on the same questionnaire. Feedback from peers and direct reports is aggregated into the final report, therefore, confidentiality is ensured. The final report, which is discussed during an individual coaching conversation, helps the participant understand any gap there may be between his/her self-perception and the perception of others, while also identifying strengths and the development areas to focus on.

Claudio Pozzoli

Chief Technology Architect

What brings you back after your experience at Google?

Coming back I was pleased to find the same mind-set within the Company. The striving for product excellence and continuous innovation, Bravofly's distinguishing trait before I left for Google, made a fast-moving start-up one of the most successful travel-companies in Europe, with multiple offices and a multicultural environment. The group fully embraced agile software development to stay lean and fast, rationalised processes to execute more effectively and stay productive while acquiring two companies and diversifying its business presence. But at Bravofly Rumbo Group, you still feel that you can make a difference, that your ideas can bring about change and evolve into a new business.

What is your vision for the Group's system architecture?

The Group has already embraced what might be considered the best practice for system architecture nowadays: small, autonomous components interacting via simple, well-defined and consistent APIs. First and foremost, benefits have been clear separation of concerns, more frequent deployments, and the ability to scale every component independently and more easily. As scalability is only one of the key principles to be considered while designing large a web system, the new architecture will converge towards a common platform with an ever increasing focus on availability, monitoring and adoption of the latest trends in the industry, such as service containers.

Matthew Crummack
Deputy CEO and Chief Integration Officer

How is the integration processing and what role do the different cultures play?

We're working hard to integrate and quickly become "one company" by bringing people together from previously separate companies and moving fast towards a single common vision. Right after we closed the acquisition, our teams from across functions and geographies have started to collaborate on shared objectives focused on integration initiatives and programmes. I believe we have a great cultural fit: teams from the Bravofly Rumbo Group are bringing real entrepreneurial drive to our efforts, while the lastminute.com teams are bringing true leadership to building strong brands with an international footprint.

How do you see the future of marketing in the new group and how do you plan to revive the lastminute.com brand?

Successful and strong e-commerce brands need "omni-presence" in online and offline channels. We know that a well-known and clearly positioned brand delivers a better return on digital spend and therefore a more effective marketing spend. The brand marketing team is now focused on delivering fresh activity in the short to medium term and it's all about the enjoyment of every minute of our lives, a concept which we know resonates strongly with our customers. Our goal is to drive greater cut-through in a noisy marketplace – something the lastminute.com brand is perfectly positioned to capitalise on. This predominantly offline campaign will be supported by strong analytically-led digital activity within the search environment, something the Bravofly Rumbo Group has a strong track record in.

Our target

In line with the long-term strategy of the Group which aims to create sustainable value over the long run, the company has decided to disclose mid-term targets, instead of annual guidance.
We believe this is supportive with regards to our focus on volume and customer base growth and in line with the rationale of the lastminute.com acquisition which is leading to a transformation of the structure of the Group.

This acquisition will require careful management of a challenging integration plan but, at the same time, we are certain it will create value for shareholders through scale, strong brand awareness, and breadth of product mix.

2015		Target 2017		Ambition 2020	
GTV	**€ 2,500M**	**GTV**	**€ 3,000M**	**GTV**	**€ 5,000M**
Revenues	**Increasing > € 270M** Over-performing respective Industry CAGR	**Revenues**	**€ 330M**	**Revenues**	**€ 600M**
EBITDA	**Increasing for BRG Stable for LMN**	**EBITDA margin**	**Over 18%**	**EBITDA margin**	**25%**
Profitability	**Declining on combined basis** Reflecting LMN consolidation and first-stage integration process				

Our target, then, is to continue growing, outpacing the respective industry rate and achieving Gross Travel Value of EUR 3 billion, revenues of EUR 330 million, and EBITDA margin above 18%, all by 2017. No other M&A deals are included in the underlying assumptions, which are based primarily on the recovery of lastminute.com performance and on the great synergies we will be able to generate thanks to the perfect complimentarity of the Bravofly and lastminute.com businesses.

While 2015 will be a transition year affected by extra costs and reflecting the consolidation of the current negative profitability of lastminute.com, we are expecting to gain increasing benefits from the integration within the next 12 months and then unlock the full potential from the second half of 2016 onwards.
Drivers are:

- new focused brand strategy supporting top-line growth and leading to a slight increase in marketing expenses, from 40%* to 42% on revenues, which is below the current ratio of Bravofly Rumbo Group stand-alone (44.6%), but higher than that of lastminute.com (33%);
- very effective cost structure as a result of the integration of the existing platforms into one advanced and scalable technology infrastructure expected to be concluded by 2016, driving a significant decline in operating costs from 54%* to 40% on revenues, which is in line with the current ratio of Bravofly Rumbo Group stand-alone and lower than the 73% reported by lastminute.com.

We have then an ambition to become the European market leader with GTV of EUR 5 billion, revenues of EUR 600 million, and an EBITDA margin of around 25%. We have a sound financial structure supporting ongoing investment in new opportunities, and we have a talented and skilled management team. We are focused on innovation which will lead us to drive change in our industry, and we ultimately believe that we can rely on all the key success factors that make it possible for an OTA to become a smart travel provider.

Footnotes
* Preliminary 2014 pro-forma figures based on management accounts.

Our structure

Members of the Executive Management Team

We can rely on a top-tier management team that features great business understanding, international experience and integration capabilities.

Francesco Signoretti

Chief Executive Officer

Francesco Signoretti holds a diploma in engineering from the University of Rome La Sapienza. Between 1993 and 1999, Francesco worked as consultant for McKinsey & Company. From 1999 to 2001, he cofounded and acted as managing director for eDreams Italy. From 2001 to 2004, he worked in the marketing department for Wind Telecom. Between 2004 and 2010, he worked for Unicredit Bank, where he held various positions until he became head of global CRM and multichannel banking and deputy head of global retail marketing and segments. He joined the Bravofly Rumbo Group in 2010 and has acted as Chief Executive Officer since then.

Andrea Bertoli

Deputy CEO and General Manager Travel & Leisure

Andrea Bertoli graduated in Business Administration from Bocconi University in Milan and holds a Master's CEMS from ESADE Business School in Barcelona. He spent 7 years at McKinsey & Company as a senior consultant for Italy and Scandinavia. In 1999, he co-founded eDreams Italy and was appointed Vice President of Strategic Development and board member of eDreams Inc. Between 2001 and 2011 he held CEO and chairman positions in some of the largest ski lift operation companies in the Dolomites. He joined Bravofly Rumbo Group in 2012 as the head of New Business Development. Within the Group, in July 2013 he co-founded the deal-of-the-day metasearch Vivigratis.com. In 2014 he was appointed General Manager Travel & Leisure.

Matthew Crummack

Deputy CEO and Chief Integration Officer

Matthew Crummack received a BSc in International Business and Modern Languages from Aston University in the UK and an ERASMUS diploma at the IECS Business School in Strasbourg. Between 1993 and 2006, Matthew pursued a classic European sales and marketing career with Procter & Gamble, followed by an assignment as a global business development director for Nestlé handling their relationship with Tesco worldwide. In 2006, he moved sectors into online travel where he gained extensive experience as Expedia's European VP and then Global Senior VP of Lodging in their partner services team. He became CEO of lastminute.com in 2011, before leading the sale of the business to Bravofly Rumbo Group in early 2015.

Jérôme Cohen Scali

General Manager Metasearch and International Business Development

Jerôme Cohen Scali is a graduate of ESSEC Business School, holds a diplôme d'études appliquées (DEA), in probability from the University of Paris VI, a masters' degree in applied mathematics and a DEA in finance from the University of Paris Dauphine. Between 1999 and 2004, Jerôme worked as a trader for CALYON. From 2004 to 2008, he worked as a trader for HSBC. In 2006, he co-founded Jetcost. He joined Bravofly Rumbo Group in 2013 and was appointed General Manager Metasearch.

Francesco Guidotti

Chief Financial Officer

Francesco Guidotti graduated in economics and commerce from La Sapienza University of Rome. He was previously CFO of YOOX, the global Internet retailing partner for leading fashion brands listed on the Milan stock exchange. He began his professional career as Financial Controller at the Brussels branch of Pirelli Bedding Benelux. In 1996, he became the Financial Manager of Ethicon Endo-Surgery, a subsidiary of Johnson & Johnson. In 1997, he joined TAG Heuer Italia S.p.A., a subsidiary of the Louis Vuitton Möet Hennessy Group, as the CFO of the Italian subsidiary, and in 1999, he took on the role of Financial Controller for Europe in Neuchâtel, Switzerland. In 2000, Mr Guidotti became CFO at Zenith Italia S.p.A. in Milan and OMAS S.r.l. in Bologna, both companies of the Louis Vuitton Möet Hennessy Group. Between 2001 and 2003, he held the position of Financial Controller for the Bulgari Group in Neuchâtel, Switzerland, and then moved to YOOX S.p.A. to hold the position of CFO until 2006. He then joined the PINKO Group as CFO and, from April 2008 to June 2010, held the position of CFO at the TAS Group. From July 2010 to 2015, Francesco Guidotti was CFO of YOOX S.p.A. He joined the Bravofly Rumbo Group in 2015.

We would like to thank our former CFO, Mr **Gaspar Santonja**, who left the Company to pursue other business opportunities. As of 1 May 2015, Gaspar has officially left the executive management team whereas, until 30 June, he will support the Company and Francesco Guidotti to ensure a smooth and efficient transition.

Board of Directors

The Board of Directors comprises eight members, two executive Directors part of the executive management team, Mr **Francesco Signoretti** and Mr **Jérôme Cohen Scali**, and six non-executive.

Fabio Cannavale

Chairman

Fabio Cannavale holds a diploma in engineering from Politecnico di Milano and holds an MBA from INSEAD, Fontainebleau, France. In 2004, he cofounded Volagratis.com and has acted as Chairman of the Bravofly Rumbo Group since then. He started his career as a consultant, working between 1989 and 1996 for A. T. Kearney and for McKinsey & Company. Between 1996 and 1998, he launched The Floating Village in Venezuela, an innovative concept of a holiday village built on boats. Between 1999 and 2001, Fabio was a member of the management team of eDreams, an online travel start-up. Between 2001 and 2004, he worked for his family-owned businesses and collaborated with a not-for-profit entity. He is also a member of the board of directors Cavotec SA, Nomina SA and Consortium Real Estate BV.

Roberto Italia

Non-executive Director

Roberto Italia has graduated in economics from LUISS University, Rome, Italy and holds an MBA from INSEAD, Fontainebleau, France. He has been a member of the Bravofly Rumbo Group since 2013. Between 1990 and 1994, he has worked at Telecom Italia Group. From 1994 to 2002, he has held the function of associate to partner with Warburg Pincus and acted as partner for Henderson Private Capital between 2003 and 2004. Between 2005 and mid 2013, he has been a partner at Cinven. Since mid 2013, he acts a senior advisor to Cinven, also chairing Cinven's advisory unit in Italy. Currently, he is chairman of Space Holding SrL, chief executive officer of Space SpA, and a board member of Avio SpA, Redbrick Capital Partners Srl, Red Black Capital SA, Cinven Luxco 1 SA, Cinven Luxco 2 SA and FCP Manco Sarl.

Ottonel Popesco

Non-executive Director

Ottonel Popesco holds an MBA from Sorbonne University, an MSc in economics from Bucharest Academy, an Ingénieur professionnel de France-diploma from Société nationale des ingénieurs professionnels de France and a diploma in Strategic Marketing Management from Harvard Business School. Between 1983 and 1988, he acted as sales and marketing manager in the CKB manufacturing division of ABB France. In 1988, he joined Cavotec. Currently, he is group CEO and a member of the board of directors of Cavotec SA Switzerland.

Julia Bron

Non-executive Director

Julia Bron has been working in the financial services industry for the past 16 years. During her career she has advised clients on numerous transactions and restructuring, concluded various audit engagements both locally and internationally, holding titles of a Senior Manager PWC, Amsterdam (2009) and a Manager at Deloitte in Amsterdam, Ljubljana, Minsk (1998 - 2007). She gained experience in formation and management of companies, standardisation of corporate governance, compliance and administration being a Commercial Director at TMF, Amsterdam (2010 - 2012) and a Senior Integration Manager at Citco Funds, Amsterdam (2007-2008). Since 2012 she has been a partner at Lainsburgh, specialising in staffing and structuring operations for international companies in the Netherlands. She holds a aw degree from Belarus State University.

Fabio Selmoni*

Non-executive Director

Fabio Selmoni received his BA from the University of California at Berkley in 1990 and an MBA from the Wharton School of the University of Pennsylvania in 1996. He was a management consultant at Booz Allen & Hamilton in New York and an investment banker at UBS Warburg in the mergers and acquisitions group. He was the Director of International Business Development for Shopnow.com before becoming Managing Director of European Sales and Operations at Google. In this role, Fabio spearheaded Google's entry into multiple European markets and contributed to Google web search partnerships with a number of notable European portals and websites. He has over a decade of experience as an entrepreneur in the internet world.

Minter Dial*

Non-executive Director

Minter Dial received his BA in Trilingual Literature from Yale University in 1987 and his MBA from INSEAD, Fontainebleau in 1993. He began his career in product marketing for the investment bank Donaldson, Lufkin & Jenrette in New York, for four years. He then joined a startup, The Myriad Group, a travel agency for entertainers based in Washington DC for two years before returning to Europe to earn his MBA. After a long and successful international career at L'Oreal, where he was Managing Director and member of the Worldwide L'Oréal PPD Executive Committee from 2006 to 2009, he founded the Myndset Company. Minter is a professional speaker, coach and consultant on Branding and Digital Strategy. Clients include Orange, Kering (PPR), Remy-Cointreau, Samsung, Crédit Agricole, LVMH, L'Oréal, Total, Publicis, Canal+, GDF, Suez and Tencent. He is also International Media Director at Netexplo, a worldwide observatory of new technology trends.

Footnotes

***** The 2 Board members were elected at the Assembly General Meeting on 19/5/2015.

During 2014, Christian De Prati and Matteo Renzulli served as non-executive Directors and left their respective offices not standing for 2015 re-election.

Consolidated financial statements

Consolidated statement of profit or loss and other comprehensive income

in '000 EUR	Notes	2014	2013
Revenues	6	146,987	123,184
Marketing costs	7	(66,193)	(50,813)
Personnel costs	8	(24,531)	(22,113)
Other operating costs	9	(40,196)	(29,256)
Amortization, depreciation and impairment	16/17/18	(5,710)	(5,118)
Profit before interest and income tax		**10,357**	**15,884**
Finance income	10	677	111
Finance costs	10	(1,007)	(1,166)
Share of result of equity-accounted investees	20	(110)	127
Profit before income tax		**9,917**	**14,956**
Income tax	11	(2,716)	(2,646)
Profit for the period		**7,201**	**12,310**
- thereof attributable to the Shareholders of Bravofly Rumbo Group N.V.	12	7,306	12,400
- thereof attributable to non-controlling interest		(105)	(90)
OTHER COMPREHENSIVE INCOME Items that will never be reclassified to profit or loss			
Remeasurements of the Employee benefits liability	13	(583)	(40)
Related tax	11	121	8
Items that will never be reclassified to profit or loss		**(462)**	**(32)**
Items that are or may be reclassified to profit or loss		**-**	**-**
Total other comprehensive income for the period, net of tax		**(462)**	**(32)**
Total comprehensive income		**6,739**	**12,278**
- thereof attributable to the Shareholders of Bravofly Rumbo Group N.V.		6,844	12,368
- thereof attributable to non-controlling interest		(105)	(90)
EARNINGS PER SHARE			
Basic earnings per share (in EURO)	12	0.53	1.11
Diluted earnings per share (in EURO)	12	0.51	1.08

Consolidated balance sheet

in '000 EUR	Notes	31 Dec 2014	31 Dec 2013
NON CURRENT ASSETS			
Property plant and equipment	16	937	1,019
Intangible assets	17	86,468	85,633
Goodwill	17/18	45,949	45,949
Non current financial assets	19	143	227
Investment in equity accounted investees	20	355	465
Deferred tax asset	11	550	495
TOTAL NON CURRENT ASSETS		**134,402**	**133,788**
CURRENT ASSETS			
Inventories		22	38
Current financial assets	19	509	771
Current tax assets	11	506	130
Trade and other receivables	21	30,539	27,654
Cash and cash equivalents	22	89,316	33,473
TOTAL CURRENT ASSETS		**120,892**	**62,066**
TOTAL ASSETS		**255,294**	**195,854**
SHARE CAPITAL AND RESERVES			
Share capital	23	146	124
Capital reserves	23	127,751	42,001
Treasury share reserve	23	(3,939)	-
Retained earnings		39,385	33,973
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF BRAVOFLY RUMBO GROUP N.V.		**163,343**	**76,098**
Non-controlling interest		(169)	(124)
TOTAL EQUITY		**163,174**	**75,974**
NON CURRENT LIABILITIES			
Non current provisions	24	2,000	2,000
Employee benefits liability	13	1,752	1,008
Deferred tax liabilities	11	22,198	22,234
Long Term Financial Liabilities	25	-	19,508
TOTAL NON CURRENT LIABILITIES		**25,950**	**44,750**

in '000 EUR	Notes	31 Dec 2014	31 Dec 2013
CURRENT LIABILITIES			
Current provisions	24	717	665
Short Term Financial Liabilities	25	-	10,486
Current tax liabilities	11	602	2,066
Trade and other payables	26	64,851	61,913
TOTAL CURRENT LIABILITIES		**66,170**	**75,130**
TOTAL LIABILITIES		**92,120**	**119,880**
TOTAL LIABILITIES AND EQUITY		**255,294**	**195,854**

Consolidated statement of changes in equity

in '000 EUR	Notes	Share capital	Capital Reserves	Treasury Share Reserve	Retained Earnings	Equity attributable to Shareholders of Bravofly Rumbo Group N.V.	Non-controlling interest	TOTAL EQUITY
Balance at 1 January 2013		**112**	**20,683**	**-**	**20,491**	**41,286**	**138**	**41,424**
Result for the period		-	-	-	12,400	12,400	(90)	12,310
Other comprehensive income								
- Remeasurements of the Employee benefits liability (net of tax)	11/13	-	-	-	(32)	(32)	-	(32)
Total other comprehensive income net of tax		**-**	**-**	**-**	**(32)**	**(32)**	**-**	**(32)**
Total comprehensive income net of tax		**-**	**-**	**-**	**12,367**	**12,368**	**(90)**	**12,278**
Transactions with shareholders								
- Increase in share capital	23	12	21,318	-	-	21,330	-	21,330
- Share-based payments	14	-	-	-	819	819	-	819
- Acquisition/loss of control of subsidiaries with non-controlling interest	4	-	-	-	294	294	(172)	123
Total transactions with shareholders		**12**	**21,318**	**-**	**1,114**	**22,444**	**(172)**	**22,272**
Balance at 31 December 2013		**124**	**42,001**	**-**	**33,973**	**76,098**	**(124)**	**75,975**
Result for the period		-	-	-	7,306	7,306	(105)	7,201
Other comprehensive income								
- Remeasurements of the Employee benefits liability (net of tax)	11/13	-	-	-	(462)	(462)	-	(462)
Total other comprehensive income net of tax		**-**	**-**	**-**	**(462)**	**(462)**	**-**	**(462)**
Total comprehensive income net of tax		**-**	**-**	**-**	**6,844**	**6,844**	**(105)**	**6,739**
Transactions with shareholders								
- Increase in share capital	23	22	85,750	-	-	85,772	-	85,772
- Share-buy back plan	23	-	-	(3,939)	-	(3,939)	-	(3,939)
- Buy-back share options	14	-	-	-	(1,788)	(1,788)	-	(1,788)
- Share-based payments	14	-	-	-	356	356	-	356
- Transactions with non-controlling interest	4	-	-	-	-	-	60	60
Total transactions with shareholders		**22**	**85,750**	**(3,939)**	**(1,432)**	**80,401**	**60**	**80,461**
Balance at 31 December 2014		**146**	**127,751**	**(3,939)**	**39,385**	**163,343**	**(169)**	**163,174**

Consolidated cash flow statement

in '000 EUR	Notes	2014	2013
Cash flow from operating activities			
Profit for the period		7,201	12,310
Adjustments for:			
- Amortization and depreciation	16/17/18	5,710	5,118
- Net finance result	10	330	1,055
- Income tax expense	11	2,716	2,646
- Share-based payments	14	356	819
- Share of result of equity-accounted investees	20	110	(127)
Change in trade and other receivables	21	(2,516)	(2,382)
Change in inventories		16	92
Change in trade and other payables	26	1,872	3,902
Change in provisions	24	52	618
Change in employee benefit liability	13	160	194
Interest paid		(273)	(694)
Income tax paid		(3,443)	(2,080)
Net cash from operating activities		**12,291**	**21,471**
Cash flow from investing activities			
Interest received		232	111
Purchase of property, plant and equipment	16	(627)	(386)
Proceeds from sale of property, plant and equipment	16	86	-
Purchase of intangible assets	17	(5,922)	(5,371)
Acquisition of subsidiaries, net of cash acquired	4	(8,747)	(1,545)
Transactions equity accounted investees		-	5
Acquisition of financial assets	19	(226)	-
Proceeds from sale of financial assets	19	571	288
Net cash used in investing activities		**(14,633)**	**(6,898)**
Cash flow from financing activities			
Repayments of borrowings	25	(21,860)	(11,267)
Buy-back of share options	14	(1,788)	-
Share Buy back plan	23	(3,939)	-
Capital contribution	23	85,772	-
Net cash (used in)/from financing activities		**58,185**	**(11,267)**
Net increase in cash and cash equivalents		**55,843**	**3,306**
Cash and cash equivalents at 1 January	22	33,473	30,167
Cash and cash equivalents at 31 December	22	89,316	33,473

Notes to the consolidated financial statements

Note 1 - General Information

Bravofly Rumbo Group N.V. (hereinafter referred to as the "Company") is a company domiciled in the Netherlands and inscribed in the Netherlands Chamber of Commerce. On 14 April 2014, the Company transformed into the legal form of an N.V. from the previous B.V. form. The address of the Company's registered office is Jan van Goyenkade 8, 1075 HP Amsterdam. The consolidated financial statements of the Company as at and for the year ended 31 December 2014 include the Company and its subsidiaries (together referred to as "Bravofly Rumbo Group", the "Group" or "BRG" and individually as "Group entities"). The Group is an online travel player providing consumers with online tools and technologies that allow them to easily search for, compare and book flights, vacation packages and cruises, hotel accommodations, car rentals and other travel products and services.

Note 2 - Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, except as explained in the paragraph that addresses adoption of new and revised standards and interpretations, and have been applied consistently by Group entities.

Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as endorsed by the European Union (EU).

The consolidated financial statements are presented in thousand of Euros and all amounts (including totals and subtotals) have been rounded according to normal commercial practice. Thus, an addition of the amounts presented can result in rounding differences.

The consolidated financial statements have been prepared on the historical cost basis, except for financial instruments at fair value through profit or loss, which are measured at fair value and the employee benefits liability, measured at the fair value of plan assets less the present value of the defined benefit obligation.
The consolidated financial statements were authorized for issue by the Board of Directors on 25 March 2015.

Adoption of new and revised standards and interpretations

As of 1 January 2014, the Group has adopted the following amendments to standards:
- Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27);
- Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32);
- Novation of Derivatives and Continuation of Hedge Accounting (Amendments to IAS 39).

These revised standards did not have a significant impact on the Group's consolidated financial statements.

Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.
Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements as well as information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year affects mainly the following areas:

Capitalized development costs

As of 31 December 2014 and 2013 Bravofly Rumbo Group has capitalized development costs in the carrying amount of EUR 7,728 thousand and EUR 7,204 thousand, respectively (refer to note 17). As of 31 December 2014, capitalized development costs not yet available for use were EUR 1,280 thousand (2013: EUR 726 thousand). The Group has to make estimates and judgments about the technical feasibility of completing its development projects for improved features on the internet page and the future economic benefits of those projects. If the estimated outcome differs significantly from actual results, the consolidated financial statements could be materially affected.

Income taxes

As of 31 December 2014 the net liability for current taxes amounts to EUR 96 thousand (2013: EUR 1,936 thousand). The net liability for deferred taxes amounts to EUR 21,648 thousand at 31 December 2014 (2013: EUR 21,739 thousand, refer to Note 11). Significant estimates are required in determining the current and deferred tax assets and liabilities. Some of these estimates are based on interpretations of existing tax laws and regulations. Management believes that these estimates are reasonable and that the recognized liabilities for income tax-related uncertainties are adequate. Various internal and external factors may have favorable or unfavorable effects on the income tax assets and liabilities. These factors include, but are not limited to, changes in tax laws and regulations or their interpretation, and changes in tax rates. Any such changes that arise could impact the current and deferred income tax assets and liabilities recognized in the balance sheet in future periods.

Provision and contingencies

The use of estimates and judgments is required in order to assess the amount and timing of future cash outflows to settle the present legal or constructive obligations. In case the estimates of Group's management differ significantly from effective cash outflows, the consolidated financial statements could be materially affected. Total provisions amount to EUR 2,717 thousand as of 31 December 2014 (EUR 2,665 thousand for 2013 - refer to note 24).

Business combinations

The Group initially recognizes the fair value of identifiable assets acquired, the liabilities assumed, any non-controlling interest and the consideration transferred in a business combination. Management judgment is particularly involved in the recognition and fair value measurement of intellectual property and contingent consideration. In making this assessment management considers the underlying economic substance of the items concerned in addition to the contractual terms. This process impacts the amounts assigned to individually identifiable assets and liabilities, the most significant ones being intangible assets. As a result, the purchase price allocation impacts Group's reported assets and liabilities, future net earnings due to the impact on future depreciation and amortization expense and impairment tests.

Impairment

As of 31 December 2014 and 2013 the Group had EUR 45,949 thousand in goodwill (see Note 18) and EUR 76,518 thousand in intangible assets with an indefinite useful life (see Note 17). Assets that have an indefinite useful life, such as trademarks owned by the Group, goodwill and intangible assets not yet available for use are not subject to amortization and are annually tested for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. To compute the recoverable amount the Group's management uses key assumptions, e.g. a discount rate reflecting the risk of the assets tested for impairment and future expected cash flows generated by these assets. Actual outcomes, e.g. cash flows, may vary significantly from those assumed by management. Factors such as the underperformance of the operating activities, worsening of market conditions, changes in discount rates and lower than anticipated revenues derived from the assets could lead to a significant impairment.

Basis of consolidation

The consolidated financial statements include the financial statements of the parent company Bravofly Rumbo Group N.V. and of the companies over which BRG has the right to exercise control, either directly or indirectly.

Business combinations

Business combinations are accounted for by applying the acquisition method. The Group measures goodwill as the fair value of the consideration transferred (including the fair value of any previously held equity interest in the acquiree) and the recognized amount of any non-controlling interests in the acquiree, less the net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. When the excess is negative, a bargain purchase gain is recognized immediately in profit or loss.

The Group elects on a transaction-by-transaction basis whether to measure non-controlling interests at their fair value or at their proportionate share of the recognized amount of the identifiable net assets, at the acquisition date.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, equity interests issued by the Group and the fair value of any contingent consideration. Transaction costs, other than those associated with the issue of debt or equity securities, incurred in connection with a business combination are expensed as incurred.

Subsidiaries

Control exists when Bravofly Rumbo Group N.V. is exposed, or has rights, to variable returns from its involvement with an investee and has the ability to affect those returns through its power over the investee.

The financial statements of subsidiaries that are controlled by the Group are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions that is, as transactions with the owners acting in their capacity of owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Loss of control

When the Group ceases to have control over a subsidiary it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost. This value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset.

Interests in equity-accounted investees
The Group's interests in equity-accounted investees comprise interests in associates, which are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Interests in associates are accounted for using the equity method. They are recognized initially at cost. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence ceases.

Additional information regarding changes in the consolidation area is provided in Note 4 of the present document.

Foreign currency

The consolidated financial statements of Bravofly Rumbo Group are presented in Euro (EUR), which is the functional currency of all entities in the Group.
In individual companies, transactions in foreign currencies are recorded at the rate exchange at the date of the transaction.
Monetary assets and liabilities in foreign currencies are translated at year-end rates. Any resulting exchange differences are recognized in profit or loss.

Property, plant and equipment

Property, Plant and Equipment is stated at acquisition or construction cost less accumulated depreciation and impairment losses or reversals. Acquisition and construction cost includes all expenses directly attributable to the acquisition and necessary to bring the asset to working condition for its intended use.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate components of property, plant and equipment. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset will be capitalized as part of the acquisition cost of that asset. An asset is deemed to be a qualifying asset if a substantial amount of time is required to ensure that it is in the intended state ready for use or sale.

Subsequent costs
Subsequent expenditure are capitalized only when it is probable that the future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are expensed as incurred.

Depreciation
Depreciation is charged to profit or loss on a straight-line basis over the following estimated useful lives:

IT Equipment	5 years
Furniture	3-5 years
Other property, plant and equipment	4 years

Depreciation on property, plant and equipment begins when it is in the working condition intended by Management.

The residual value and the useful economic life of property, plant and equipment are reviewed annually and adjusted where necessary. Gains and losses arising from the sale of property, plant and equipment are recognized in profit or loss.

Intangible assets

Intangible assets are stated at cost less any accumulated amortization and impairment losses.

Trademarks

Separately acquired trademarks are recognized at historical cost. Trademarks acquired in a business combination are recognized at fair value at the acquisition date. Trademarks are considered to have an indefinite useful life and hence not subject to amortization. They are tested annually for impairment. Trademarks have been assumed to have an indefinite life upon the absence of a foreseeable limit to the period over which the assets are expected to generate net cash inflows.

Capitalized development costs

The capitalized development costs of Bravofly Rumbo Group consist mainly of capitalized internal and external expenditure for the development of the websites of Bravofly Rumbo Group.

Internal and external development expenditures are capitalized if:

- they lead to new or substantially improved features on the internet page or other intangible assets;
- the finalization of the development is technically and commercially feasible;
- the Group has the intention to complete the project and the ability to use the new or substantially improved features;
- the Group has sufficient resources to complete the development; and
- the expenditure can be measured reliably.

Development expenditures that do not fulfill the above criteria are expensed as incurred.

The expenditure capitalized includes the cost of materials together with internal and external project costs as well as borrowing costs that are directly attributable to a development project.

Amortization

Amortization of intangible assets is charged to profit or loss on a straight-line basis over their estimated useful life. Amortization of intangible assets begins at the date they are available for use. Intangible assets with an indefinite useful life are not amortized.

The estimated useful lives are as follows:

Capitalized development costs	2-3 years
Other intangible assets	2-4 years

The residual value and the useful economic life of intangible assets are reviewed annually and adjusted where necessary.
Gains and losses arising from the sale of intangible assets are recognized in profit or loss.

Goodwill

At the acquisition date of control, the equity of the consolidated companies is determined by attributing to the individual assets and liabilities their fair value. The remaining difference, if any, compared to the cost of acquisition, if positive, is recorded in goodwill; if negative, after having remeasured the fair value of the acquired assets and liabilities, such difference is recognized in the income statement as income since it is representative of a profitable investment. Whenever the initial recognition of a business combination can be determined only provisionally, adjustments to the initially allocated values are recognized within 12 months of the acquisition date of control.

Goodwill is tested for impairment at least annually or more frequently whenever events or changes in circumstances indicate that goodwill may be impaired, as set forth in IAS 36 (Impairment of Assets); however, when the conditions that gave rise to an impairment loss no longer exist, the original amount of goodwill is not reinstated. The test is generally conducted at the end of every year so the date of testing is the year-end closing date of the consolidated financial statements. Goodwill acquired and allocated during the year is tested for impairment at the end of the year in which the acquisition and allocation took place.

Impairment of assets

The carrying amount of the Group's property, plant and equipment and intangible assets is reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's (or the respective cash-generating units) recoverable amount, being the higher of its fair value less cost of disposal and its value in use, is estimated. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Goodwill and intangible assets with indefinite useful lives are tested for impairment at least annually. Any impairment loss is recognized in the income statement whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reviewed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. An impairment loss in respect of goodwill is not reversed.

Leasing

The present value of finance lease obligations is recognized on the balance sheet if substantially all risks and rewards associated with ownership have been transferred to the Group entity.

Minimum lease payments made under finance leases are divided into an interest expense and a reduction of the outstanding liability based on the annuity method. The interest expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Assets held under finance leases are depreciated over the shorter of their estimated useful life and the lease term.

Operating lease installments are charged to profit or loss on a straight-line basis over the lease term. Lease incentives received are recognized as an integral part of the total lease expense, over the term of the lease.

Financial instruments

Financial assets

Financial assets are initially recognized on the trade date at fair value plus any directly related transaction costs (unless held for trading purposes or designated at fair value through profit or loss). Subsequently, they are categorized and measured as follows:

- financial assets held for trading purposes or designated at fair value through profit or loss at fair value, whereby changes in the fair value are immediately recognized in profit or loss;
- loans and receivables at amortized cost, whereby the difference between the issue and repayment amount is recognized in profit or loss using the effective interest method over the period to maturity;

The classification of financial assets depends on the purpose for which they were acquired. Management determines the classification at initial recognition.

Impairment of Financial Assets

Financial assets are assessed at each reporting date to determine whether there is objective evidence that they are impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

The Group considers evidence of impairment for receivables at both a specific asset and collective level. In assessing collective impairment the Group uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

Investments

Investments are measured at fair value with changes in their value recognized in profit or loss.

Trade and other receivables

Trade and other receivables are stated at amortized cost, which generally corresponds to their nominal value.

Cash and cash equivalents

Cash and cash equivalents are stated at nominal value. They include cash on hand, bank accounts, debit balances on credit card accounts and fixed-term deposits with a term of less than 90 days from the date of acquisition.

Financial liabilities

Financial liabilities are initially recognized at fair value less any directly attributable transaction costs. With the exception of the put liability and the contingent consideration relating to the Jetcost acquisition, which are measured at fair value through profit or loss, they are subsequently stated at amortized cost, whereby the difference between the issue and repayment amount is recognized in profit or loss using the effective interest method over the period to maturity.

Trade and other payables

Trade and other payables are stated at amortized cost, which generally corresponds to their nominal value.

Inventories

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated selling costs. The cost is calculated using the weighted average method.

The cost includes expenditures incurred in acquiring the inventories and bringing them to their existing location and condition.

Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. If the effect of the time value is material, provisions are determined by discounting the expected future cash flows.

In connection with flight ticket sales, Bravofly Rumbo Group offers its customers the possibility to acquire "Volaflex", which allows them to cancel the covered flight booking at their sole discretion. Provisions are made to cover related expected claims and other directly related costs using current assumptions.

Employee benefits

Post-employment plans

Post-employment plans for employees are maintained based on the respective legislation in each country. The plans in Switzerland and Italy are determined as defined benefit plans. The Swiss pension plan is financed by employer and employee contributions and the funds and foundation are financially independent from the Group. The Italian plan relates to the employee severance indemnity (TFR) that represents an unfunded defined benefit plan.
The present value of the defined benefit obligation is calculated using the projected unit credit method. The pension fund obligations and the related plan assets are assessed annually by a qualified actuary. Current service costs and net interest on the net defined benefit liability or asset are recognized as "Personnel costs". The Group determines the net interest expense by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability or asset.
Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses on the defined benefit obligation and the return on plan assets (excluding interest) are immediately recognized in other comprehensive income.
When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately as "Personnel costs".

A net pension asset is recorded only to the extent that it does not exceed the present value of any economic benefits available in the form of any future refunds from the plan or reductions in the future contributions to the plan.

Share-Based Payment Transactions

The Group operates an equity-settled share-based compensation plan. One option gives the right to buy one share of the Company. The grant-date fair value of the options granted to employees is recognized as an employee expense over the vesting period, with a corresponding increase in equity over the same period. The amount recognized as an expense is adjusted to reflect the number of options for which the related service condition is expected to be met, such that the amount ultimately recognized as an expense is based on the number of options that meet the related service condition at the vesting date.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of shares and options are shown in equity as a deduction, net of tax, from the proceeds.

Treasury shares

When shares recognized as equity are repurchased, the amount of the consideration paid, net of any tax effects, is recognized as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity and the resulting surplus or deficit on the transaction is presented within Capital reserve.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for services rendered, stated net of discounts, cancellations and value added taxes. The Group recognizes revenue when the outcome of the underlying transaction can be estimated reliably. Revenue associated with the transaction is recognized by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably. The Group bases its estimate of cancellations on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue from the intermediation of travel services consists of revenue from the services offered on the websites of Bravofly Rumbo Group by which customers have the ability to compare and book flights, hotel rooms and car rentals, or the combination of those products, and from the sale of third party travel insurance.

When a customer posts a booking on the internet page of the companies of the Group, Bravofly Rumbo Group passes the booking to the travel supplier. Bravofly Rumbo Group acts as an agent or broker. Revenue from the intermediation of travel services therefore consists of the commission that represents the difference between the total amount receivable from the customer and the amount payable to the travel supplier or the related commissions received from the travel supplier.

Revenues for flights bookings, hotel room bookings, cruise booking, holiday bookings, car rental bookings and travel insurance, are recognized when the booking is made, secured by credit card or other payment.

In connection with flight ticket sales, Bravofly Rumbo Group offers its customers the possibility to acquire ”Volaflex”, which allows them to cancel the covered flight booking at their sole discretion. When a customer cancels a flight booking covered by Volaflex, he or she obtains a voucher to be used for a replacement booking within a certain period of time of up to 18 months. The fees received for Volaflex are recognized at the time of booking adjusted for the related provision to cover related expected claims and other directly related costs using current assumptions.

Revenue from commissions paid by financial and commercial partners under specific revenue-sharing agreements, such as commissions received from telecom operators based on the volume of inbound calls to our premium customer service numbers, is recognized according to the information provided on their periodical statements.

Revenue from advertising services comprises revenue from providing sponsoring links and advertisements on the Group’s companies websites. Revenue derived from the delivery of advertisements is recognized either at the time of display of each individual advertisement, or by reference to the stage of completion over the advertising delivery period, depending on the terms of the contract. Revenue generated from sponsoring links is recognized upon notification from the alliance partner that a transaction has occurred.

Income taxes

Income tax comprises current and deferred taxes. Income tax is recognized in profit or loss except to the extent that it relates to items recognized in other comprehensive income or directly in equity (i.e. transactions with shareholders), in which case it is recognized in other comprehensive income or equity.

Deferred taxes are determined using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future. The amount of deferred taxes is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.

Deferred tax assets resulting from temporary differences and tax loss carry-forwards are recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

New and revised standards and interpretations not yet applied

The following new and revised standards and interpretations have been issued but are not yet effective and are not applied early in these Consolidated Financial Statements. Their impact on the Consolidated Financial Statements has not been systematically analyzed yet. The expected effects as disclosed in the table below reflect a first assessment by Group management:

New Standards or Interpretations	Effective date: annual period beginning on or after:	Mandatory application in the EU: annual period beginning on or after:
IFRIC 21 Levies 2)	1 January 2014	17 June 2014
IFRS 14 Regulatory Deferral Accounts 2)	1 January 2016	Not yet endorsed
IFRS 15 Revenue from Contracts with Customers 3)	1 January 2017	Not yet endorsed
IFRS 9 Financial Instruments 2)	1 January 2018	Not yet endorsed
Revisions and amendments of Standards and Interpretations	**Effective date: annual period beginning on or after:**	**Mandatory application in the EU: annual period beginning on or after:**
Defined Benefit Plans: Employee Contributions (Amendments to IAS 19) 3)	1 July 2014	1 February 2015
Annual Improvements to IFRSs 2010-2012 Cycle 3)	1 July 2014	1 February 2015
Annual Improvements to IFRSs 2011-2013 Cycle 3)	1 July 2014	1 January 2015
Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11) 2)	1 January 2016	Not yet endorsed
Clarification of Acceptable Methods of Depreciation and Amortization (Amendments to IAS 16 and IAS 38) 2)	1 January 2016	Not yet endorsed
Bearer Plants (Amendments to IAS 16 and IAS 41) 2)	1 January 2016	Not yet endorsed
Equity Method in Separate Financial Statements (Amendments to IAS 27) 2)	1 January 2016	Not yet endorsed
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) 2)	1 January 2016	Not yet endorsed
Annual Improvements to IFRSs 2012-2014 Cycle 3)	1 January 2016	Not yet endorsed
Disclosure Initiative (Amendments to IAS 1) 1)	1 January 2016	Not yet endorsed
Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28) 2)	1 January 2016	Not yet endorsed

1) The impacts on the Consolidated Financial Statements of the Group are expected to be additional disclosures or minor changes in presentation of items.

2) No or no significant impacts are expected on the Consolidated Financial Statements of the Group.

3) The impact on the Consolidated Financial Statements of the Group cannot yet be determined with sufficient reliability.

Note 3 - Financial Risk Management

Financial Instruments

The following table shows the Group's financial instruments arranged according to the categories defined in IAS 39:

in '000 EUR	31 Dec 2014	31 Dec 2013
Current financial assets (Investments)	33	472
Non-current financial assets	-	79
Total financial assets at fair value through profit or loss	**33**	**551**
Non-current financial assets	143	148
Current financial assets (Short-term deposits)	477	299
Trade and other receivables *	29,714	27,081
Cash and cash equivalents (excl. cash on hand)	89,309	33,448
Total loans and receivables	**119,643**	**60,976**
Short & Long term financial liabilities	-	8,600
Total financial liabilities at fair value through profit or loss	**-**	**8,600**
Short & Long term financial liabilities	-	21,394
Trade and other payables *	63,942	60,950
Total Financial liabilities measured at amortized cost	**63,942**	**82,344**

* *"Trade and other receivables/payables" do not include credit/debit VAT position at 31 December*

For further details refer to Note 19.
The carrying amounts of the above listed loans and receivables including cash and cash equivalents as well as of the financial liabilities measured at amortized cost approximate the estimated fair value of these financial instruments.

Measurement of fair values

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table shows the carrying amount of financial assets and liabilities measured at fair value, including their levels in the fair value hierarchy:

in '000 EUR	Fair value			
31 December 2014	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value				
Investments funds	33	-	-	**33**

in '000 EUR	Fair value			
31 December 2014	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value				
Corporate debt securities	530	-	-	**530**
Financial liabilities measured at fair value				
Jetcost Earn-outs (contingent consideration)	-	-	1,969	**1,969**
Jetcost put option liabilities	-	-	6,631	**6,631**

As of 31 December 2014, the amount of investments funds held by the Group at fair value through profit or loss is EUR 33 thousand: their fair value has been determined based on traded prices in an active market.
The following tables show the valuation techniques used in measuring Level 3 fair values for financial year 2013, as well as the significant unobservable inputs used:

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Put liability and contingent consideration	Discounted cash flows: the valuation model considers the present value of the expected payment, discounted using a risk-adjusted discount rate. The expected payments are determined considering different scenarios of forecast results, the amount to be paid under each scenario and the probability of each scenario.	"Earn-out 2014 quantified between 0 and EUR 1.2 million upon level of achievement of EBITDA 12 months to 31/3/2014 between EUR 5.6 million and EUR 6.7 million. Earn-out 2015 quantified between 0 and EUR 2.0 million upon level of acchievement of EBITDA 12 months to 31/3/2015 between EUR 6.8 million and EUR 8.2 million. Risk-adjusted discount rate for 2013 is 2%.	The estimated fair value would increase (decrease) if: the EBITDA were higher (lower) than expected. The risk-adjusted discount rate were lower (higher).

The financial liabilities measured at fair value as of 31 December 2013, relating to the Jetcost acquisition, have been settled during 2014. For further information see note 4.

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values:

in '000 EUR	2014		2013	
	Jetcost Option Liabilities	Contingent consideration	Jetcost Option Liabilities	Contingent consideration
Balance as of 1 January	6,631	1,969	-	-
Assumed in a business combination	-	-	6,631	1,969
Settlement of option liability (see Note 4)	(6,266)	-	-	-
Reclassifications (see Note 4)	(511)	511	-	-
Recognized in profit or loss	146	-	-	-
Settlement of earn-outs (see Note 4)	-	(2,480)	-	-
Balance as of 31 December	**-**	**-**	**6,631**	**1,969**

Financial risk management

Risk management is a fundamental element of the Group's business practice on all levels and encompasses different types of risks. At a group level risk management is an integral part of the business planning and controlling processes. Material risks are monitored and regularly discussed with the Executive management of the Company and particularly with Chief Financial Officer, the Chief Executive Officer and the Executive Chairman. Organizational and process measures have been designed to identify and mitigate risks at an early stage.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade and bank receivables.
Transactions with customers are to a large extent processed by secured credit card payments, where the Group takes no or only limited credit risk if a customer fails to pay. On the other hand, Bravofly Rumbo Group is exposed to credit risk concentration in connection with its receivables from credit card companies and from the collection of commissions from airlines. Flows from credit card transactions are managed through international leading banks. The creditworthiness of these institutions is reviewed periodically.
For any further information refer to Note 21.

Exposure to credit risk

The maximum credit risk exposure of the Group is limited to the carrying amounts of its financial and trade assets. The maximum exposure to credit risk at the reporting date was as follows:

in '000 EUR	31 Dec 2014	31 Dec 2013
Non-current financial assets	143	227
Current financial assets	509	771
Trade and other receivables *	29,714	27,081
Cash and cash equivalents (excl, cash on hand)	89,309	33,448
Total	**119,675**	**61,527**

* *"Trade and other receivables" do not include credit VAT position as at 31 December*

Liquidity risk

Liquidity risk is the risk that the Group will face difficulties to meet obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group meets its obligations from brokering services, in which it acts as an agent between the provider of the service and the customer, by credit card. The Group maintains credit lines to meet its obligations from such brokering transactions. For other transactions the Group maintains sufficient reserves of cash to meet its liquidity requirements at all times. The Group also applies cash-pooling for liquidity management purposes.

As of 31 December 2014, total amount of unused available cash credit lines for the Group was EUR 25,200 thousand (EUR 11,860 thousand at 31 December 2013).

Trade and other payables are due within 90 days.

The table below shows the contractual maturities of the "Short and Long term financial liabilities" of the Group at reporting date. In 2013 the Group held: a) a Facility Loan Agreement (amounts gross and undiscounted, including interest payments, of total EUR 22,611 thousand) and b) Jetcost's financial liabilities (at fair value) for the total amount of EUR 8,600 thousand. These liabilities have been settled during 2014.

	2014			2013		
in '000 EUR	Less than 1 year	Between 2 and 5 years	More than 5 years	Less than 1 year	Between 2 and 5 years	More than 5 years
Facility Loan Agreement	-	-	-	3,773	18,838	-
Jetcost put option liabilities	-	-	-	6,347	284	-
Earn-out relating to Jetcost	-	-	-	832	1,137	-
Total	**-**	**-**	**-**	**10,952**	**20,259**	**-**

For further information about the Facility Loan Agreement, refer to note 25.

Currency risk

The Group is not exposed to significant currency risk as the majority of all transactions and balances are either denominated in or immediately converted to EUR, which is the functional currency of all Group entities.

Nevertheless some of the Group's costs and investments are based upon contractually agreed payments that are denominated in CHF, e.g. some of the lease payments for office spaces or some suppliers. The Swiss companies of the Group introduced EUR in their employment contracts reducing the Group's exposure to currency risk. As of 31 December 2014, the Group's balance sheet net exposure in CHF amounted to EUR 5,645 thousand (2013: EUR -1,553 thousand). As of 31 December 2014, the Group's balance sheet net exposure in GBP amounted to EUR 1,735 thousand (2013: EUR 2,968 thousand).

A strengthening (weakening) of the EUR against the CHF and GBP of 20% at 31 December would have affected profit or loss by the amounts shown in the table below:

in '000 EUR	2014		2013	
	Strenghtening	Weakening	Strenghtening	Weakening
Currency risk sensitivity in CHF	(941)	941	258	(258)
Currency risk sensitivity in GBP	(289)	289	(495)	495

This analysis is based on foreign currency exchange rate variances is based on the balance sheet position of year end the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Interest Rate Risk

The interest rate risk is the risk that changes in interest rates will affect Group's result. The impact on profit or loss of the changes in fair value of the fixed-rate bonds investments, the contingent consideration and the put liability measured at fair value through profit or loss due to changes in interest rates is not material. Loans and investments with variable interest rates expose the Group to cash flow interest rate risk.

As of 31 December 2014 the Group did not have bank liabilities with variable interest rates (31 December 2013: EUR 21,394). See also note 25.

The Group further had deposits and cash and cash equivalents with variable interest rates in the amount of EUR 89,310 thousand (31 December 2013: 33,449). See also notes 19 and 22.

In the previous year a change in the interest rates on the financial liabilities outstanding at the end of the reporting period by +/- 1 % with all other variables held constant, would have decreased/increased profit by EUR 219 thousand. A reasonable possible change in the interest rates of cash and cash equivalents, which is expected to be below 1%, would not have a material impact on profit or loss.

Price Risk

Price risk is considered not significant for the Group.

Actuarial risk

In connection with flight ticket sales, Bravofly Rumbo Group offers its customers the possibility to acquire an option, which allows them to cancel the flight booking at their sole discretion and obtain a voucher to be used for a replacement booking within 12-18 months. In legal terms, this option is not an insurance product as they are subject to the sole discretion of the customer.

Actuarial risk is the inherent uncertainty regarding the occurrence, amount or timing of cancellation of covered flight tickets. Bravofly Rumbo Group currently does not cover such risk by reinsurance but uses different arrangements.

A provision is calculated to cover the best estimate of future costs with respect to the amount of the vouchers. Management's best estimate for the provision is based on, among other things, the latest available data, past cancellation experience and economic conditions that may affect the ultimate cost. However, it is inherent in the nature of the business that the ultimate liabilities may vary as a result of subsequent developments.

Total maximum exposure where the date of departure is after 31 December 2014 amounts to approximately EUR 1,365 thousand (2013: EUR 737 thousand). Hence, any reasonably possible change to management's best estimate for the provision would not have significantly impacted the Group's profit or loss and equity.

Note 4 - Changes in the Scope of Consolidation

Financial year 2014

Acquisition of Jetcost minorities and settlement of earn-outs

The transaction for the acquisition of 80% of the share capital of Blue SAS ("Jetcost") completed on 27 December 2013 included a call option exercisable by the Group and a put option exercisable by the minority shareholders of Jetcost, for the remaining 20% of the shares, as described in the 2013 section below. As of 31 December 2013 a put liability of EUR 6,631 thousand (including earn-out portions) had been recognized as a financial liability (see Note 25).

On 27 June 2014, the Group acquired the remaining 20% of the shares of Blue SAS ("Jetcost") by paying a cash consideration of EUR 6,266 thousand. The initial Jetcost purchase agreement further included two earn-out components, leading to a total maximum additional consideration of EUR 640 thousand for these 20%, payable in cash (for further details, please refer to 2013 section below). The difference of EUR 146 thousand between the consideration for the 20% acquired and the time-discounted fair value of the put liability (excluding earn-out positions) has been recognized in profit or loss in 2014, see Note 3.

Following the acquisition of the remaining 20%, the contingent consideration for the Jetcost earn-outs related to 100% of the shares and its time-discounted fair value had hence increased from EUR 1,969 thousand (related to 80% of the shares) as of 31 December 2013 to EUR 2,480 thousand (related to 100% of the shares).

On 11 September 2014, in order to accelerate its investment in the metasearch channel and to foster the implementation of a more robust long term strategy, the Group agreed on the early settlement of the two earn-out components related to the acquisition of 100% of the capital of Jetcost for a total amount of EUR 2,480 thousand. No other consideration is due by BRG in respect to its acquisition of Jetcost.

Incorporation of subsidiary

On 30 October 2014, Webnext Limited ("Webnext") has been incorporated by Bravonext with a 100% participation corresponding to EUR 1 thousand of share capital. Webnext is a company that offers technical, economic and marketing consulting services for the Group.

Other transactions

During 2014, BRG participated in a contribution in equity for the total amount of EUR 90 thousand to the subsidiary BravoAvia SA. Minority shareholders participated proportionally in the capital increase with EUR 60 thousand.

Financial year 2013

Acquisition of subsidiary

On 27 December 2013, Bravofly Rumbo Group N.V. acquired 80% of the shares of Blue SAS ("Jetcost"), a French company operating in the metasearch business, mainly focused on flight, and also in accommodation under the Jetcost trademark. The transaction further included a call option exercisable by the Group and a put option exercisable by the minority shareholders of Jetcost, for the 20% of the shares not acquired by the Group. The call option can be exercised within the second quarter of 2014, while the put option can be exercised in the third quarter of 2014. Considering the call and put options, the financial statements include the effect as if 100% of Jetcost had been acquired.

The Group completed the acquisition mainly to develop its presence in the metasearch channel in different geographies:

- The acquisition of Jetcost represents an additional source of revenue and profitability in the Group's existing core markets in France, Spain and Italy whilst providing a new platform for growth in metasearch revenues
- Jetcost underpins international expansion through a capex-light "Land and Expand" strategy
- Bravofly Rumbo Group to support acceleration of Jetcost's growth

Jetcost will continue to have an independent strategy but will leverage on some support services from the Group.

The purchase agreement for the initial 80% included an initial consideration equal to EUR 25.0 million, of which EUR 3.7 million were paid in cash and EUR 21.3 million were paid in shares following a capital increase completed by the Company in December 2013, please see Note 23 for further detail on this capital increase.

Furthermore, the purchase agreement for the initial 80% included two earn-out components, leading to a total maximum additional consideration of EUR 2.6 million payable in cash. These contingent considerations shall be based on Jetcost's EBITDA in the twelve months ending on 31 March 2014 and on 31 March 2015. As of 31 December 2013, the fair value of both earn-outs, computed by weighting the possible outcomes with probabilities and discounting them to reflect the estimated timing of payment, is as follows for the 80% interest acquired in 2013:

- EUR 0.83 million based on Jetcost's EBITDA for the twelve months ending on 31 March 2014; and
- EUR 1.14 million based on Jetcost's EBITDA for the twelve months ending on 31 March 2015.

For further information about the determination of the fair value of both earn-outs refer to note 3. As of 31 December 2013, the contingent considerations have been presented respectively within the Short and Long Term Financial liabilities in the consolidated balance sheet, see Note 25.

The liability arising from the put commitment for the outstanding 20% was valued at EUR 6.6 million at the time of the acquisition and is composed of the present value of the exercise price amounting to EUR 6.1 million and 20% of the fair value of both earn-out components calculated in the same way as described above. For further information about the determination of the fair value of the put liability refer to note 3. This put liability is presented within the short term financial liabilities (for the exercise price and for the earn-out component related to the period ending on 31 March 2014) and within the long term financial liabilities (for the earn-out component related to the period ending on 31 March 2015) in the consolidated balance sheet, see Note 25. Changes in the fair value of the put liability are recognized in profit or loss.

The Group's transaction costs relating to the Jetcost acquisition are not material to the consolidated financial statements.

The table below includes information relating to the final purchase price allocation of Jetcost:

in '000 EUR	Amount
Property plant and equipment	8
Trademarks (Intangibles assets)	15.385
Technology (Intangibles assets)	180
Non current financial assets	6
Current financial assets	21
Trade and other receivables	2.808
Cash and cash equivalents	2.189
Current tax liabilities	(288)
Deferred tax liabilities	(5.292)
Trade and other payables	(1.529)
Fair value of identifiable net assets acquired	**13.488**
Purchase price, paid in cash	3.734
Purchase price, paid in shares	21.330
Contingent consideration	1.969
Put liability	6.631
Total consideration	**33.664**
Fair Value of identifiable net assets acquired	13.488
Goodwill	**20.176**
Consideration, paid in cash	3.734
Acquired cash and cash equivalents	(2.189)
Net cash outflow	**1.545**

The gross contractual amount of trade receivables is EUR 2,808 thousand. All amounts are expected to be collectible.

Goodwill not allocated is mainly attributable to assembled workforce, the Company's and management's ability to generate future income and growth above the current recognition of the brand and the opportunity for Bravofly to expand its footprint in new markets.

For further information refer to Note 18.

The Group effectively gained control over Jetcost on 27 December 2013 and consolidated it from this date. The inclusion of Jetcost did not have a material impact on the Group's revenues and profit in 2013.

The table below shows a 12-month Pro-forma Statement of Comprehensive Income of the Group including the effect as if the Jetcost transaction had been completed as of 1 January 2013:

in '000 EUR	Proforma Consolidated Financial Statement 2013 incl. Jetcost
Revenues	134,951
Marketing Costs	(55,595)
Personnel costs	(22,282)
Other operating costs	(29,577)
Amortization and depreciation	(5,196)
Profit before interest and income tax	**22,301**
Finance Income	127
Finance costs	(1,466)
Share of result of equity-accounted investees	127
Profit before income tax	**21,089**
Income tax	(4,839)
Profit for the period	**16,249**

For the 12 months period from 1 January 2013 to 31 December 2013 Jetcost had Revenues towards Bravofly Rumbo Group N.V. amounting to EUR 4,278 thousand.

Incorporation of subsidiary

On 18 July 2013, Vivigratis SA ("Vivigratis") was incorporated by Bravofly as major shareholder with a 51% participation corresponding to EUR 41 thousand of share capital. Vivigratis is a deal aggregator that scans hundreds of offers from flash sales websites and private buying clubs, and classifies them using a series of filters reflecting subscribers' requirements.

Loss of Control

On 19 December 2013, the Group reduced its stake in Hotelyo, a company operating in travel flash sales, to 49%. As at 31 December 2012 the Group owned 51% of Hotelyo and consolidated it; the gain resulting from its deconsolidation was not material. The reduction followed an investment agreement signed between Bravofly SA and RCS, a leading media group in Italy and Spain, giving RCS control over Hotelyo with a 51% stake. As of 31 December 2013 the Group accounted for its Hotelyo interest using the equity method and had deconsolidated it. The remeasurement to fair value of the Group's 49% interest in Hotelyo for the purpose of accounting for it at equity did not result in any material adjustment compared to the carrying amount of the former subsidiary's net assets. For further information refer to Note 20.

Note 5 - Segment Information

As defined by IFRS 8, an operating segment is a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses;
- whose operating results are regularly reviewed at the entity's chief operating decision maker;
- for which discrete financial information is available.

Management is determining operating segments based on the information reviewed by the Group CEO.

Up and until 2013, "Bravofly" and "Rumbo", representing respectively the Group before the acquisition of Rumbo and the business acquired, were identified as operating segments. From 2014, following the completion of the full integration of Rumbo in the first months of the year, both business units are reported together and are no longer identified as separate operating segments. Furthermore, starting from 2014, the Group modified its segment reporting to adapt itself to the acquisition of Jetcost (transaction completed at the end of 2013) and its new organizational structure. Jetcost is a separate and independent business for the Group and is managed and reported as such, but it leverages on the Group in a number of non-commercial areas. The Group considers the Jetcost business as strategic and is monitoring it separately. On this basis, the Group has defined the following operating segments:

- **OTA ("Online Travel Agency")**, which represents the core and traditional business of the Group. It represents the Bravofly Rumbo Group's business before Jetcost's acquisition.
- **Metasearch**, which includes the business generated in the Group's websites focused on directing traffic, in exchange for a commission, to the sites of OTAs and airlines and other direct providers. The Metasearch Segment does only include Jetcost that was acquired at the end of December 2013 and therefore there are no comparative figures for this segment for the period 2013.

The Group CEO assesses the performance of the operating segments based on a measure of Adjusted EBITDA:

in '000 EUR	2014			2013		
	OTA	Metasearch	Total	OTA	Metasearch	Total
Consolidated Revenues	**133,985**	**13,002**	**146,987**	**123,184**	**-**	**123,184**
Total Revenues	134,206	17,079	151,285	-	-	-
Intersegment Revenues	(221)	(4,077)	(4,298)	-	-	-
Consolidated EBITDA Adjusted	**16,039**	**5,074**	**21,113**	**22,773**	**-**	**22,773**
Non-cash impact of stock options			(356)			(819)
IPO Costs and related bonuses			(3,871)			-
Costs related to acquisition and integration of subsidiaries			(24)			(315)
Litigation, restructuring and other costs/income incidental to operating activities			(795)			(637)
Depreciation and Amortization			(5,710)			(5,118)
Profit before Interest and Income Tax			**10,357**			**15,884**

* *The Group defines "Adjusted EBITDA" as EBITDA (Profit before interest and income tax plus depreciation and amortization) adjusted for the effects of stock option plans and income and costs considered by management as incidental to operating activities, such as those related to acquisitions, litigations, restructuring and IPO.*

Both operating segments generate revenues by selling services related to “flight” and “non-flight” products, refer to Note 6 for further information about revenues, including geographical information.

The table below analyzes the Group’s non-current assets excluding financial instruments and deferred taxes by the Company’s country of domicile and other countries as of 31 December 2014 and 2013, based on the geographic location of the assets:

in '000 EUR	2014	2013
Spain	84,925	85,752
France	35,868	35,751
Switzerland	7,311	5,805
Others	5,605	5,758
Netherlands	-	-
Total	**133,709**	**133,066**

Note 6 - Revenues

The tables below shows Revenues for 2014 and 2013:

in '000 EUR	2014	2013
Revenue from sales of travel services	137,257	113,392
Revenue from advertising services	5,460	4,958
Revenue from premium number	2,598	2,396
Revenue from Volaflex	1,356	1,105
Other revenues	316	1,333
Total	**146,987**	**123,184**

In 2014 total revenues increased by EUR 23,803 thousand, or +19.3%, to EUR 146,987 thousand from EUR 123,184 thousand in 2013. This increase is primarily due to the following factors:

- the effect of the Jetcost’s acquisition for the amount of EUR 13,002 thousand
- internal growth connected to the OTA activity for the amount of EUR 10,801 thousand, and
- significant growth around 10% on ancillary services referring to both transactional (volaflex) and non-transactional business (advertising and premium numbers)

A significant indicator for the Group is represented by Gross Travel Value defined as the value of the travel products purchased by the Group’s clients using the Group’s platforms, including agency fees, insurance, cruises and gross of any discounts and cancellations. Gross Travel Value amounted respectively to EUR 1,311 million in 2014 and EUR 1,051 million in 2013.

Revenues by products

The table below shows Revenues by product for 2014 and 2013:

in '000 EUR	2014	% of the total	2013	% of the total
Flight	119,928	81.6%	101,372	82.3%
Non Flight	27,059	18.4%	21,812	17.7%
Total	**146,987**	**100.0%**	**123,184**	**100.0%**

Flight revenue

In 2014, the Group's flight revenue increased by EUR 18,556 thousand, or +18.3%, to EUR 119,928 thousand from EUR 101,372 thousand in 2013. This increase is primarily due to i) the effect of Jetcost's acquisition for the amount of EUR 10,646 thousand, and ii) internal growth connected to the OTA activity for the amount of EUR 7,910 thousand.

The 2014 strategy was based on increasing volumes in a much more competitive landscape than before, where Metasearch were gaining importance and customers were becoming more sophisticated and demanding.

Revenue growth is the result of clear understanding of pricing pressure and the decision to retain customers instead of generating higher profitability. That has led to a strong growth in client base and number of travelers handled per year.

Non-flight revenue

In 2014, the Group's non-flight revenue increased by EUR 5,247 thousand, or +24.1%, to EUR 27,059 thousand from EUR 21,812 thousand in 2013. This increase is primarily due to i) the effect of the Jetcost's acquisition for the amount of EUR 2,355 thousand and ii) growth connected to its OTA business for the amount of EUR 2,892 thousand.

Geographical Information

The Group categorizes its geographical markets by the countries for which its websites are localized through language and other elements. Because websites in a specific language can be accessed from any location, users outside a country can also use these websites. Products are not delivered to physical addresses, and the locations of users' ISPs and of the banks issuing customer's credit cards do not identify users' locations with certainty. Therefore a split of revenues based on customers' location is not available. However, Management believes that the majority of customers booking through the Italian, Spanish and French websites are located in those countries.

The table below shows Revenues from different countries based on website languages for 2014 and 2013:

in '000 EUR	2014	% of the total	2013	% of the total
Italy	40,198	27.3%	42,583	34.6%
France	31,241	21.3%	20,974	17.0%
Spain	34,350	23.4%	32,932	26.7%
Netherlands	686	0.5%	221	0.2%
Others	40,512	27.5%	26,474	21.5%
Total	**146,987**	**100.0%**	**123,184**	**100.0%**

The growth in France is mainly attributable to the full consolidation of Jetcost, and good performance of the OTA business. Revenues from other regions were positively impacted by the launch of new websites, both OTA and META across different European and non- European markets during 2014.
While Spain growth is supported by strong brand awareness, Italy suffered from a tougher competition and a quicker than expected switch to mobile channel against the traditional desktop.

Major Customers

Revenues of the Group are generated by numerous different transactions of limited value. The Group's largest customer accounts for less than 10% of total consolidated revenues.

Note 7 - Marketing Costs

The table below shows Marketing costs for the Group for 2014 and 2013:

in '000 EUR	2014	2013
Online costs	64,113	47,170
Offline costs	2,080	3,643
Total	**66,193**	**50,813**

Marketing costs increased by EUR 15,380 thousand (+30.3%) from EUR 50,813 thousand in 2013 to EUR 66,193 thousand in 2014. In 2014, marketing costs included EUR 530 thousand of costs relating to the Initial Public Offering. Marketing costs as percentage of revenues increased in 2014 compared to 2013 (45.0% vs 41.2%). Marketing costs not including IPO costs amounted to 44.7% of total revenues in 2014. The increase in marketing costs in 2014 was mainly driven by: (i) the 12-month consolidation of Jetcost and (ii) increase in the competition in our core markets and the higher weight of business generated outside our core markets, where our brands are less known. Focus on volumes and customer retention has led to an increase of marketing spending as part of our strategy to boost revenue growth and long-term value creation instead of short-term profitability results.

Note 8 - Personnel Costs

The table below shows Personnel costs for the Group for 2014 and 2013:

in '000 EUR	2014	2013
Wages and salaries	17,505	16,152
Social security charges	4,303	3,454
Expenses relating to defined benefit plans	576	504
Other personnel costs	1,791	1,184
Share-based payments	356	819
Total	**24,531**	**22,113**

Personnel costs increased by EUR 2,418 thousand (+10.9%) from EUR 22,113 thousand in 2013 to EUR 24,531 thousand in 2014. Costs increased driven by the increase in the headcount and overall salary increases. In addition, a one-off bonus amounting to EUR 1,022 thousand was distributed in 2014 among some directors and employees directly involved in the execution of the IPO. In particular, EUR 250 thousand referred to related parties, as Board of Directors' members. Personnel costs as percentage of revenues decreased in 2014 compared to 2013 (16.7% vs 18.0%). Personnel costs not including such one-off bonus amounted to 16.0% of total revenues in 2014.

Cost for wages and salaries of EUR 2,506 thousand (2013: EUR 2,867 thousand) have been capitalized as development costs (refer to Note 17 for further details).
Details about expenses relating to defined benefit plans are provided in Note 13.
Other personnel cost include other residual kind of costs related to employees' activity.
Share-based payments related to the existing stock option plans and further details are included in Note 14.
The average number of staff employed by the company in 2014 amounted to 627 headcounts (2013: 587).

The table below shows the Group's personnel split at the end of 2014 and 2013:

Units	2014	2013
Sales	38	40
IT	145	151
Operations	251	207
Marketing	110	89
Administration	88	83
Management	11	17
Total	**643**	**587**

Note 9 - Other Operating Costs

The table below shows Other operating costs for the Group for 2014 and 2013:

in '000 EUR	2014	2013
Credit card processing fee	14,244	9,148
Fees for advisory, legal and other consultants	6,152	3,053
Call Center operation costs	6,208	5,077
Expense for operating leases	2,763	2,202
Commissions paid to other travel service brokers	295	427
Other operation costs	10,534	9,349
Total	**40,196**	**29,256**

Other operating costs increased by EUR 10,940 thousand (+37.4%) from EUR 29,256 thousand in 2013 to EUR 40,196 thousand in 2014. This increase can be linked to three building blocks: i) IPO costs incurred during the first half of 2014 for the amount of EUR 2,319 thousand, ii) increase of the Group's business activity for EUR 7,917 thousand, and iii) the effect of Jetcost's acquisition for EUR 704 thousand. Other operating costs as percentage of revenues increased in 2014 compared to 2013 (27.3% vs 23.7%). Other operating costs not including IPO costs amounted to 25.8% of total revenues in 2014.

Note 10 - Finance Result

The table below shows the Net Finance Result for the Group in 2014 and 2013:

in '000 EUR	2014	2013
Net gain on investments classified as at fair value through profit or loss	11	6
Net FX exchange income	428	-
Interest income	232	88
Others	6	17
Total Finance Income	**677**	**111**
Interest expenses	(273)	(694)
Net loss on investments classified as at fair value through profit or loss	(36)	-
Change in fair value of liabilities related to Jetcost acquisition	(146)	-
Net FX exchange costs	-	(149)
Others	(552)	(323)
Total Finance Costs	**(1,007)**	**(1,166)**
Total Net Finance Result	**(330)**	**(1,055)**

In 2014, net financial expense decreased by EUR 725 thousand, or -68.7%, to EUR 330 thousand in 2014 from EUR 1,055 thousand in 2013. The net decrease in financial expenses in 2014 compared with 2013 was due primarily to an opposite effect in profit and loss in Group's FX exchange for the amount of EUR 577 thousand.
The line "Others"within Total Finance Costs mainly includes the effect of the accelerated amortization of transaction costs following the early redemption of the CFA for a total amount of EUR 514 thousand, see Note 25 for further details.

For further details on interest income and expenses refer to Note 3.

Note 11 - Income Taxes

Components of income tax expenses
The table below shows the composition of Income tax expenses for 2014 and 2013:

in '000 EUR	2014	2013
Current income taxes	2,643	1,950
Deferred taxes	73	696
Total	**2,716**	**2,646**

Income taxes recognized in other comprehensive income
The table below shows the composition of income taxes recognized in other comprehensive income for 2014 and 2013:

in '000 EUR	2014	2013
Income taxes on remeasurements of the Employee Benefits liability	121	8
Total income taxes recognized in the period in other comprehensive income	**121**	**8**

Income taxes on remeasurements of the employee benefit liability relate to the defined benefit plans of the Group. In 2014, the amount of taxes recognized directly in equity was EUR 43 thousand and related to IPO costs for a total amount of EUR 473 thousand (2013: nil).

Reconciliation of effective income tax expenses
The table below shows the Group tax rate reconciliation for 2014 and 2013:

in '000 EUR	2014	2013
Profit before taxes	9,916	14,956
The Group's expected weighted average rate is 21.0% (2013: 16.9%)		
Income tax based on the Group's expected weighted average tax rate	2,087	2,534
Current-year tax losses for which no deferred tax assets is recognized	390	
Effect of non deductible expenses	362	226
Effect of tax free income	(122)	(114)
Income Tax expense of the Group	**2,716**	**2,646**

In 2014 the Group's income tax expense increased by EUR 70 thousand, or 2.6%, to EUR 2,716 thousand from EUR 2,646 thousand in 2013. The Group's effective tax rate increased from 17.7% in 2013 to 27.4% in 2014. This estimated tax rate is highly influenced by i) one-off costs related to the IPO and, in particular, to the IPO costs sustained at the holding level, for which no tax benefit is received and ii) a proportionally greater contribution to profits in 2014 compared with 2013 from subsidiaries in countries with higher tax rates, in particular the French subsidiary.

As of 31 December 2014 tax losses carried forward of EUR 2 million exist in the Netherlands. These losses can be offset against operating future profits for the period of nine years after the year in which the losses did occur. Management has established that it is uncertain whether future taxable operating profits would be available against which these losses can be used, and therefore no deferred tax asset has been recognized.

Deferred tax assets and liabilities are attributable to the following:

in '000 EUR	31 Dec 2014		31 Dec 2013	
	Asset	Liabilities	Asset	Liabilities
Property, plant and equipment	44	-	29	-
Intangible assets	49	(21,977)	166	(22,040)
Employee benefits liability	320	-	163	-
Provision	41	(221)	25	(194)
Other	96	-	112	-
Deferred Tax assets (liabilities)	**550**	**(22,198)**	**495**	**(22,234)**

In 2014 compared with 2013, deferred tax assets increased by EUR 55 thousand mainly due to the increase in the deferred tax assets on the employee benefits liability. For further information see Note 13. Deferred tax liabilities changed during 2014 by EUR 35 thousand mainly due to reducing effect on intangibles.

The movement in the net deferred tax asset / liability during 2014 and 2013 was as follows:

in '000 EUR	1 Jan 2014	Recognized in Profit or Loss	Recognized in OCI	Recognized directly in Equity	31 Dec 2014
Net deferred tax assets/(liabilities)	(21,739)	(73)	121	43	(21,648)
Total	**(21,739)**	**(73)**	**121**	**43**	**(21,648)**

in '000 EUR	1 Jan 2013	Recognized in Profit or Loss	Recognized in OCI	Business Combination	31 Dec 2013
Net deferred tax assets/(liabilities)	(15,759)	(696)	8	(5,292)	(21,739)
Total	**(15,759)**	**(696)**	**8**	**(5,292)**	**(21,739)**

Current tax assets & liabilities

As of 31 December 2014, the total net position relating to "Current tax assets & liabilities" amounts to EUR -96 thousand (2013: EUR -1,936 thousand). In 2014, the net tax position of the Group increased positively by EUR 1,840 thousand compared to the previous year. This situation is mainly attributable to advance payments for taxes made during 2014 in the French subsidiary.

Note 12 - Earnings per Share

Basic earnings per share

The table below shows basic earnings per share for 2014 and 2013:

in '000 EUR	2014	2013
Profit for the period attributable to the shareholders of Bravofly Rumbo Group N.V. (in '000 EUR)	7,306	12,400
Weighted-average number of shares outstanding during the year (in thousand)	13,879	11,189
Basic earnings per share (in EUR)	**0.53**	**1.11**

Weighted-average number of ordinary shares (basic)

Number of shares	2014	2013
Issued ordinary shares at 1 January	12,361	11,176
Effect of treasury shares held	(44)	-
Effect of the capital increase issued on 23 December 2013	-	13
Effect of the capital increase issued on 15 April 2014	1,562	-
Weighted-average number of shares (Basic) at 31 December	**13,879**	**11,189**

Diluted earnings per share

The table below shows diluted earnings per share for 2014 and 2013:

in '000 EUR	2014	2013
Profit for the period attributable to the shareholders of Bravofly Rumbo Group N.V. (in '000 EUR)	7,306	12,400
Weighted-average number of shares outstanding during the year (in thousand)	14,198	11,511
Diluted earnings per share (in EUR)	**0.51**	**1.08**

The denominator used in the above computation has been calculated in the following way:

Number of shares	2014	2013
Weighted-average number of shares (Basic)	13,879	11,189
Effect of share options in issue	319	322
Weighted-average number of shares (Diluted) at 31 December	**14,198**	**11,511**

Note 13 - Employee Benefits

Characteristics of defined benefit plans and risks associated with them

The Swiss pension plan is governed by the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG), which stipulates that pension plans are to be managed by independent, legally autonomous units. The assets of the pension plan are held within a separate foundation and cannot revert to the employer. Pension plans are overseen by a regulator as well as by a state supervisory body.
The Swiss Group entity is affiliated to the "Sammelstiftung BVG der Allianz Suisse Lebensversicherungsgesellschaft", which is a collective foundation administrating the pension plans of various unrelated employers. The pension plan of the Swiss Group entity is fully segregated from the ones of other participating employers.

The most senior governing body of the collective foundation is the Board of Trustees. All governing and administration bodies have an obligation to act in the interests of the plan participants.
Plan participants, their spouse and children are insured against the financial consequences of old age, disability and death. Their benefits are defined in pension plan rules compliant with the BVG, which is specifying the minimum benefits that are to be provided. Retirement benefits are based on the accumulated retirement capital which can either be drawn as a life-long annuity or as a lump sum payment. The annuity is calculated by multiplying the retirement capital with the currently applicable conversion rate. The accumulated retirement capital is made of the yearly contributions towards the old age risk by both employer and employee and the interest thereon until retirement. Contributions towards the old age risk are based on the rules defined by the Board of Trustees of the collective foundation. Minimum contributions and interest are defined by the BVG and the Swiss Parliament. In 2014 and 2015 the minimum interest was 1.75%.
According to IAS 19, the Swiss pension plan is classified as "defined benefit" plan. All actuarial risks of the plan, e.g. old age, invalidity and death or investment are fully covered by insurance. An underfunding is therefore not possible. However the collective foundation is able to withdraw from the contract with the Group at any time, reason why the plan is classified as "defined benefit" plan.

The insurance company bearing the investment risk is also making these investments on behalf of the collective foundation. As a result, the assets of the Swiss plan consist of a receivable from the insurance police.
In Italy employee severance indemnities are due under an Italian plan, the Trattamento di fine rapporto (TFR), which is mandatory for Italian companies and is an unfunded defined benefit plan. The deferred compensation to be paid when an employee leaves the Italian entity is based on the employees' years of service and the taxable compensation earned by the employee during the service period, i.e. the accumulated retirement capital at the time when the employment ends. Benefits are payable in the event of retirement, death, disability or resignation.

There were no special events, e.g. plan amendments, curtailments or settlements during the reporting period.

Movement in net defined benefit liability
The following tables present information about the net defined benefit liability and its components:

in '000 EUR	31 Dec 2014	31 Dec 2013
Funding of the defined benefit plan		
Present value of unfunded obligations	225	226
Present value of funded obligations	3,183	1,686
Total present value of obligations	**3,408**	**1,912**
Fair Value of plan assets	1,656	904
Pension liability recognized in the balance sheet	**1,752**	**1,008**

in '000 EUR	2014	2013
Reconciliation of the defined benefit obligation		
Defined Benefit Obligation at 1.1.	**1,912**	**1,397**
Current service cost (employer)	556	491
Interest cost	47	28
Contributions by plan participants	274	235
Benefits paid	(6)	(270)
Remeasurements loss/(gain)	576	53
Exchange rate effect	49	(21)
Defined Benefit Obligation at 31.12.	**3,408**	**1,912**

→

in '000 EUR	2014	2013
Reconciliation of the fair value of plan assets		
Fair Value of plan assets at 1.1.	**904**	**623**
Interest income	28	16
Contributions by the employer	274	234
Contributions by plan participants	274	234
Benefits paid in / (out)	134	(195)
Remeasurements gain/(loss)	(7)	13
Exchange rate effect	49	(20)
Fair Value of plan assets at 31.12.	**1,656**	**904**

in '000 EUR	2014	2013
Reconciliation of the recognized net pension liability		
Net liability at the beginning of the period	**1,008**	**774**
Expense recognized in profit or loss	576	504
Expense recognized in other comprehensive income	583	40
Contributions by the employer	(274)	(234)
Benefits paid by unfunded defined benefit plans	(141)	(76)
Net liability at the end of the period	**1,752**	**1,008**

in '000 EUR	2014	2013
Pension expense recognized in profit or loss		
Current service cost (employer)	556	491
Net interest cost	19	12
Exchange rate effect	1	1
Expense recognized in profit or loss	**576**	**504**
Amount recognized in other comprehensive income		
Return on plan assets excl.interest income	(7)	13
Remeasurements gain/(loss):		
Actuarial gain/(loss) arising from demographic assumptions		
Actuarial gain/(loss) arising from financial assumptions	(319)	49
Actuarial gain/(loss) arising from experience adjustment	(257)	(102)
Total amount recognized in other comprehensive income	**(583)**	**(40)**

Actuarial assumptions for the defined benefit obligations

The following were the principal actuarial assumptions at the reporting date (Swiss plan only):

Actuarial Assumptions	31 Dec 2014	31 Dec 2013
- Discount rate	1.26%	2.20%
- Future salary increases	1.00%	1.50%
- Future pension indexations	0.00%	0.00%
- Mortality table	BVG 2010G	BVG 2010G

As of 31 December 2014, the weighted-average duration of the defined benefit obligation was 20 years (2013: 20 years).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	2014		2013	
in '000 EUR	Increase	Decrease	Increase	Decrease
Discount rate (0.25%)	(156)	170	(80)	87
Future salary growth (0.25%)	56	(56)	34	(29)
Future mortality (1 year)	37	(38)	17	(17)

The disclosed sensitivities have been determined by changing the discount rate and the rate of salary increase by +/-0.25% resp. making an adjustment to the mortality so that the longevity increased/decreased by one year.

The sensitivity analysis is based on realistically possible changes as of the end of the reporting period. Each change in a significant actuarial assumption was analyzed separately as part of the test. Interdependencies were not taken into account.

Plan assets

The fair value of plan assets for the Swiss plan as of 31 December 2014 of EUR 1,656 thousand (2013: EUR 904 thousand) consists of a receivable from the insurance company, see above.

Expected contributions in 2015

The Group expects to pay contributions to the defined benefit plans in the amount of EUR 401 thousand in 2015.

Note 14 - Employee Share Option Plan

From 2011 to 2013, the Group granted options to top and middle management employees under the employee share option plan approved on 26 July 2011 by the shareholders. One option gives the right to buy one share of the Company, subject to a vesting period of 33 months. The options can only be exercised in the three year period following the vesting date. All options are to be settled by physical delivery of shares.

In 2014, the expense recognized as personnel costs for the share option plan amounted to EUR 356 thousand (2013: EUR 819 thousand). The table below shows the share options costs for the Group for 2014 and 2013 with the split according to the respective granting dates:

in '000 EUR	2014	2013
Equity-settled share-based payment transactions		
Share options granted in 2011	-	502
Share options granted in 2012	193	193
Share options granted in 2013	163	124
Total	**356**	**819**

In the context of the IPO described in Note 23, the Board resolved to:

- amend the plans to reflect the conversion of the company into an N.V.;
- repurchase a limited number of vested options;
- accelerate the vesting of a limited number of unvested options and immediately repurchase those options.

As a result, the Group repurchased EUR 52 thousand vested options and anticipated the vesting and repurchased additional 4 thousand unvested options. The repurchase price amounted to the difference between the price at which shares were sold in the IPO discounted for the placing fees (EUR 38.14) and the exercise price of the respective options (EUR 8.33 on average).

The number of outstanding options under the option plan is a follows:

in thousands of options	2014 (in thousands of options)	Weighted average exercise price 2014 (EUR)	2013 (in thousands of options)	Weighted average exercise price 2013 (EUR)
Reconciliation of outstanding share options				
Oustanding at 1 January	699	9.37	644	8.53
Forfeited during the year	(21)	17.91	(28)	15.57
Repurchased during the year	(56)	8.33	-	-
Granted during the year	-	-	83	18.00
Oustanding at 31 December	**622**	**9.17**	**699**	**9.37**
Exercisable at 31 December	**420**	**8.00**	**-**	

The weighted-average contractual life of the options outstanding at 31 December 2014 was 2.39 years (2013: 3.41 years).

Note 15 - Leasing

The future minimum lease payments under non-cancellable operating leases are as follows:

in '000 EUR	31 Dec 2014	31 Dec 2013
Less than one year	1,633	1,401
Between one and five years	2,447	1,767
More than five years	33	97
Total	**4,113**	**3,265**

The Group leases a number of cars and office spaces under operating leases. The leases typically run for a period between 1 and 4 years. The leases of office spaces contain a renewal option.

Note 16 - Property Plant and Equipment

The tables below show Property, Plant & Equipment movements during 2014 and 2013:

in '000 EUR	Furniture	IT Equipment	Other	Total
Historical Cost				
Balance at 1 January 2014	**162**	**2,064**	**295**	**2,521**
Additions	41	579	6	627
Disposals	-	(124)	(49)	(173)
Balance at 31 December 2014	**203**	**2,519**	**251**	**2,974**
Accumulated depreciation				
Balance at 1 January 2014	**117**	**1,218**	**167**	**1,502**
Depreciation for the year	22	567	65	653
Disposals	-	(80)	(38)	(118)
Balance at 31 December 2014	**139**	**1,705**	**194**	**2,038**
Carrying amounts				
At 1 January 2014	**45**	**846**	**128**	**1,019**
At 31 December 2014	**65**	**814**	**58**	**937**

in '000 EUR	Furniture	IT Equipment	Other	Total
Historical Cost				
Balance at 1 January 2013	**156**	**1,692**	**293**	**2,141**
Additions	6	380	-	386
Acquisitions from business combinations	-	6	2	8
Disposals	-	(14)	-	(14)
Balance at 31 December 2013	**162**	**2,064**	**295**	**2,521**
Accumulated depreciation				
Balance at 1 January 2013	**63**	**719**	**70**	**852**
Depreciation for the year	54	513	97	664
Disposals	-	(14)	-	(14)
Balance at 31 December 2013	**117**	**1,218**	**167**	**1,502**
Carrying amounts				
At 1 January 2013	**93**	**973**	**223**	**1,289**
At 31 December 2013	**45**	**846**	**128**	**1,019**

Investments in 2014 and 2013
In 2014 and 2013 the Group made additions to Property plant and equipment respectively for EUR 627 thousand and EUR 386 thousand: the additions in 2014 were mainly relating to IT equipment for EUR 579 thousand.

Capital Commitments
There are no capital commitments for the acquisition of property, plant and equipment.

Note 17 - Intangible Assets

The tables below shows Intangibles and Goodwill movements during 2014 and 2013:

in '000 EUR	Capitalized development cost	Other intangible assets	Trademarks	Total intangible assets	Goodwill	Total
Historical Cost						
Balance at 1 January 2014	**16,474**	**2,595**	**76,518**	**95,587**	**45,949**	**141,536**
Acquisitions - internally developed	3,911	-	-	3,911	-	3,911
Acquisitions - external supplier	1,847	164	-	2,011	-	2,011
Disposals	-	(31)	-	(31)	-	(31)
Balance at 31 December 2014	**22,232**	**2,728**	**76,518**	**101,478**	**45,949**	**147,427**
Accumulated amortization						
Balance at 1 January 2014	**9,270**	**683**	**-**	**9,953**	**-**	**9,953**
Amortization for the period	4,885	172	-	5,057	-	5,057
Disposals	-	-	-	-	-	-
Balance at 31 December 2014	**14,155**	**855**	**-**	**15,010**	**-**	**15,010**
Carrying amounts						
At 1 January 2014	**7,204**	**1,912**	**76,518**	**85,634**	**45,949**	**131,583**
At 31 December 2014	**8,077**	**1,873**	**76,518**	**86,468**	**45,949**	**132,417**

in '000 EUR	Capitalized development cost	Other intangible assets	Trademarks	Total intangible assets	Goodwill	Total
Historical Cost						
Balance at 1 January 2013	**11,242**	**2,387**	**61,132**	**74,761**	**25,831**	**100,592**
Acquisitions - internally developed	2,867	-	-	2,867	-	2,867
Acquisitions - external supplier	2,365	139	-	2,504	-	2,504
Acquisitions from business combinations	-	180	15,386	15,566	20,175	35,741
Change in scope of consolidation	-	(111)	-	(111)	(57)	(168)
Balance at 31 December 2013	**16,474**	**2,595**	**76,518**	**95,587**	**45,949**	**141,536**
Accumulated amortization						
Balance at 1 January 2013	**5,198**	**301**	**-**	**5,499**	**-**	**5,499**
Amortization for the period	4,072	382	-	4,454	-	4,454
Balance at 31 December 2013	**9,270**	**683**	**-**	**9,953**	**-**	**9,953**
Carrying amounts						
At 1 January 2013	**6,044**	**2,086**	**61,132**	**69,262**	**25,831**	**95,093**
At 31 December 2013	**7,204**	**1,912**	**76,518**	**85,634**	**45,949**	**131,583**

Investments in 2014 and 2013

During 2014, additions have mainly related to capitalized development cost for a total amount of EUR 5,758 thousand (2013: EUR 5,232 thousand).

Capitalized development costs

The capitalized development costs relate to internal and external expenditures in connection with the development of significantly improved features on the webpages of the Group.

Trademarks

Trademarks were identified in the purchase price allocation for the acquisitions of Rumbo and Pigi in 2012 and Jetcost in 2013. In 2013 the increase was mainly related to the purchase price allocation of the Jetcost acquisition, and included EUR 15,386 thousand related to the Jetcost Brand.
In 2014 no changes in trademarks amount happened.

Rumbo's trademark (Rumbo & Viajar)

The impairment test for the brands "Rumbo" and "Viajar" with carrying amounts of EUR 55,150 thousand and EUR 3,750 thousand respectively as of 31 December 2014 was performed together with the Rumbo goodwill on OTA level, using the model and assumptions described in Note 18 and did not result in the recognition of any impairment losses.

Jetcost trademark

The impairment test for the brand "Jetcost" with a carrying amount of EUR 15,386 thousand as of 31 December 2014 was performed together with the Jetcost goodwill on Metasearch level, using the model and assumptions described in Note 18 and did not result in the recognition of any impairment losses.

Pigi trademark ("Crocierissime")

The impairment test for the brand "Crocierissime" with a carrying amount of EUR 2,232 thousand as of 31 December 2014 was performed together with the Pigi Shipping Srl goodwill on OTA level, using the model and assumptions described in Note 18 and did not result in the recognition of any impairment losses.

Other intangible assets

In 2014, additions in "other intangible assets" were mainly relating to IT software to be used for business for EUR 164 thousand (in 2013: EUR 139 thousand).

Capital Commitments

There are no capital commitments for the acquisition of intangible assets.

Note 18 - Goodwill

For the purpose of impairment testing, Goodwill is allocated to the Group's acquired subsidiaries, except for the Rumbo, Pigi Shipping Srl, 2Spaghi and Prezzi Benzina goodwill which is allocated to the cash generating unit OTA. Following the full integration of Rumbo into the OTA business in 2014 as described in Note 5, the Rumbo goodwill has been allocated to this business made of "Rumbo" and "Bravofly", as it is now being monitored on OTA level. The Pigi Shipping Srl goodwill is also being monitored on OTA level from 2014, following changes in the management structure of Pigi Shipping Srl. The aggregate amount of goodwill allocated to each cash generating unit is as follows at each reporting date:

in '000 EUR	CGU	31 Dec 2014	31 Dec 2013
Rumbo	OTA	22,970	22,970
Pigi Shipping Srl	OTA	2,426	2,426
2spaghi	OTA	351	351
Prezzi Benzina	OTA	26	26
Jetcost	Metasearch	20,176	20,176
Total		**45,949**	**45,949**

The balance as of 31 December 2014 and 2013 amounts to EUR 45,949 thousand.

Rumbo Group, Pigi Shipping & Consulting Srl, 2Spaghi and Prezzi Benzina

Goodwill arising from these acquisitions amounts to EUR 25,773 thousand in total, see details in table above. The impairment test was based on an estimate of value in use and did not result in any recognition of impairment losses. The value in use was determined based on a DCF-calculation. Key assumptions used in the calculation of the recoverable amount are the discount rate (WACC), the perpetuity growth rate and the revenues growth rate: the values assigned to the key assumptions represented management's assessment of the future trends. The key assumptions were as follows:

	31 Dec 2014	31 Dec 2013
Weighted average cost of capital (WACC)	10.5%	12.9%
Perpetuity growth rate	1.5%	2.0%
Revenues growth rate (average of next five years)	13.5%	16.4%

Five years of cash flow were included in the DCF model. A long-term growth rate into perpetuity was determined based on management's best estimate of the long-term compound annual growth rate in Revenues. Revenues were based on future expected outcomes taking into account past experience.

Jetcost

Goodwill arising from the acquisition amounts to EUR 20,176 thousand. The impairment test was based on an estimate of value in use and did not result in any recognition of impairment losses.
The value in use was determined based on a DCF-calculation. Key assumptions used in the calculation of the recoverable amount are the discount rate (WACC), the perpetuity growth rate and the revenues growth rate: the values assigned to the key assumptions represented management's assessment of the future trends. The key assumptions were as follows:

	31 Dec 2014	31 Dec 2013
Weighted average cost of capital (WACC)	10.5%	12.9%
Perpetuity growth rate	1.5%	2.0%
Revenues growth rate (average of next four years)	13.5%	19.7%

Four years of cash flow were included in the DCF model. A long-term growth rate into perpetuity was determined based on management's best estimate of the long-term compound annual growth rate in revenues.

Note 19 - Financial Assets

The table below shows Financial assets for the Group as of 31 December 2014 and 2013:

in '000 EUR	31 Dec 14	31 Dec 13
Long-term Deposits	143	129
Other investments	-	99
Total non-current financial assets	**143**	**228**
Short-term Deposits	476	299
Other investments	33	472
Total current financial assets	**509**	**771**

Non Current financial assets

As of 31 December 2013, "Other investments", mainly included investments in corporate bonds of EUR 79 thousand of a primary Italian bank with fixed interest rates of 3% and 3.75%.
Long-term deposits of EUR 143 thousand (2013: EUR 129 thousand), mainly relate to real estate and utilities agreements.

Current financial assets

As of 31 December 2014, "Other investments" included, in particular, investments funds with a primary French bank for the amount of EUR 21 thousand. In 2013 the Group had corporate bonds with a primary Italian bank for EUR 451 thousand with fixed interest rates between 2% and 2.5%.

Short-term deposits of EUR 477 thousand (2013: EUR 299 thousand) mainly relate to real estate and utilities agreements.

Note 20 - Investment In Equity Accounted Investees

"Investment in equity accounted investees" amounted as of 31 December 2014 and 2013 respectively to EUR 355 thousand and EUR 465 thousand.

This investment is Hotelyo SA; the Group reduced its investment in Hotelyo SA during 2013, and as of 31 December 2013 the Group owned 49% of this investment and accounted for it using the equity method. For further information refer to Note 4.

The table below shows a summary of financial information for the Group's investment in equity accounted investees (not adjusted for the percentage ownership held by the Group):

in '000 EUR	2014	2013
	Hotelyo SA	Hotelyo SA
Profit or (Loss)	(225)	(210)
Effects of OCI adjustment	-	-
Total comprehensive income	**(225)**	**(210)**

Total effects with equity method have been included in profit and loss in "Share of result of equity-accounted investees" line for the total amount of EUR -110 thousand (2013: EUR 127 thousand).

Note 21 - Trade and other Receivables

The table below shows Trade and other receivables as at 31 December 2014 and 2013 for the Group:

in '000 EUR	31 Dec 2014	31 Dec 2013
Trade receivables	28,077	25,844
Receivables from shareholders	16	1
Other receivables	2,048	1,461
Accrued income and deferred expenses	398	349
Total	**30,539**	**27,655**

The two most significant debtors of the Group included in the total trade receivables at 31 December 2014 had an open balance amounting respectively to EUR 4,647 thousand (15%) and EUR 1,988 thousand (7%).

The ageing of trade and other receivables at the reporting date is shown in the following table:

in '000 EUR	31 Dec 2014	31 Dec 2013
Not past due	25,991	21,672
Past due 0-30 days	695	1,153
Past due 31-120 days	2,248	1,931
Past due 121 and over	1,605	2,899
Total	**30,539**	**27,655**

The movement in the allowance for doubtful debts in respect of trade receivables during the year has been as follows:

in '000 EUR	2014	2013
Balance at 1 January	263	132
Additions during the year	615	227
Used during the year	(111)	(96)
Balance at 31 December	**767**	**263**

Impairments are established on an individual basis. All of the receivables concerned are fully impaired as they are considered to be not recoverable. At 31 December 2014, the allowance mainly relates to specific punctual analysis on recoverability of receivables past due 121 days and over; except for specific cases, all receivables past due 365 days are written down. Based on historic default rates, the Group believes that, apart from the above, no additional impairment allowance is necessary in respect of not individually impaired trade receivables.

Note 22 - Cash and Cash Equivalents

The table below shows Cash and cash equivalents as of 31 December 2014 and 2013:

in '000 EUR	31 Dec 2014	31 Dec 2013
Cash on hand	6	24
Bank accounts	60,980	30,104
Credit Card accounts	8,170	3,345
Time deposits	20,160	-
Total	**89,316**	**33,473**

Bank accounts

The Group's bank accounts are interest bearing with variable interest rates between 0% and 0.9% (2013: 0 % and 1.1%). Bank overdrafts bear variable interest rates between 2.5% and 3.2% (2013: 2.2 % and 5.5 %). For further information refer to the Consolidated Cash Flow Statement and Note 25.

Credit card accounts

This position contains all credit card accounts with debit balances that are used for payments in the daily business. The increase compared to the previous year of EUR 4,825 thousand is mainly related to Group's choice to maintain at year-end a higher plafond and to the growth of the Group's volumes, in particular in foreign currency.

Time deposits

The Group has time deposits for the total amount of EUR 20,160 thousand as of 31 December 2014; these deposits are interest bearing with fix interest rates of 1.75%.

Note 23 - Shareholders' Equity

The table below shows Equity as of 31 December 2014 and 2013:

	31 Dec 2014	31 Dec 2013
Share capital	146	124
Capital reserves	127,751	42,001
Treasury share reserve	(3,939)	-
Retained earnings	39,385	33,973
Equity attributable to Shareholders of Bravofly Rumbo Group N.V.	**163,343**	**76,098**
Non-controlling interest	(169)	(124)
Total equity	**163,174**	**75,975**

Share capital

On 15 April 2014, the Group completed its Initial Public Offering ("IPO") on SIX Swiss Exchange. Upon the approval of the IPO, the preferred shares transformed into ordinary shares. Following the IPO, the Company increased its capital by 2,261 thousand additional ordinary shares with a nominal value per share of EUR 0.01.
BRG completed its IPO at a price of CHF 48.00 per share. A syndicate of banks consisting of Credit Suisse, Morgan Stanley and UBS as Joint Global Coordinators and Joint Bookrunners, and Mediobanca as Joint Bookrunner, placed 2,187,500 newly-issued shares on behalf of Bravofly Rumbo Group as well as 3,145,000 existing shares on behalf of the selling shareholders to the public in Switzerland and to selected private and institutional investors outside Switzerland. In addition, the syndicate of banks partially exercised its over-allotment option and, as a result, additional 73,920 bearer shares of Bravofly Rumbo Group were issued at a price of CHF 48.00 per share. Including the shares placed in connection with the over-allotment option, a total of 5,406,420 offered shares were sold, corresponding to 37% of the share capital (after the partial exercise of the over-allotment option).

The offer size of the IPO (after the partial exercise of the over-allotment option) therefore amounted to EUR 212.5 million, of which gross proceeds from the primary shares issued amounted to EUR 88.9 million. The aggregate number of shares in issue after the partial exercise of the over- allotment option is 14,622,631 bearer shares.

The table below shows the number of shares and total issued capital as of 31 December 2014 and 2013:

Issued Capital	31 Dec 2014	31 Dec 2013
Number of ordinary shares	14,622,631	11,250,000
Nominal value per share (EUR)	0.01	0.01
Total	**146,226**	**112,500**
Number of preferred shares	-	1,111,211
Nominal value per share (EUR)	0.01	0.01
Total	**-**	**11,112**
Total amount (EUR)	**146,226**	**123,612**

During 2013, in the context of the Jetcost acquisition, the Company completed a capital increase by issuing 1,185 thousand additional ordinary shares with a nominal value per share of EUR 0.01 for total proceeds equal to EUR 21,330 thousand; the fair value of the ordinary shares issued was determined by reference to multiples valuation models adjusted to reflect the private status of the Company; for further information refer to Note 4.

The table below shows the changes in the number of the Company's shares during 2014 and 2013:

Shares movements during 2013	in number
Number of shares at the beginning of the period (1.1.2013)	11,176,211
Capital increase issued on 23 December 2013 of ordinary shares	1,185,000
Number of shares at the end of the period (2013)	**12,361,211**

Shares movements during 2014	in number
Number of shares at the beginning of the period (1.1.2014)	12,361,211
Capital increase issued on 15 April 2014 of ordinary shares	2,261,420
Number of shares at the end of the period (2014)	**14,622,631**

Capital reserves

As of 31 December 2014 capital reserves, including share premium reserves, amount to EUR 127,751 thousand (2013: EUR 42,001 thousand): the increase compared to the previous year is due to the Initial Public Offering described above.

The share premium relating to the IPO was posted net of the following costs:

- fees for the joint global coordinators that supported the Group in the IPO process amounting to EUR 2,667 thousand;
- additional listing costs amounting to EUR 430 thousand (net of the tax effect). The remaining listing costs, amounting to EUR 2,849 thousand, were recognized in profit or loss, within marketing costs and other operating costs (see Note 7 and 9).

Treasury share reserve

The reserve for the Group's treasury share comprises the cost of the shares held by the Group. At 31 December 2014, the Group held 275 thousand shares for the total value of EUR 3,939 thousand. The Group did not hold any treasury shares as of 31 December 2013.

On 13 August 2014, the Group announced officially a share buy-back plan to purchase bearer shares of Bravofly Rumbo Group N.V. for a maximum amount of EUR 10 million. This maximum amount could be increased from time to time upon resolution by the Board of Directors, but shall keep under the maximum buyback volume limit of 9,390 bearer shares per day in accordance with art. 55b para. 1 lit c SESTO.
The bearer shares repurchased are to be used for Group's employee stock option 2011–2013 plans and/or to finance acquisitions.
The Group's bearer shares are listed in the main standard of SIX Swiss Exchange AG; no separate trading line has been opened for the share buy-back.
The share buy-back started on 17 September 2014 and will end no later than 14 April 2016.

Retained Earnings

Retained earnings as of 31 December 2014 amounted to EUR 39,385 thousand (2013: EUR 33,973 thousand) and contain accumulated profits relating to current year and previous years generated by the Group and not distributed to shareholders as well as amounts booked in relation to the remeasurements of the employee benefits liability and share-based payments. As of 31 December 2014 retained earnings include a debit entry to reflect the effect of the buy-back of share options from employees for EUR 1,788 thousand. For further information about these repurchases please refer to Note 14.

Dividends

In 2014 and 2013 no dividend was paid by the Company to its shareholders. For further information refer to the Consolidated Statement of change in Equity.

Capital Management

The capital managed by the Company consists of the consolidated equity. The Group's goal is to maintain a strong capital base so as to sustain future development of the business and to maximize long-term shareholder value.

Note 24 - Provisions

The table below shows the movements in Provisions for 2014:

in '000 EUR	1 Jan 2014	Reversals	Use	Additions	31 Dec 2014
Provision for fraudulent credit card transactions	151	(3)	(134)	238	252
Provision Volaflex	68	-	-	52	120
Other provisions	2,445	(381)	(299)	579	2,344
Total	**2,665**	**(384)**	**(433)**	**869**	**2,717**
Non-current	2,000				2,000
Current	665				717
	2,665				**2,717**

Provisions for fraudulent credit card transactions

Provisions for fraudulent credit card transactions, for the amount of EUR 252 thousand (2013: EUR 151 thousand), refer to transactions completed in the year preceding the reporting date and likely to be disputed by clients in the following year.

Provision "Volaflex"

The provision for Volaflex represents the best estimate of future payments under the Volaflex program. This includes the costs with respect to unused vouchers resulting from flight cancellations before the balance sheet date. Based on the liability adequacy tests performed, no fee deficiency provision is required. Further information on Volaflex is provided in Note 2.

Other provisions

Provision for AGCM proceeding in Italy

On 27 June 2013, the Italian Unfair Competition Authority ("Autorità Garante della Concorrenza e del Mercato" or "AGCM") opened an administrative proceeding against Bravofly SA, requiring Bravofly to provide certain documents concerning its business and alleging that Bravofly was engaged in unfair commercial practices in breach of the Italian Commercial Code through the Volagratis.com website as described below:

- selling travel insurance on an opt-out rather than opt-in basis;
- failure to provide full legal information about Bravofly on the website and to provide a client assistance channel free of charge; and
- failure to provide a complete presentation of prices for its services from the initiation of the purchasing process.

As of 31 December 2013, the Group provisioned EUR 225 thousand for this risk, based on the final decision issued on 10 February 2014, finding Bravofly in violation of the Italian Consumer Code and imposing administrative sanctions. In March 2014, the Group paid the total amount provisioned for in the previous year to close the case.

Other

As of 31 December 2014, non-current provisions amounted to EUR 2,000 thousand: there were no changes compared to 31 December 2013. This provision is relating to tax risks deriving from prior years. Provisions are based upon management's best estimate and adjusted for actual experience. For further information see note 2.

Note 25 - Short & Long Term Financial Liabilities

The table below shows Short & Long term financial liabilities for the Group as of 31 December 2014 and 2013:

in '000 EUR	31 Dec 2014	31 Dec 2013
Facility Loan Agreement ("CFA")	-	3,308
Put liability for 20% of Jetcost acquisition	-	6,346
Earn-out 1 on Jetcost acquisition	-	832
Total Short Term Financial Liabilities	**-**	**10,486**
Facility Loan Agreement	-	18,087
Put liability for 20% of Jetcost acquisition	-	284
Earn-out 2 on Jetcost acquisition	-	1,137
Total Long Term Financial Liabilities	**-**	**19,508**
Total Financial Liabilities	**-**	**29,994**
Total Facility Loan Agreement	-	21,394
Total Other Financial Liabilities related to Jetcost acquisition	-	8,600
Total	**-**	**29,994**

Facility Loan Agreement ("CFA")

The original amount totaled EUR 38 million, of which EUR 33 million drawn at closing of the Rumbo acquisition in 2012 and additional EUR 5 million of working capital facility. The latter has never been used. As of 31 December 2013, the debt outstanding amounted to EUR 21.4 million and unused facilities amounted to EUR 10.9 million. The original maturity of the debt was 30 June 2016. During 2014, the CFA was early redeemed by the Group and substituted to uncommitted credit facilities of EUR 12.5 million each with respectively the same lenders of the CFA. The CFA bore interest at variable spreads over Euribor in a range between 1,45% and 2,70% upon the leverage ratio of the Group. During 2014 the applied spread was equal to 1,70% (31 December 2013: 1,70%). The Facility Loan Agreement's security package included pledges on some internally generated trademarks of Bravonext SA and pledges on the shares of the Group subsidiaries Bravoventure Spain and Rumbo. The Group had to comply with certain financial covenants mainly relating to the Group's consolidated financial statement on a quarterly basis: these covenants required a minimum equity not lower than EUR 40,000 thousand and a Gross Debt / EBITDA ratio lower than 2.25. Both conditions have been met until the facility loan was repaid.

For further information refer to Note 3.

Other Financial Liabilities related to the Jetcost acquisition

The put liability and Earn-outs recorded as of 31 December 2013 have been settled during 2014. The put liability has been settled following the exercise of the option for the amount of EUR 6,266 thousand paid to previous owners for the acquisition of the remaining 20%, as described in Note 4. The Group further agreed on the early settlement of the two earn-out components related to the acquisition of 100% of the capital of Jetcost (see Note 4 for further information) for a total amount of EUR 2,480 thousand.

Net Financial Position

The table below represents the net financial position for the Group as of reporting date:

in '000 EUR	31 Dec 2014	31 Dec 2013
Current financial assets	509	771
Cash and cash equivalents	89,316	33,473
Short Term Financial Liabilities	-	(10,486)
Net Financial Position within 12 months	**89,825**	**23,758**
Non current financial assets	143	227
Long Term Financial Liabilities	-	(19,508)
Net Financial Position over 12 months	**143**	**(19,281)**
Total Net Financial Position	**89,968**	**4,477**

The Net Financial Position for the Group was EUR 89,968 thousand in 2014, compared to EUR 4,477 thousand in 2013. The changes in the composition of the net financial position as of 31 December 2014 compared to December 2013 can be mainly explained by the following factors:

- the reduction of the Facility Loan Agreement ("CFA") for a total amount of EUR 21,394 thousand due to reimbursements made during 2014;
- cash proceeds of EUR 85,772 thousand as a result of the Initial Public Offering completed by the Group on 15 April 2014 (please refer to Note 23);
- the settlement of the financial liabilities relating to the Jetcost's acquisition for a total amount of EUR 8,746 thousand. For further information see Note 4.

Note 26 - Trade and other Payables

Table below shows “Trade and other payables” as of 31 December 2014 and 2013:

in '000 EUR	31 Dec 2014	31 Dec 2013
Trade payables	37,639	34,598
Credit card payables	16,355	19,917
Other payables	4,641	4,473
Accrued expenses and deferred income	6,216	2,925
Total	**64,851**	**61,913**

Trade payables
All Trade Payables as shown in the table above are due within 90 days.
As at 31 December 2014, the liability towards the Group’s major supplier BSP amounted to EUR 5,063 thousand (2013: EUR 6,144 thousand).

Credit card payables
The credit card payables are post-paid credit card accounts, which are used to make payments in the daily business. The decrease in 2014 compared to the previous year of EUR 3,562 thousand is mainly due to a decrease in the used plafonds at year-end. At 31 December 2014, the Group had agreed credit card plafonds for a total amount of EUR 36,740 thousand (2013: EUR 30,630 thousand).

Other payables
Other payables mainly include payables relating to taxes, social security and amounts due to personnel for the annual bonus: the amount in 2014 was substantially in line with 2013.

Accrued expenses and deferred income
Accrued expenses and deferred income increased significantly since 2013 mainly because of voucher accruals due to the growth of the Group’s sales volumes.

Note 27 - Contingent Liabilities

Proceeding with Ryanair Ltd
Ryanair Ltd claimed in 2008 against a company previously belonging to the Group for alleged breach of access to Ryanair’s website. Ryanair Ltd went to court in Ireland, asking for an injunction preventing the former Group company from accessing its website and additionally suing for damages. In 2009, Bravofly SA claimed in Switzerland to reach an assessment that its activity was not violating any right of Ryanair Ltd, whereas the latter claimed to reach an assessment that Bravofly SA was acting illicitly and additionally sued for damages. At the balance sheet date, it is not possible to form an opinion as to the outcome of the cases and it is not possible to quantify any liability for costs and potential damages that may arise. Based on legal advice and, according to case law in similar cases, the likelihood of success for Ryanair Ltd is remote.

Ryanair Ltd also started two commercial proceedings against Red Universal De Marketing y Bookings Online SA (Rumbo) in 2008. The first proceeding relates to a breach of contract due to a failure to comply with the terms and conditions on Ryanair’s webpage and is still pending. However, according to case law in similar cases, the likelihood of success for Ryanair Ltd is remote. The second proceeding relates to (i) a breach of the airline’s intellectual property rights; (ii) an unfair competition against the airline’s good faith; and (ii) a removal of the airlines’ flight data from Rumbo’s webpage. Concerning this second proceeding the first instance and the appeal court decided in favor of Rumbo. On 18 April 2013, also the Supreme Court on this second proceeding decided in favor of Rumbo and the airline was forced to pay the legal cost. In 2010, Viaggiare Srl brought a civil proceeding against Ryanair Ltd, before the Court of Milan: in the claim the defendant is trying to prevent Viaggiare from performing its online travel agency activities in respect of such airline flights. Viaggiare has asked the Court to acknowledge and declare that: (a) such airline is culpable of acts of unfair competition to the plaintiff's detriment (along with other torts, such as abuse of its dominant position on the market of sale of air flight tickets and relating services); and, conversely (b) Viaggiare is entitled to perform its OTA activity also in respect of such airline flights. The first instance court accepted Viaggiare's request and ordered the airline to pay damages and judicial costs for the first instance proceeding. The judgment was appealed by the airline on July 31th, 2013. The second instance appeal is still pending.

Other

In February 2014, the Swiss Federal Tax Administration (SFTA) started a tax audit questioning some transactions from a Swiss withholding tax perspective. At the time of issuance of the consolidated financial statements 2013, the Board of directors estimated the maximum exposure to EUR 2.7 million but did not consider it likely that the tax audit would lead to a material outflow of economic benefits for the Group.
During 2014 this audit has been completed. It did not lead to any outflow of economic benefits for BRG.

Note 28 - Related Parties

The Group is controlled by Freesailors Cooperative (incorporated in the Netherlands), which is controlled by Mr. Fabio Cannavale. Freesailors Cooperative controls the shareholders'agreement owning 47.5% (2013: 49%) of the shares of the Company and controls it. The remaining 52.5% (2013: 51%) of the shares are widely held.

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making operating and financial decisions. Parties are also considered to be related if they are subject to common control or common significant influence. The Group has a related party relationship with its major shareholder, its subsidiaries, its associates, its post employment benefit plans as well as with its key management personel. The Group's operations involve operating activities between the parent company and its subsidiaries and between the subsidiaries due to the nature of business: these kind of operations are "recurring" transactions eliminated on consolidation basis.

Receivables from shareholders

The table below shows Receivables from shareholders as of 31 December 2014 and 2013:

in '000 EUR	31 Dec 2014	31 Dec 2013
Receivables from shareholders	16	1
Total	**16**	**1**

Key management personnel compensation

The key management personnel compensation for 2014 and 2013 is presented in the table below:

in '000 EUR	31 Dec 2014	31 Dec 2013
Management compensation	3,111	4,060
Share-based payments	75	518
Total	**3,186**	**4,578**

In 2014, the composition of key management changed following a new simplified structure, reducing the number of members from 27 in 2013 to 18 in 2014.

Rent

The Group rented offices from related parties for a total amount of EUR 32 thousand in 2014 (2013: EUR 32 thousand).

Other transactions

The Group has incurred consultancy costs with three board members for a total amount of EUR 903 thousand in 2014 (nil in 2013).

Note 29 - Bank Guarantees

As of 31 December 2014, financial institutions had issued bank guarantees to third parties on behalf of the Group for a total amount equal to EUR 7.3 million (2013: EUR 5.8 million), of which EUR 3.5 million relate to a bank guarantee to a Spanish GDS airline and EUR 2.5 million relate to a bank guarantee for the IATA.

Note 30 - Group Companies

The table below shows the Group 's structure as of 31 December 2014 and 2013:

Name	Country	Consolidated for	Ownership interest	
			2014	2013
Bravofly Rumbo Group N.V.	Netherlands	-	Parent Company	
Bravofly SA	Switzerland	Fully	merged into Bravonext	100%
Viaggiare S.R.L.	Italy	Fully	100%	100%
Satintour Services	UK	Fully	99.8%	99.8%
Blue Sas - JetCost *	France	Fully	100.0%	80.0%
Bravonext sa	Switzerland	Fully	100.0%	100.0%
2Spaghi Srl	Italy	Fully	62.5%	62.5%
Bravoavia Group Sa	Switzerland	Fully	60.0%	60.0%
Web to Travel Sarl	France	Fully	100.0%	100.0%
Bravomedia Srl	Italy	Fully	100.0%	100.0%
Pigi Shipping & Consulting Srl	Italy	Fully	100.0%	100.0%
Hypercruises Sa	Switzerland	Fully	100.0%	100.0%
Prezzi Benzina Srl	Italy	Fully	50.1%	50.1%
Bravoventure Spain SLU	Spain	Fully	100.0%	100.0%
Hotelyo SA	Switzerland	Equity	49.0%	49.0%
Vivigratis SA	Switzerland	Fully	51.0%	51.0%
Rumbo SA	Spain	Fully	100.0%	100.0%
Rede Universal de Viagens Ltda	Brazil	Fully	99.9%	99.9%
Cruiseland Srl	Italy	Fully	100.0%	100.0%
Webnext ltd	Malta	Fully	100.0%	-

* *In 2013, the ownership percentage presented for Jetcost was not taking the put for the additional 20% into consideration. For further information please see Note 4.*

Note 31 - Subsequent Events

Lastminute.com

On 27 February 2015 the Group finalized the acquisition of lastminute.com from Sabre Corporation.
Bravofly Rumbo Group acquired the lastminute.com's business through an asset deal, debt-cash free, for a total consideration of GBP 1.
The Group assumed the respective assets and liabilities, whereas the major item was represented by the negative working capital, estimated at the end of February 2015 around GBP 50 million. In addition Bravofly Rumbo Group signed a non-exclusive arm's length multi-annual agreement for the usage of Sabre's GDS' system.
Through the deal Bravofly Rumbo Group acquired the lastminute.com's operations located in UK, France, Germany, Spain and Italy, establishing a leading position in all major European Countries. Together with lastminute.com, Bravofly Rumbo Group's 2014 pro-forma Gross Travel Value reached approximately €2.5 billion, with revenues of nearly €260 million, leveraging its excellent business fit and well balanced geographical distribution.

The purchase price allocation was not yet started and hence no estimate of the impact of the acquisition and the goodwill is possible at the date these financial statements were approved by the Board of Directors.

The Group strategy will be oriented on boosting robust topline revenue growth through relevant investments in online and offline marketing and advertising campaigns all around Europe to position lastminute.com as the Group's main brand, as well as to support the historical brands. At the same time a strong focus will be put into integrate the businesses, creating scalable and efficient structures which are intended to generate sustainable value in the mid to long term.

Map2app

On 10 February 2015 BRG acquired all assets of the start-up company Map2app in its effort to broaden the Group's competences in the mobile segment as well as its wallet of innovative services and products. Map2app, founded in 2012, has developed a best breed technology solution that allows its customers to create low-cost mobile travel app quickly, dynamically and with no specific technical skills required. Thanks to ge-referencing features, these mobile travel apps allow end-users to rapidly find places of interests on a map, as well as be informed on events and availability of services at his or her destination. The purchase price for the acquisition has been EUR 300 thousand.
The acquisition will not have a material effect on the financial figures 2015 of Bravofly Rumbo Group.

Auditor's report

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Report of the Independent Auditor to the Board of Directors on the Consolidated Financial Statements of

Bravofly Rumbo Group N.V., Amsterdam

As independent auditor, we have been engaged to audit the accompanying consolidated financial statements of Bravofly Rumbo Group N.V., Amsterdam, on pages 7 to 61, which comprise the consolidated balance sheets as at December 31, 2014 and the consolidated statements of profit or loss, statements of other comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Board of Directors' Responsibility for the Consolidated Financial Statements
The Board of Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

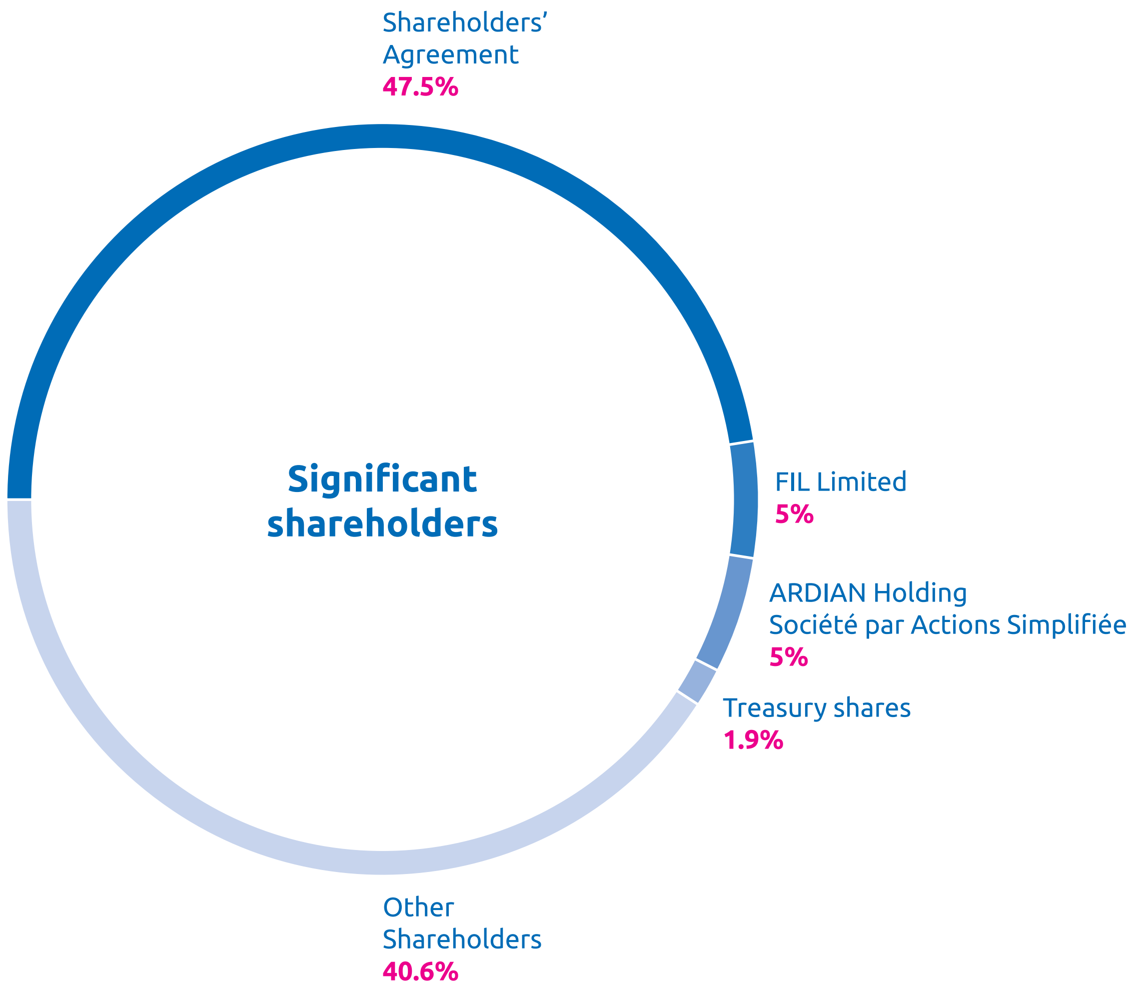
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Bravofly Rumbo Group N.V., Amsterdam as at 31 December 2014 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

KPMG SA

Lorenzo Job	Paolo Filippini
Licensed Audit Expert	*Licensed Audit Expert*

Lugano, March 19, 2015

Significant shareholders*



Footnotes

lastminute.com N.V. is a publicly traded company listed under the ticker symbol LMN on SIX Swiss Exchange.

***** Ownership structure as of 31/12/2014.

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