

1H2018  
Results

lm group

lastminute.com

lastminute.com

whatever makes you pink

Go like  
Flamingo



Weekend Escapes

Book Now

# Disclaimer

The material in this presentation has been prepared by lastminute.com N.V. and reports general background information about lastminute.com group activities as at the date of this presentation. This information is given in summary form and does not purport to be complete. Information in this presentation, including forecast financial information, should not be considered as advice or a recommendation to investors or potential investors in relation to holding, purchasing or selling securities or other financial products or instruments and does not take into account your particular investment objectives, financial situation or needs.

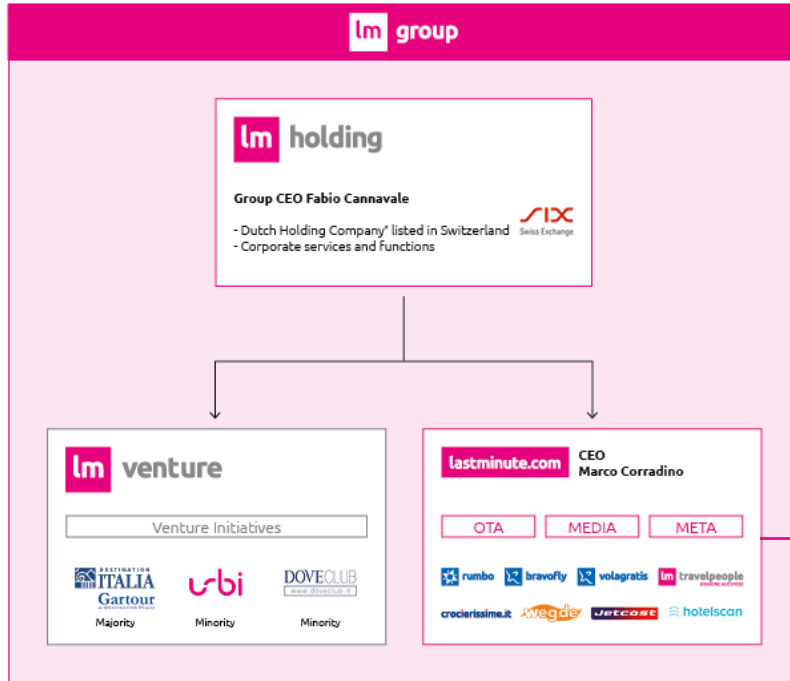
This presentation may contain forward looking statements including statements regarding our intent, belief or current expectations with respect to lastminute.com group businesses and operations, market conditions, results of operation and financial condition, capital adequacy, specific provisions and risk management practices. Readers are cautioned not to place undue reliance on these forward looking statements. lastminute.com N.V. does not undertake any obligation to publicly release the result of any revisions to these forward looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events. While due care has been used in the preparation of forecast information, actual results may vary in a materially positive or negative manner. Forecasts and hypothetical examples are subject to uncertainty and contingencies outside lastminute.com group control. Past performance is not a reliable indication of future performance.

This presentation and/or the information contained therein is not being issued and may not be distributed in the United States of America, Canada, Australia or Japan and does not constitute an offer of securities for sale in such countries or in any other country.

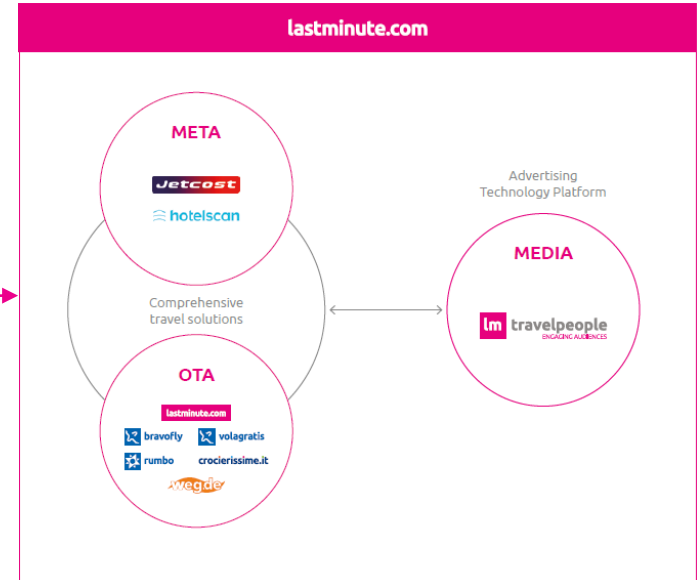
# Group Structure and key messages



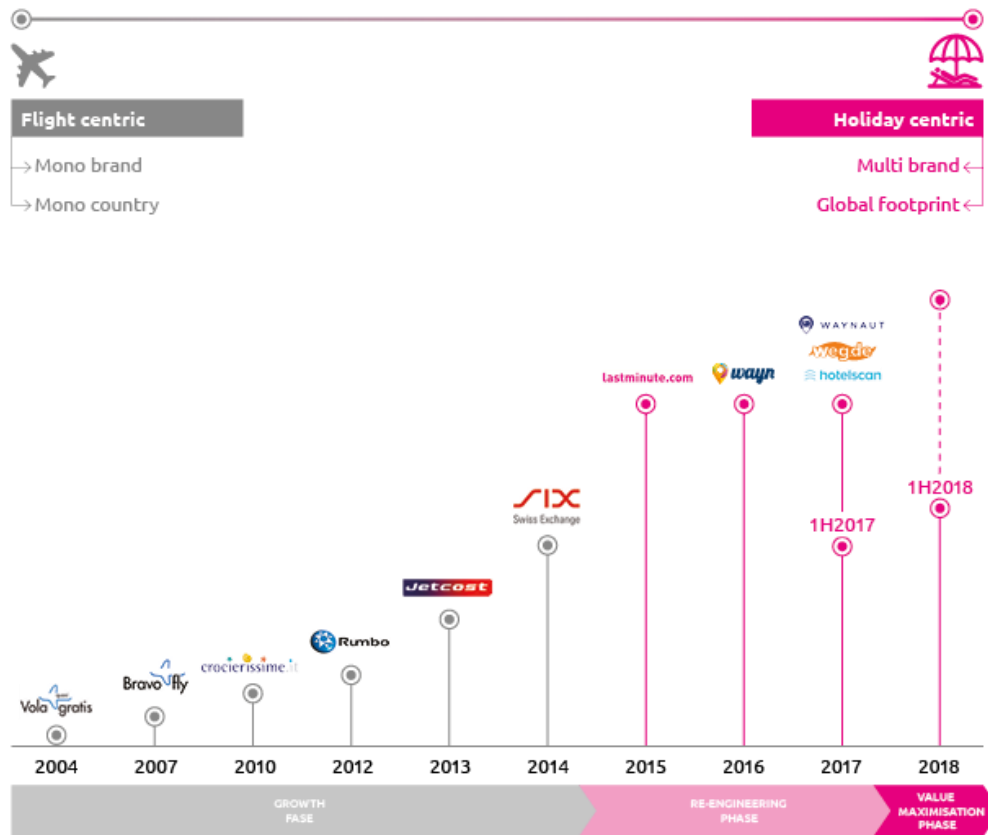
# A group organised in two main business areas and a holding providing corporate services



Comprehensive business model and diversified revenue stream backed by a wide portfolio of brands, scalable technology architecture, plug&play and efficient travel platform



# A journey of growth and diversification addressed to long-term value maximisation



lastminute.com is one of the most diversified players in the field, able to give customers whatever they need through a **unique and distinctive proposition**.



We moved from a pure flight-only transactional business to a diversified **holiday-centric** customer oriented model, capable of efficiently integrating our OTA, Meta and Media businesses

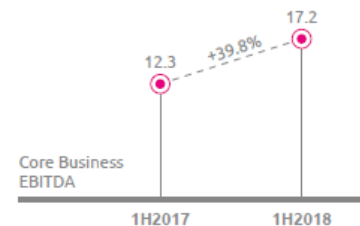
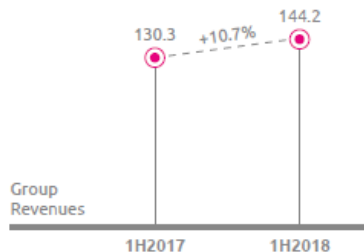
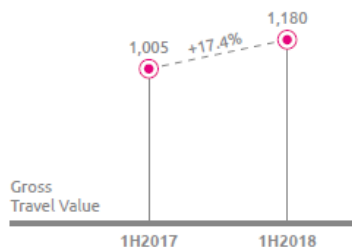


Over the last three years **we have completely reshaped the way we run our core business**. A full reorganisation has taken place at management level, we have sourced many talented people, we've improved the sophistication of our marketing strategy and the way we manage data.

# 1H2018 Result



# A significant improvement of all business and financial KPIs with focus on both growth and efficiency



## OTA

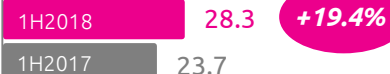
Flight-only < 50% of total OTA



**+12.5%**

Flight-only > 50% of total OTA

## META



**+19.4%**

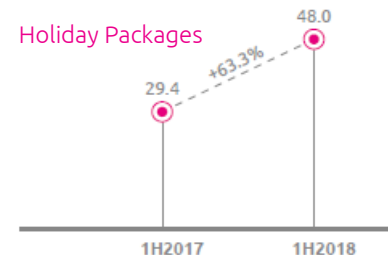
### Focus on growth



Revenue trend

- Dynamic Packages
- Tour Operator Packages
- Ancillaries
- Media

Holiday Packages



### Focus on efficiency



Revenue trend

- Stand-alone flight-only
- Stand-alone hotel-only
- Not considering shift toward DP

# Entering the new phase of value maximisation through a robust set of results

€M	1H2018	1H2017	Delta %
GTV	1,180	1,005	+17.4%
Bookings (thousands)	2,031.6	2,080.0	-2.3%
<i>Average ticket value - GTV/Booking (€)</i>	<i>580.8</i>	<i>483.2</i>	<i>+20.2%</i>
Group Revenue	144.2	130.3	+10.7%
<b>Core Business Revenue</b>	<b>141.4</b>	<b>125.5</b>	<b>+12.7%</b>
Marketing costs	(60.6)	(56.7)	+6.9%
<i>Marketing costs /Revenue</i>	<i>42.8%</i>	<i>45.1%</i>	
Other costs	(63.6)	(56.5)	+12.6%
<b>Business EBITDA</b>	<b>17.2</b>	<b>12.3</b>	<b>+39.8%</b>



The increase of Gross Travel Value over a lower number of bookings, clearly highlights the shift toward holiday packages which feature a significantly higher average ticket value



Revenues are growing as a result of the extraordinary performance of holiday packages business lines (Dynamic Packages and Tour Operator Packages) + META and Media businesses and the great improvement of Ancillary services proposition

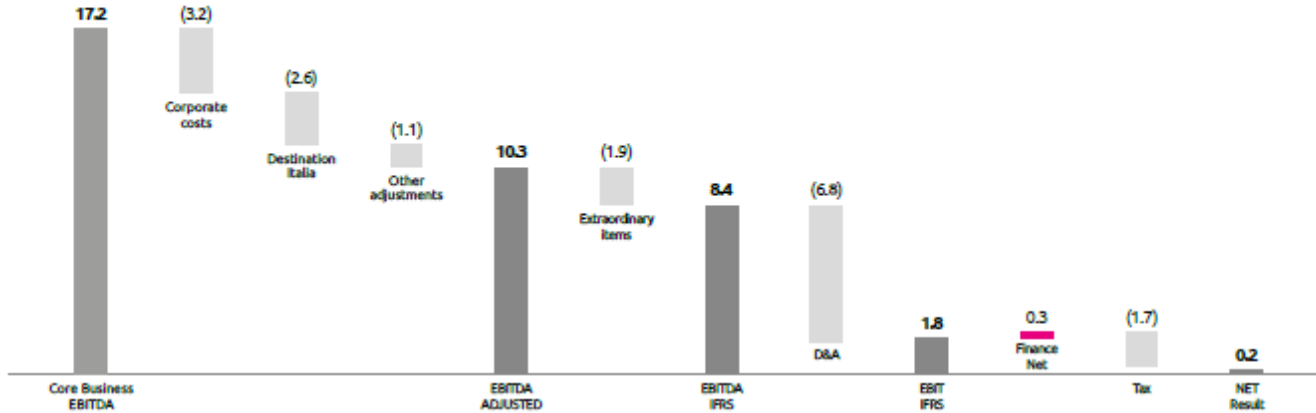


Marketing costs increased to sustain growth of both OTA and Metasearch businesses and as a result of the launch of new brand campaigns on social networks. The ratio “marketing costs/revenue” is decreasing thanks to the optimisation of performance marketing ROI. Other costs grew primarily as a result of the acquisition of weg.de.



# Still an impact from LM Venture initiatives at Group profit level

1H2018: From Core Business EBITDA to EAT (€M)



lm group's Venture Initiatives are impacting the Group's results primarily caused by Destination Italia that is in a restructuring and investment phase to launch its proposition. The effect on 1H2018 is negative by € 2.6M at Adjusted EBITDA level

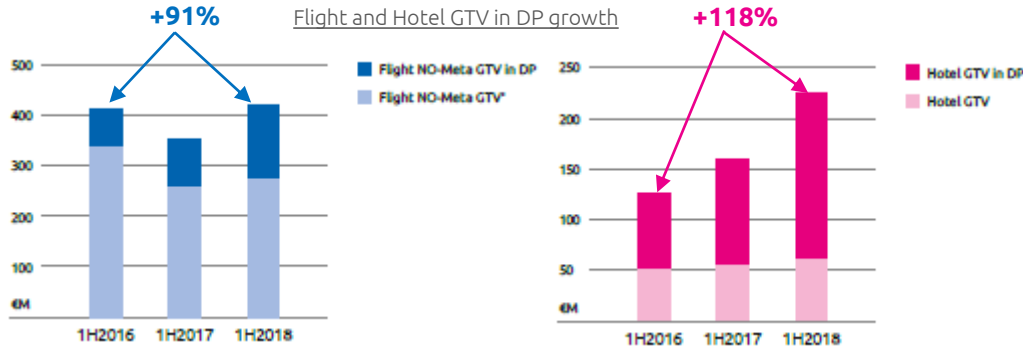
# Strong cash generation even after spending around €30M for PSTO transaction

## 1H2018: Cash evolution (€M)



The group reported a strong cash position, which stood at €87.4M at the end of the period, as a result of significant operating cash generation primarily due to seasonal net working capital movements. Net Financial Position was €54.7M up by 20.8% compared to 45.3M at the end of 2017, even though it was impacted by extraordinary investments of about € 30.9M related to the Partial Self Tender Offer and our ordinary Share Buy Back program

# Volumes in DP are skyrocketing and also shifting from stand-alone to bundled products



From a flight-only (BRG) and hotel-centric (lastminute.com) business models to a holistic holiday-oriented platform capable of meeting travellers needs

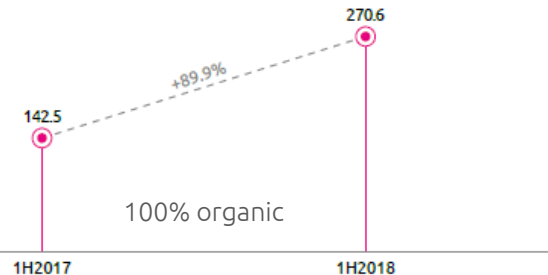


DP is dragging the performance of flights and hotels generating a shift from stand-alone to bundled-product proposition which is more relevant and valuable for both, customers and suppliers

## Dynamic Packages Gross Travel Value (€ million)

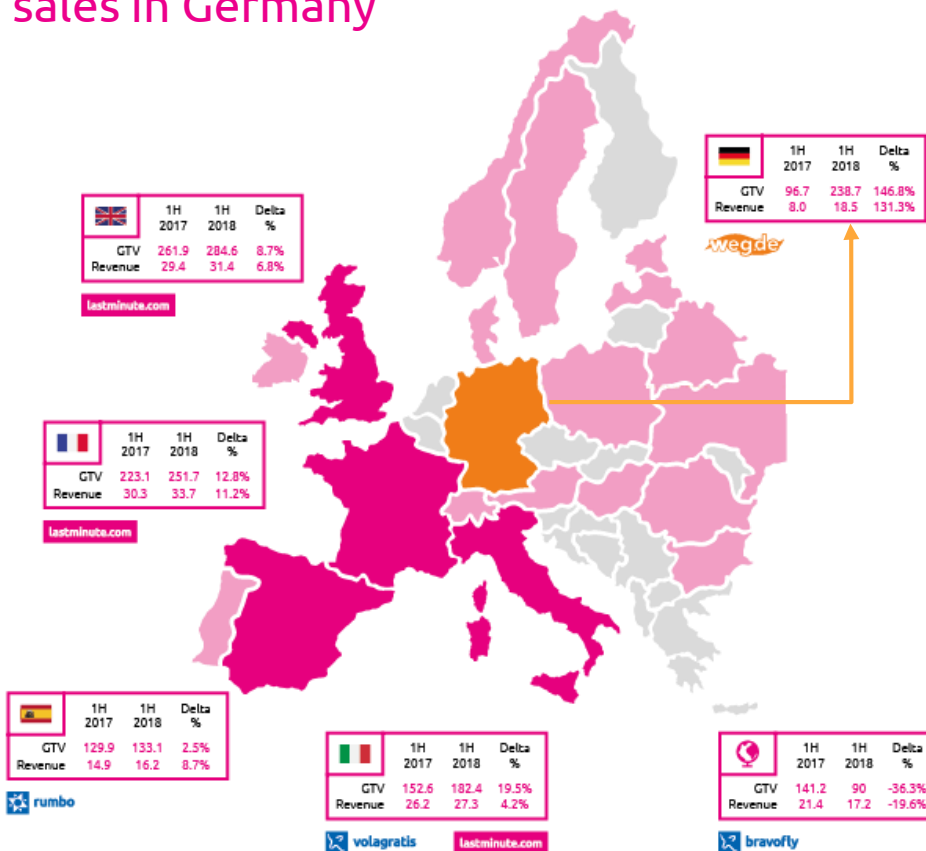


1<sup>st</sup>Market:  
United Kingdom  
Leading Brand:  
lastminute.com



The Company experienced growth in the B2B revenue stream thanks to partnerships with other OTAs willing to implement our “powered by lastminute.com” Dynamic Package solution into their portfolio of offerings.

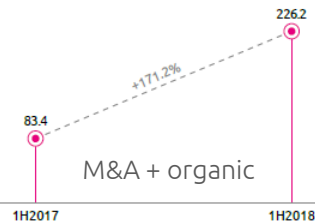
# Significant growth across all core EU markets and skyrocketing increase of TO sales in Germany



Tour Operators Packages Gross Travel Value (€ million)



1\*Market:  
Germany  
Leading Brand:  
weg.de



Germany and Tour Operator Packages reported a triple digit growth as a result of the successful and quick integration of weg.de within lastminute.com platform.

Such move has a strong strategic rationale since Germany is the largest EU holiday market with the greatest potential upside (very low online penetration)\*

In all other Core countries, the Company is registering a significantly positive performance driven by organic growth

# A highly sophisticated travel search engine that adds value to both customers and suppliers



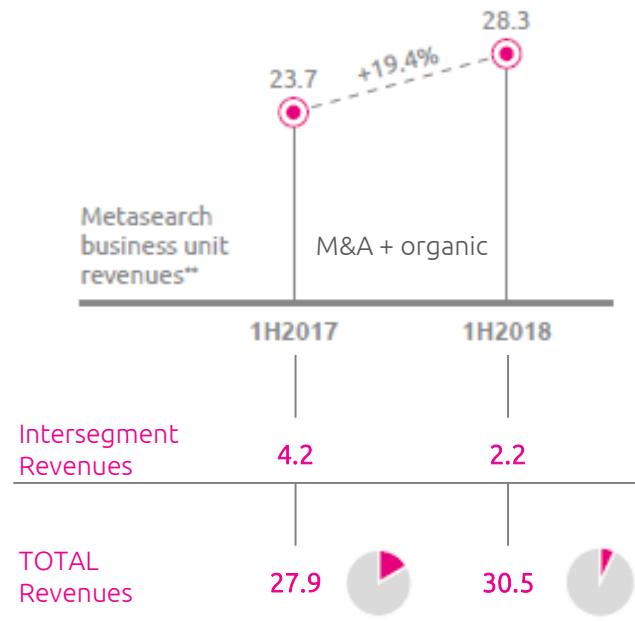
## Travellers

Jetcost and Hotelscan offer a virtually unlimited variety of travel options, enabling users to find the travel solution which perfectly fits their needs



## OTAs travel aggregators & suppliers

Thanks to advanced programmatic capabilities, Jetcost and Hotelscan represent a valuable traffic acquisition channel to their travel partners at lowest cost

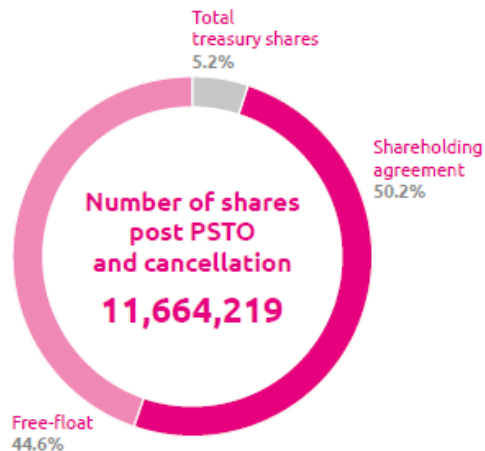
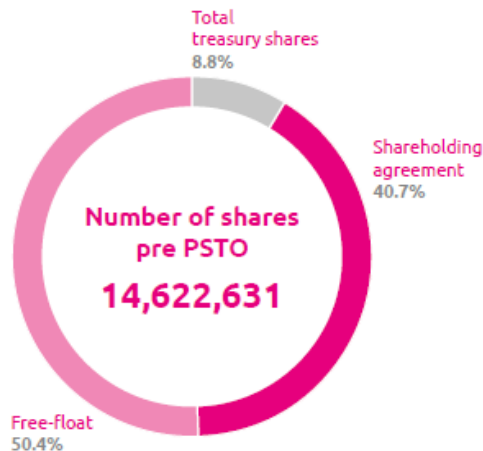


92.8% of Revenue are generated out of the lastminute.com perimeter, a significantly higher percentage compared to average of metasearch businesses consolidated under a OTA company

**PSTO**



# A shareholding structure anchored around long-term oriented investors



Good opportunity given to short-term oriented investors to partially divest their stakes at premium price (16CHF per share)



Considering both cancellation steps (January and September 2018) the number of shares outstanding will decrease by 20% compared to beginning of 2018



However, still a wide free-float of around 45% is available

	Pre PSTO	% ownership	Movements	Post PSTO	% ownership	Movements	Post cancellation <sup>*</sup>	% ownership
Total number of shares	14,622,631	100.0%		13,857,614	100.0%		11,664,219	100.0%
Number of shares repurchased under PSTO			2,193,395			-2,193,395	0	
Total treasury shares <sup>**</sup>	1,293,907	8.8%	***1,415,918	2,709,825	19.6%	****-2,101,595	608,230	5.2%
Shareholding agreement	5,954,850	40.7%	-103,008	5,851,842	42.2%		5,851,842	50.2%
Free-float	7,373,874	50.4%	-2,077,927	5,295,947	38.2%	-91,800	5,204,147	44.6%

<sup>\*</sup> Cancellation will take place on 25 September 2018 subject to creditor opposition notice period

<sup>\*\*</sup> Including shares repurchased under PSTO

<sup>\*\*\*</sup> resulting from repurchase of 2,193,395 + cancellation of 765,017 shares + release of 12,460 shares in the context of Stock Option Plan

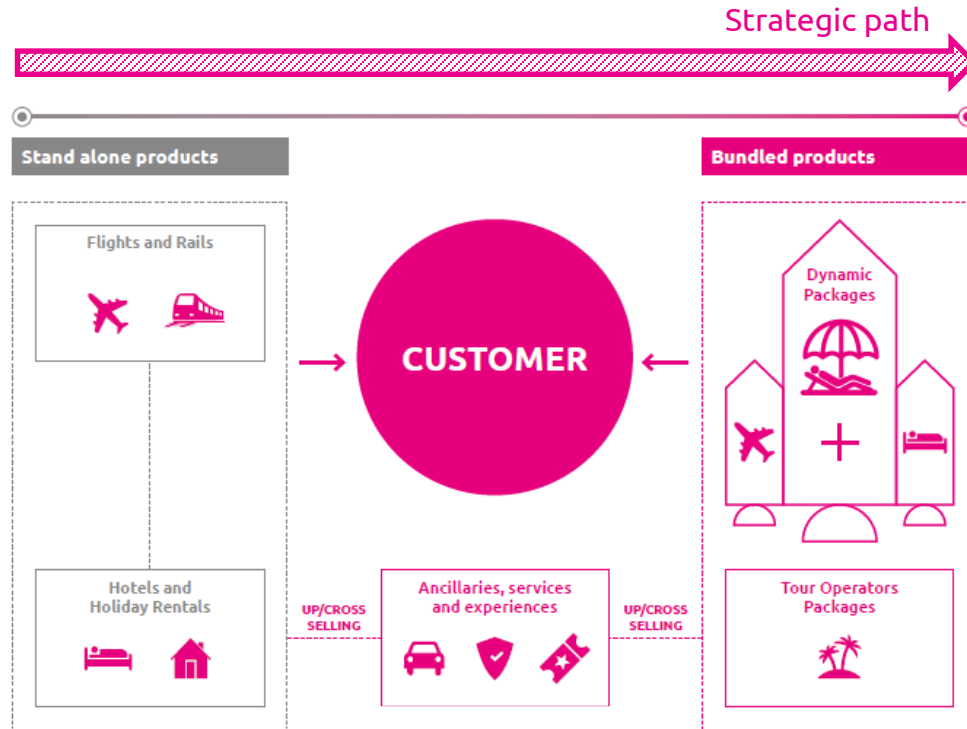
<sup>\*\*\*\*</sup> resulting from cancellation of 2,193,395 shares and repurchase of 91,800 shares under SBB program

# What's next





# Positioned to expand in the main EU countries as the **most advanced digital Tour Operator** of the online holidays space



**Bundled Products:** Focus on establishing a leadership position in the main EU Countries in **Holiday Packages**

We invested since years in developing an advanced technology that today represents a clear competitive advantage against competitors and high entry barrier for other players willing to step in. DP is a successful model.



**Ancillaries:** Focus on increasing the attach rate of travel related products and services

Ancillaries become more and more important as a revenue/profit source in a context of decreasing pure margin commissions on stand-alone products. Our upsell and cross-sell strategy is already delivering great results.



**Stand-alone Products:** Focus on making the machine more efficient

Our effort is on improving yield management processes and increasing the number of hotels and airline seats directly contracted in order to optimise the balance between Revenue and Profits and better serve our Dynamic Packages proposition

# Backup



## Consolidated statement of profit or loss and other comprehensive income

in '000 EUR (For the six months ended 30 June)	Notes	2018	2017
Revenues	7	144,197	130,275
Marketing costs	8	(60,558)	(56,661)
Personnel costs	8	(34,272)	(31,423)
Other operating costs	8	(41,016)	(34,671)
Amortization and depreciation		(6,772)	(6,050)
Impairment		-	(27)
<b>Operating Profit / (Loss)</b>		<b>1,579</b>	<b>1,443</b>
Gains/losses from disposal of inv. and other	8	-	1,939
Finance income	8	533	-
Finance costs	8	(249)	(1,556)
Share of result of equity-accounted investees		(42)	(27)
<b>Profit / (Loss) before income tax</b>		<b>1,821</b>	<b>1,799</b>
Income tax	9	(1,664)	(1,727)
<b>Profit / (Loss) for the period</b>		<b>157</b>	<b>72</b>
- thereof attributable to the Shareholders of LASTMINUTE.COM N.V.	10	1,243	516
- thereof attributable to non-controlling interest		(1,086)	(444)
OTHER COMPREHENSIVE INCOME			
Items that will never be reclassified to profit or loss			
Remeasurements of the Employee benefits liability		11	(100)
Related tax		(3)	25
<b>Items that will never be reclassified to profit or loss</b>		<b>8</b>	<b>(75)</b>
Items that are or may be reclassified to profit or loss			
Foreign currency translation differences		(126)	(71)
<b>Items that are or may be reclassified to profit or loss</b>		<b>(126)</b>	<b>(71)</b>
<b>Total other comprehensive income for the period, net of tax</b>		<b>(118)</b>	<b>(146)</b>
<b>Total comprehensive income</b>		<b>39</b>	<b>(74)</b>
- thereof attributable to the Shareholders of LASTMINUTE.COM N.V.		1,125	370
- thereof attributable to non-controlling interest		(1,086)	(444)
EARNINGS PER SHARE			
Basic earnings per share (in EURO)	10	0.10	0.04
Diluted earnings per share (in EURO)	10	0.10	0.04

## Consolidated balance sheet

in '000 EUR	Notes	30 Jun 2018	31 Dec 2017
<b>NON CURRENT ASSETS</b>			
Property plant and equipment	14	2,611	3,243
Intangible assets	14	145,857	143,949
Goodwill	5	63,534	56,052
Non current financial assets	13	1,641	1,256
Investment in equity accounted investees	14	783	825
Deferred tax assets	14	9,549	6,419
<b>TOTAL NON CURRENT ASSETS</b>		<b>223,975</b>	<b>211,744</b>
<b>CURRENT ASSETS</b>			
Inventories		14	14
Current financial assets	13	1,543	1,922
Current tax assets	14	1,101	767
Trade and other receivables	14	75,423	77,992
Cash and cash equivalents	13	87,361	52,134
<b>TOTAL CURRENT ASSETS</b>		<b>165,442</b>	<b>132,829</b>
<b>TOTAL ASSETS</b>		<b>389,417</b>	<b>344,573</b>
<b>SHARE CAPITAL AND RESERVES</b>			
Share capital	12	138	146
Capital reserves	12	121,046	127,751
Translation reserve	12	1,293	1,419
Treasury share reserve	12	(37,688)	(16,738)
Retained earnings	12	16,114	19,191
<b>EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF LASTMINUTE.COM N.V.</b>		<b>100,903</b>	<b>131,769</b>
Non-controlling interest		1,709	1,737
<b>TOTAL EQUITY</b>		<b>102,612</b>	<b>133,506</b>
<b>NON CURRENT LIABILITIES</b>			
Employee benefits liabilities		5,733	5,678
Long Term Financial Liabilities		22,283	-
Deferred tax liabilities		26,700	26,503
Trade and other payables - Non current		1,122	-
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>55,838</b>	<b>32,181</b>
<b>CURRENT LIABILITIES</b>			
Current provisions	14	582	3,330
Short Term Financial Liabilities	14	13,585	10,015
Current tax liabilities	14	1,521	1,002
Trade and other payables	14	215,279	164,539
<b>TOTAL CURRENT LIABILITIES</b>		<b>230,967</b>	<b>178,886</b>
<b>TOTAL LIABILITIES</b>		<b>286,805</b>	<b>211,067</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>389,417</b>	<b>344,573</b>

## Consolidated cash flow statement

in '000 EUR (for the six months ended 30 June)	Notes	2018	2017
<b>Cash flow from operating activities</b>			
<b>Profit / (Loss) for the period</b>		<b>157</b>	<b>72</b>
Adjustments for:			
- Amortization and depreciation		6,772	6,050
- Impairment losses on intangible assets		-	27
- Net finance result	8	(284)	(383)
- Income tax expense	9	1,664	1,727
- Share of result of equity-accounted investees		42	27
Change in trade and other receivables	14	(925)	(14,366)
Change in inventories		-	-
Change in trade and other payables	14	49,104	40,463
Change in provisions	14	(2,748)	(741)
Change in employee benefit liability		65	516
Interest paid		(153)	70
Income tax (paid)/received		(920)	(1,109)
<b>Net cash from operating activities</b>		<b>52,774</b>	<b>32,353</b>
<b>Cash flow from investing activities</b>			
Interest received		1	-
Purchase of property, plant and equipment	14	(111)	(256)
Purchase of intangible assets	14	(5,355)	(5,526)
(Acquisition)/Proceeds of subsidiaries, net of cash acquired	5	(772)	100
Proceed from sales, acquisition and incorporation of equity accounted investees	5	-	1,650
(Acquisition) / Proceeds of financial assets	13	85	(264)
<b>Net cash (used in)/from investing activities</b>		<b>(6,152)</b>	<b>(4,296)</b>
<b>Cash flow from financing activities</b>			
Proceeds from borrowings		29,750	-
Repayments of borrowings	14	(10,015)	(3,674)
PSTO plan	12	(30,259)	-
Share Buy back plan	12	(674)	(4,527)
<b>Net cash (used in)/from financing activities</b>		<b>(11,198)</b>	<b>(8,201)</b>
<b>Net increase in cash and cash equivalents</b>		<b>35,424</b>	<b>19,856</b>
Cash and cash equivalents at 1 January	13	52,134	60,245
Effects of currency translation on cash and cash equivalents		(198)	(281)
Cash and cash equivalents at 30 June	13	87,361	79,820

# Thanks

[lmgrouplastminute.com](http://lmgrouplastminute.com)

[investor.relations@lastminute.com](mailto:investor.relations@lastminute.com)

