
**Financial results
for the 6 months and Quarter 2 ended
31 March 2002**

Allan Leighton
Chairman

lastminute.com continues to make substantial progress on all retail metrics

- Subscribers increase to 5.0m plus
- Conversion improves to 18.3%
- Q2 TTV increases by 46.6% year on year
- Q2 margins increase to 15.0%
- Operational profitability in the UK and France delivered one quarter earlier than previously indicated

Brent Hoberman
Chief Executive Officer

do something lastminute.com

Quarter 2 Major highlights

- Record gross margins of 15.0%
- Delivery of operational profitability in the UK and French businesses
- Reduction in operating cash outflow to £1.4m for the Quarter

Quarter 2 International developments

- Continued growth in the Australian joint venture and delivery of profitability
- On track in Japan to launch in time for the key Summer 2002 season

Quarter 2 Commercial and technological developments

- Partnership with BSkyB on Sky Active for Autumn 2002
- Relationship with Rivals.net for our sporting customers
- New hosting contract with COLT provides software management and significant hardware refresh
- Further developments of IVR for Hotels
- Development of a new flights engine with Rapid Travel Solutions

The immediate future - technology

Projects planned for completion in 2002

Efficiency Gains	Conversion	Supply	New Platforms	CRM
Oracle Financials	Improved search	Flights engine	Hotels voice recognition	e-piphany - further segmentation
Hotels extranet	Fast buy (one click ordering)	Tour operator connectivity	Mobile commerce	Caller pre-qualification
Holidays extranet		Dynamic packaging	Sky Active	
Degriftour integration		Hotels connectivity		

According to Net Value we are the number 1 travel and tourism site across Europe

Net Value data – March 2002

Country	Rank	% Reach
UK	1	4.3
France (combined) *	2	5.9
LM Fr	2	3.1
Degriftour	4	2.8
Italy	1	2.0
Spain	3	3.5

* After SNCF – the French railway

Dynamic packaging - 1

FIND IT

Homepage

Travel

Holidays

Hotels

Flights

Luxury Travel

Destination Ideas

Car Hire

Entertainment

Restaurants

Experiences

Sport

Theatre

Music

Staying In

Order a takeaway

Buy DVDs

Gifts

Auctions

Friends **hot!**

Bank Hols

More...

Help

Shopping Basket

Register / Login

Personalise

About us

Question:

How many of these items
would you want to put into
a single shopping basket?

Answer:

MOST

Dynamic packaging - 2

Business benefits:

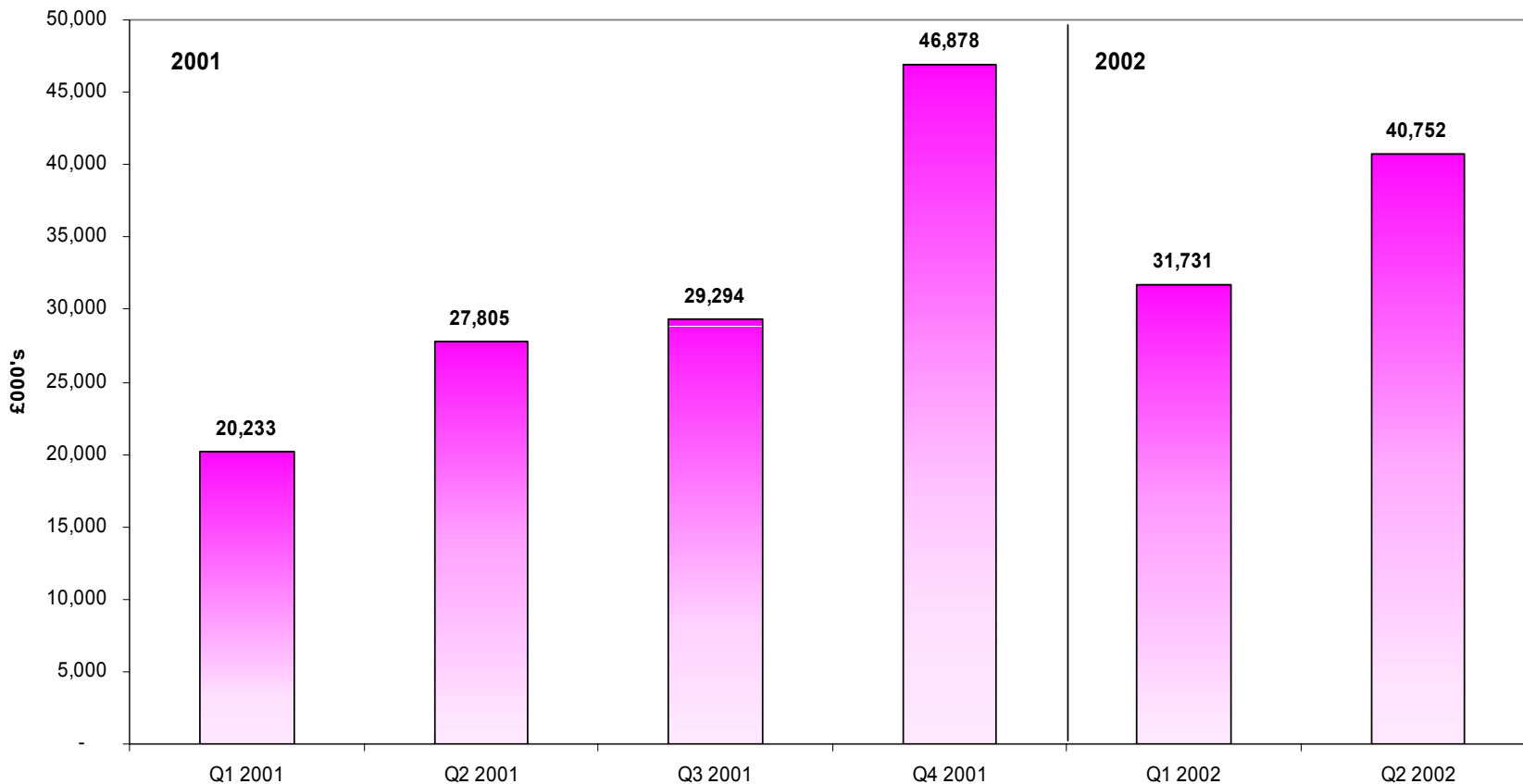
- Competitive differentiation
- Stronger supply relationships
- Customer loyalty
- Improved scale

All of which lead to **better margins**

David Howell
Chief Financial Officer

Departure based total transaction value

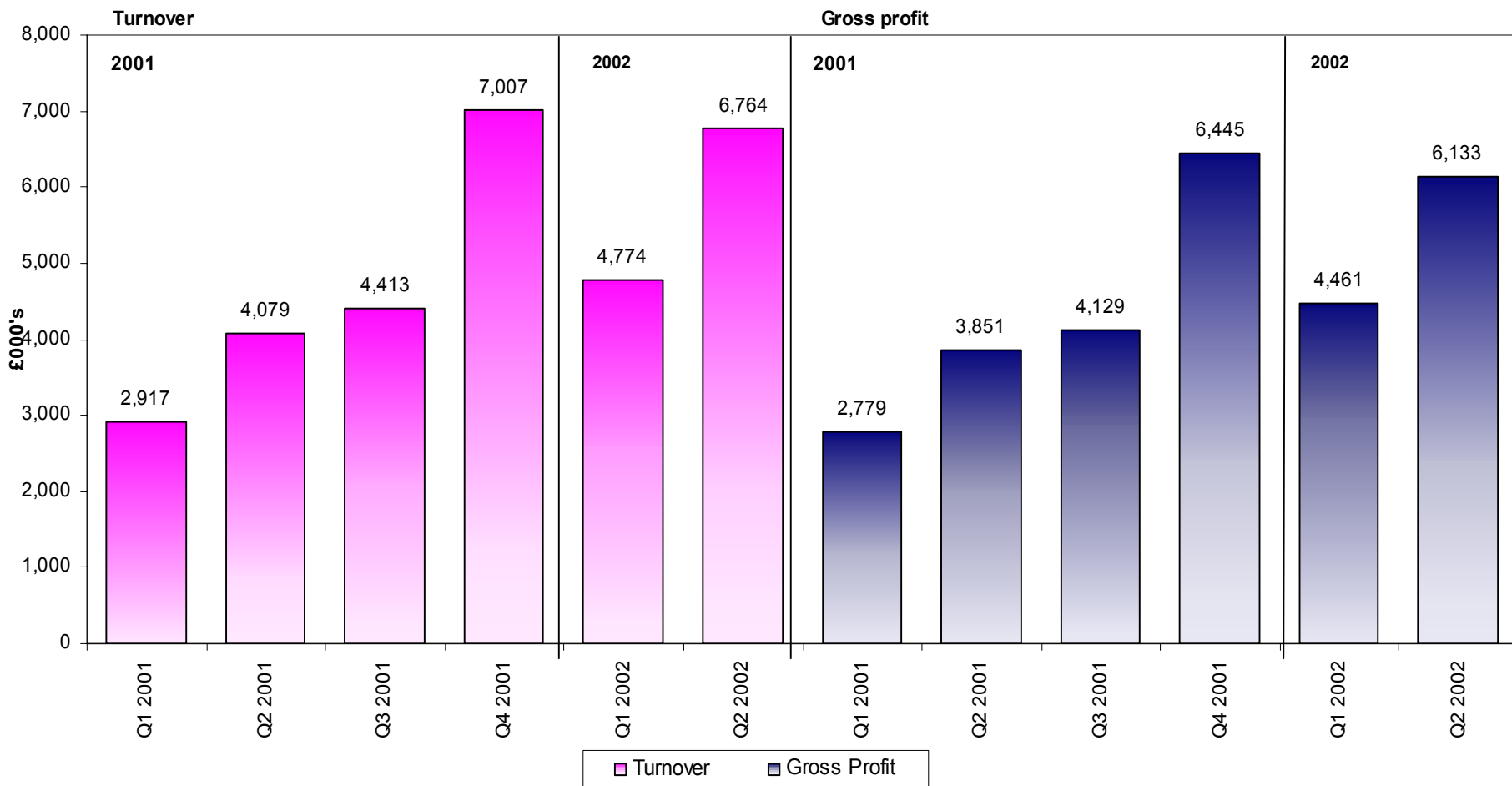
Q2 2002/Q2 2001 Growth: 46.6 %
Q1 & Q2 2002/Q1 & Q2 2001 Growth: 50.9 %



Turnover and gross profit

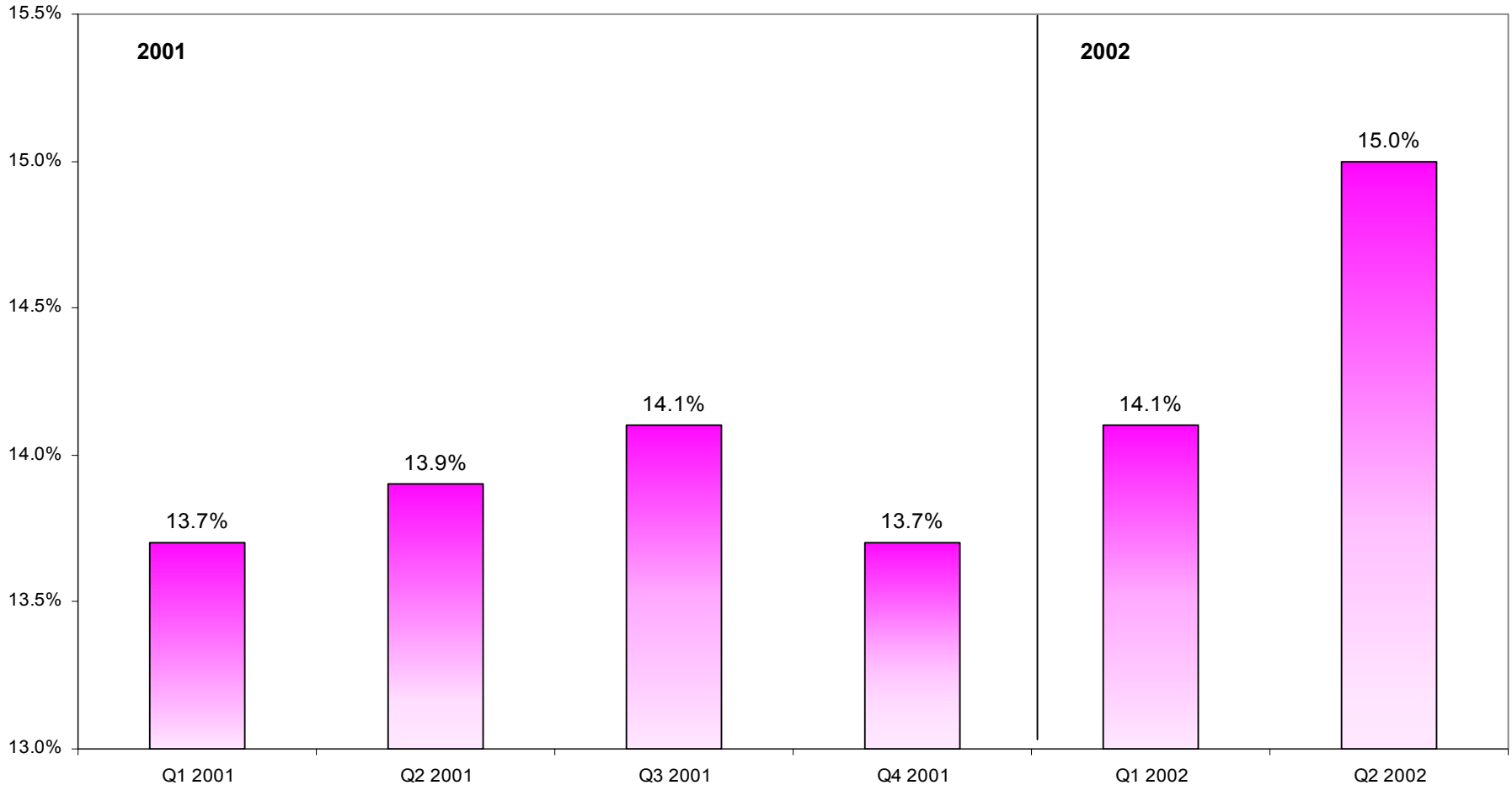
Q2 2002/Q2 2001 Turnover growth: 65.8 %
 Q1 & Q2 2002/Q1 & Q2 2001 Turnover growth: 64.9 %

Q2 2002/Q2 2001 Gross profit growth: 59.3 %
 Q1 & Q2 2002/Q1 & Q2 2001 Gross profit growth: 59.8 %



Percentage gross margin

Q2 2002/Q2 2001 growth: 1.1 % points
Q2 2002/Q1 2002 growth: 0.9 % points



Q2 Segmental analysis

Net profit/(loss) before taxation

£'000s	3 mths to 31.03.02	3 mths to 31.03.01	Variance	% Variance
UK	293	(2,213)	2,506	113.2
France	176	(492)	668	135.8
Germany	(522)	(1,095)	573	52.3
Core Countries EBITDA	(53)	(3,800)	3,747	98.6
Satellite Countries	(358)	(1,257)	899	71.5
Joint Ventures	(91)	(29)	(62)	(213.8)
Country & JV EBITDA	(502)	(5,086)	4,584	90.1
Central Costs:				
Tech and HQ	(2,747)	(4,353)	1,606	36.9
Depreciation	(2,265)	(2,207)	(58)	(2.6)
Goodwill amortisation	(3,666)	(3,665)	(1)	0.0
Interest received	219	958	(739)	(77.1)
Net loss before taxation	(8,961)	(14,353)	5,392	37.6

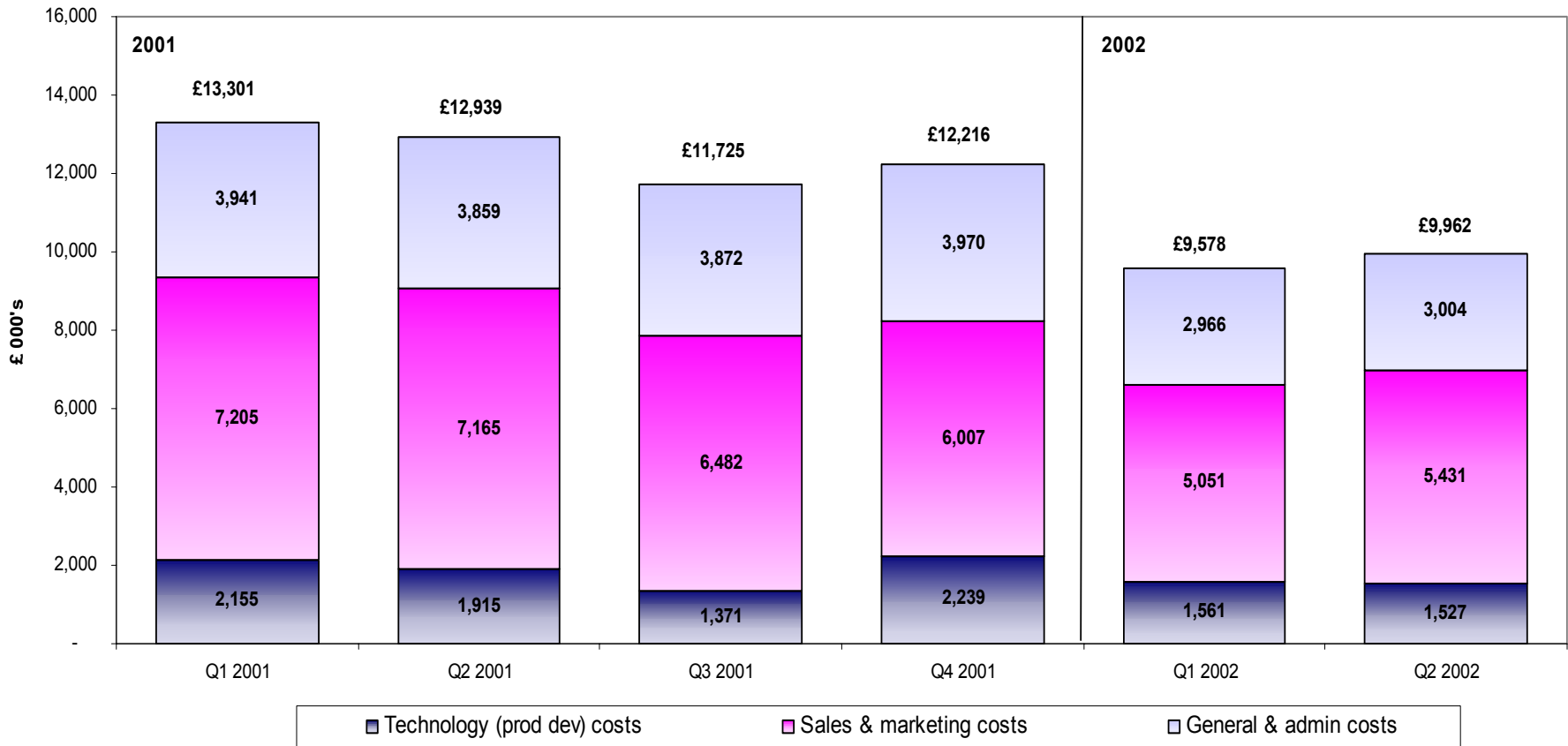
Year to Date Segmental analysis

Net profit/(loss) before taxation

£'000s	6 mths to 31.03.02	6 mths to 31.03.01	Variance	% Variance
UK	146	(3,236)	3,382	104.5
France	(195)	(2,207)	2,012	91.2
Germany	(1,046)	(2,397)	1,351	56.4
Core Countries EBITDA	(1,095)	(7,840)	6,745	86.0
Satellite Countries	(761)	(2,246)	1,485	66.1
Joint Ventures	(178)	(98)	(80)	(81.6)
Country & JV EBITDA	(2,034)	(10,184)	8,150	80.0
Central Costs:				
Tech and HQ	(6,407)	(10,007)	3,600	36.0
Depreciation	(4,624)	(4,228)	(396)	(9.4)
Goodwill amortisation	(7,330)	(7,330)	(-)	0.0
Interest received	593	2,002	(1,409)	(70.4)
Net loss before taxation	(19,802)	(29,747)	9,945	33.4

Quarterly costs

	Costs as % of TTV		
	<u>Q2 2002</u>	<u>Q2 2001</u>	<u>% Change</u>
Tech	3.7	6.9	(46.4)
S&M	13.3	25.8	(48.4)
G&A	7.4	13.9	(46.8)

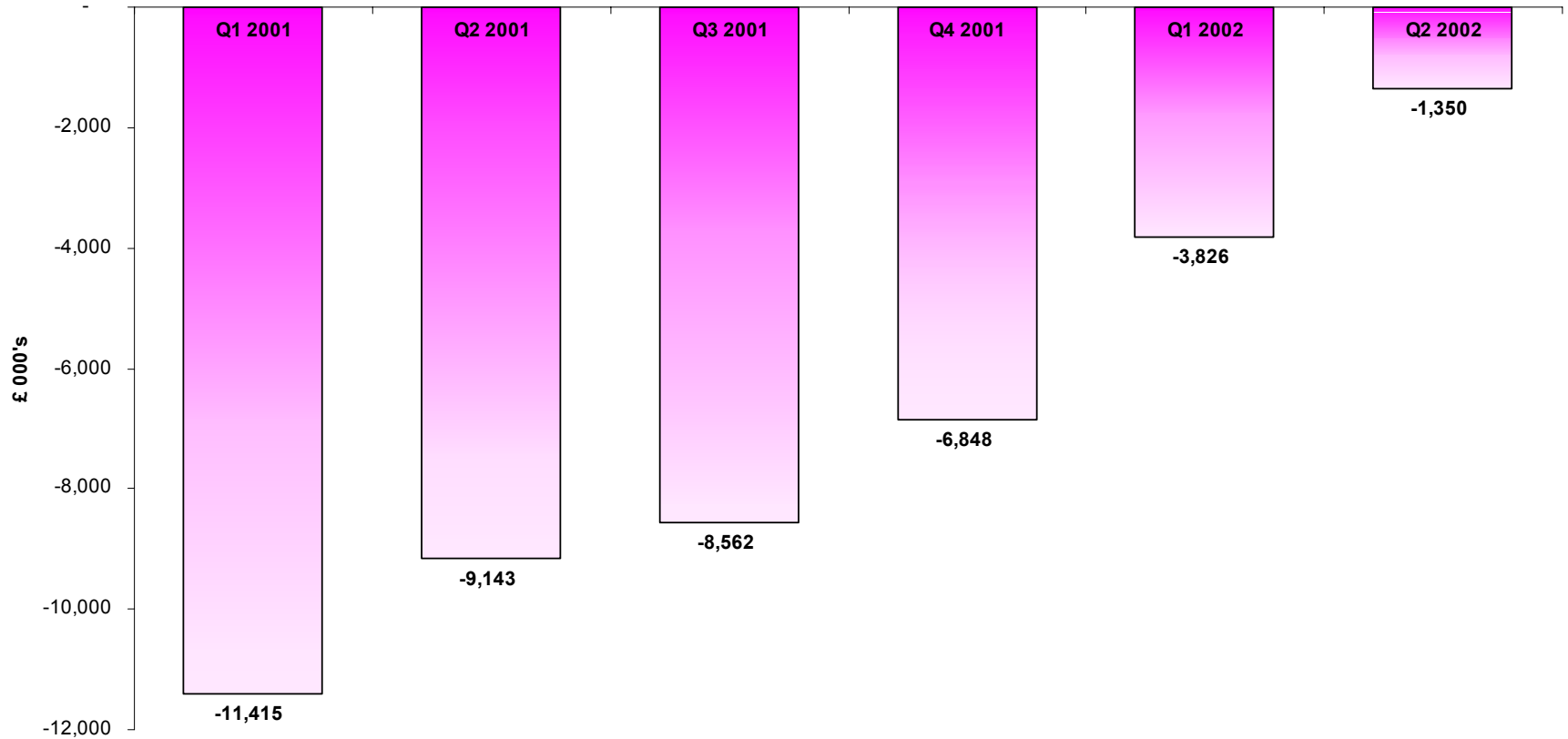


Balance sheet highlights

£ millions	31 Mar 02	31 Dec 01	31 Mar 01
Fixed Assets	48.3	52.9	66.9
Current assets:			
Stock	0.1	0.1	0.1
Debtors	9.9	10.3	14.3
Cash at bank	34.7	36.5	61.8
	44.7	46.9	76.2
Current liabilities	(24.1)	(21.3)	(29.4)
Net current assets	20.6	25.6	46.8
Provisions/long term liabilities	(0.6)	(0.6)	(1.2)
Shareholders' funds	68.3	77.9	112.5

Operating cash outflow

Q2 2002/Q1 2002 reduction: 64.7%
Q2 2002/Q2 2001 reduction: 85.2%



Martha Lane Fox
Group Managing Director

Continued focus on growth and conversion

- Conversion improves to 18.3% from 11.3% Q2 2001 and 16.1% Q1 2002
- Segmentation of the weekly e-mail – now 125 variants for UK subscribers
- Continued advancements on the website
- Continued growth in key hotel and tour operator partnerships

Conversion of lookers to bookers (unique bookings/unique weekly visitors)

% Conversion

Category:	Auctions	Flights	Gifts	Going Out	Holidays	Hotels	Restaurants	TOTAL	TOTAL TRAVEL
<u>UK</u>									
31 Mar 2001	-	0.6	2.4	3.2	1.4	1.1	-	-	-
30 Jun 2001	1.5	0.9	4.6	2.9	0.5	4.3	-	-	-
30 Sept 2001	0.6	1.7	5.0	6.3	1.2	4.7	2.7	3.4	2.7
31 Dec 2001	1.7	1.5	6.5	3.7	1.0	7.9	1.5	3.3	3.1
31 Mar 2002	3.2	1.9	7.9	5.8	1.1	8.4	3.5	5.0	4.4
c.f. Travelocity – average 2001 conversion for a five year old developed model									8.9
Expedia – Q1 2002 after a six year old developed model									5.8

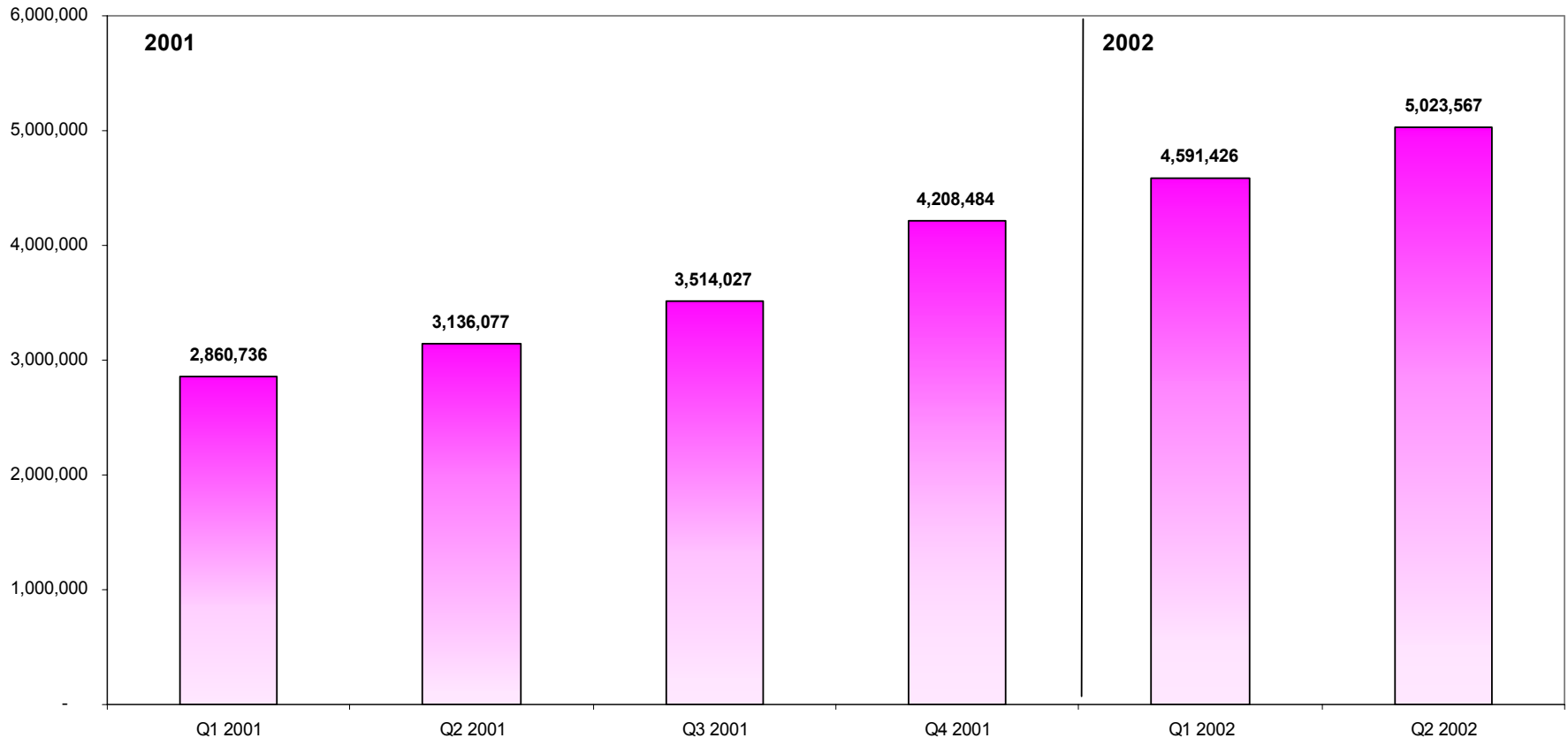
Key retail metrics - highlights

	Year on year		
	Q2 2002	Q2 2001	Change
UK Customer acquisition costs	£ 5.9	£ 25.0	-76.4%
Customers	183k	100k	83.0%
Number of items sold	359k	189k	89.9%
TTV per item sold	£ 113.7	£ 147.4	-22.9%
Baskets sold per customer	1.2	1.1	9.1%
Gross profit per shopping basket	£ 28.1	£ 35.3	-20.4%

We now email in excess of 5 million people per week with their permission

Q2 2002/Q1 2002 growth: 9.4%
Q2 2002/Q2 2001 growth: 60.2%

Registered subscribers



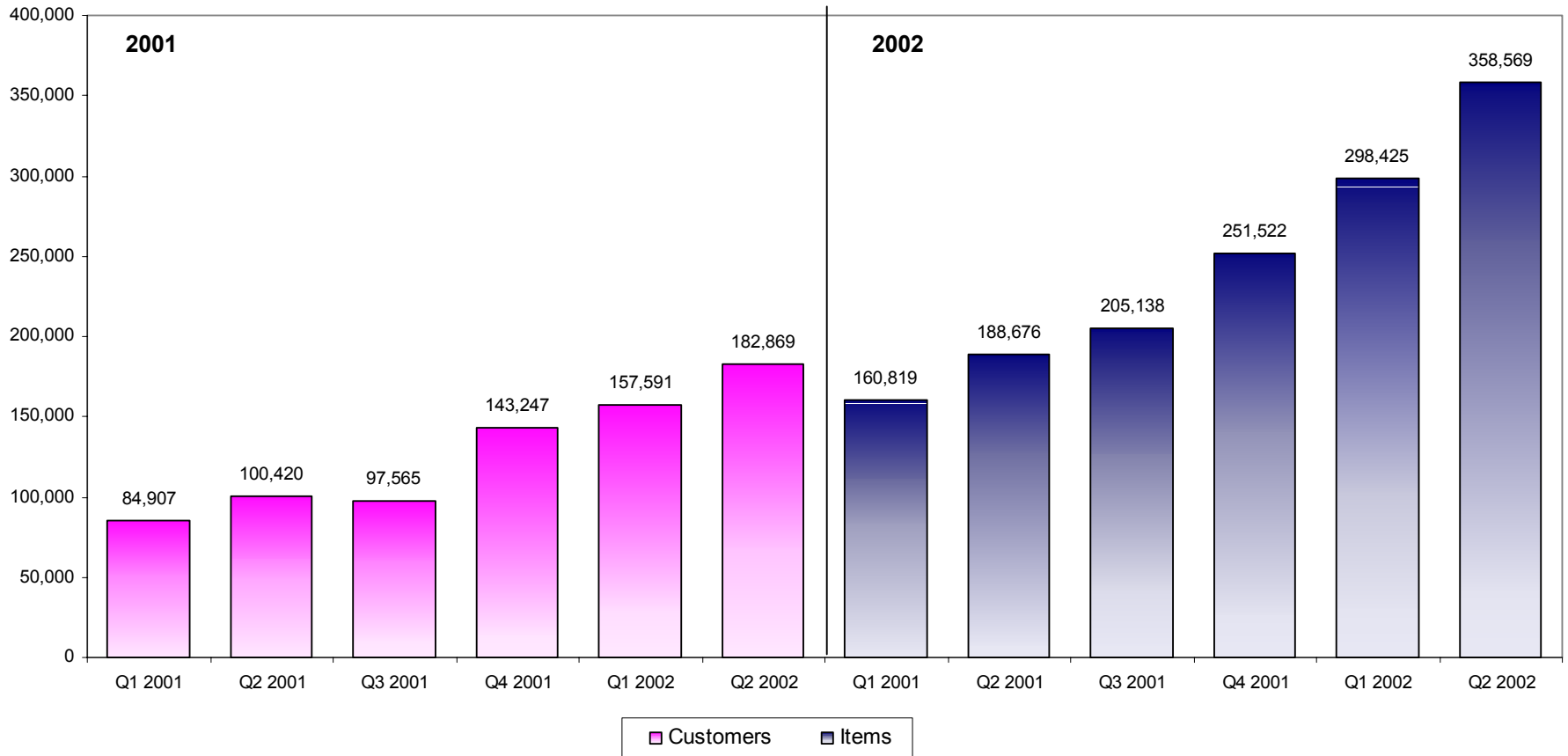
Customers per quarter and items purchased

Q2 2002/Q2 2001 growth: 82.1%
Q1 & Q2 2002/Q1 & Q2 2001 growth: 83.7%

Q2 2002/Q2 2001 growth: 90.0%
Q1 & Q2 2002/Q1 & Q2 2001 growth: 88.0%

Quarterly Customers

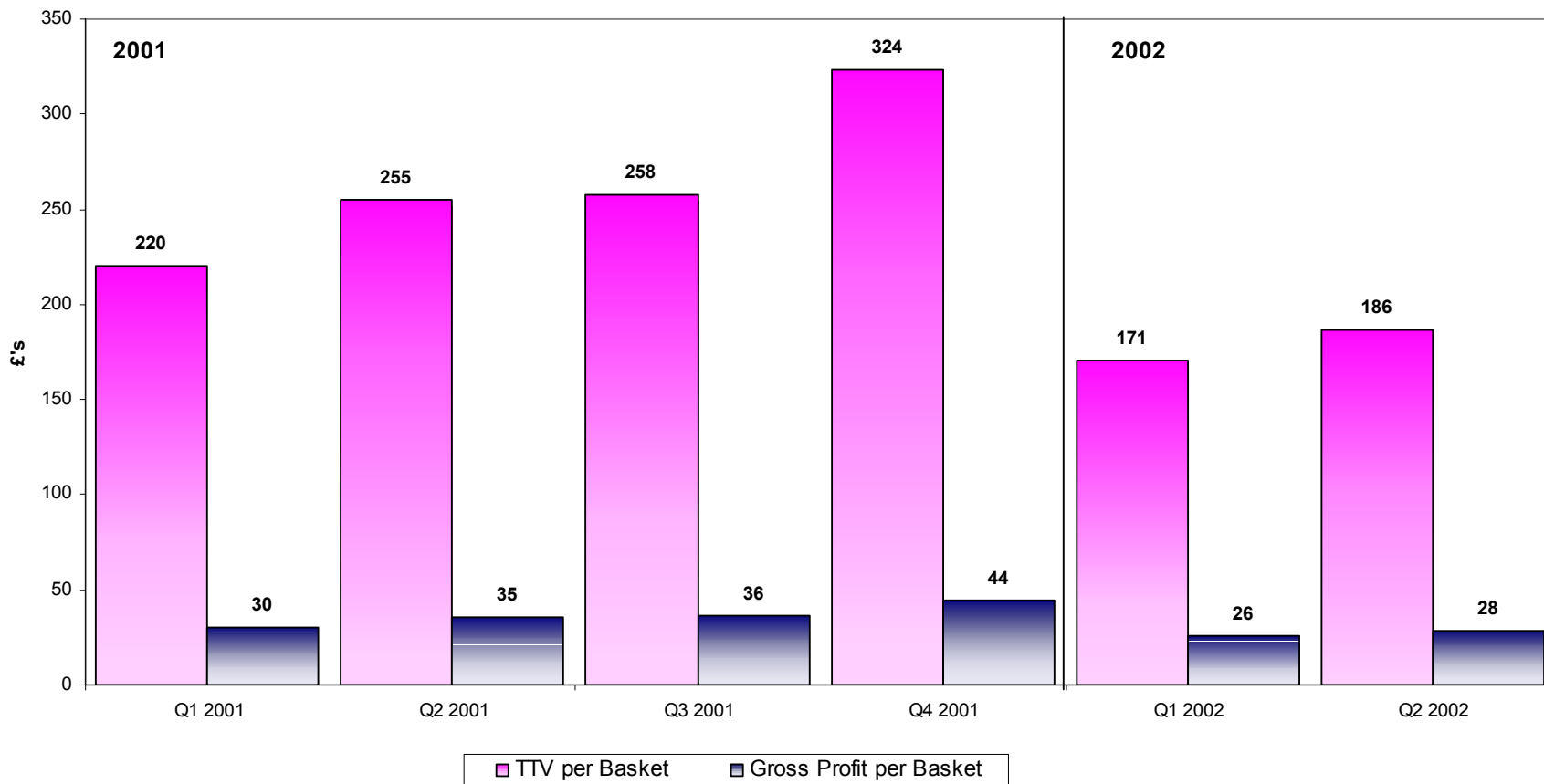
Items purchased



TTV and gross profit per shopping basket

TTV per shopping basket
Q2 2002/Q2 2001 change: **-27.1%**
Q2 2002/Q1 2002 change: **8.8%**

Gross profit per shopping basket
Q2 2002/Q2 2001 change: **-20.0%**
Q2 2002/Q1 2002 change: **7.7%**



Allan Leighton
Chairman

Summary

- Confident of continuing business growth and moving further towards overall Group profitability and positive operating cashflow in the second half