

lastminute.com

NEWS RELEASE

For Immediate Release

8 February 2002

FIRST QUARTER FINANCIAL RESULTS

CONTINUED STRONG PERFORMANCE

lastminute.com today announces strong Quarter 1 results. lastminute.com remains on track to deliver profit at an operational level in the UK and France in the April to June quarter:

- Customer conversion rate improved to 16.1% from 8.9% and 13.9% year on year and quarter on quarter respectively
- Total transaction value for the Quarter grew by 56.8% year on year to £31.7m (Q1 2001: £20.2m)
- Gross profit for the Quarter up 60.5% year on year to £4.5m (Q1 2001: £2.8m) and gross margin up 0.4 percentage points to 14.1% year on year
- UK customer acquisition costs fall by 61.7% to £6.40 per customer for Quarter 1 compared with Quarter 4 2001. UK total transaction value grew by 114.9% year on year to £17.6m
- EBITDA loss reduced to £5.1m for the Quarter, a reduction of 10.8% quarter on quarter and 52.2% year on year (Q1 2001: loss £10.7m, Q4 2001: loss £5.7m)
- Loss (before goodwill amortisation and taxation) down 38.8% year on year and 2.8% quarter on quarter to £7.2m (Q1 2001: loss £11.7m, Q4 2001: loss £7.4m)
- Operating cash outflow reduced to £3.8m for the Quarter, a reduction of 44.1% quarter on quarter and 66.5% year on year (Q1 2001: £11.4m, Q4 2001: £6.8m)
- Cash balance strong at £36.5m
- Met or exceeded expectations on all key operating metrics

Allan Leighton, Chairman said:

"lastminute.com has continued the significant progress made during the 2001 financial year. We have maintained the important trend in substantially reducing quarter on quarter, and year on year, operating cash outflow and remain on track to deliver operational profitability in our key UK and French businesses in the April to June quarter."

Brent Hoberman, Chief Executive Officer, added:

"lastminute.com's strong year on year growth demonstrates that our business model is working increasingly well. An increased product range, combined with investments in improved technology, has enabled us to exceed all key year on year metrics. This first Quarter, whilst seasonally the weakest for our business in terms of total transaction value (especially when compared to the preceding quarter which is seasonally our strongest) is in line with our expectations for the Group. The continued rapid growth of our Company enables us to further strengthen our competitive advantage and offer our customers an increasingly rewarding experience when they visit our site."

lastminute.com plc
Quarter 1 2002 Results

Financial Highlights (£'000s)

<u>Year on year</u>	Quarter ended 31 Dec 2001	Quarter ended 31 Dec 2000	Growth
Registered subscribers at Quarter end	4,591,426	2,860,736	60.5%
Cumulative unique customers since inception ¹	669,550	234,549	2.9x
New unique customers in the Quarter	133,104	78,353	70.0%
Number of items sold	298,425	160,819	85.6%
Total transaction value (departure based) ²	£31,731	£20,233	56.8%
Total turnover (incl. share of joint ventures)	£4,774	£2,917	63.7%
Gross profit	£4,461	£2,779	60.5%
Gross margin	14.1%	13.7%	Up 0.4 percentage points
EBITDA	£(5,104)	£(10,683)	Loss down 52.2%
Loss (excl. goodwill amortisation) before taxation	£(7,176)	£(11,729)	Loss down 38.8%
Operating cash outflow	£(3,826)	£(11,415)	Outflow down 66.5%
 <u>Quarter on quarter</u>	 Quarter ended 31 Dec 2001	 Quarter ended 30 Sept 2001	 Growth
Registered subscribers at Quarter end	4,591,426	4,208,484	9.1%
Cumulative unique customers since inception ¹	669,550	536,446	24.8%
New unique customers in the Quarter	133,104	125,885	5.7%
Number of items sold	298,425	251,522	18.6%
Total transaction value (departure based) ²	£31,731	£46,878	-32.3%
Total turnover (incl. share of joint ventures)	£4,774	£7,007	-31.9%
Gross profit	£4,461	£6,445	-30.8%
Gross margin	14.1%	13.7%	Up 0.4 percentage points
EBITDA	£(5,104)	£(5,721)	Loss down 10.8%
Loss (excl. goodwill amortisation) before taxation	£(7,176)	£(7,381)	Loss down 2.8%
Operating cash outflow	£(3,826)	£(6,848)	Outflow down 44.1%
Cash balance at Quarter end	£36,530	£46,617	-21.6%

¹ Only includes Degriktour's unique customers since 1 October 2000.

² TTV does not represent the Group's statutory turnover and comprises amounts relating to the Group and its share of joint ventures.

Enquiries:

lastminute.com
Allan Leighton
Brent Hoberman
Martha Lane Fox
David Howell

+44 (0) 20 7802 4498

Citigate Dewe Rogerson

Anthony Carlisle
Georgina Peiser

+44 (0) 20 7638 9571
+44 (0) 7973 611 888

Notes to Editors:

About lastminute.com

Based on the idea of matching supply and demand, lastminute.com offers consumers last minute opportunities to acquire airline tickets, hotel rooms, package holidays, entertainment tickets, restaurant reservations and home delivery, speciality services, gifts and auctions in the United Kingdom, France, Germany, Italy, Sweden, Spain, The Netherlands, Australia and South Africa. At 31 December 2001, lastminute.com had established approximately 10,100 supplier relationships, with companies such as Lufthansa, bmi british midland, United Airlines, Virgin Atlantic Airways, Starwood Hotels and Resorts Worldwide, Kempinski Hotels, Sol Melia, Six Continents, JMC, Disneyland Paris, English National Ballet, The Royal Albert Hall, Conran Restaurants and The Wayahead Box Office.

lastminute.com plc
Quarter 1 2002 Results

OPERATIONAL REVIEW

Continued growth in subscribers, customers and conversion

Quarter on quarter, and year on year, we have seen significant increases in the number of subscribers, customers and the conversion rate of lookers to bookers. Subscribers have increased to 4.6 million at 31 December 2001, which represents an increase of 60.5% year on year and 9.1% Quarter 1 on Quarter 4 2001.

Our greater breadth of supply and extremely attractive product pricing has driven significant increases in the number of customers during the Quarter. Our cumulative number of unique customers since inception, at 31 December 2001, has grown 2.9 times year on year to approximately 670,000.

Additional technological enhancements to the site continue to deliver improved conversion rates which at 31 December 2001 have risen to 16.1% from 13.9% and 8.9% at 30 September 2001 and 31 December 2000 respectively.

Ongoing focus on the quality of transactions and gross margins

Total transaction value (TTV) for the Quarter was £31.7 million (Q1 2001: £20.2m), representing an increase of 56.8% over the equivalent period of the prior year. As expected, TTV has fallen from the level of the previous quarter due to seasonality. Quarter 1 is seasonally the weakest quarter of the year for the key travel sector and Quarter 4 is seasonally the strongest.

Turnover, including our share of joint ventures, for Quarter 1 was £4.8 million (Q1 2001: £2.9m), which represents an increase of 63.7% over the equivalent period of the prior year.

Gross margins increased Quarter 1 on Quarter 4 2001 from 13.7% to 14.1% reflecting our ongoing success in improving commercial supply arrangements. Advertising and sponsorship revenue has also increased from the level seen in the previous quarter, thus continuing to contribute to improved margins.

Strong like for like growth in TTV, turnover and a reduction in net losses

Our UK TTV for the Quarter has grown by 115% to £17.6 million (Q1 2001: £8.2m) when compared to the equivalent period of the prior year.

Quarter 1 2002 on Quarter 1 2001, UK turnover has grown by 96%. Turnover growth in Other European Union Countries is 35% up year on year. This is greater than TTV growth over the same period, leading to increased gross margins, particularly outside the UK business.

We have also succeeded in reducing the net loss on ordinary activities before taxation in Other European Union Countries (excluding UK) by 59% Quarter 1 2002 on Quarter 1 2001 to £2.1 million (Q1 2001: £5.1m). In total the Group has reduced the net loss for the Quarter from £15.4 million last year to £10.8 million, a reduction of 29.6%.

Enhanced fulfilment process over the Christmas period

We significantly increased the number of gifts sold during the Christmas period, particularly in the UK. Our enhanced fulfilment processes enabled us to sell over 20,000 gifts and experiences during December, 8 times the volume of the prior year.

Continued international development

We have demonstrated that the lastminute.com business model can be successfully exported to international markets through our Australian joint venture. After just 16 months in operation lastminute.com Australia announced its first monthly profit for December 2001. Significant increases in items sold were driven by growth in visitor numbers during November when the site was ranked the 6th most visited e-commerce site in Australia (source: Red Sherriffs ratings agency).

In February 2002, we announced the signing of a joint venture agreement with Kinki Nippon Tourist Co. Ltd., Nippon Travel Agency Co. Ltd., Japan Efund, Mitsubishi Corporation/MC Capital Fund and Credit Saison Co. Ltd establishing a new e-commerce business under the lastminute.com brand in Japan.

lastminute.com plc
Quarter 1 2002 Results

Strengthening our supplier relationships and broadening product availability

In October 2001 we signed a global partnership agreement with Deutsche Lufthansa AG. This worldwide co-operation agreement will strengthen Lufthansa's partnership strategy and covers our key markets of the UK, France, Germany, Italy, and Spain as well as Sweden and South Africa. This partnership provides further attractively priced flights and products for our customers.

In November 2001 we announced a partnership agreement with The Way Ahead Box Office to offer a full range of rock and pop events through the 'going out' section of our UK website.

In December 2001 we signed an agreement with Disneyland Paris to enable our users to purchase packages to Disneyland Paris and benefit from special value added offers.

All of the above continue to broaden the breadth of value products available on the site, which helps to significantly drive improved customer conversion and TTV.

Continued brand development

During the Quarter we have maintained or extended our leading visitor and reach metrics within the major markets. In December 2001 lastminute.com was ranked number 1 across Europe¹ by NetValue in their Home panels within the Travel and Tourism Category with a total reach of 2.4% and was also number 1 in the UK at Work and University.

lastminute.com was also ranked number 1 in this category in the UK (3.6% Home reach), Germany (1.8% Home reach) and Italy (2.1% Home reach) and number 2 in France (2.9% Home reach) and Spain (3.7% Home reach).

Increasing access to lastminute.com through partnerships

In November 2001 we announced a major pan-European content and e-commerce agreement to provide AOL Europe's 5 million members branded services with the best lastminute travel, entertainment and shopping offers. Under the terms of the agreement AOL Europe will integrate the lastminute.com booking and search engines into its Travel, Entertainment and Shop@ Channels across AOL services in the UK, France and Germany.

Leveraging technology

Working with Microsoft, in December 2001 we announced that we now offer customers the ability to sign up to .NET Alerts and to receive up-to-date and personalised holiday offers. In January 2002 we joined with live auction tv channel and bid-up tv to auction top quality holidays. Bid-up tv is now available in all Sky Digital and Broadband cable homes. Also in January 2002 we announced the formation of a strategic partnership with Orange UK to develop innovative mobile retail applications.

During the Quarter, we have completed a major customer profiling and segmentation project and introduced a new traffic monitoring tool. This is giving us a much greater understanding of our customers and enables us to carry out more targeted marketing campaigns through our weekly e-mail deliveries.

Brent Hoberman
Chief Executive Officer

Martha Lane Fox
Group Managing Director
8 February 2002

¹ This ranking includes the UK, Spain, France, Italy, Germany, Denmark, Norway and Sweden and only covers Home usage.

lastminute.com plc
Quarter 1 2002 Results

FINANCIAL REVIEW

Total transaction value (TTV), turnover and gross margins

TTV for Quarter 1 was £31.7 million (Q1 2001: £20.2m), representing an increase of 56.8% over the equivalent period of the prior year. Turnover including our share of joint ventures for the Quarter totalled £4.8 million (Q1 2001: £2.9m), which is an increase of 63.7% year on year. Gross profit for the Quarter was £4.5 million compared with £2.8 million for the equivalent period of the prior year representing an increase of 60.5%.

Significant reduction in cost base

Operating costs before depreciation and goodwill amortisation have fallen significantly during the Quarter reflecting our ongoing focus on efficiency improvements and the benefit from the cost reduction programmes introduced during the second half of the previous financial year. Year on year and quarter on quarter, total operating costs before depreciation and goodwill amortisation have fallen by £3.9 million and £2.6 million (28.9% and 21.4%) respectively to £9.6 million.

Compared with Quarter 4 2001 general and administration costs reduced by 25.3% to £3.0 million, product development costs have fallen by 30.3% to £1.6 million and sales and marketing costs have decreased by 15.9% to £5.1 million. However, we continue to invest appropriately in our core technology and the development of the brand to create competitive advantage.

Our segmental analysis presented in note 3 has been enhanced this Quarter to show central costs separately.

EBITDA improvements

Losses before interest, taxation, depreciation and goodwill amortisation have reduced by 10.8% Quarter 1 on Quarter 4 2001 to £5.1 million and year on year by 52.2%. These significant improvements have been achieved through an increase in the scale of transactions and contributions from gross margin, together with major cost reductions.

Total operating loss improvements

Despite Quarter 1 being the seasonally weakest quarter for the key travel sector, we have delivered a reduction of 4.7% in operating losses to £11.1 million compared with Quarter 4 2001, the strongest TTV quarter. We remain on track to deliver operational profitability in the UK and France in the April to June quarter.

Significant reduction in operating cash outflow

At 31 December 2001 the cash position of the Group stood at £36.5 million. Operating cash outflow (before outflows relating to acquisitions) fell significantly in the Quarter to £3.8 million, from £6.8 million for the prior quarter a reduction of 44.1%. Year on year the operating cash outflow fell from £11.4 million to £3.8 million, a reduction of 66.5%. This marked improvement was achieved due to a number of factors including enhanced working capital management, which has seen debtors fall by £0.9 million or 7.8%, the receipt of £0.7 million from a sponsorship arrangement concluded in the Quarter and receipts from strong trading, particularly in France, at the Quarter end prior to the New Year holiday period.

For this Quarter, in order to improve the clarity of the cashflow statement, we have included a further subtotal which shows the net cash outflow before acquisition funding and the management of liquid resources and financing.

During the Quarter £6.3 million was paid, as agreed in the original sale documentation, in relation to the final payment of deferred consideration relating to the Degriktour acquisition.

David Howell
Chief Financial Officer
8 February 2002

lastminute.com plc
Quarter 1 2002 Results

INDEPENDENT REVIEW REPORT to lastminute.com plc

Introduction

We have been instructed by the company to review the financial information for the three months ended 31 December 2001, which comprises the Consolidated Profit and Loss Account, Consolidated Balance Sheet, Consolidated Statement of Cash Flows and the related notes 1 to 3. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the interim report in accordance with the Listing Rules of the Financial Services Authority which require that the accounting policies and presentation applied to the interim figures should be consistent with those applied in preparing the preceding annual accounts except where any changes, and the reasons for them, are disclosed.

Review work performed

We conducted our review in accordance with guidance contained in Bulletin 1999/4 'Review of interim financial information' issued by the Auditing Practices Board for use in the United Kingdom. A review consists principally of making enquiries of group management and applying analytical procedures to the financial information and underlying financial data, and based thereon, assessing whether the accounting policies and presentation have been consistently applied, unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with United Kingdom Auditing Standards and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the financial information.

Review conclusion

On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the three months ended 31 December 2001.

Ernst & Young LLP
London
8 February 2002

lastminute.com plc
Quarter 1 2002 Results

	Quarter ended 31 Dec 2001 £000s (Unaudited)	Quarter ended 30 Sept 2001 £000s (Unaudited)	Quarter ended 31 Dec 2000 £000s (Unaudited)
Total transaction value (departure based)	31,731	46,878	20,233
Consolidated Profit and Loss Account			
Turnover			
Group and share of joint ventures	4,774	7,007	2,917
Less: share of joint ventures	(47)	(47)	-
Group turnover	4,727	6,960	2,917
Cost of sales	266	515	138
Gross profit	4,461	6,445	2,779
Operating costs			
Product development	1,561	2,239	2,155
Sales and marketing	5,051	6,007	7,205
General and administration	2,966	3,970	3,941
Non-cash share-based compensation	(38)	(54)	619
National Insurance provision	25	4	(458)
Operating costs before depreciation and goodwill amortisation	9,565	12,166	13,462
EBITDA	(5,104)	(5,721)	(10,683)
Depreciation	2,359	2,288	2,021
Goodwill amortisation	3,665	3,665	3,665
Operating loss	(11,128)	(11,674)	(16,369)
Share of operating loss in joint ventures	(87)	(56)	(69)
Total operating loss: Group and share of joint ventures	(11,215)	(11,730)	(16,438)
Interest receivable	387	687	1,055
Interest payable and similar charges	(13)	(3)	(11)
Loss on ordinary activities before taxation	(10,841)	(11,046)	(15,394)
Taxation on ordinary activities	-	(234)	-
Loss on ordinary activities after taxation	(10,841)	(11,280)	(15,394)
Loss per share -			
Basic and diluted	(6.25)p	(6.52)p	(9.31)p
Weighted number of Ordinary Shares outstanding	173,390,768	173,137,039	165,349,548

lastminute.com plc
Quarter 1 2002 Results

Consolidated Balance Sheet

	At 31 Dec 2001 £000s (Unaudited)	At 30 Sept 2001 £000s (Audited)	At 31 Dec 2000 £000s (Unaudited)
FIXED ASSETS			
Intangible assets	40,326	43,992	54,971
Tangible assets	12,229	13,656	15,040
Investments – joint ventures			
– gross assets	469	455	465
– gross liabilities	(127)	(78)	(68)
Total joint venture net assets	342	377	397
Total fixed assets	52,897	58,025	70,408
CURRENT ASSETS			
Stock	96	40	115
Debtors	10,306	11,173	10,771
Cash at bank and in hand	36,530	46,617	70,928
CREDITORS: amounts falling due within one year	46,932 (21,310)	57,830 (26,400)	81,814 (24,585)
NET CURRENT ASSETS	25,622	31,430	57,229
TOTAL ASSETS LESS CURRENT LIABILITIES	78,519	89,455	127,637
CREDITORS: amounts falling due after more than one year	(150)	-	(135)
PROVISIONS FOR LIABILITIES AND CHARGES	(512)	(543)	(1,054)
TOTAL NET ASSETS	77,857	88,912	126,448
CAPITAL AND RESERVES			
Called up share capital	1,738	1,733	1,702
Share premium account	112,959	112,983	112,928
Profit and loss account	(105,078)	(94,080)	(55,750)
Merger reserve	61,892	61,892	61,746
Other reserves	6,346	6,384	5,822
TOTAL EQUITY SHAREHOLDERS' FUNDS	77,857	88,912	126,448

lastminute.com plc
Quarter 1 2002 Results

Consolidated Statement of Cash Flows	Quarter ended 31 Dec 2001 £000s (Unaudited)	Quarter ended 30 Sept 2001 £000s (Unaudited)	Quarter ended 31 Dec 2000 £000s (Unaudited)
NET CASHFLOW FROM OPERATING ACTIVITIES	(3,550)	(6,101)	(9,497)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received	387	687	1,055
Interest paid	(13)	(21)	(11)
Net returns on investments and servicing of finance	374	666	1,044
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENTS			
Payments to acquire tangible fixed assets	(932)	(1,500)	(2,962)
Receipts from sale of tangible fixed assets	282	87	-
NET CASH OUTFLOW BEFORE ACQUISITIONS AND MANAGEMENT OF LIQUID RESOURCES AND FINANCING ACQUISITIONS	(3,826)	(6,848)	(11,415)
Cash acquired with subsidiary	-	160	-
Payments to acquire subsidiary ¹	(6,268)	-	(21,350)
NET CASH OUTFLOW BEFORE MANAGEMENT OF LIQUID RESOURCES AND FINANCING	(10,094)	(6,688)	(32,765)
MANAGEMENT OF LIQUID RESOURCES			
(Increase)\decrease in short term deposits	(1,395)	(1,513)	11
FINANCING			
Issue of share capital	7	7	5
DECREASE IN CASH	(11,482)	(8,194)	(32,749)
RECONCILIATION OF CASH FLOW TO MOVEMENT IN NET FUNDS			
MOVEMENT IN CASH	(11,482)	(8,194)	(32,749)
Cash outflow\(\inflow) from short term deposits	1,395	1,513	(11)
	(10,087)	(6,681)	(32,760)
NET FUNDS AT THE BEGINNING OF THE QUARTER	46,617	53,298	103,688
NET FUNDS AT THE END OF THE QUARTER	36,530	46,617	70,928

¹ December 2001 payment relates to deferred consideration on the acquisition of the Degriffour Group.

lastminute.com plc
Quarter 1 2002 Results

Notes to the Interim Financial Statements

1. Basis of reporting

The interim financial statements have been prepared on the basis of the accounting policies set out in the Group's statutory accounts for the year ending 30 September 2001. The financial information contained in this interim statement does not constitute statutory accounts within the meaning as defined in Section 240 of the Companies Act 1985. The financial information for the full preceding year is based on the statutory accounts for the financial year ended 30 September 2001. Those accounts, upon which the auditors issued an unqualified opinion, will be delivered to the Registrar of Companies.

2. Additional Information

	Quarter ended 31 Dec 2001	Quarter ended 30 Sept 2001	Quarter ended 30 Jun 2001	Quarter ended 31 Mar 2001	Quarter ended 31 Dec 2000	Quarter ended 30 Sept 2000
Number of items sold in period	298,425	251,522	205,138	188,676	160,819	108,188
Number of registered subscribers at period end	4,591,426	4,208,484	3,514,027	3,136,077	2,860,736	2,850,678
Cumulative unique customers at period end	669,550	536,446	410,561	323,747	234,549	156,196
Number of new unique customers in the Quarter	133,104	125,885	86,814	89,198	78,353	48,203
Number of suppliers at period end	10,113	9,286	8,524	9,147	9,200	9,221

lastminute.com plc
Quarter 1 2002 Results

3. Total transaction value (TTV), turnover and segmental analysis

The Group is engaged in the provision of last minute travel, leisure and gift solutions to its customers via the Internet and other related electronic distribution platforms. The Group's TTV and turnover are all generated within this segment.

Geographical analysis:	TTV (by destination and source)		Turnover (by destination and source)	
	Quarter ended 31 Dec 2001 £'000s	Quarter ended 31 Dec 2000 £'000s	Quarter ended 31 Dec 2001 £'000s	Quarter ended 31 Dec 2000 £'000s
By geographical area:				
United Kingdom	17,552	8,168	2,542	1,296
Other European Union countries	13,748	12,065	2,185	1,621
Joint Ventures	431	-	47	-
	31,731	20,233	4,774	2,917
	Net (loss) on ordinary activities before taxation		Net assets/(liabilities)	
By geographical area:				
United Kingdom	(147)	(1,023)	30,008	(6,482)
Other European Union countries ¹	(1,298)	(4,006)	10,977	61,605
Central costs ²	(9,683)	(11,340)		
	(11,128)	(16,369)	40,985	55,123
Share of operating loss and net assets of joint ventures	(87)	(69)	342	397
Net interest receivable	374	1,044		
Interest bearing assets			36,530	70,928
	(10,841)	(15,394)	77,857	126,448

¹Net assets include £40,326,000 of goodwill at 31 December 2001 (31 December 2000: £54,971,000).

²Central costs for both quarters include technical development and maintenance costs and the expenses related to the Group management functions, which are not apportioned across the Group's operating businesses. In addition central costs include £3,665,000 of goodwill amortisation for both quarters.

lastminute.com plc
Quarter 1 2002 Results

Definitions

Registered subscribers are users of the lastminute.com web site who have submitted their e-mail addresses and other data and have elected to receive lastminute.com's weekly e-mail. This does not include users who register with the Company but elect not to receive its weekly e-mails. Since lastminute.com counts its registered subscribers based on their e-mail addresses, users who register multiple times using different e-mail addresses will count as multiple registered subscribers. For example, if a user has registered with lastminute.com using an e-mail address at work and one at home, the user will be counted as two registered subscribers.

Total transaction value does not represent statutory turnover. In the majority of transactions, where lastminute.com acts as agent or cash collector, total transaction value represents the price at which products or services have been sold, net of value added tax and associated taxes. In other cases, for example the reservation of restaurant tables, a flat fee is earned, irrespective of the value of products or services provided. In such cases total transaction value represents the flat fee earned. In the small number of cases where lastminute.com acts as principal, total transaction value represents the price at which products or services are sold, net of value added tax and associated taxes. Departure based total transaction value represents total transaction value calculated with reference to the date of departure.

Turnover - in the majority of cases, lastminute.com does not take ownership of the products or services being sold and acts as agent, receiving a commission from the supplier of the products or services being sold. In these cases, turnover represents commission earned, less amounts due or paid on any commission shared. In a limited number of cases, lastminute.com acts as principal and purchases the products or services for resale. Where lastminute.com acts as principal, turnover represents the price at which the products or services are sold. Turnover is recognised once charges to the customer's credit card have been made except for travel, which is recognised on the date of departure, and is stated exclusive of value added tax and associated taxes. Additional revenue streams (e.g. sponsorship) also contribute to turnover.

Gross margin is defined as gross profit over total transaction value.

Operating cash outflow is defined as net cash outflow before management of liquid resources, financing and acquisitions.

Conversion is defined as the **number of customers** over the number of **registered subscribers** (excluding those applicable to joint ventures).

The **number of customers** is the cumulative number of unique customers (excluding repeat customers) since the inception of lastminute.com and the cumulative number of Degriktour's unique customers (excluding repeat customers) since 1 October 2000. Customers are defined as individuals who have purchased goods and services over lastminute.com's and Degriktour's platforms.

An **item sold** is an individually priced product or service purchased by a customer within the period.

The **number of suppliers** includes individual airlines, hotels, holiday package suppliers, entertainment vendors, gift suppliers, restaurants and specialty service suppliers.

lastminute.com plc
Quarter 1 2002 Results

This press release may contain forward-looking statements. Expressions of future goals, including without limitation, “intend”, “will”, “should”, “are well on track”, “expect” or “continue”, and similar expressions reflecting something other than historical fact are intended to identify forward looking statements. The following factors, among others, could cause lastminute.com’s actual results to differ materially from those described in the forward looking statements: management of lastminute.com’s rapid growth; speed of technological change, including introduction of new architecture for its web sites; systems-related failures; the ability to attract and retain qualified personnel; adverse changes in lastminute.com’s relationships with airlines and other product and service providers; adverse changes in the services provided by lastminute.com’s suppliers; lastminute.com’s ability to attract and develop an adequate international supplier and customer base; potential adverse changes in its commission rates; the effects of increased competition; risks relating to operating in internet – based commerce in foreign markets; lastminute.com’s dependence on its ability to establish its brand; lastminute.com’s ability to protect its domain names and other intellectual property rights; legal and regulatory risks; a slow down in the continued growth of ecommerce and the internet; unforeseen events affecting the travel industry and factors adversely affecting lastminute.com’s share price. All such forward-looking statements are made in reliance on the safe harbour provision of the US Private Securities Litigation Reform Act of 1995. These and other risk factors are described in detail in lastminute.com’s shareholder circular dated 8 September 2000, which has been filed with the Securities and Exchange Commission, USA and the Financial Services Authority, UK.