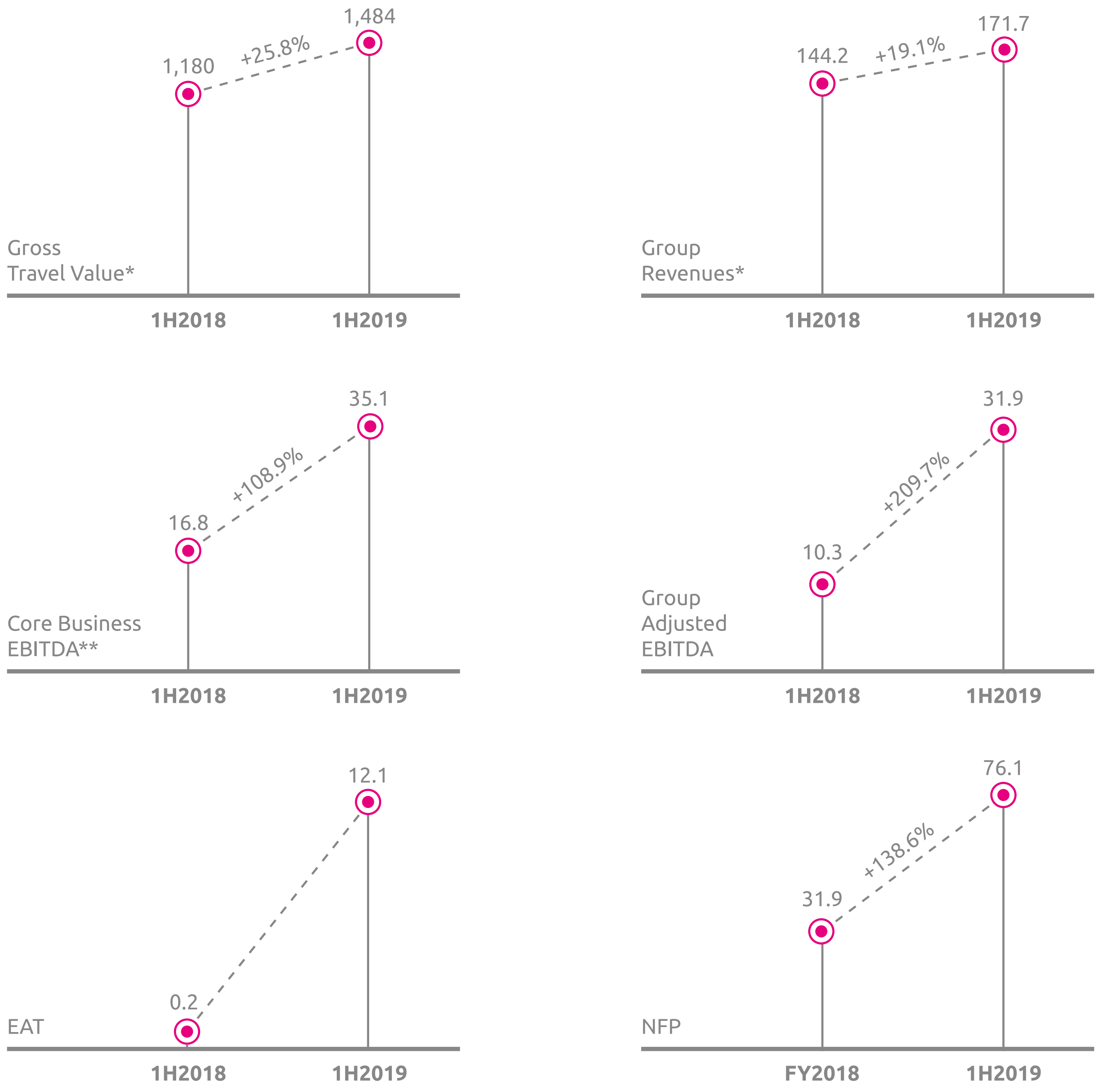
interimreport2019

lm group

lastminute.com

1H2019 Highlights

(in € million)



* Gross Travel Value and Group Revenues refer to the whole lm holding perimeter, including Venture Initiatives

** 1H2018 Core Business EBITDA was restated to reflect the movement of Crocierissime under the lm venture business area

Content

The relevant and most inspiring travel company enriching the lives of travellers

lastminute.com volagratis bravofly rumbo

weg.de JETCOST hotelscan fwd

lm holding CEO’s letter

Dear Stakeholders,

Following a positive FY2018 that marked a turning point in our recent history, I’m pleased once again, to share our interim management report with another set of great results.

After the excellent performance from our first quarter, results from our first half confirm a positive trend and reports figures significantly stronger than the same period last year, and even well ahead of our initial expectations for the current period.

The travel & tourism industry continues to grow, outpacing GDP, with the rate of digitalisation steadily supporting its structural growth. Within this context, lastminute.com is over-performing registering a high double-digit growth against an industry average single-digit , therefore implying that it is gaining market share against competitors.

The current performance of Dynamic Packages confirms a long-lasting positive trend resulting from the forward planning of lastminute.com in terms of vision and technology. Such an upward trend, consolidates the Group as the European leader in the holiday packages market, the most interesting segment of our industry for several reasons: the incredible scope for further growth as holiday packages are still predominantly sold offline; the huge benefit provided to the customers in terms of inventory availability, flexibility and price; and the potential to generate more profits for the company than traditional stand-alone products could do.

On our Flight business, the trajectory is now sharply rising after three years of decline. We have recovered our performance thanks to a comprehensive reorganisation and major changes implemented to the business model. After months of hard work, we now have in place a sophisticated layer of intelligence that drives our competitive approach. Having reported +38% growth YoY in terms of revenue (in a business considered as a commodity by many of the travel players), I think we are on the right way to fully deploy our potential in this category both as a stand-alone business and as a service for an even more competitive Dynamic Packages proposition.

A slight improvement in Destination Italia’s performance (with further actions planned for the second half of the year) is contributing to shrinking the gap between the Core Business EBITDA and Consolidated Adjusted EBITDA which, in six months, achieved the same level as the entire FY2018 (€31.9M in the 1H2019 vs €32.8M for the FY2018). As a consequence, the reported Net Result is €12M higher than in the same period of last year and more than 50% compared to what was achieved in all of last year. Thanks to this, and given the increase in Gross Travel Value (GTV), the cash generated is really impressive and the cash available now overcomes the amount of €118M with a positive Net Financial Position of €76.1M.

The lm group picture is one of a very healthy company, well managed, well-positioned in the competitive travel landscape and pursues its mission with all the assets needed to succeed. Our forecast shows a strong possibility of replicating the first half performance in the second half, given that lastminute.com is more than ready to make a step ahead in the European online travel context and generate great value for all its stakeholders. This will take place through organic growth or even new acquisitions that can assume by means of all cash available and generated on a recurring basis.

As always we are still open to evaluate growth opportunities through extraordinary investments in the form of either, small business initiatives as a plug-and-play tool to accelerate our innovation pattern or medium-to-large size deals to complement our offering and scale the business to generate further efficiency. Our future looks like a rocket that has been safely launched into space and is now on its way to discovering new frontiers.

Fabio Cannavale
lm holding CEO

Group structure

The Group is now organised into two business areas (lm group and lm venture), consolidated under a holding, listed on SIX Swiss Exchange since 2014 and led by Fabio Cannavale, that provides corporate services. lm group (where lm stands as a visual shortcut of our main consumer brand lastminute.com) is led by Marco Corradino and represents our core business formed around our Online Travel Agency, our META business and our Media business. lm venture is the tool we use to scout interesting development opportunities in the wide arena of Travel Innovation.

lm holding

lm group

OTA

lastminute.com

bravofly

rumbo

volagratis

weg.de

META

JETCOST

hotelscan

MEDIA

fwd

lm venture

Majority

DESTINATION ITALIA

Gartour

crocierissime.it

Minority

urbi

InstaGO

As a stand-alone business, growing and generating profits on its own, in the first half of 2019 Crocierissime was moved under the lm venture business area together with all the initiatives that we use to explore new potential fields of growth. Treating the cruise business separately from the lm group helps us manage it in a more focused and effective way.

To continue on our path of diversification for the media business, the group recently launched Forward (FWD), lastminute.com's new media company. FWD's mission is to help businesses move forward by unlocking new opportunities to make their marketing activity more efficient, intelligent and relevant. FWD encompasses four commercial businesses (Travel People, FWD trading, Playbook and Madfish), that combined form a media-marketing power-house, comprehensive of strategy, media planning and buying, marketing technology, monetisation, video production and social activation.

lm group CEO's letter

Whilst FY2018 was a record year, the first half of 2019 has been even stronger. These results have confirmed the improvements made in the last two years in terms of reorganisation and value proposition.

We started from a concept of what we call "Audience Karma", a holistic and centric view of the customers that we use to follow and guide them through the inspiration phase to the post-booking stage, and even during the experience. This can be achieved thanks to our comprehensive and diversified business model (OTA, META and Media).

To embed this deeper, we built a new organisation around this centric view of the customer to make it individual and personalised, in order to provide visitors of our properties with a vast variety of relevant and bespoke content. We have also differentiated our revenue streams by not only trying to monetise a visit to our sites by converting it into a booking but also monetising a significant portion of the traffic inflow through META and Media models.

Within each single business line, we started managing and then improving different propositions, from flights to hotels, from cruises to holiday packages, from pure B2C to B2B to B2B2C models tailoring our approach by geography and our offering by customer behaviour. We did all this, through a portfolio of lifestyle brands which have impressive awareness and are capable of driving a significant share of free traffic.

Keeping the trends of our industry (higher travel frequency, increased percentage of international travels, shift to online and personalised solutions) front of mind, we conceived the Dynamic Packages technology in 2013. Our unique and early mover, market-leading Dynamic Packaging platform is a game-changer in the travel distribution ecosystem. It's a way to match customer and partner needs in terms of flexibility, inventory management and affordability. We have built a real-time platform that integrates 'directly contracted' accommodation with 'bed bank' and 'exclusive' flight inventories. This best-in-class technology has, for the last couple of years, been at the service of other OTAs through revenue-sharing agreements, thus demonstrating how much ahead we are in the development of the solution as opposed to our competitors.

2019 has been the year of the renaissance of our Flight business. The performance recorded in the first half is positively stellar. In a market where the average growth is around 3 to 4%, we did ten times more. This is the result of primarily three elements: the first by always improving the efficiency of our marketing technology, secondly a highly sophisticated data mining and scalable proprietary pricing and metasearch-channel management tool, and lastly the significantly increased capability to up-sell and cross-sell a vast variety of travel-related products and services during (and even after) the booking flow.

On the META business, we have mixed two different strategies for flights (our historical business line with Jetcost) and for hotels (the new vertical launched through the acquisition of Hotelscan at the end of 2017). On Jetcost, we focused on making the trading machine extremely efficient and on improving our already outstanding capability to manage the bidding on digital marketing campaigns. The results are strong since we reached, as planned, our all-time high in Gross Margin. On Hotelscan, while we started small, we have put our efforts into stimulating the growth in terms of volume traded, in order to become, day by day, more relevant in the field. We did very well considering that we significantly increased our Revenues (+117% yoy), while also improving our margins (from nearly "zero" to a double-digit gross margin).

From an organisational perspective, the boldest move in the first half is the launch of our new Media Company, Forward (FWD). FWD's mission is to help businesses unlock new opportunities to make their marketing activity more efficient, intelligent and relevant. FWD encompasses four commercial business lines (Travel People, FWD trading, Playbook and Madfish), that give shape to a media-marketing power-house, featuring a comprehensive strategy, from media planning to marketing technology, monetisation, video production and social activation.

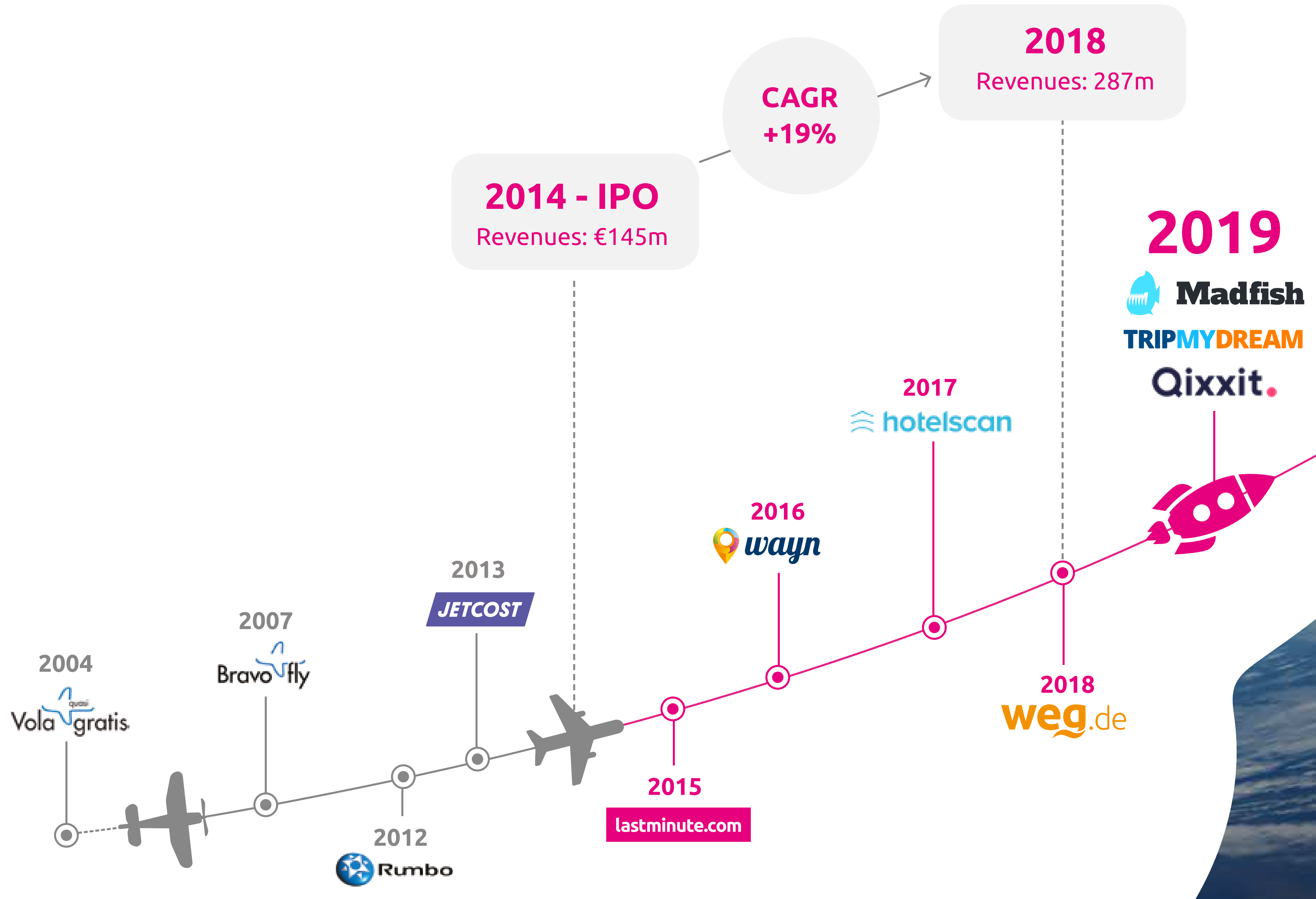
In conclusion, the implementation of the strategy we had in mind when we were originally listed is now bearing fruit. After months of hard work and the complete reorganisation of the Company following the acquisition of lastminute.com in 2015, we are now in the fifth consecutive period of improvement, with the last two, in particular, reporting tremendous growth at all levels.

This has not happened by chance, but as a result of the hard work mentioned above. I have to thank all 1,200 people involved in the achievement of such a challenging objective, the same people that today are still delivering during the peak season to allow the Company to perform well in the second half of the year and confirm that our business model is valuable and sustainable.

Marco Corradino
lm group CEO

Our route to scale up and move beyond travel

Following a re-engineering phase aimed at arming ourselves better in order to realize our vision and fulfill our mission, 2018 saw the definitive start of our value maximisation phase that is currently on going. We moved from a flight centric proposition to a diversified, distinctive and scalable Travel-Media model 3.0 where “booking” is only a tiny part of a a rich and more engaging journey.

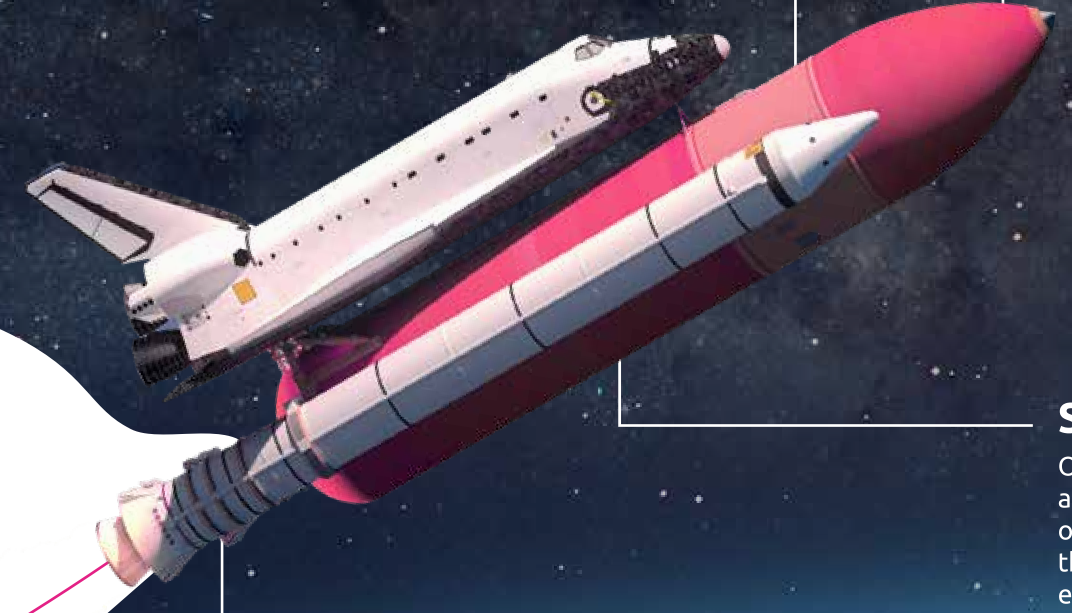


Boosting growth

Leveraging the unique value proposition of our Dynamic Package business (backed by a market leading technology platform) and relying on a solid Flight business that grew 30% in the first half of 2019 despite a stable market, the OTA business continues its growth trajectory recording excellent performances and gaining market share.

Triggering profitability

Thanks to the scalability of our organization and the marketing technology machine we’re able to run our business in a profitable and increasingly efficient way. The OTA more than doubled EBITDA compared to last year, the META business is bringing its Gross Profit at an all-time high and significantly improving EBITDA in absolute and relative terms.



Sustaining innovation

Other than foster organic growth, we’re always on the look out for open innovation opportunities that allow us to accelerate the growth of the core business by embedding assets, capabilities, talents and disruptive energy of digital and tech start-up at the forefront of innovation. The recent acquisitions of two travel tech start-up, Qixxit and TripMyDream, are aimed at contributing to our growth trajectory by making a further step ahead with our Product & Technology value proposition.

fwd

Pursue diversification

With the launch of Forward, the Media business is further supporting growth through multiple alternative revenue streams. Together with exploring new ways to optimise monetisation, the new next-generation media company will help brands make their marketing activity more efficient and intelligent by leveraging the capabilities and the assets we’ve built internally over the last few years.

CFO's letter

It is now five half-year terms in a row that we are registering a constant improvement in our KPIs. In the first half of 2017 we recorded €123M Revenue and €12M Business EBITDA (10% EBITDA Margin). Revenue grew 35% in 2 years up to €166M and Business EBITDA almost tripled up to €35M (21% EBITDA Margin) thanks to the successful deployment of our reshuffled business model, efficiencies on the marketing machine and savings in the cost base. The result in this first half of 2019 is that we have reported the same EBITDA and higher Net Earnings than in the full year of 2018, which was already a very positive year.

The growth in GTV and revenues is driven by lm group's OTA business, which recorded revenues of €136.1M (+21.4% vs. H1 2018). Dynamic Packaging keeps performing tremendously well (+38.7% vs. H1 2018) thanks to the Group's leading position in this growing market. The Flights category has strongly recovered and is now running at a very fast pace with a Revenue increase of 37.6% vs last year, thus implying a significant gain of share of voice across all main countries in Europe. One of the key elements triggering such an impressive performance is the ability to be competitive on pricing on metasearch channels and to up-sell / cross-sell ancillary products. Sale of ancillaries tripled from €15.7M in 1H2018 to €42.5M in the course of 1H2019.

On the flight META business (Jetcost), as a result of a change in the regulatory environment in all major European countries, we have experienced a decline in conversion (rate). To offset such a phenomenon, we have worked to make the marketing machine more efficient in order to get profits from a lower amount of clicks. This resulted in a decrease of traffic inflow and revenue, while, on the other hand, a significant improvement in Gross Profit and EBITDA both in absolute and relative terms. We are putting in place medium-to-long term initiatives which will help us retrieving a growth in terms of volume. On Hotel META, the Hotelscan trajectory of growth is still very steep. Revenue increased by more than 100% up to €3.9M from €1.8M, while at the same time the Gross Margin improved significantly from few €k last year to nearly €600K this semester.

Our Media business, now labelled Forward (FWD), performed very well, with revenue growing by 34.5%. The reorganization around four business lines and the acquisition of Madfish in February gave shape to a true Media Company that serves our properties with programmatic advertising and third party partners with a comprehensive wallet of services.

From a geographical perspective, in our core European Countries we have been able to gain market share by growing more than the industry average. Only Italy suffered in the comparison versus last year due to the introduction in April 2018 of a new regulation (already operating in almost all other countries from 2017) that imposed OTAs to be more transparent in showing the price for a given flight route. This impacted traffic and revenue both on OTA and META channels.

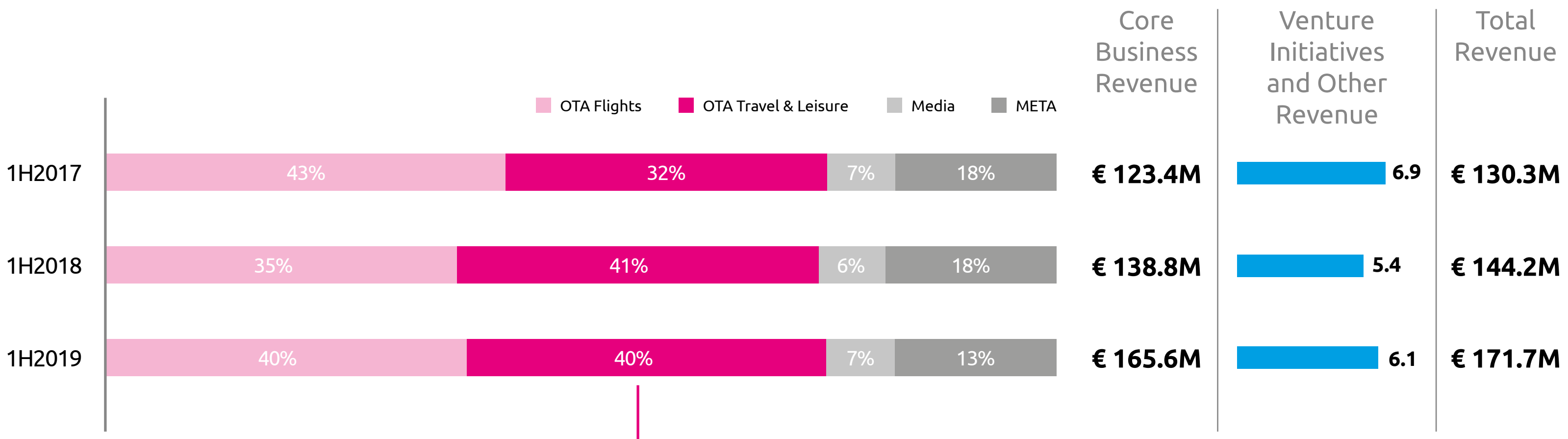
Looking at cash generation, thanks to the dynamic of the negative working capital, in the first half of 2019 the cash conversion rate was 167%. From €27.1M of EBITDA IFRS, the cash generated is €45.4M in six months, even thanks to the structural seasonality that positively impacts our business in the first half of the year. Net Financial Position stood at €76.1M from €31.9M (+139%) at the end of 2018.

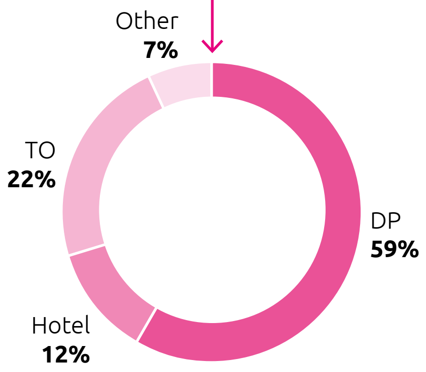
The three acquisitions closed in the course of the first half 2019 (Madfish, Qixxit and TripMyDream) have impacted neither our P&L nor the Balance Sheet. All of them were very small in terms of size and configured as start-ups that have been immediately integrated into the Media (Madfish) and OTA models (Qixxit and TripMyDream) successfully.

Sergio Signoretti
CFO


Consolidating last year trend while generating
a further outstanding upside

Dynamic packages and Flights significantly outpacing the average market growth



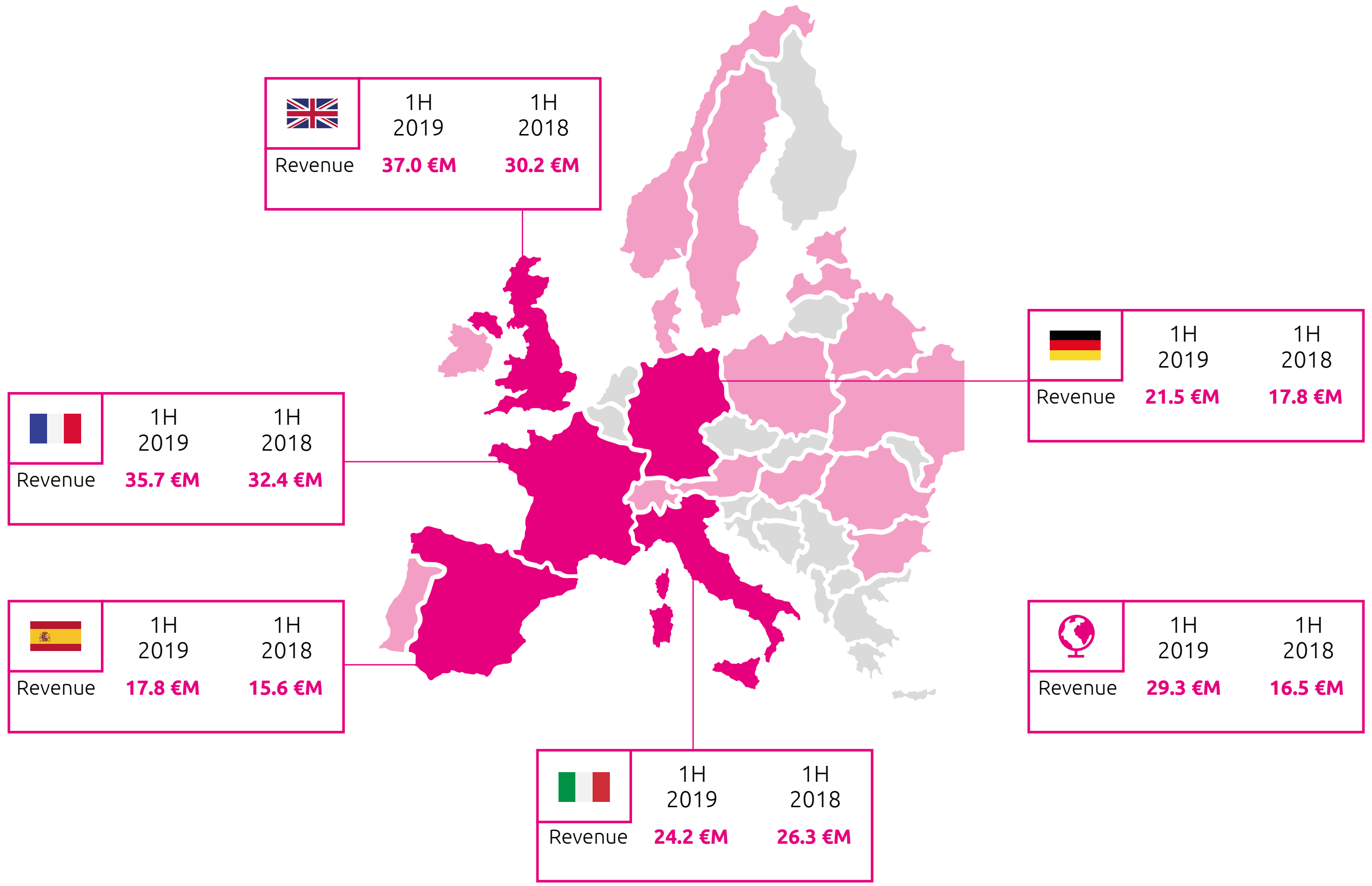


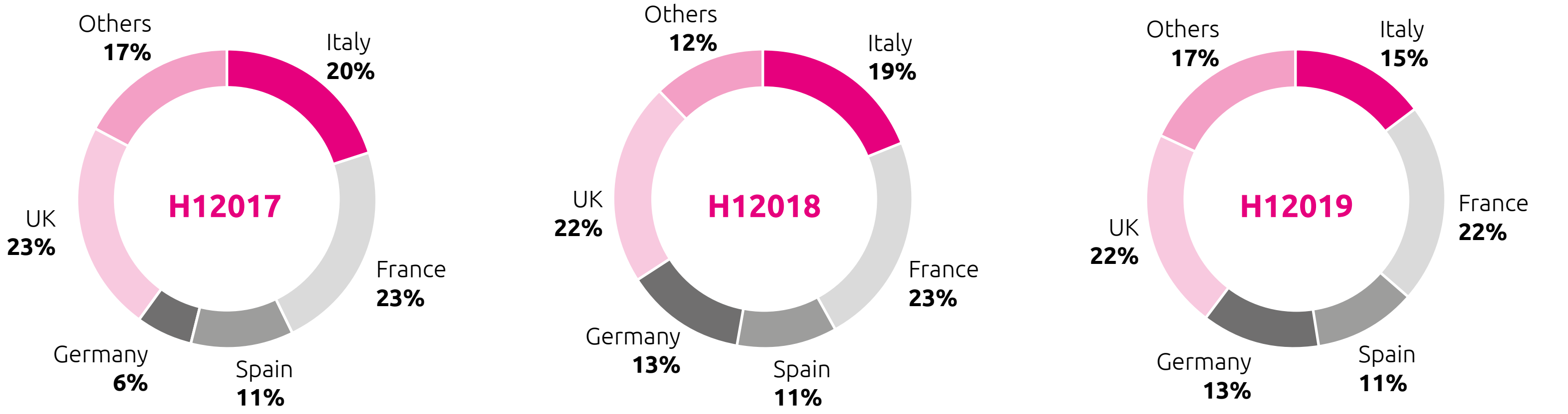
Real-time bundled products (DP)
count for nearly 60% of Travel & Leisure business

in €M	1H2017	1H2018	1H2019	CAGR
OTA Flight[1]	53.5	48.2	66.3	11.3%
OTA T&L[1]	39.1	56.8	66.5	30.4%
META	22.0	25.4	21.4	-1.4%
Media	8.8	8.4	11.3	13.3%
[1] of which Ancillaries	9.6	15.7	42.5	110.4%

[1] 4x Ancillary's growth in two years is a strong indicator of our capability to up-sell and cross-sell relevant products and services for a truly personalized travel offering

A well balanced geographical reach, backed by a leadership position in the main European Countries





An impressive improvement on all business KPIs driven by organic growth

Both Gross Travel Value and bookings have been growing, as a result of a strong organic performance driven by Dynamic Packages and Flights. As a consequence of the change in the product mix due to the increase of flight bookings, the average ticket value has slightly decreased.

	1H2019	1H2018	Delta %
GTV (€M)	1,484	1,180	25.8%
Bookings (thousands)	2,687.9	2,031.6	32.3%
Average ticket value - GTV/Booking (€)	552	581	-4.9%

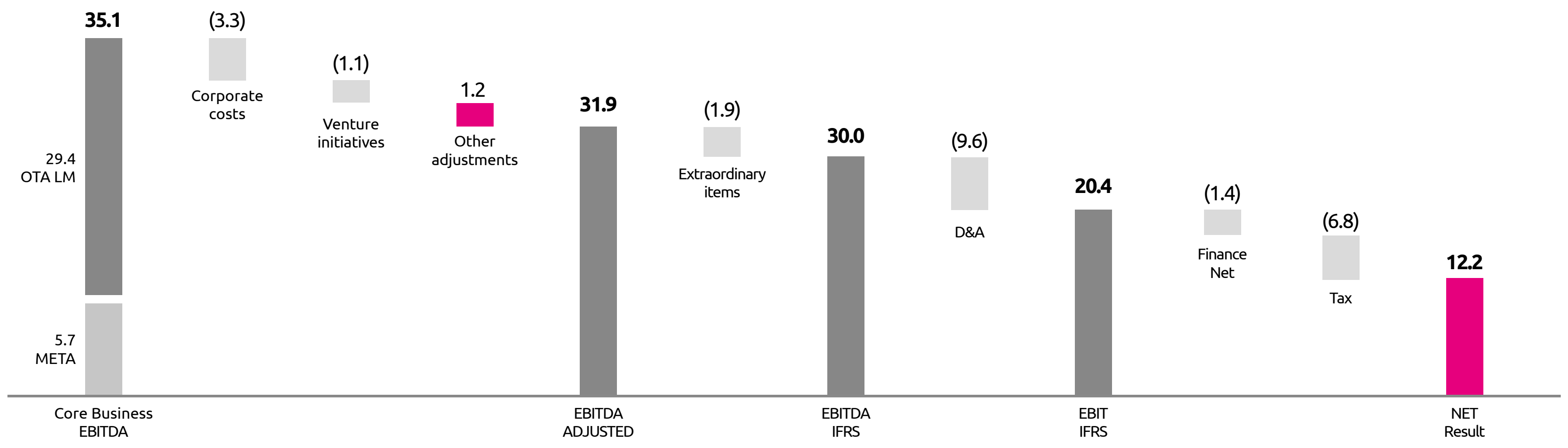
Revenues were fuelled by the strong performance of the Dynamic Package business, by flights revenues driven by META channel and Media's new business proposition which includes the acquisition of Madfish.

	1H2019	1H2018	Delta %
Total Group Revenue	**171.7**	**144.2**	19.1%
LM Venture	4.6	3.7	24.3%
Non-recurring Business Revenue	1.5	1.7	-11.8%
Core Business Revenue	**165.6**	**138.8**	**19.3%**

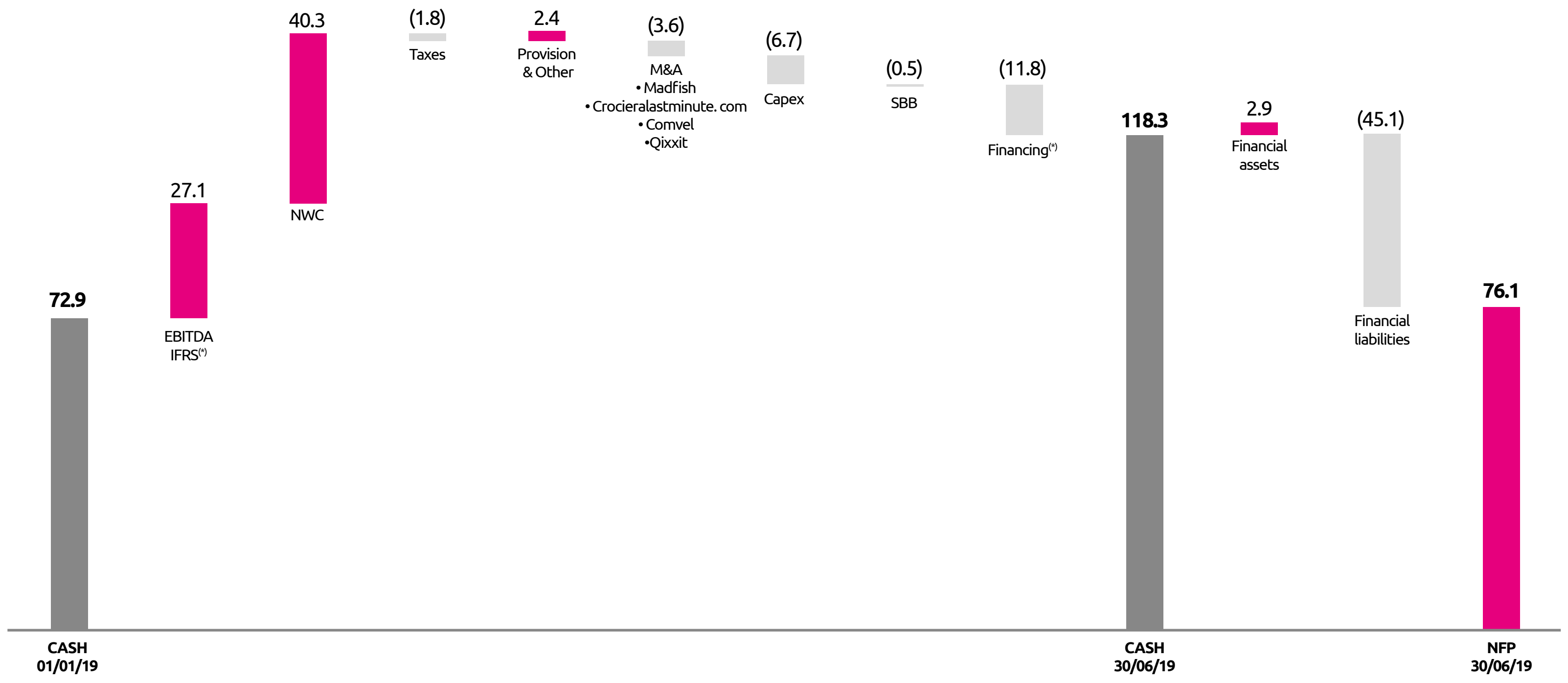
A tremendous efficiency has been generated at EBITDA level thanks to lower impact of brand marketing investments, a more efficient spending in digital marketing and a less than proportional growth of other costs compared to Revenue increase.

	1H2019	1H2018	Delta %
Performance mktg	(59.7)	(52.1)	14.6%
Brand mktg	(4.9)	(7.7)	-36.4%
Other costs	(65.9)	(62.2)	5.9%
Business EBITDA	**35.1**	**16.8**	**108.9%**

From Core Business EBITDA to EAT (€M)

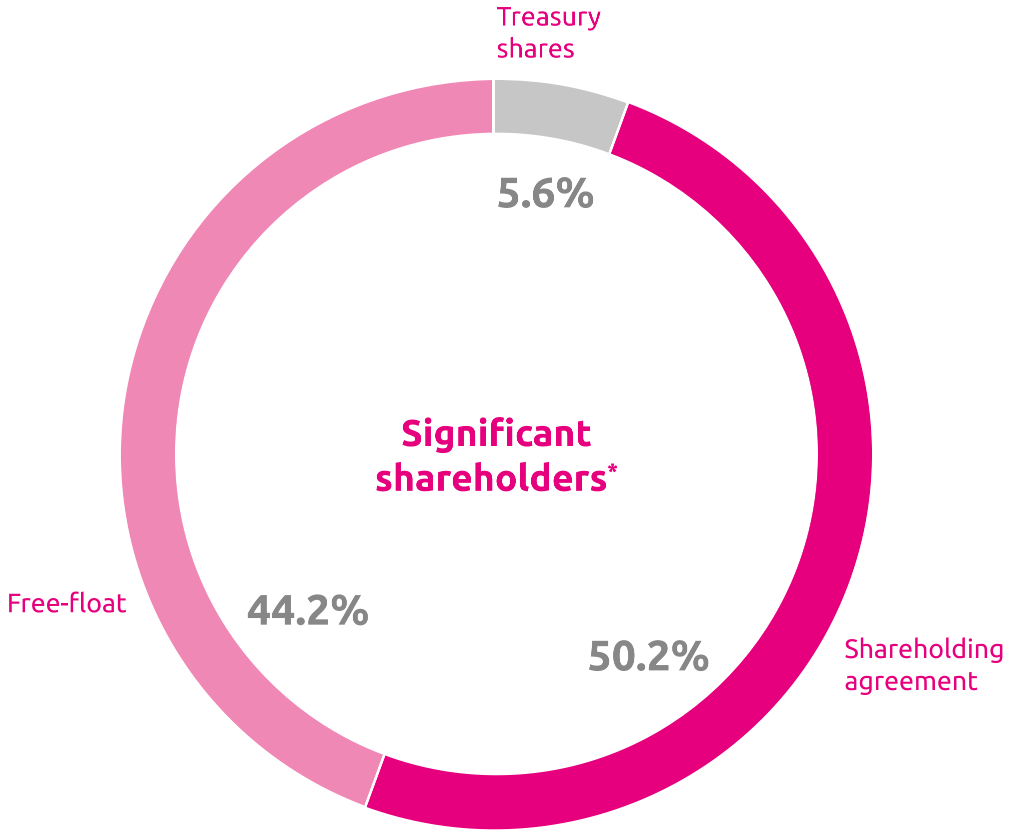


Cash of € 118.3 M at 30 June 2019 (+€ 45.4 vs 2018)



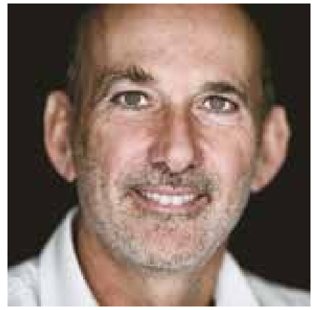
(*) EBITDA IFRS and Financing are net of IFRS 16 effect for € 2.9M

Shareholders structure



* Ownership structure as of 30.06.2019

Board of Directors



Fabio Cannavale
Executive Director,
lm holding CEO

Marco Corradino
Executive Director,
lm holding CEO

Non-executive Directors

Ottonel Popesco
Non-executive Chairman
of the Board of Directors

Laurent Foata
Non-executive Director

Anna Gatti
Non-executive Director

Roberto Italia
Non-executive Director

Marcello Distaso
Non-executive Director

Consolidated Interim Financial statements

30 June 2019 (Unaudited)

[APPROVED ON 07 AUGUST 2019]

Consolidated statement of profit or loss and other comprehensive income

in '000 EUR (for the six months ended 30 June)	Notes	2019	2018
Revenues	7	171,729	144,197
Marketing costs	8	(65,392)	(60,558)
Personnel costs	8	(34,037)	(34,272)
Other operating costs	8	(42,322)	(41,016)
Amortization and depreciation		(9,616)	(6,772)
Impairment		(27)	-
Operating Profit/(Loss)		**20,335**	**1,579**
Gains/losses from disposal of inv. and other	8	(107)	-
Finance income	8	1.378	533
Finance costs	8	(2,594)	(249)
Share of result of equity-accounted investees		(102)	(42)
Profit/(Loss) before income tax		**18,910**	**1,821**
Income tax	9	(6,782)	(1,664)
Profit/(Loss) for the period		**12,128**	**157**
- thereof attributable to the Shareholders of LASTMINUTE.COM NV	10	13,063	1,243
- thereof attributable to non-controlling interest		(935)	(1,086)
OTHER COMPREHENSIVE INCOME Items that will never be reclassified to profit or loss			
Remeasurements of the Employee benefits liability		272	11
Related tax		(68)	(3)
Items that will never be reclassified to profit or loss		**204**	**8**
Items that are or may be reclassified to profit or loss Foreign currency translation differences		(10)	(126)
Items that are or may be reclassified to profit or loss		**(10)**	**(126)**
Total other comprehensive income for the period, net of tax		**194**	**(118)**
Total comprehensive income		**12,322**	**39**
- thereof attributable to the Shareholders of LASTMINUTE.COM NV		13,257	1,125
- thereof attributable to non-controlling interest		(935)	(1,086)
EARNINGS PER SHARE			
Basic earnings per share (in EURO)	10	1.19	0.10
Diluted earnings per share (in EURO)	10	1.19	0.10

Consolidated balance sheet

in '000 EUR	Notes	30 Jun 2019	31 Dec 2018
NON CURRENT ASSETS			
Property plant and equipment	14	2,429	2,485
Right of use Assets	2	15,208	-
Intangible assets	14	151,524	151,301
Goodwill	5	60,050	58,634
Non current financial assets	13	1,748	1,667
Investment in equity accounted investees	14	873	916
Deferred tax assets	14	6,018	7,940
Trade and other receivables - Non current	14	315	377
TOTAL NON CURRENT ASSETS		**238,165**	**223,320**
CURRENT ASSETS			
Inventories		14	14
Current financial assets	13	1,237	1,349
Current tax assets	14	732	1,322
Trade and other receivables	14	85,721	81,280
Contract assets	14	3,293	3,861
Cash and cash equivalents	13	118,270	72,871
TOTAL CURRENT ASSETS		**209,267**	**160,697**
TOTAL ASSETS		**447,432**	**384,017**
SHARE CAPITAL AND RESERVES			
Share capital	12	117	117
Capital reserves	12	101,819	101,819
Translation reserve	12	1,201	1,211
Treasury share reserve	12	(9,021)	(8,507)
Retained earnings	12	25,487	14,713
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF LASTMINUTE.COM NV		**119,603**	**109,353**
Non-controlling interest		1,446	1,941
TOTAL EQUITY		**121,049**	**111,294**
NON CURRENT LIABILITIES			
Non current provisions	14	-	-
Employee benefits liabilities		5,685	5,806
Long Term Financial Liabilities	13	12,764	14,529
Long Term Lease Liabilities	13	12,251	-
Deferred tax liabilities	14	26,478	26,384
Trade and other payables - Non current		-	642
TOTAL NON CURRENT LIABILITIES		**57,178**	**47,361**

in '000 EUR	Notes	30 Jun 2019	31 Dec 2018
CURRENT LIABILITIES			
Current provisions	14	3,067	560
Short Term Financial Liabilities	14	17,114	29,532
Short Term Lease Liabilities		3,004	-
Current tax liabilities	14	7,678	3,549
Trade and other payables	14	222,478	184,462
Contract liabilities	14	15,864	7,259
TOTAL CURRENT LIABILITIES		**269,205**	**225,362**
TOTAL LIABILITIES		**326,383**	**272,723**
TOTAL LIABILITIES AND EQUITY		**447,432**	**384,017**

Consolidated statement of changes in equity

in '000 EUR	Notes	Share capital	Capital Reserves	Tran-slation Reserve	Treasury Share Reserve	Retained Earnings	Equity attributable to Shareholders of LASTMINUTE.COM NV	Non-controlling interest	TOTAL EQUITY
Balance at 1 January 2019		**117**	**101,819**	**1,211**	**(8,507)**	**14,713**	**109,353**	**1.941**	**111.294**
Result for the period		-	-	-	-	13,063	13,063	(935)	12,128
Other comprehensive income									
- Remeasurements of the Employee benefits liability (net of tax)		-	-	-	-	204	204	-	204
- Foreign currency translation differences	12	-	-	(10)	-	-	(10)	-	(10)
Total other comprehensive income net of tax		**-**	**-**	**(10)**	**-**	**204**	**194**	**-**	**194**
Total comprehensive income net of tax		**-**	**-**	**(10)**	**-**	**13,267**	**13,257**	**(935)**	**12,322**
Transactions with shareholders									
- Share-buy back plan and Tax effects	12	-	-	-	(514)	(2,492)	(3,006)	-	(3,006)
- PSTO	12	-	-	-	-	-	-	-	-
- Cancellation of shares	12	-	-	-	-	-	-	-	-
- Acquisition/loss of control of subsidiaries with non-controlling interest	12	-	-	-	-	-	-	440	440
Total transactions with shareholders		**-**	**-**	**-**	**(514)**	**(2,492)**	**(3,006)**	**440**	**(2,566)**
Balance at 30 June 2019		**117**	**101,819**	**1,201**	**(9,021)**	**25,488**	**119,603**	**1,446**	**121,049**

in '000 EUR	Notes	Share capital	Capital Reserves	Tran-slation Reserve	Treasury Share Reserve	Retained Earnings	Equity attributable to Shareholders of LASTMINUTE.COM NV	Non-controlling interest	TOTAL EQUITY
Balance at 1 January 2018		**146**	**127,751**	**1,419**	**(16,738)**	**19,191**	**131,769**	**1,737**	**133,506**
Result for the period		-	-	-	-	1,243	1,243	(1,086)	157
Other comprehensive income									
- Remeasurements of the Employee benefits liability (net of tax)		-	-		-	8	8	-	8
- Foreign currency translation differences	12	-	-	(126)	-	-	(126)	-	(126)
Total other comprehensive income net of tax		**-**	**-**	**(126)**	**-**	**8**	**(118)**	**-**	**(118)**
Total comprehensive income net of tax		**-**	**-**	**(126)**	**-**	**1,251**	**1,125**	**(1,086)**	**39**
Transactions with shareholders									
- Share-buy back plan	12	-	-	-	(674)	-	(674)	-	(674)
- PSTO	12				(30,259)	-	(30,259)	-	(30,259)
- Cancellation of shares	12	(8)	(6,705)		9,983	(3,270)	-	-	-
- Change in non-controlling interest due to capital contribution	12	-	-	-		(1,058)	(1,058)	1,058	-
Total transactions with shareholders		**(8)**	**(6,705)**	**-**	**(20,950)**	**(4,328)**	**(31,991)**	**1,058**	**(30,933)**
Balance at 30 June 2018		**138**	**121,046**	**1,293**	**(37,688)**	**16,114**	**100,903**	**1,709**	**102,612**

Consolidated cash flow statement

in '000 EUR (for the six months ended 30 June)	Notes	2019	2018
Cash flow from operating activities			
Profit/(Loss) for the period		**12,128**	**157**
Adjustments for:			
- Amortization and depreciation	8	9,616	6,772
- Impairment losses on intangible and tangible assets		27	-
- Net finance result	8	1,216	(284)
- Gains/losses from disposal of inv, and other		107	-
- Income tax expense	9	6,782	1,664
- Share of result of equity-accounted investees		102	42
Change in trade and other receivables	14	(4,044)	(1,416)
Change in contract assets	14	568	491
Change in inventories		-	-
Change in trade and other payables	14	35,097	49,471
Change in contract liabilities	14	8,605	(262)
Change in provisions	14	2,278	(2,852)
Change in employee benefit liability	14	153	65
Interest paid		(116)	(153)
Income tax (paid)/received		(1,757)	(920)
Net cash from operating activities		**70,761**	**52,775**

in '000 EUR (for the six months ended 30 June)	Notes	2019	2018
Cash flow from investing activities			
Interest received		-	1
Purchase of property, plant and equipment	14	(544)	(111)
Purchase of intangible assets	14	(6,135)	(5.355)
(Acquisition)/Proceeds of subsidiaries, net of cash acquired	5	(598)	(772)
Repayment of deferred consideration (investing)		(3,000)	-
(Acquisition)/Proceeds of financial assets	13	(30)	85
Net cash (used in)/from investing activities		**(10,307)**	**(6,153)**
Cash flow from financing activities			
Proceeds from borrowings		-	29,750
Repayments of borrowings	14	(11,831)	(10,015)
Payment of principal portion of the lease liability		(2,795)	-
Share Buy back plan	12	(514)	(674)
Share Buy back plan for PSTO	12	-	(30,259)
Acquisition of non-controlling interests	5	(150)	-
Net cash (used in)/from financing activities		**(15,291)**	**(11,198)**
Net increase in cash and cash equivalents		**45,163**	**35,424**
Cash and cash equivalents at 1 January	13	72,871	52,134
Effects of currency translation on cash and cash equivalents		236	(198)
Cash and cash equivalents at 30 June	13	118,270	87,361

Note 1 - General Information

Lastminute.com N.V. (hereinafter referred to as the "Company") is a company domiciled in the Netherlands and inscribed in the Netherlands Chamber of Commerce under number 34267347. The address of the Company's registered office is Prins Bernhardplein 200, 1097 JB Amsterdam. The consolidated interim financial statements of the Company as at and for the half-year ended 30 June 2019 include the Company and its subsidiaries (together referred to as "Lastminute.com Group", the "Group" or "LMN" 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.

The consolidated interim financial statements were approved for issue by the Board of Directors on 7 August 2019.

Note 2 - Basis of Preparation of Half-year Report

This condensed consolidated interim financial report for the half-year reporting period ended 30 June 2019 has been prepared in accordance with Accounting Standard IAS 34 Interim Financial Reporting. The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2018. The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2018, except for the adoption of new standards effective as of 1 January 2019. The Group has not early adopted any other standards, interpretations or amendments that have been issued but are not yet effective. The Group applies, for the first time, IFRS 16 Leases. As required by IAS 34, the nature and effect of these changes are disclosed below. Several other amendments and interpretations apply for the first time in 2019, but do not have a material impact on the interim condensed consolidated financial statements of the Group.

The consolidated interim financial statements have been presented in thousands 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 interim financial statements are not audited.

Use of judgments and estimates

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2018.

New and amended standards adopted by the Group

The Group has applied IFRS 16 for the first time as of 1 January 2019, using the simplified approach. Applying this method the comparative information for the 2018 fiscal year has not been restated.
Initial application has affected leases that previously had been classified as operating leases under the principles of IAS 17 Leases.
In applying the IFRS 16 for the first time, the Group has used the following practical expedients permitted by the standards:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- accounting for operating leases with remaining term less than 12 months as at 1 January 2019 and
- using hindsight in determining the lease term where the contract contains options to extend or terminate the lease

For leases with terms not exceeding 12 months and for leases of low value assets the group exercised the optional application exemptions.

In all other leases in which the group acts as the lessee, the present value of future lease payments is recognised as a financial liability. Lease payments are split into principal and interest portion, using the effective interest method.
During the first time application of IFRS 16 to operating leases, the right to use the leased asset was generally measured at the amount of the lease liability, using the interest rate at the time of the first time application.
The right of use of asset is depreciated on a straight line basis over the lease term or, if it is shorter, over the useful life of the leased asset.

Adjustments recognised on adoption of IFRS 16

The Group did not recognise any financial leases under IAS 17 in the previous consolidated financial statements.
For leases previously classified as operating leases the Group recognised the carrying amounts of the right of use asset and lease liability at the date of the transition being 1 January 2019.
The following table presents the reconciliation of the lease liabilities as of January 2019:

Reconciliation of Lease Liabilities pursuant to IFRS 16	1 January 2018
Minimum lease payments under operating leases at 31 december 2018	12,845
Add: Recognition of embedded leases not considered within the scope of IAS 17	1,146
Add: adjustments as a result of a different treatment of extension and termination options	3,248
(Less): short-term leases recognised on a straight-line basis as expense	(23)
(Less): low-value leases recognised on a straight-line basis as expense	(52)
Gross lease liabilities at 1 January 2019	**17,164**
Effect from discounting at the incremental borrowing rate as of 1 January 2019	(1,281)
Lease liabilities as a result of the initial application of IFRS 16 at 1 January 2019	**15,883**
Of which are:	
Current lease liabilities	5,112
Non-current lease liabilities	10,771
	15,883

The recognised right-of-use assets relate to the following types of assets:

	30 Jun 2018	1 January 2019
Building	10,158	9,792
Hosting	4,550	5,460
Car	466	609
Other	34	22
Total right of use of assets	**15,208**	**15,883**

Impact on segment disclosures

Adjusted EBITDA, segment assets and segment liabilities for June 2019 all increased as a result of the change in accounting policy.
The following segments were affected by the change in policy:

	Adj segment EBITDA	Adj segment Asset	Adj segment Liabilities
Hosting-META	191	849	849
Segment META	**191**	**849**	**849**
Building-OTA	1,625	8,887	8,934
Car-OTA	156	466	466
Hosting-OTA	833	3,702	3,702
Other-OTA	5	17	17
Segment OTA	**2,619**	**13,072**	**13,119**
Building-Other	121	1,271	1,271
Other	5	16	16
Segment Other	**126**	**1,287**	**1,287**
Total	**2,936**	**15,208**	**15,255**

The Group's leasing activities and how these are accounted for

The Group leases various offices, parking, server hostings and cars. Rental contracts are typically made for fixed periods of 3 to 5 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants and they are not used as security for borrowing purposes
Until the 2018 closing financial year, leases of property, plant and equipment were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.
From 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.
Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.
The rate used by the Group are the following:

	Borrowing rate
Hosting/Car/Other	4.00%
Building	0.97%

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and small items of office furniture.

Significant Events in the Current Reporting Period

Launch of lastminute Forward (FWD)

On 1 March 2019 the Group introduced lastminute Forward (FWD), a new media company incorporated in England. FWD's mission is to help businesses move forward by unlocking new opportunities to make their marketing activity more efficient, intelligent and relevant.

Acquisition of Madfish and Smallfish

To further consolidate our portfolio of digital marketing capabilities, on 29 of March lastminute.com groups' media division acquires Madfish, a content production agency specialising in video strategy, production and distribution to our existing suite of media solutions.

Acquisition of TripMyDream

On 3 June 2019 the Group acquired the assets of TripMyDream, a Ukraine digital tech start-up owner of a cutting-edge inspiration tool enabling travellers to self-plan travel experiences

Acquisition of Qixxit

On 28 June 2019 the Group acquired the intermodal travel platform Qixxit from Deutsche Bahn Digital Ventures. Founded in 2017 in Berlin, Qixxit has been developing an integrated travel platform and app that combines long-distance bus, train and flight options to create the best connected journey, providing customers with an individually designed travel experience.

Note 3 - Seasonality

In terms of profit and loss performance, the business of the Group does not have wide seasonality swings. Historically, revenues in the first half of the year represented about 45-50% of the total year amount vs. 50-55% in the second half. Within quarters, the second and third quarters are typically the strongest within the year. In terms of cash generation, our business shows significant higher seasonality swings, generating more cash in the months in which more travel products are booked and therefore in the first half of the year. This is particularly true for hotels, as hotels are typically paid after the guest's check-out date.

Note 4 - Financial Instruments

Financial Instruments

The following table shows the Group's financial instruments arranged according to the categories defined in IFRS 9:

in '000 EUR	30 Jun 2019	31 December 2018
Current financial assets (Investments)	-	-
Non-current financial assets	-	-
Total financial assets at fair value through profit or loss	**-**	**-**
Non-current financial assets	1,748	1,667
Current financial assets (Deposits and other)	1,237	1,349
Trade and other receivables* (Current and Non Current)	83,955	79,490
Contract assets	3,293	3,861
Cash and cash equivalents (excl. cash on hand)	117,660	72,648
Total financial assets measured at amortised cost	**207,893**	**159,015**
Short term financial liabilities	17,114	29,532
Trade and other payables* (Current and Non Current)	218,283	174,048
Contract liabilities	15,864	7,259
Total Financial liabilities measured at amortized cost	**251,261**	**210,839**

** "Trade and other receivables/payables" do not include credit/debit VAT position, and other non-cash items (as liabilities to employees) at 30 June and 31 December*

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).

As of 30 June 2019 the Group did not hold investments funds. (Nil amount as of 31 December 2018).

Note 5 - Business Acquisition

Financial year 2019

Acquisition of Madfish Srl and Smallfish SL.
On 29 March 2019, the Group acquired from Bluepill s.r.l. (62.3%) and from two minority shareholders (5.86%) the 68.5% of Madfish S.r.l. stakes. This acquisition has effect since the 1st January 2019. Total consideration was EUR 1,200 thousand, to be paid in cash in two tranches. Both minority shareholders, received the entire amount (EUR 100 thousand in total) at the closing date. Bluepill S.r.l. received the 45.45% of the full amount (EUR 500 thousand) at the closing date and it expects to receive the remaining part (EUR 600 thousand) not later than 31 March 2020. Madfish S.r.l is a media agency located in Milan, that operates on the video content creation, marketing consulting and social networks managing activities. Moreover, the company has full control over the subsidiary Smallfish SL, a Spanish company based in Barcelona dedicated to digital communication strategies since 2006. Thanks to this acquisition, lastminute.com group has reached a significant control and independence over the digital and media sector, which is essential for the creation and development of the company strategies.

As of the date of approval of these interim financial statements the purchase price allocation has not been completed yet. In accordance with IFRS 3, the allocation process will be completed within a period not exceeding one year from the acquisition date. Management expects that further intangible assets will be identified during the process. As of 30 June 2019, the excess of the purchase consideration over the provisional fair values of net assets and liabilities acquired has been recognised as goodwill, provisionally quantified as EUR 1,339 thousand and subject to change following the completion of the purchase price allocation.

The following table summarises the consideration paid for Madfish S.r.l., and the amount of the assets acquired and liabilities assumed recognised at the acquisition date:

amounts in Eur thousand	MADFISH
Consideration	**January 2019**
Cash	600
Future fixed consideration	600
Total consideration paid in cash	**1,200**
Cash and cash equivalents	117
Non Current financial assets	2
Deferred tax assets	214
Intangible assets	251
Tangible	71
Trade and other payables	(247)
Employee liability	(13)
Trade and other receivables	466
NCI	(38)
Financial liability	(962)
Book value of total identifiable net assets acquired	**(139)**
Provisional Goodwill	1,339
Total consideration	**1,200**

Acquisition of QT Mobilitätsservice GmbH (Qixxit)
On 28 June 2019 and with effect on the same day, the Group acquired Qixxit, an indirect subsidiary company of Deutsche Bahn AG, based in Berlin. Founded in 2017 in Berlin, Qixxit has been developing an integrated travel platform and app that combines long-distance bus, train and flight options to create the best connected journey, providing customers with an individually designed travel experience.
Qixxit will bring cutting edge technology and capabilities to help lm group make a further step ahead on its Product & Technology value proposition. The outstanding know-how of Qixxit in the intermodal technologies also applied to mobile will be further developed and integrated.
Qixxit will unite with the lm group Product Development function. Under the new structure, all employees shall remain within the company.
Total consideration was EUR 850 thousand, to be paid in cash at closing date.

As of the date of approval of these interim financial statements the purchase price allocation has not been completed yet. In accordance with IFRS 3, the allocation process will be completed within a period not exceeding one year from the acquisition date. Management expects that further intangible assets will be identified during the process. As at 30 June 2019 the purchase consideration considered is higher than the provisional fair values of net assets and liabilities acquired, therefore it has been recognised a badwill of EUR 146 thousand that is subject to change following the completion of the purchase price allocation.

The following table summarises the consideration paid to QT Mobilitätsservice GmbH, and the amount of the assets acquired and liabilities assumed recognised at the acquisition date:

amounts in Eur thousand	QIXXIT
Consideration	**June 2019**
Cash	850
Total consideration paid in cash	**850**
Cash and cash equivalents	968
Right of use	479
Tangible	44
Trade and other payables	(104)
Trade and other receivables	135
Lease liability	(525)
Book value of total identifiable net assets acquired	**996**
Provisional Badwill	(146)
Total consideration	**850**

Note 6 - 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.
Starting from 2019 the Group modified its segment reporting to adapt itself to the acquisition of Madfish Srl and Smallfish SL, the launch of lastminute Forward and the continuous growth of Media business.
Media 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 Media business as strategic and is monitoring it separately.
The Group does not consider the reorganisation itself to be an impairment trigger because it does not result in an adverse effect on the future economic benefit of the CGU. For that reason the impairment test would be performed at year end.
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.
- **Meta-search**, which includes the business generated in our websites focused on directing traffic, in exchange for a commission, to the sites of OTAs and airlines and other direct providers.
- **Media**, which operates as a seller of web based advertising spaces and media contents primarily on the TP proprietary OTA platforms and web sites and, to a lesser extent, on third party partners available spaces.
- **Other segments**, which includes the other businesses and ventures that individually and collectively do not constitute a separate operating segment.

Other information that are not reportable have been combined and disclosed within "Other non reconciling items" which mainly includes head office costs not allocable.
The Group CEO assesses the performance of the operating segments based on a measure of Adjusted EBITDA:

in '000 EUR	30 Jun 2019						30 Jun 2018					
	OTA	Metasearch	Media	Other segments	Non reconciling items	Total	OTA	Metasearch	Media	Other segments	Non reconciling items	Total
Consolidated Revenues	134,581	21,392	11,306	4,450	-	171,729	106,268	25,448	8,442	4,039	-	144,197
Total Revenues	143,954	23,359	11,306	4,634	-	183,253	115,399	27,517	8,442	4,039	-	155,397
Intersegment Revenues	(9,373)	(1,967)	-	(184)	-	(11,524)	(9,131)	(2,069)	-	-	-	(11,200)
Consolidated EBITDA Adjusted*	**31,400**	**5,700**	**(800)**	**(1,100)**	**(3,300)**	**31,900**	**12,643**	**4,836**	**(1,400)**	**(2,620)**	**(3,150)**	**10,309**
Extraordinary bonuses						(858)						(253)
Costs related to acquisition and integration of subsidiaries						(2,235)						(1,469)
Litigation, restructuring and other costs/income incidental to operating activities						(1,792)						(236)
IFRS 16						2,936						-
Depreciation, Amortization and impairment						(9,616)						(6,772)
Profit before Interest and Income Tax						**20,335**						**1,579**

**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.*

Note 7 - Revenues

In the first six months of 2019, total revenues increased by EUR 27,532 thousand, or 19.1% to EUR 171,729 thousand from EUR 144,197 thousand in the same period of 2018.

in '000 EUR	30 Jun 2019	30 Jun 2018
Revenues from sale of travel sevices	140,043	121,006
Revenues from advertising sevices	11,059	9,646
Revenues from premium number	7	12
Revenues from ancillaries	20,128	12,539
Other Revenues	492	994
Total	**171,729**	**144,197**

In the following table, revenue is disaggregated by primary geographical market, major products/service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's three strategic divisions, which are its reportable segments:

	30 Jun 2019				30 Jun 2018			
	OTA	Metasearch	Media	Other segments	OTA	Metasearch	Media	Other segments
FR	28,274	6,763	1,067	94	21,473	10,289	796	91
IT	21,249	1,591	1,690	2,523	22,387	2,632	1,262	2,367
UK	32,365	1,468	3,460	13	24,653	2,867	2,583	6
ES	14,962	1,907	1,181	528	12,660	2,042	882	457
DE	19,679	1,473	614	116	17,638	1,137	459	112
Other	18,052	8,190	3,294	1,175	7,457	6,481	2,460	1,006
Total	**134,581**	**21,392**	**11,306**	**4,450**	**106,268**	**25,448**	**8,442**	**4,039**

	30 Jun 2019				30 Jun 2018			
	OTA	Metasearch	Media	Other segments	OTA	Metasearch	Media	Other segments
Flight	68,062	-	-	-	48,489	-	-	-
Dinamic Package	39,377	-	-	-	26,519	-	-	-
Hotel	7,799	-	-	-	6,132	-	-	-
Tour Operator	15,100	-	-	1,416	20,220	-	-	1,142
Selfcatering	459	-	-	-	449	-	-	-
Cruise	-	-	-	3,034	-	-	-	2,897
Experiences	824	-	-	-	1,243	-	-	-
Car	281	-	-	-	311	-	-	-
Media	-	-	11,306	-	-	-	8,442	-
Co-Marketing	2,379	-	-	-	1,807	-	-	-
Other	300	-	-	-	1,098	-	-	-
Metasearch	-	21,392	-	-	-	25,448	-	-
Total	**134,581**	**21,392**	**11,306**	**4,450**	**106,268**	**25,448**	**8,442**	**4,039**

Note 8 - Other Costs

Marketing costs

Marketing costs increased by EUR 4,834 thousand (+7.9%) from EUR 60,558 thousand in the first half-year 2018 to EUR 65,392 thousand in the first half-year 2019 mostly due to the increase of business volumes. Marketing costs as a percentage of revenues decreased in 2019 compared to 2018 (38.1% vs 42%) thanks to lower unit prices contracted within the OTA segment.

Personnel costs

Personnel costs decreased by EUR 235 thousand (-0.69%) from EUR 34,272 thousand in the first half-year 2018 to EUR 34,037 thousand in the first half-year 2019. Personnel costs as a percentage of revenues decreased in 2019 compared to 2018 (19.8% vs 23.8%).

Other operating costs

Other operating costs increased by EUR 1,306 thousand (+3.2%) from EUR 41,016 thousand in the first half-year 2018 to EUR 42,322 thousand in the first half-year 2019.
The costs increase is mainly driven by the growing of Advisory and legal services Fee (EUR 1,526 thousand) and services costs (EUR 1,172 thousand) compensated by a significant decrease in operating lease expenses (EUR -2,969 thousand) due to the application of the new IFRS 16 principle.
The remaining costs relates to low value services.

Net Financial result

The net financial result decreased by EUR 1,667 thousand (-689 %) from EUR 242 thousand in the first half-year 2018 to EUR -1,425 thousand in the first half-year 2019.

in '000 EUR	30 Jun 2019	30 Jun 2018	Delta	Delta %
Gains/losses from disposal of inv. and other	(107)	-	(107)	-100%
Net interest effects	(474)	(153)	(321)	119%
Net FX Exchange effects	(934)	514	(1,448)	-136%
Other	192	(77)	269	2%
Share Of Result Of Equity-Accounted Investees	(102)	(42)	(60)	143%
Net financial result	**(1,425)**	**242**	**(1,667)**	**-689%**

The net negative interest effects increased due to the interest accrued for a period of 6 months (average of 4.5 months in 2018) and due to the effects of the application of IFRS 16 for EUR 142 thousand.

Net FX exchange effects decreased by EUR 1,448 thousand, from EUR 514 thousand in 2018 to EUR -934 thousand in the first half-year 2019, due to the devaluation of assets held in British Pound against the Euro which have been affected by the uncertainty of the markets caused by Brexit.

Foreign exchange impact

The Group's exposure to movements in foreign currencies affecting its results, as expressed in Euro.
Below a table summarising the key figures:

	30 Jun 2019	Average to 30 June 2019	30 Jun 2018	Average to 30 June 2018
1 CHF	1.11	1.13	1.16	1.17
1 GBP	0.90	0.87	0.89	0.88
1 INR	78.52	79.12	79.81	79.49
1 USD	1.14	1.13	1.17	1.21

No significant impacts have been recognised during the first half year of 2019.

Note 9 - Taxes

Tax expenses are recognized based on management's best estimate of the weighted-average annual income tax rate expected for the full financial year multiplied by the pre-tax income of the interim reporting period.

The Group's interim consolidated income taxes charge amounted to EUR 6,782 thousand as at 30 June 2019, compared with EUR 1,664 thousand at the end of June 2018 with an increase of EUR 5,118 thousand.

Note 10 - Earnings per Share

Basic earnings per share

The table below shows basic earnings per share for the first half of 2019 and 2018:

in '000 EUR (for the six months ended 30 June)	2019	2018
Profit/(Loss) for the period attributable to the shareholders of LASTMINUTE.COM NV (in EURO/000)	13,063	1,243
Weighted-average number of shares outstanding during the period (in thousand)	10,942	12,259
Basic earnings/(loss) per share (in EUR)	**1.19**	**0.10**

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

Number of shares	2019	2018
Issued ordinary shares at 1 January	11,664	14,623
Effect of treasury shares held		(1,289)
Effect of cancellation	(722)	(612)
Effect of PSTO	-	(463)
Weighted-average number of shares (Basic) at 30 June	**10,942**	**12,259**

Diluted earnings per share

The table below shows diluted earnings per share for the first half of 2019 and 2018:

in '000 EUR (for the six months ended 30 June)	2019	2018
Profit/(Loss) for the period attributable to the shareholders of LASTMINUTE.COM NV (in EURO/000)	13,063	1,243
Weighted-average number of shares outstanding during the period (in thousand)	10,942	12,259
Diluted earnings/(loss) per share (in EUR)	**1.19**	**0.10**

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

Number of shares	2019	2018
Weighted-average number of shares (Basic)	10,942	12,259
Effect of share options in issue	-	-
Weighted-average number of shares (Diluted)	**10,942**	**12,259**

Note 11 - Share-Based Payment Arrangements

Employee share option plan

As of 30 June 2019 no longer outstanding options are in place.
The number of outstanding options for 2019 and 2018 under the former option plan is a follows:

	2019 (in thousand of options)	Weighted average exercise price 2019 (EUR)	2018 (in thousand of options)	Weighted average exercise price 2018 (EUR)
Reconciliation of outstanding share options				
Outstanding at 1 January	-	-	41	18,00
Outstanding at 30 June	**-**	**-**	**41**	**11,64**
Exercisable at 30 June	**-**	**-**	**41**	**11,64**

The weighted-average contractual life of the options outstanding at 30 June 2018 was 0.5 years and nil as of 30 June 2019.

Cash settled share-based plan

On 26 March 2015, the Group established a cash-settled share-based payment arrangement. Directors and selected key employees were offered the opportunity to participate. Further information of the terms of the plan can be found in the Group's 2016 year end consolidated financial statements.
As at 30 June 2019, the liability recorded in relation to the cash settled obligation in relation to the plan amounted to EUR 1,370 thousand (year end 2018: EUR 1,575 thousand), while the receivables recorder in relation to the financing part granted to limited partners amounted to EUR 790 thousand (year end 2018: EUR 902 thousand).
The liability value was assessed taking into consideration the fair value of the underlying shares considering the vesting period of 4 years and other conditions, as well as the required interest payable on the company's portion of the contribution. The Group re-measures the liability at each subsequent reporting date in order to be consistent with the IFRS. Being the shares purchased under the terms of the plan exclusively lastminute.com shares, the overall value of the Group divided by the number of such shares can clearly represent the present value of the investment plan.
The amount has been remeasured and the amount of EUR 205 thousand has been recognised as income.
Treasury shares acquired in the period, and held by the Group to hedge its potential obligation arising from the new cash-settled share-based payment arrangement amount to around 525 thousand for a total investment of around EUR 7,288 thousand.

Note 12 - Shareholders' Equity

The table below shows Shareholders' Equity as of 30 June 2019 and 31 December 2018:

	30 Jun 2019	31 Dec 2018
Share capital and reserves		
Share capital	117	117
Capital reserves	101,819	101,819
Translation reserve	1,201	1,211
Treasury share reserve	(9,021)	(8,507)
Retained earnings	25,487	14,713
Equity attributable to shareholders of LASTMINUTE.COM NV	**119,603**	**109,353**
Non-controlling interest	1,446	1,737
Total Equity	**121,049**	**111,090**

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the Group's subsidiaries with functional currencies different from the presentation currency (EUR).

Treasury share reserve

The reserve for the Group's treasury share comprises the cost of the shares held by the lastminute.com Group. As of 30 June 2019, the Group held 651 thousand shares for the total value of EUR 9,021 thousand (626 thousand shares as of 31 December 2018 for at total value of EUR 8,507): during the first half of 2019 the Group bought 25 thousand treasury shares for a total value of EUR 514 thousand (2,253 thousand for the total value of EUR 30,933 thousand in 2018).
The Group did not perform any selling of treasury shares in the period.
In 2018 the Group cancelled 765 thousand shares for a total value of EUR 9,983 (nil in 2019).

Retained Earnings

Retained earnings as of 30 June 2019 amounted to EUR 25,487 thousand (31 December 2018: EUR 14,713 thousand) and contain the profit relating to the current period and previous years accumulated net profits generated by the Group and not distributed to shareholders as well as amounts booked in relation to the remeasurements of the employee benefits liabilities and share-based payments.
During the first half of 2019 retained earnings have decreased following the recognition of tax effect from owned shares that have not benefited from tax exemption with an effect of EUR 2,492 thousand.

Dividends

During the first half of 2019 and 2018 no dividends were paid by the Group.

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 13 - Net Financial Position

The table below represents the net financial position for the Group as of 30 June 2019 and 31 December 2018:

in '000 EUR	30 Jun 2019	31 Dec 2018
Current financial assets	1,237	1,349
Cash and cash equivalents	118,270	72,871
Short Term Financial Liabilities	(17,114)	(29,532)
Short Term Lease Liabilities	(3,004)	-
Net Financial Position within 12 months	**99,389**	**44,688**
Non current financial assets	1,748	1,667
Long Term Financial Liabilities	(12,764)	(14,259)
Non current financial assets	(12,251)	-
Net Financial Position over 12 months	**(23,267)**	**(12,592)**
Total Net Financial Position	**76,122**	**32,096**

The Net Financial Position for the Group was respectively EUR 76,122 thousand at 30 June 2019 and EUR 32,096 thousand at 31 December 2018.
Cash and cash equivalents increased during the first six months of 2019 due to the positive effect net negative working capital that is strongly affected by the seasonality of the business. For further information please refer to the Consolidated Cash flow statement and the comment on Group's trade position included in the Note 14.
Group's financial liabilities have been affected by the application of IFRS 16 with an effect of EUR 15,255 thousand as of 30 June 2019.

Note 14 - Balance Sheet

In the first six months of the year compared with year-end 2018, Intangible Assets increased by EUR 223 thousand (+0.1%) from EUR 151,301 thousand to EUR 151,524 thousand. The additions of the period, mainly represented by internal development costs have been mostly compensated by the amortisation throughout the first six months of the year.
Property plant and equipments decreased by EUR 56 thousand (-2.3%) mainly due to depreciation of the period.
Group's non current assets have been affected by the application of IFRS 16 with an effect of EUR 15,208 thousand as of 30 June 2019. For further information refer to Note 2.
Investment in equity accounted investees decreased by EUR 43 thousand (-4.7%) from EUR 916 thousand to EUR 873 thousand.
Deferred tax assets decreased by EUR 1,922 (-24.2%) thousand from EUR 7,940 thousand to EUR 6.018 thousand mainly due to tax effect of the utilisation of losses carried forward during the first half of 2019
For further information about the movements in Financial Assets (current and non-current) and Cash and cash equivalents please refer to the Consolidated Cash Flow Statement for the six months ended 30 June 2018 and Note 13.
Current tax assets decreased by EUR 590 thousand (-44.6%) compared to 2018 year end mainly due to the payments made during the first half of 2019.
The Group's net negative trade position, which is the net amount of trade and other receivables and trade and other payables, increased by EUR 42,168 thousand (+39.5%) from EUR -106,845 thousand as of 31 December 2018 to EUR -149,013 thousand as of 30 June 2019 mainly due to the following factors:

- increase of trade payables for EUR 37,374thousand impacted by a mix of seasonality and a different mix of sold products in 2019 more focused on DP compared to 2018.
- increase of Contract liabilities for EUR 8,605 thousand, from EUR 7,259 thousand as of 31 December 2018 to EUR 15,684 thousand as of 30 June 2019.

Long term financial liabilities amounting to EUR 12,764 thousand include the non current portion of the borrowings received during the first half of 2019. For more information see Note 13.
Current provision increased by EUR 2,507 thousand from EUR 560 thousand as of 31 December 2018 to EUR 3,067 thousand as of 30 June 2019 mainly due to a specific provision booked to face any likely business impacts from risks coming from the markets such as airline failures for EUR 1,000 thousand and additional accrual of provision for tax risks as a consequence of the tax audits open in the main countries where the Group operates for EUR 750 thousand.

Short term financial liabilities decreased by EUR 12,418 thousand from EUR 29,532 thousand to EUR 17,114 thousand. The decrease is due to the repayment of borrowings during the first half of 2019 and repayment of EUR 3,000 thousand to the outstanding financial liabilities to be paid to Prosieben group during 2019 related to the acquisition of Comvel Gmbh.

Note 15 - Subsequent Events

No subsequent events occurred since 30 June 2019, which would change the financial position of the Group or which would require additional disclosures in these consolidated interim financial statements.

Contacts

lastminute.com NV
Prins Bernhardplein 200
1097 JB Amsterdam
The Netherlands

lmgroup.lastminute.com
investor.relations@lastminute.com

Graphic Design: A+G Achilli Ghizzardi Associati