
**Preliminary Results for the Year
Ended 30 September 2000**

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Brent Hoberman

Chief Executive Officer

IMPLEMENTING THE VISION

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Inspiration and Solutions at Short Notice

lastminute.com is creating an aspirational lifestyle brand that understands its customers and makes their complex lives easier – a utility that customers can turn to on a daily basis

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Owning the Last Minute Marketplace

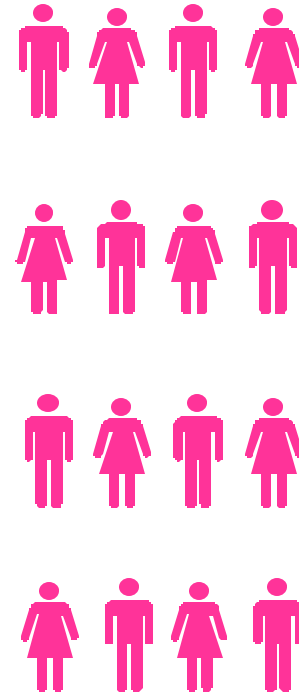
Suppliers

Airlines
Package Holiday Suppliers
Hotels
Theatres
Ticket agents
Restaurants
Gift merchants
Sports
Car hire
Full service (last minute)

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Customers



degriftour.com

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A Simple Customer Proposition

- **Convenience:** one-stop-shop for all last minute needs across multiple product categories
- **Inspiration:** gives (pushes!) users ideas and the opportunity to plan at the last minute
- **Great value:** high quality products and services available at the best prices
- **A sense of community:** editorial voice, feedback and content - building on brand they can trust every day

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Key Metrics Ahead of Plan...

| | 12 months ended 30 Sep 2000 | 12 months ended 30 Sep 1999 | Growth |
|--------------------------|--------------------------------|--------------------------------|--------|
| Total transaction value | £34,189k | £2,647k | 12.9x |
| Gross profit | £3,339k | £177k | 18.9x |
| Registered Subscribers | 2,850,678 | 364,750 | 7.8x |
| Customers | 156,196 | 10,189 | 15.3x |
| Suppliers | 9,221* | 548 | 16.8x |
| Items sold at period end | 312,912 | 23,920 | 13.1x |

* Includes Degrifour (consolidated at 30 Sep)

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Julian Culhane

Chief Financial Officer

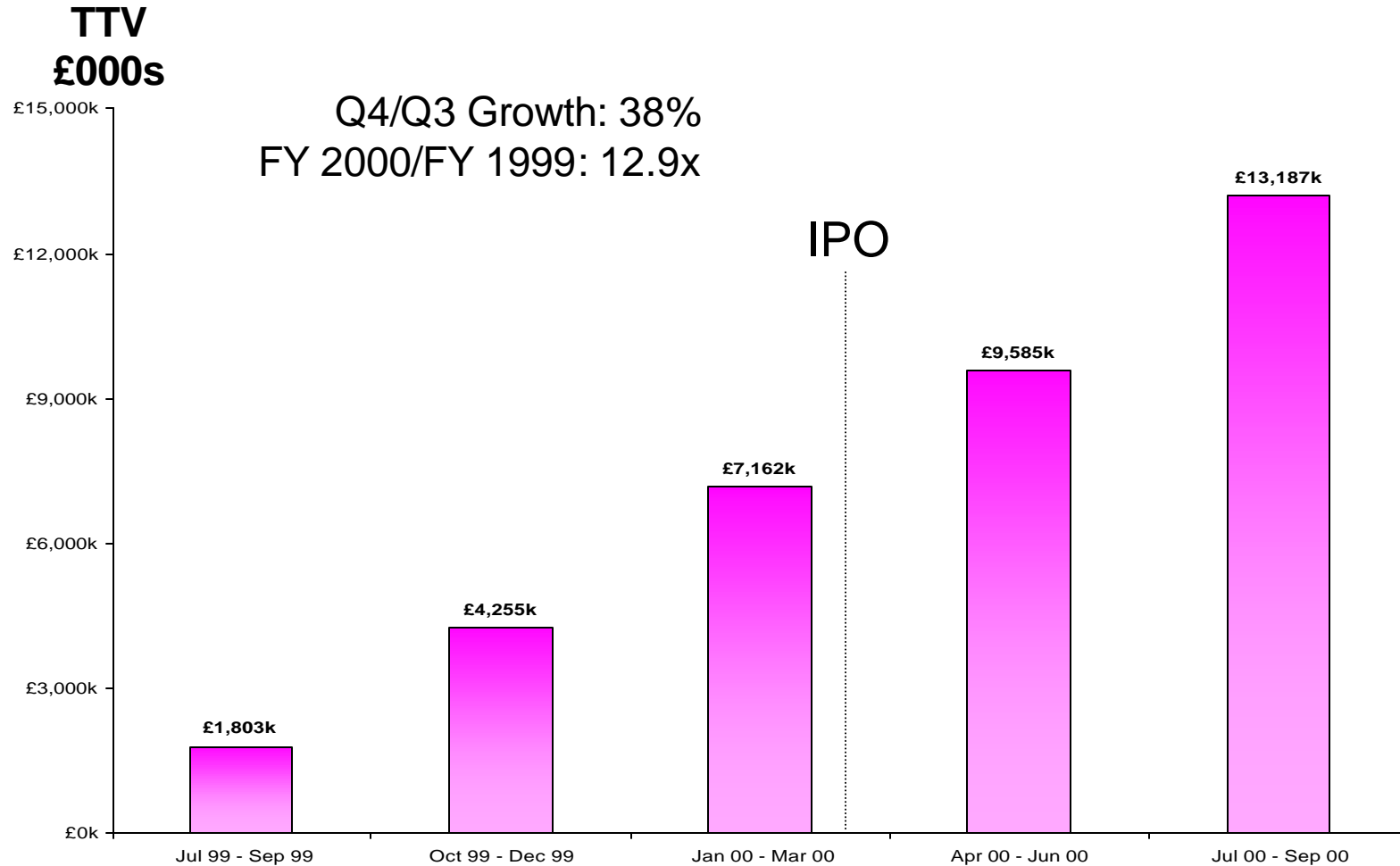
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Key Metrics

- Registered subscribers
 - people opting to receive weekly email alerts
- Customer base
 - people who have made a purchase
- Supplier base
 - active suppliers
- Total transaction value
 - gross value of transactions excluding all airport taxes and VAT
- Gross profit
 - commissions or flat fees earned on transactions
- Costs
 - remain under control

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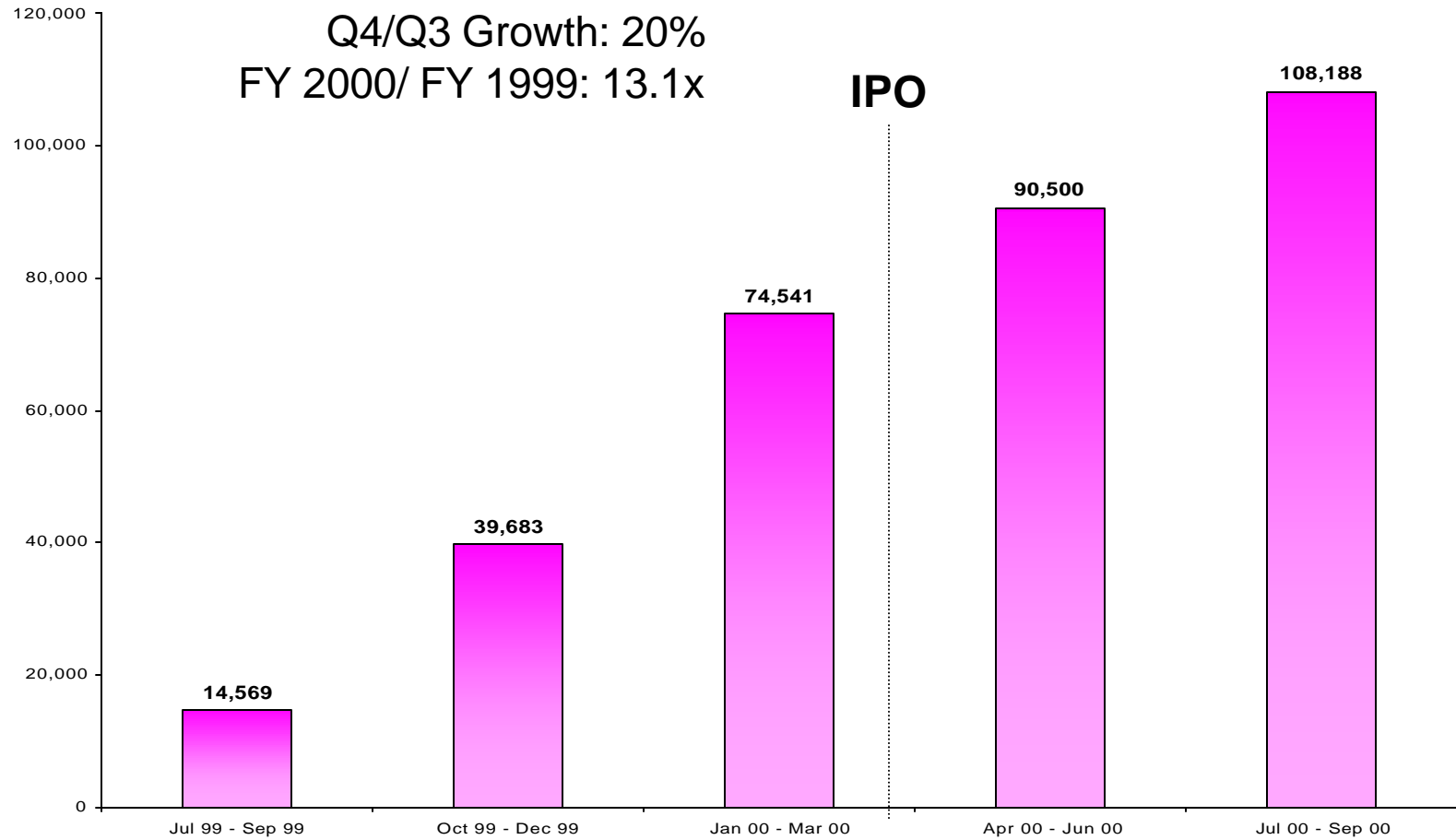
Total Transaction Value



* excluding VAT and airport taxes

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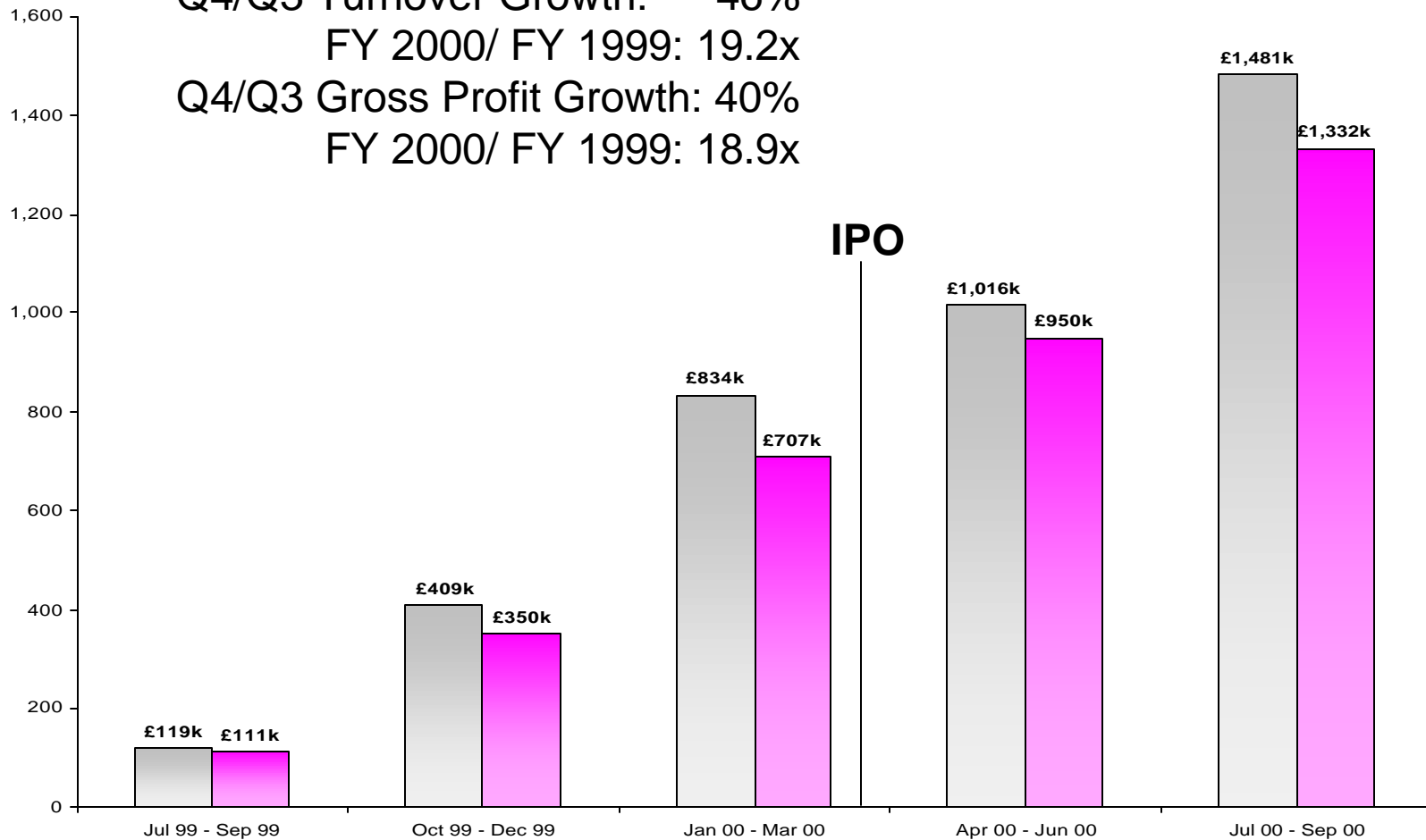
Items Sold



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Turnover/Gross Profit Growth

£000s



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Profit & Loss Account Highlights

| £000s | 3m to Sep 00 | 3m to <u>Jun 00</u> | 3m to Sep 99 |
|-------------------------------|-----------------|------------------------|-----------------|
| <i>Additional Information</i> | | | |
| Total Transaction Value | <u>13,187</u> | <u>9,585</u> | <u>1,803</u> |
| <i>P&L Highlights</i> | | | |
| Turnover | 1,481 | 1,016 | 119 |
| Cost of Sales | <u>149</u> | <u>66</u> | <u>8</u> |
| Gross Profit | 1,332 | 950 | 111 |
| Product Development | 2,496 | 2,430 | 669 |
| Sales & Marketing | 6,020 | 5,850 | 848 |
| General Admin | 3,775 | 2,886 | 643 |
| Non cash stock charge | 893 | 1295 | 464 |
| NI provision | <u>(988)</u> | <u>(328)</u> | <u>443</u> |
| Operating Costs | 12,196 | 12,133 | 3,067 |
| Other income/(charge) | (59) | 50 | 6 |
| Operating Loss | <u>(10,923)</u> | <u>(11,133)</u> | <u>2,950</u> |

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Balance Sheet Highlights

| £000s | As at <u>30 Sep 00</u> | As at <u>30 Jun 00</u> | As at <u>30 Sep 99</u> |
|---------------------------|---------------------------|---------------------------|---------------------------|
| Intangible fixed assets | 58,636 | - | - |
| Tangible fixed assets | 13,972 | 8,309 | 403 |
| Investments | <u>(39)</u> | <u>-</u> | <u>-</u> |
| | 72,569 | 8,309 | 403 |
| Stock | 52 | 42 | 1 |
| Debtors | 10,543 | 5,815 | 743 |
| Cash at bank | <u>103,688</u> | <u>117,474</u> | <u>4,319</u> |
| | 114,283 | 123,331 | 5,063 |
| Creditors < 1 year | 38,301 | 38,264 | 2,289 |
| Provisions/Creditors>1 yr | 7,441 | <u>2,374</u> | <u>614</u> |
| Net assets | <u>141,110</u> | <u>122,770</u> | <u>2,563</u> |

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Cash Flow Highlights

£000s

| | <u>3m to Sep 00</u> | <u>3m to Jun 00</u> | <u>3m to Sep 99</u> |
|-----------------------|-------------------------|-------------------------|-------------------------|
| Net cash (outflow) | (11,806) | (8,743) | (1,080) |
| Interest received | 1,549 | 1,862 | 55 |
| Interest paid | (14) | - | - |
| | <u>1,535</u> | <u>1,862</u> | <u>55</u> |
| Capital expenditure* | (3,234) | (4,946) | (361) |
| Cash from acquisition | 747 | - | - |
| Issue of shares | (1,029) | (1,854) | - |
| Increase in cash | <u>(13,786)</u> | <u>(13,681)</u> | <u>(1,386)</u> |

*incl. capitalised technology costs

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Martha Lane Fox

Chief Operating Officer

Strategic Highlights

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Degriftour Consolidates European Market Leadership...

- lastminute.com becomes one of the leading e-commerce companies in Europe*
 - Consolidates ownership of the last minute marketplace in Europe
- Quantum-step in lastminute.com's pan-European expansion
 - Delivers today in France what organic growth planned to achieve in 2-3 years
 - Facilitates broader pan-European strategy
 - Reduces execution risk through increased operational efficiency
- Accelerates route to positive cashflow
- Contributes experienced online travel management expertise (particularly packaging) and strengthens supply relationships

* All market share data based on 1999 web-based revenues - Source: Jupiter, IDC, MMXI Europe

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... and has given us some immediate benefits

lastminute.com **degriftour.com**

12 month Sep 00

Pro-forma TTV of £91 m

Pro-forma Gross Profit £13 m

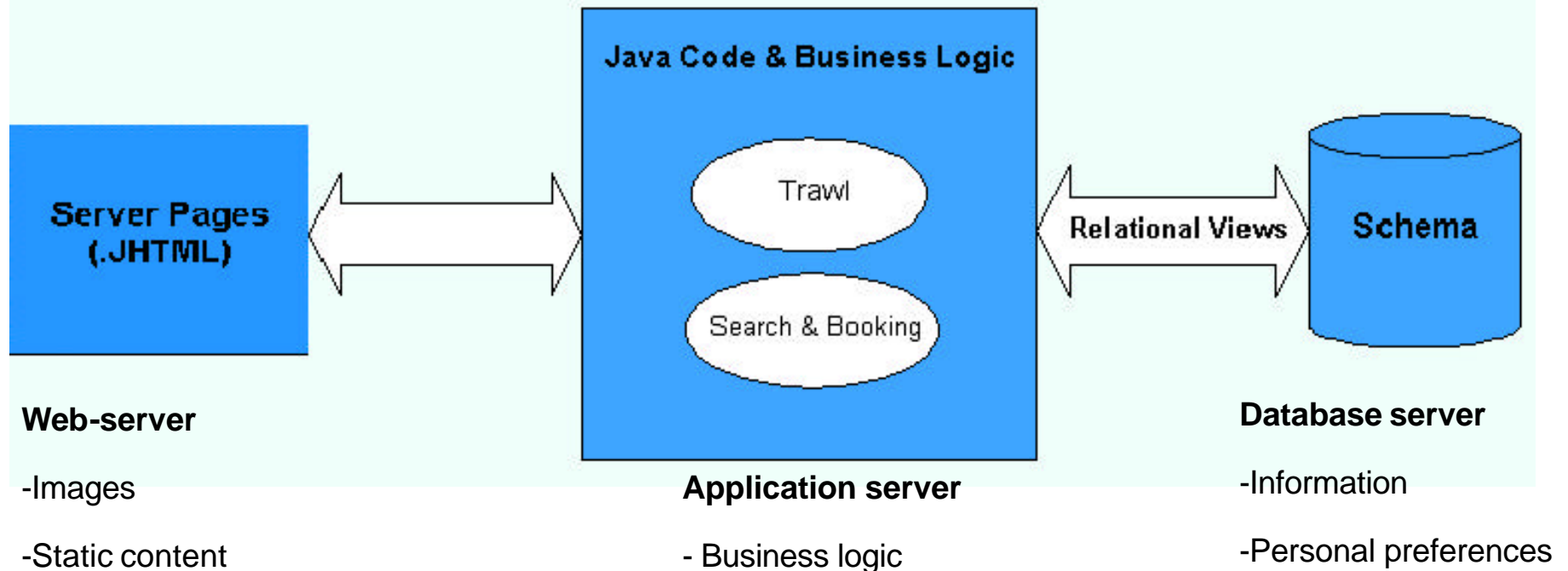
Gross margin 14.1%

At least 12 months ahead of where analysts predicted we would be on a stand-alone basis.

- Two websites immediately linked to capture the upside of cross-selling
- Convenience (full service) now provided to all French customers
- All travel products hosted from co-branded websites
- Addition of valuable supplier relationships
- Degriftour's management team lead the enlarged French operation
- Staff already re-located and working in integrated teams

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Technology - 3 Tier Architecture Now Complete



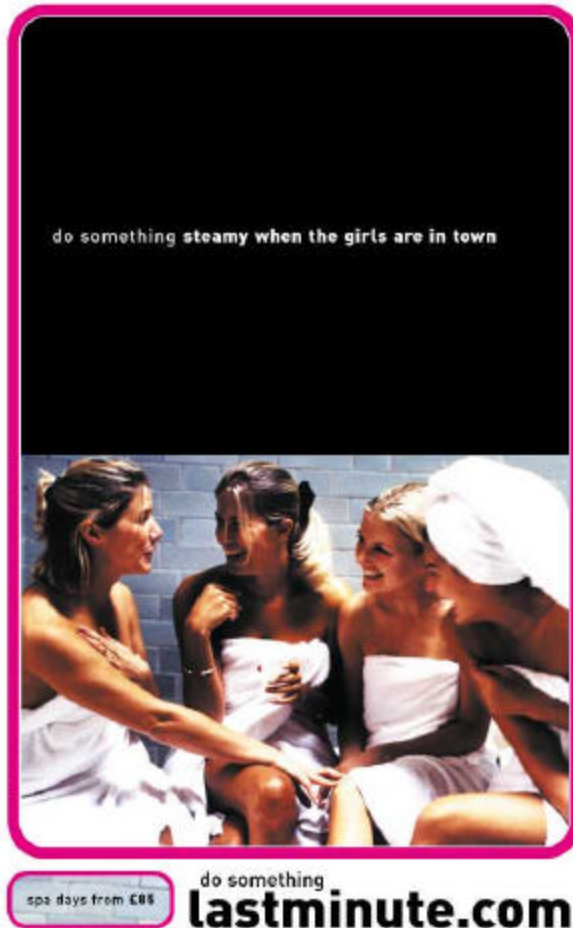
Speed: quicker access for customers

Stability: robust platform to support a growing pan-European customer base

Scalability: open platform enables rapid introduction of new service applications

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We are Focused on Cost Effective Marketing



- Consumer focused
- Click through to transaction from online advert
- Customer acquisition cost nearly halved to £33*
- Over 45% click-through rate from homepage
- Introduction of vouchers
- Promotional partnerships with
 - Nestle
 - Kronenbourg 1664
 - Prêt a Manger

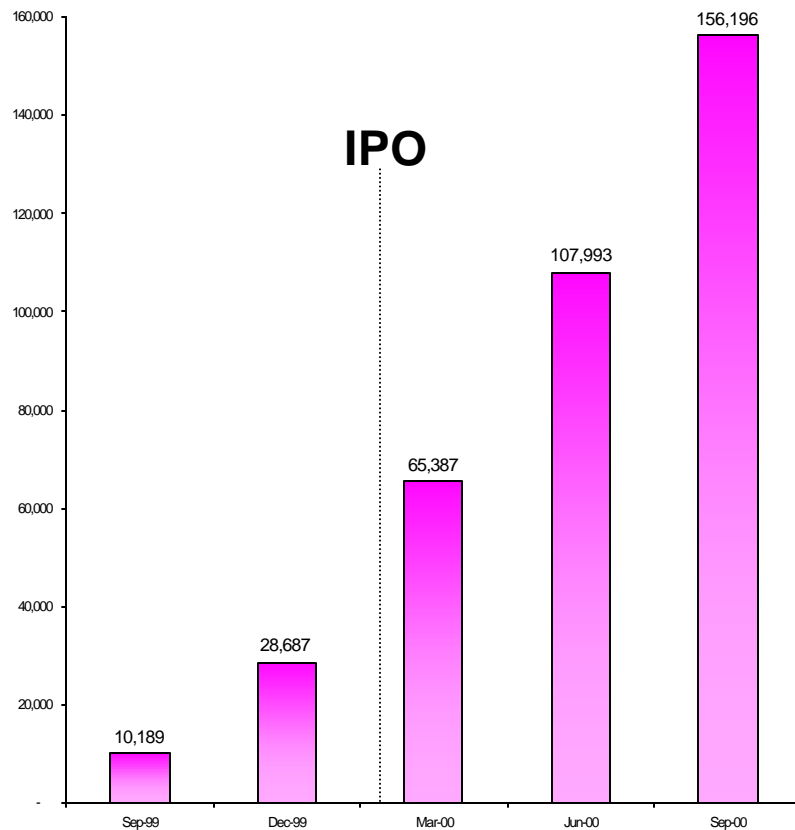
* UK only. Total media spend / unique customers in qtr

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We are Improving Back-End Efficiencies

Q4/Q3 Growth: 45%
FY 2000/ FY 1999: 15.3x

Cumulative Customers

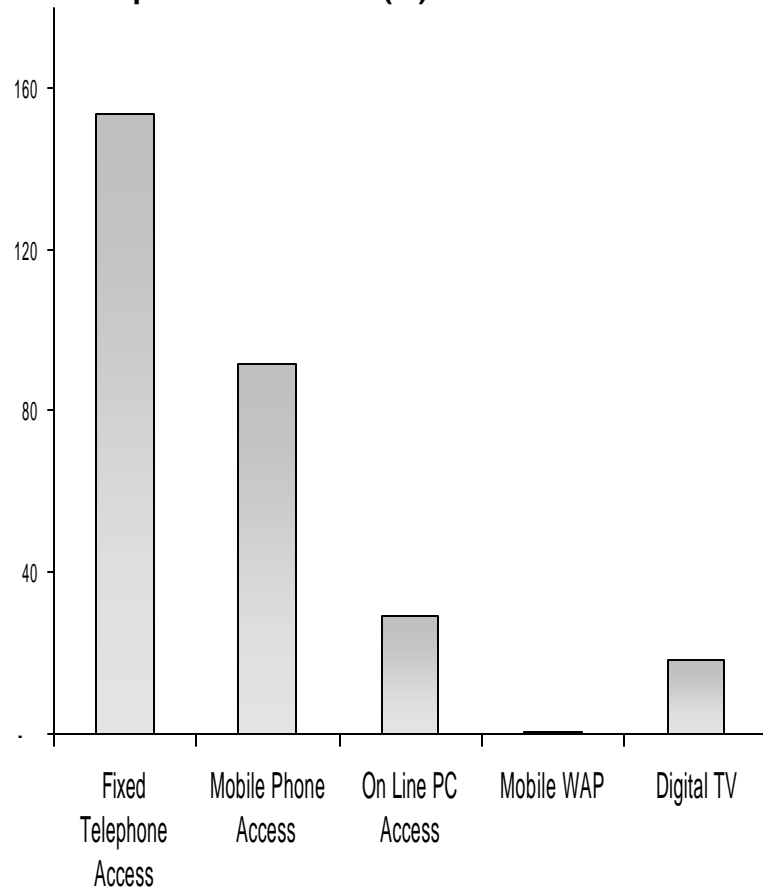


- Investment in customer service
 - In house ticketing
 - Quicker response times
- General customer satisfaction (Sep 00)
 - 83% said experience was good or perfect
 - 94% would recommend lastminute.com to a friend
- 20% repeat customers over the qtr

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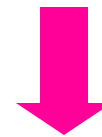
Our New Voice Platform Increases our Potential Reach

of European households (m)



Source: ITU, Analyst Reports (Aug 00)

- Widens customer reach to over 95% of households in W. Europe
- Transactional capability over fixed or mobile phone
- Removes requirement of operator
- Increased convenience and enhances customer proposition



The right offer to the right customer at the right time on the right device

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Opportunities for Continued Improvement

- Driving conversion and in turn TTV and gross profit
 - Conversion* increased from 5.2% in Q3 to 5.5% in Q4 overall and from 6.4% to 7.1% UK only
 - Developing the User Interface and personalisation
 - Improving search function
 - Direct connectivity into supplier databases
- Focusing on managing costs across all areas
 - Sales and Marketing : customer service improvements through more efficient processes and technical changes
 - Technology : V2 now live so lower investment needed
 - G&A : moving out of start up phase to more back end efficiencies and learning from the lean Degriftour
- Improving operating margins
 - Increased product packaging
 - Development of high margin product offering, e.g. gifts and services

* Conversion defined as cumulative customers since inception/ registered subscribers at period end

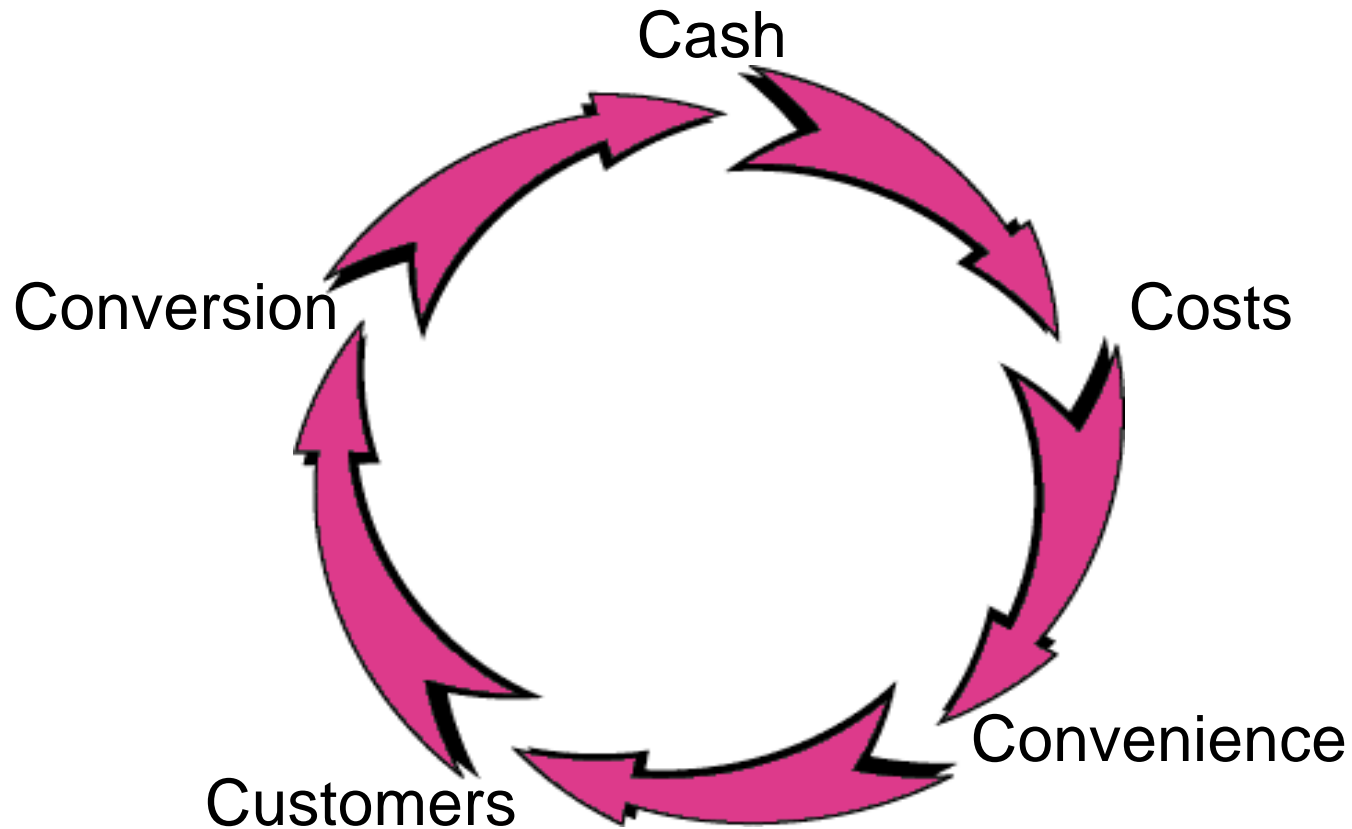
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Allan Leighton

Chairman

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Virtuous or Vicious – This is the Circle



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Questions & Answers

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