

Travel24.com AG

Nine-month report

Q3 2015



So geht Reisebüro heute!

Selected Key Group Data

<i>In thousands of euro</i>	January 1 - September 30		Change
	2015	2014	%
Revenue	11,686	20,588	-43 %
EBIT	1,559	2,067	-25 %
Net profit	448	525	-15 %
Earnings per share in euro (basic and diluted)	0.22	0.26	-15 %

Contents

SELECTED KEY GROUP DATA	2
CONTENTS	3
MESSAGE TO THE SHAREHOLDERS.....	5
GROUP MANAGEMENT REPORT.....	6
A. GROUP STRUCTURE	6
B. BUSINESS CONDITIONS	6
C. BUSINESS STRATEGY	7
D. TRAVEL AGENCY.....	7
E. MARKETING AND KEY PERFORMANCE INDICATORS.....	7
F. RESULTS OF OPERATIONS.....	8
G. FINANCIAL POSITION AND NET ASSETS	8
H. EMPLOYEES	9
I. EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE	9
J. OPPORTUNITIES AND RISK REPORT	9
OUTLOOK	11
CONSOLIDATED BALANCE SHEET.....	12
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	14
CONSOLIDATED STATEMENT OF CASH FLOWS.....	15
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	16
NOTES TO THE INTERIM FINANCIAL STATEMENTS	16
I. GENERAL INFORMATION.....	16
II. ACCOUNTING AND MEASUREMENT PRINCIPLES	22
II.1 ACCOUNTING BASIS.....	22
II.2 INITIAL APPLICATION OF NEW OR AMENDED STANDARDS IN THE 2015 FINANCIAL YEAR.....	22
II.3 SCOPE OF CONSOLIDATION.....	22
III. NOTES TO THE CONSOLIDATED BALANCE SHEET	23
IV. NOTES TO THE CONSOLIDATED INCOME STATEMENT	23
V. SEGMENT REPORTING.....	24
VI. SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES	24
VII. EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE	24

<u>INVESTOR RELATIONS</u>	<u>25</u>
<u>SHAREHOLDINGS OF MEMBERS OF THE MANAGEMENT AND SUPERVISORY BOARDS.....</u>	<u>25</u>
<u>RESPONSIBILITY STATEMENT BY THE LEGAL REPRESENTATIVE</u>	<u>25</u>
<u>REPORTING CALENDAR</u>	<u>26</u>
<u>LEGAL NOTICES</u>	<u>27</u>

Message to the shareholders

Dear Shareholders,

In the third quarter of the financial year 2015 Travel24.com AG has been able to consolidate its operating results as planned, and achieve an EBIT of EUR 395 thousand which is a significant improvement compared to the same period in the previous year. The improvement is due to forcing the optimization of marketing expenses.

Progress is being made with the construction of the Hotel in Leipzig. We remain absolutely convinced that our market entry in the budget hotel segment and additionally focusing the business on this segment, is the right business strategy and that this strategy offers the prospect of long-term success for the Company.

Leipzig, November 2015

Yours sincerely

Armin Schauer

Management Board of Travel24.com AG

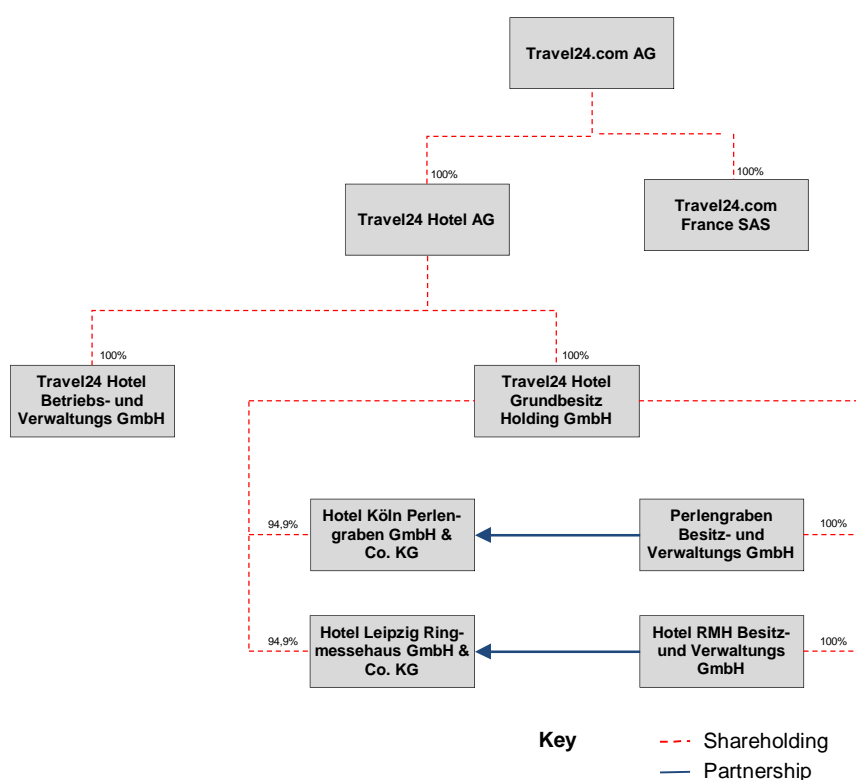
Group management report

Note:

We refer to Section I “General information” for details of the correction of an error in the key figures in 2015 and in the 2014 comparative period.

A. Group structure

The Group was structured as follows at September 30:



B. Business conditions

The large number of providers and substitute products in the online travel sector remains a source of possible shifts in demand in all the markets in which Travel24.com AG is active. As a result the competitive intensity is very high, both in our core German market and internationally. This also affects the intensity of the central marketing channels for the online travel placement sector as a whole. Based on the experience gained in the 2014 financial year and on the course of business to date in the 2015 financial year, and given the current competitive conditions and our business strategy, we expect to generate EBIT at the level of around EUR 2,400 thousand in the 2015 financial year.

We continue to see our Hotels segment, which is in the start-up phase, as a significant growth opportunity, and accordingly we view its prospects positively. In future the budget hotel business should drive growth in revenue and EBIT, and will additionally shift to become the focus of our business strategy.

C. Business strategy

Travel24.com AG continues to plan for the development and future growth of the Hotels segment. For this purpose the first budget design hotel is to be established in Leipzig. The hotel is currently under construction and should be opened within the next year.

The cost/revenue ratio in the online travel placement business in the Germany-Austria-Switzerland region will be kept at a stable level in order to generate a continued good level of EBIT and cash flows. The contribution to results supports the establishment and development of the Hotels segment.

Based on our experience in various European markets, where Travel24.com AG was able to generate some strong revenue but also generated negative results, Travel24.com AG is limiting its internationalization strategy to France. The consequence of this is that falls in revenues and booking volumes are to be expected, including in the final quarter, compared to the same period in the previous year. Some of these falls will be substantial. However, as the increased focus of the international activities will result in an improvement to and long-term stability in results, these falls should be seen as a strengthening rather than a weakening of the Group. The marketing optimization process that has been initiated will continue, and should be accompanied by improvements in the efficiency of the marketing channels. The optimized marketing intensity, both in the Germany-Austria-Switzerland region and internationally, should support the results contribution of the online travel placement sector as a whole.

D. Travel agency

The overall total of tourist bookings fell substantially compared to the comparable period in 2014, especially in the flight placement sector. The fall is primarily due to lower levels of bookings for international flights due to the need to make adjustments to product offerings, with the consequence that there are significant limitations on flight placements for certain flight products. In addition, the decline has been accelerated by the optimization of marketing expenditures in the Germany-Austria-Switzerland region and internationally. In the package travel agency the fall in booking numbers was moderate. The product portfolio remains significantly unchanged, both nationally and internationally. Here Travel24 remains very broad based, providing a wide range of travel services.

E. Marketing and key performance indicators

In Germany, our core market, Travel24.com AG continues to concentrate its efforts on online marketing processes, which are significant drivers of sales. Despite efficient management of these processes and with a low marketing expense per booking, we aim to maintain the booking volumes at a stable level.

The growth strategy in the French package tour market is also driven by the use of central online marketing channels. As a comparatively young market participant we continue to

experience a high marketing expense per booking. No further expansion of marketing efforts to additional international markets is planned at the current time.

Primary marketing performance indicators which are directly related to the marketing budget (visits, page views, and bookings) have behaved, and will continue to behave, in a manner proportional to the level of our marketing investment. There are no signs of a more than proportionate fall. There was a significant increase in the conversion rate, a performance indicator which is not directly related to the marketing budget, as a result of the optimization of marketing actions.

F. Results of operations

The Internet segment reports a fall in revenues for the first nine months of 2015 compared to the nine months of 2014 (from EUR 20,588 thousand to EUR 11,686 thousand; -43.2 %). This was connected to savings in marketing expenses, so that it was possible to increase gross profit from EUR 3,285 thousand to EUR 3,498 thousand despite this fall.

The Hotels business has not yet generated any revenues or made any significant contribution to results.

The operating result fell in the first nine months from EUR 2,067 thousand to EUR 1,559 thousand due to increased other operating expenses and personnel costs.

Interest expenses are primarily due to interest expenses incurred on the 7.5 % corporate bond.

As a result of the positive pre-tax result, tax expenses were recorded consisting of EUR 756 thousand of current taxes and a deferred tax expense of EUR 128 thousand.

These significant effects resulted in net income for the period of EUR 448 thousand. As a result the net income per share fell from 0.26 EUR/share to 0.22 EUR/share.

G. Financial position and net assets

The balance sheet total fell from EUR 32,947 thousand at December 31, 2014 to EUR 31,441 thousand, although there has been a shift in the maturity structure of the balance sheet.

Non-current assets fell by EUR 2,053 thousand (14.1 %). This was primarily a result of an amendment made to the loan agreement with Unister Holding GmbH which requires an accelerated repayment of the loan to be repayable within one year. As a result, open receivables are reported within current assets. On the other hand, further construction work on the Leipzig Ringmessehaus hotel project has taken place, resulting in increases to property, plant, and equipment of EUR 1,547 thousand.

Current assets fell slightly compared to December 31, 2014. The increase primarily reflects the fall in receivables due from related companies, due to the settlement with LOET Trading AG and the associated repurchase and transfer of Travel24 bonds to Travel24's portfolio. As the balance sheet total as a whole also fell in the same period, the share of current assets (including IFRS 5 assets) increased from 56 % to 60 %.

The EUR 1,161 thousand increase in cash and cash equivalents is primarily due to the receipt of loan repayment installments from Unister Holding GmbH (EUR 5,700 thousand). On the other hand, the cash flows include a payment of EUR 2,000 for a loan issued to LOET

Trading AG for the purchase of a parcel of land (secured by mortgage) and payments for investments in property, plant, and machinery of EUR 1,239 thousand.

The loss carried forward fell again as a result of the positive result for the period. On the other hand, the capital reserve is reduced by the waiver of receivables from LOET Trading AG (EUR 763 thousand). As a result, equity totals EUR 3,563 thousand. The equity ratio fell slightly as a result to EUR 11.3% (December 31, 2014: 11.8 %).

There has been a slight change in the capital structure on the liabilities side of the balance sheet. The share of long-term liabilities as a proportion of total capital amounted to 66 % (December 31, 2014: 70 %), primarily due to the simultaneous fall in non-current liabilities and the balance sheet totals.

H. Employees

Travel24.com AG employed eleven employees at the September 30, 2015 balance sheet date (excluding the Management Board).

I. Events subsequent to the balance sheet date

The sale of the Cologne Perlengraben property could not be completed in the third quarter of 2015. Accordingly, a subsequent amendment to the sale agreement was agreed in October 2015 (see section J “Opportunities and risk report”).

In October 2015 Travel24.com AG submitted an application to withdraw the listing of the Company's ordinary shares from the Prime Standard and permission to list the shares for trading in the General Standard segment of the regulated market. This application was approved by the Frankfurt Stock Exchange in October and the associated deregistration notice has been issued. The deregistration is effective from January 29, 2016. The shares will be registered and listed for trading on the General Standard segment of the regulated market, effective on February 1, 2016. This decision was taken by Travel24.com AG in consultation with the Frankfurt Stock Exchange in view of the shareholder structure of the Company.

J. Opportunities and risk report

The importance of the internet, mobile web pages, and apps as booking mediums continues to grow, enabling a general growth in online sales of travel and travel-related services. However, these advantages primarily accrue to companies which are market leaders. The competitive pressure remains very high because offerings are frequently homogeneous and readily comparable, as well as due to the pressure of constant technical progress.

However, due to the optimization of our marketing budgets in particular, we do not expect to participate in this growth, which would only be possible – if at all – with substantial additional funding. We continue to see opportunities in the budget hotel sector which is still registering strong growth. In comparison to the travel placement business the budget hotel sector is less vulnerable to changing technologies and less subject to short-term trends. Given the EBIT margins of up to 20 % which are achievable there, we see this as our growth and investment segment.

For the year 2015 as a whole, sales volumes are expected to be significantly lower than in the previous year. We are holding firm to our strategy of stabilizing results in the placement business, and as a result it is unavoidable that temporary falls in sales need to be taken into

account. However, the falls in sales will only have a moderate effect on EBIT. For the year as a whole we expect an EBIT close to EUR 2,400 thousand for both segments together.

The French online travel placement business is being continued with a reduction in personnel at the Paris branch, and will continue to maintain the planned growth in revenues and results. Travel24.com AG is optimistic that it can achieve these goals with optimized task-sharing and processes.

For the planned budget hotel chain the timeline and cost-planning represent the biggest risk factors. Based on current planning, the first hotel in Leipzig will be opened by the end of 2016. Delays have been due to contract negotiations taking longer than planned, complications concerning the construction site, the associated specialist civil engineering work, and difficult working conditions during the early works phase. However, Travel24.com AG currently anticipates that the additional costs for the project as a whole will be low.

The sale of the Cologne Perlengraben property could not be completed in the third quarter of 2015, again due to building regulation requirements. These were fulfilled by the contract parties without delay. An amendment agreement to the existing sale contract was entered into taking account of these requirements. It is expected that the remaining administrative procedures can be completed during the course of the fourth quarter of 2015. A small profit on disposal is still expected. From the Group's point of view, a successful sale will be reflected in the Hotels segment.

In addition, Travel24.com AG aims to ensure that developments and changing conditions, including changes that affect customers, suppliers, and shareholders, and their impact on its own risk profile and business planning are recognized early wherever possible. Where necessary the Management Board takes any necessary steps to identify and initiate potential actions without delay.

In the financial area the loan arrangements and loans entered into present particular risks. Travel24.com AG found it necessary to initiate the process of realizing collateral security received and permitting the deferral of repayment installments in the third quarter of 2015.

Outlook

First and foremost, Travel24.com AG plans to drive forward the construction of the hotel in Leipzig and to complete the project before the end of 2016. We continue to expect that first revenues will be generated at the end of 2016.

In addition we will consolidate our strategy of further optimizing and improving the efficiency of marketing investments made in our online travel placement business in the Germany-Austria-Switzerland region and internationally. In the international online travel placement business we will concentrate more on the French package travel business in future. The strategy for the remaining international activities in the online travel placement business will be continue to be reviewed and optimized in the coming months, looking in particular at the revenue and EBIT development over past periods in order to achieve increased contribution stability.

Following the resignation of Mr. Detlef Schubert as a member of the Supervisory Board in August, we found and appointed a competent successor in Mr. Markus Hennig, a lawyer, in September. The Management Board of Travel24.com AG is optimistic that it, together with the new Supervisory Board, it can meet the challenges that lie ahead.

Consolidated balance sheet

At September 30, 2015

	Spetember 30, 2015	December 31, 2014*	January 1, 2014 *
<u>ASSETS</u>	<u>In euro</u>	<u>In euro</u>	<u>In euro</u>
NON-CURRENT ASSETS			
Intangible assets			
Intangible assets purchased	4,231,184.60	4,231,184.60	4,231,184.60
TOTAL INTANGIBLE ASSETS	4,231,184.60	4,231,184.60	4,231,184.60
Property, plant, equipment			
Land	1,086,323.62	1,086,323.62	4,906,948.99
Furniture, fixtures & office equipment	2,200.03	2,413.00	0.00
Construction in process	5,199,055.33	3,652,168.40	8,686,359.52
TOTAL PROPERTY, PLANT, & EQUIPMENT	6,287,578.98	4,740,905.02	13,593,308.51
Financial assets			
Other Loans	2,000,000.00	0.00	0.00
Loans to related parties	0.00	5,600,000.00	4,731,324.40
TOTAL FINANCIAL ASSETS	2,000,000.00	5,600,000.00	4,731,324.40
Deferred tax assets	0.00	0.00	383,576.20
TOTAL NON-CURRENT ASSETS	12,518,763.58	14,572,089.62	22,939,393.71
CURRENT ASSETS			
Receivables and other assets			
Trade receivables	760,550.89	852,830.92	205,791.33
Receivables due from related companies	3,651,693.10	5,696,943.00	4,035,591.69
Other financial assets	146,621.16	237,048.27	0.00
Current tax assets	55,283.18	48,786.50	225,930.63
Other non-financial assets	2,178,436.22	570,161.42	706,537.90
TOTAL RECEIVABLES AND OTHER ASSETS	6,792,584.55	7,405,770.11	5,173,851.55
Cash and cash equivalents	2,162,417.34	1,001,863.27	1,325,517.41
TOTAL CURRENT ASSETS	8,955,001.89	8,407,633.38	6,499,368.96
Non-current assets held for sale	9,967,250.88	9,967,250.88	0.00
BALANCE SHEET TOTAL	31,441,016.35	32,946,973.88	29,438,762.67

* Restated due to corrections in accordance with IAS 8.41

	September 30, 2015	December 31, 2014*	January 1, 2014*
	<i>In euro</i>	<i>In euro</i>	<i>EUR</i>
<u>EQUITY AND LIABILITIES</u>			
<i>In euro</i>			
<u>EQUITY</u>			
Subscribed capital	2,033,585.00	2,033,585.00	2,033,585.00
Capital reserve	2,561,380.04	3,324,383.76	3,636,458.76
Loss carried forward	-1,032,085.09	-1,479,838.60	-1,902,913.80
Equity attributable to owners of the parent	3,562,879.95	3,878,130.16	3,767,129.96
TOTAL EQUITY	3,562,879.95	3,878,130.16	3,767,129.96
<u>LIABILITIES</u>			
<u>NON-CURRENT LIABILITIES</u>			
Financial liabilities	20,275,842.07	22,710,940.22	20,134,080.54
Deferred tax liabilities	329,843.93	201,672.11	245,266.05
TOTAL NON-CURRENT LIABILITIES	20,605,686.00	22,912,612.33	20,379,346.59
<u>CURRENT LIABILITIES</u>			
Tax liabilities	3,445,647.00	2,833,358.15	2,345,593.71
Provisions	988,749.51	819,762.36	394,079.55
Financial liabilities	143,780.42	624,666.67	500,496.67
Trade payables	330,449.88	636,495.88	569,955.82
Liabilities to related companies	935,645.25	181,029.19	388,071.77
Advance payments from customers	337,481.51	327,902.55	32,352.00
Other liabilities	1,090,696.83	733,016.59	1,061,736.60
TOTAL CURRENT LIABILITIES	7,272,450.40	6,156,231.39	5,292,286.12
TOTAL LIABILITIES	27,878,136.40	29,068,843.72	25,671,632.71
BALANCE SHEET TOTAL	31,441,016.35	32,946,973.88	29,438,762.67

* Restated due to corrections in accordance with IAS 8.41

Consolidated statement of comprehensive income

January 1, 2015 to September 30, 2015

	July 1 - September 30		January 1 - September 30	
	2015*	2014*	2015	2014*
	<i>In euro</i>	<i>In euro</i>	<i>In euro</i>	<i>In euro</i>
Revenue	3,728,657.51	6,706,913.02	11,685,515.30	20,587,892.54
Other operating income	551.03	100,667.78	43,791.75	133,889.11
Marketing expenses	-2,105,133.59	-5,048,881.46	-6,912,911.10	-14,798,342.09
Other revenue related expenses	-525,045.11	-940,596.89	-1,274,367.39	-2,504,534.47
Personnel expenses	-345,642.91	-250,833.28	-951,459.01	-662,785.42
Depreciation	-71.00	0.00	-1,866.97	0.00
Other operating expenses	-358,469.87	-339,957.93	-1,029,814.92	-689,455.09
Operational result	394,846.06	227,311.24	1,558,887.66	2,066,664.58
Interest income	106,232.62	97,076.44	375,096.62	216,950.92
Interest expenses	-193,137.94	-543,080.53	-1,128,035.33	-1,418,192.86
Financial result from reacquisition of financial instruments	0.00	0.00	526,260.91	0.00
Financial result	-86,905.32	-446,004.09	-226,677.80	-1,201,241.94
Result before taxes	307,940.74	-218,692.85	1,332,209.86	865,422.64
Tax expenses	-372,777.19	-21,146.67	-756,284.53	-57,050.89
Deferred taxes	150,995.41	40,383.06	-128,171.82	-283,563.64
Net income	86,158.96	-199,456.46	447,753.51	524,808.11
Other comprehensive income	0.00	0.00	0.00	0.00
Comprehensive income	86,158.96	-199,456.46	447,753.51	524,808.11
Attributable to owners of the parent	86,158.96	-199,456.46	447,753.51	524,808.11
Attributable to non-controlling shareholders	0.00	0.00	0.00	0.00
Earnings per share in euro (basic and diluted)	0.04	-0.10	0.22	0.26

* Restated due to corrections in accordance with IAS 8.41

Consolidated statement of cash flows

January 1, 2015 to September 30, 2015

	January 1 - September 30	
	2015	2014*
	<i>In euro</i>	<i>In euro</i>
Cash flow from operating activities		
Net income	447,753.51	524,808.11
+ Income taxes	884,456.35	340,614.53
+ / - Financial result	226,677.80	1,201,241.94
+ / - Increase/decrease in provisions	168,987.15	-255,734.31
- / + Increase/decrease in trade receivables and other assets which are not attributable to investing or financial activities	-132,130.87	-1,484,751.69
+ / - Increase/decrease in trade payables and other liabilities which are not attributable to investing or financial activities	-1,214,067.47	1,119,070.20
- Interest paid	-1,564,489.54	-1,729,170.86
+ Interest received	0.00	0.00
- Taxes paid	-133,108.94	-19,835.06
= Cash flow from operating activities	-1,315,922.01	-303,757.14
- Payments for investments in property, plant and equipment	-1,223,523.92	-596,621.13
- Cash outflow s from loans issued	-2,000,000.00	0.00
+ Cash inflow s from loans repaid	5,700,000.00	0.00
= Cash flow from investing activities	2,476,476.08	-596,621.13
+ Receipts from the issue of bonds	0.00	955,000.00
= Cash flow from financing activities	0.00	955,000.00
Net changes in cash and cash equivalents	1,160,554.07	54,621.73
Cash at the beginning of the period	1,001,863.27	1,325,517.41
Cash at the end of the period	2,162,417.34	1,380,139.14

* After correction in accordance with IAS 8

Consolidated statement of changes in equity

At September 30, 2015

	Outstanding shares	Subscribed capital	Capital reserve	Loss carried forward	Total equity
	Number	In euro	In euro	In euro	In euro
As of December 31, 2013*	2,033,585	2,033,585.00	3,636,458.76	-1,902,913.80	3,767,129.96
Comprehensive income		0.00	0.00	524,808.11	524,808.11
Use of capital for the benefit of the majority shareholder		0.00	-312,075.00	0.00	-312,075.00
As of September 30, 2014*	2,033,585	2,033,585.00	3,324,383.76	-1,378,105.69	3,979,863.07
As of December 31, 2014*	2,033,585	2,033,585.00	3,324,383.76	-1,479,838.60	3,878,130.16
Comprehensive income		0.00	0.00	447,753.51	447,753.51
Use of capital for the benefit of the majority shareholder		0.00	-763,003.72	0.00	-763,003.72
As of September 30, 2015	2,033,585	2,033,585.00	2,561,380.04	-1,032,085.09	3,562,879.95

* After correction in accordance with IAS 8

Notes to the interim financial statements

I. General information

These **condensed** interim consolidated financial statements of Travel24.com AG were prepared in accordance with International Financial Reporting Standards (IFRS) and the interpretations of the IFRS Interpretations Committee (IFRIC/SIC) as applicable and binding in the European Union. In particular they comply with requirements applicable to interim reporting in accordance with IAS 34.

The quarterly financial statements as of September 30, 2015 have neither been audited in accordance with Section 317 of the German Commercial Code (HGB) nor reviewed by auditors.

The comparative figures for the balance sheet at December 31, 2014, and accordingly the opening balances as of January 1, 2015, are based on the corrected and unaudited consolidated financial statements for 2014.

They are prepared in euros (EUR) as the majority of the group transactions are realized in this currency. All amounts are reported in thousand euros (EUR thousand) unless otherwise stated.

Amounts are rounded in accordance with general commercial practice. Rounding differences may occur.

Correction in accordance with IAS 8.41

In January 2015 we were informed by Unister Holding GmbH, the Company's main shareholder, that a company which until now has not been regarded as a related party should be regarded as a related party for all the financial years for which transactions were undertaken with that party.

That party is LOET Trading AG. LOET Trading AG is a special purpose entity to be included in the consolidated financial statements of Unister Holding. Accordingly it is a related party for Travel24.com AG for all years. That company has not been treated as such until now, so that a correction is required in accordance with IAS 8.41.

All transactions effected up until the December 31, 2014 balance sheet date are now evaluated as transactions with related parties and corrected, to the extent necessary, as at the beginning of the comparative period (January 1, 2014). The Company and LOET Trading AG entered into a bond resale agreement and an amendment to that contract respectively in 2012 and 2013 which, based on new information, is not regarded as a transaction on arm's length terms. For accounting purposes the contracts with LOET Trading AG are reported in the balance sheet as they would be had they been transactions on arm's length terms. To that extent the contracts will not be recorded in the balance sheet. To the extent that payments were made to LOET Trading AG or claims against LOET Trading AG have been waived that do not represent transactions on arm's length terms, these are regarded as transactions based on shareholder relationships and treated as payments from capital reserve.

In addition, information has become available regarding a LOET Trading AG portfolio statement that shows that a total of 3,406 bonds the bonds had already been resold in 2012 (previously accounted for as sold in 2013).

Restatements are required, in particular in respect the date of the emissions, the provisions recorded, and the presentation of interest liabilities. This in turn, results to adjustments to the Company's results in the years affected and to the amounts of financial liabilities reported. The corrections and the amounts of the restatements are shown in the following table and explained below.

At January 1, 2014

	As previously reported EUR	Restatement under IAS 8 EUR	Restated EUR
Balance sheet			
<u>Assets</u>			
Deferred tax assets	935,193.89	-551,617.69	383,576.20
CURRENT ASSETS			
Receivables and other assets			
Other financial assets	1,218,000.00	-1,218,000.00	0.00
Receivables due from related companies	2,317,587.97	1,718,003.72	4,035,591.69
TOTAL RECEIVABLES AND OTHER ASSETS	4,673,847.83	500,003.72	5,173,851.55
BALANCE SHEET TOTAL	29,490,376.64	-51,613.97	29,438,762.67
<u>Equity and liabilities</u>			
EQUITY			
Capital reserve	2,913,974.00	722,484.76	3,636,458.76
Loss carried forward	-1,669,957.51	-232,956.29	-1,902,913.80
Equity attributable to owners of the parent	3,277,601.49	489,528.47	3,767,129.96
TOTAL EQUITY	3,277,601.49	489,528.47	3,767,129.96
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities	20,317,442.62	-183,362.08	20,134,080.54
Deferred tax liabilities	182,338.05	62,928.00	245,266.05
TOTAL NON-CURRENT LIABILITIES	20,499,780.67	-120,434.08	20,379,346.59
CURRENT LIABILITIES			
Tax liabilities	2,226,900.74	118,692.97	2,345,593.71
Provisions*	844,324.55	-450,245.00	394,079.55
Financial liabilities	589,653.00	-89,156.33	500,496.67
TOTAL CURRENT LIABILITIES	5,712,994.48	-420,708.36	5,292,286.12
TOTAL LIABILITIES	26,212,755.15	-541,142.44	25,671,612.71
BALANCE SHEET TOTAL	29,490,376.64	-51,613.97	29,438,762.67

* Provisions were already reclassified

Only 277 bonds issued under the bond resale agreement with LOET Trading AG were regarded as issued in 2012. Based on new information available, 3,406 bonds had been resold to third parties by December 31, 2012. As a result the receivable against LOET Trading AG is increased by the regular market price of the bonds resold. The bonds are measured at their fair value at the respective issue date, an amount totaling €3,222 thousand.

The difference between the nominal amount and fair value is written up for accounting purposes until the bond maturity date (September 17, 2017) under the effective interest method. The receivable from LOET Trading AG is reduced by the amount of transaction costs incurred (EUR 263 thousand) which were originally accounted for from 2013 as the incidental costs of financial transactions.

No receivable or liability was recorded for bonds transferred but not resold, as for this purpose only transactions which are not typical market transactions had been entered into.

In addition the receivables from LOET Trading AG are not reported under “Other financial assets” but correctly reported under “Receivables due from related companies”.

The non-current financial liabilities are increased by the additional EUR 3,129 thousand of bonds now recognized as issued less emission costs and write-ups of the liability under the effective interest rate method. The amounts reported in 2012 are corrected by EUR 2,707 thousand in total.

The provision for onerous costs amounting to EUR 1,600 thousand recorded in 2012 is not required as there is no economic obligation. Accordingly the provisions are reduced by this amount.

A further correction is made to current liabilities reflecting the correction of the interest obligation on the additional bonds issued to third parties (EUR 68 thousand).

The correction of the receivable from LOET Trading AG in 2013 consists of the cancellation of the impairment allowance (EUR 790 thousand) and the difference between the nominal amount (95.5%) and the market value price of the bonds resold in 2012 which were previously reported as issued in 2013. An impairment of the receivable from LOET Trading AG is not recorded as it is assumed that receivables from a related company can be enforced.

On September 17, 2013 a payment was made to LOET Trading AG for bond interest on unsold bonds still in the LOET Trading AG portfolio (4,161 bonds). As a related party the payment is to be regarded as use of capital to the benefit of shareholders and recorded directly in capital reserve.

The change in the non-current financial liabilities is consistent with the amortization of the emission costs.

The provisions are reduced by the provision for onerous contracts no longer recorded in 2012 (EUR 187 thousand) and the provision for outstanding invoices (transaction costs).

The current financial liabilities are primarily adjusted by the proportionate interest on the bonds not issued held in the LOET Trading AG portfolio.

At December 31, 2014

Balance sheet	As previously reported	Restatement under IAS 8	Restated
<u>Assets</u>	In euro	In euro	In euro
Property, plant, equipment			
Construction in process	5,235,875.33	-36,820.00	5,199,055.33
TOTAL PROPERTY, PLANT, & EQUIPMENT	6,324,398.98	-36,820.00	6,287,578.98
Deferred tax assets	88,070.87	-88,070.87	0.00
CURRENT ASSETS			
Receivables and other assets			
Other financial assets	2,438,217.27	-2,201,169.00	237,048.27
Receivables due from related companies	2,729,245.28	2,967,697.72	5,696,943.00
TOTAL RECEIVABLES AND OTHER ASSETS	6,639,241.39	766,528.72	7,405,770.11
BALANCE SHEET TOTAL	32,305,336.03	641,637.85	32,946,973.88
 <u>Equity and liabilities</u>			
EQUITY			
Capital reserve	2,913,974.00	410,409.76	3,324,383.76
Loss carried forward	-1,248,951.18	-230,887.42	-1,479,838.60
Equity attributable to owners of the parent	3,698,607.82	179,522.34	3,878,130.16
TOTAL EQUITY	3,698,607.82	179,522.34	3,878,130.16
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities	22,846,856.05	-135,915.83	22,710,940.22
Deferred tax liabilities	49,955.13	151,716.98	201,672.11
TOTAL NON-CURRENT LIABILITIES	22,896,811.18	15,801.15	22,912,612.33
CURRENT LIABILITIES			
Tax liabilities	2,354,747.46	478,610.69	2,833,358.15
Financial liabilities	620,143.00	4,523.67	624,666.67
Trade payables	699,495.88	-63,000.00	636,495.88
Other liabilities	706,836.59	26,180.00	733,016.59
TOTAL CURRENT LIABILITIES	5,709,917.03	446,314.36	6,156,231.39
TOTAL LIABILITIES	28,606,728.21	462,115.51	29,068,843.72
BALANCE SHEET TOTAL	32,305,336.03	641,637.85	32,946,973.88

The corrections in 2014 primarily represent restatements of the receivables due from LOET Trading AG and the tax calculation.

The receivables due from LOET Trading AG have been reclassified from other assets to receivables from related parties.

The change in the non-current financial liabilities is consistent with the amortization of the emission costs.

The restatement of the (deferred) tax liability and the tax receivable is a result of the corrections to the tax calculation.

The capital reserve is reduced in 2014 and in preceding years by the amount treated as use of capital for the benefit of shareholders (EUR 312 thousand). In 2014, as in preceding years, interest was paid on the bonds held in the LOET Trading AG portfolio. The payment is recorded directly in the capital reserve.

The statement of comprehensive income for the period from January, 1 to September 30, 2014 and from July 1, to September 30, 2014 was corrected as follows:

January 1 - September 30 2014	As previously reported	Restatement under IAS 8	Restated
<i>Income statement</i>	In euro	In euro	In euro
Interest expenses	-1,520,344.05	102,151.19	-1,418,192.86
Financial result	-1,303,393.13	102,151.19	-1,201,241.94
Net income	422,656.92	102,151.19	524,808.11
Comprehensive income	422,656.92	102,151.19	524,808.11
Earnings per share in euro (basic and diluted)	0.21		0.26
July 1 - September 30 2014	As previously reported	Restatement under IAS 8	Restated
<i>Income statement</i>	In euro	In euro	In euro
Interest expenses	-512,691.61	-30,388.92	-543,080.53
Financial result	-415,615.17	-30,388.92	-446,004.09
Net income	-169,067.54	-30,388.92	-199,456.46
Comprehensive income	-169,067.54	-30,388.92	-199,456.46
Earnings per share in euro (basic and diluted)	-0.08		-0.10

The interest expense is reduced by the proportionate share of bonds regarded as remaining unissued up until the issue date in August 2014. At the same time there is a contrary effect resulting from the share of the release of the additional emission costs.

Overall, comprehensive income increased by EUR 102 thousand for the nine-month period. The result for the third quarter fell by EUR 30 thousand. The basic and diluted earnings per share increased from 0.21 EUR/share to 0.26 EUR/share for the nine-month period and fell for the third quarter from -0.08 EUR/share to -0.10 EUR/share.

The statement of comprehensive income for the period from January, 1 to June 30, 2015 was corrected as follows:

January 1 - June 30 2015	As previously reported	Restatement under IAS 8	Restated
<i>Income statement</i>	In euro	In euro	In euro
Interest expenses	-911,950.71	-24,427.51	-936,378.22
Financial result from reacquisition of financial instruments	527,741.74	-1,480.83	526,260.91
Financial result	-115,344.97	-25,908.34	-141,253.31
Deferred taxes	-287,551.64	8,384.41	-279,167.23
Net income	377,637.65	-17,523.93	360,113.72
Comprehensive income	377,637.65	-17,523.93	360,113.72
Earnings per share in euro (basic and diluted)	0.19		0.18

The correction primarily is a result of the release of the addition emission costs (LOET Trading AG – EUR 263 thousand) in interest expenses and to deferred taxes.

II. Accounting and measurement principles

II.1 Accounting basis

These **condensed** interim consolidated financial statements of Travel24.com AG were, with the exception of the initial application of new or amended standards or interpretations, prepared under the same accounting and measurement principles that were applied in the preparation of the IFRS consolidated financial statements of Travel24.com AG as of December 31, 2014.

For the purposes of presenting the (condensed) interim consolidated statement of comprehensive income, a total figure is shown for the total of marketing and personnel expenses. Accordingly, these condensed consolidated financial statements do not include all of the disclosures that would be required in a set of annual consolidated financial statements prepared at year end, and therefore they should be read together with the consolidated financial statements for the year ended December 31, 2014. This particularly applies to the section entitled “Use of estimates”.

In preparing interim financial statements, the Management Board must necessarily make the best possible estimates and assumptions, based on current information, which have an effect on the assets and liabilities and disclosures of contingent assets and liabilities at the balance sheet date as well as on income and expenses reported in the period. The actual result of later events, when they subsequently occur, may differ from those estimates.

II.2 Initial application of new or amended standards in the 2015 financial year

We refer to the disclosures made in the consolidated financial statements as of December 31, 2014. The application of the new standards has no significant effect on the quarterly financial statements of Travel24.

II.3 Scope of consolidation

All subsidiaries are included in these interim consolidated financial statements. There are no joint ventures or associated companies.

There have been no changes in the scope of the consolidation since December 31, 2014.

III. Notes to the consolidated balance sheet

The **balance sheet total** fell in the period. The carrying value of construction in progress and land included in **non-current assets** increased by EUR 1,547 thousand as a result of continuing construction activities. At the same time the non-current element of the loans to related companies was transferred to current assets as a consequence of the amendment to the loan agreement.

Current assets fell by EUR 613 thousand in total, primarily due to the decrease in receivables due from related companies as a consequence of the settlement of the LOET Trading AG bonds.

Other non-financial assets largely represent receivables from the tax authorities (in particular for value added taxes) and collateral deposits.

Non-current liabilities fell by EUR 2,307 thousand compared to the 2014 consolidated financial statements. A significant element of this was the repurchase (and transfer into the Travel24 portfolio) of bond liabilities issued under the bond sale agreement with a nominal amount of EUR 4,161 thousand. As a result only 20,839 bonds are regarded as issued as at September 30, 2015.

In **current liabilities**, the other liabilities increased from EUR 733 thousand to EUR 1,091 thousand and current financial liabilities fell from EUR 625 thousand to EUR 144 thousand. As in previous periods, current financial liabilities exclusively comprise the interest payment obligations resulting from the bonds, which increased successively until they were due for payment in September 2015. Other liabilities primarily include value added tax and liabilities from the timing of customer payments to be forwarded. Liabilities to related companies exclusively include liabilities payable to AERUNI GmbH.

IV. Notes to the consolidated income statement

Revenues are exclusively revenues from commissions, of which EUR 5,110 thousand (previous year: EUR 7,662 thousand) are in respect of travel services, a total of EUR 4,807 thousand (previous year: EUR 11,759 thousand) are in respect of flight services, and EUR 1,769 thousand (previous year: EUR 1,166 thousand) are attributable to insurance services. Of total reported revenues earned in the first nine months of the 2015 financial year, EUR 9,422 thousand were earned in the Germany-Austria-Switzerland region and EUR 2,264 thousand internationally (thereof in French website portals: EUR 2,067 thousand).

Despite lower revenues compared to the first nine months of 2014 a positive operating result was generated (EUR 1,559 thousand; previous year: EUR 2,067 thousand) with an increased gross margin of EUR 3,498 thousand (previous year: EUR 3,285 thousand).

The item "Financial result from reacquisition of financial instruments" includes the gain on the reacquisition of own bonds which had been presented as issued in the balance sheet at December 31, 2014 and which were legally transferred to Travel24 on the completion of a bond repurchase agreement in April.

Due to partial use of losses brought forward, the tax expense amounts to EUR 756 thousand in the first nine months of 2015 despite a positive pre-tax result. However, the release of deferred tax resulted in a deferred tax expense (EUR 128 thousand).

V. Segment reporting

The following segment information is presented based on the Group's two segments, the **Internet** segment (the parent Company's only segment) and the **Hotels** segment (which is in the start-up phase).

Segment revenues

The revenues totaling EUR 11,686 thousand are wholly attributable to the **Internet** segment. There were no revenues between the two segments in the period.

Segment result (result before interest and income taxes)

Of the Group's result before interest and income taxes (operating result) for the first nine months of 2015 totaling EUR 1,559 thousand (previous year: EUR 2,067 thousand), a total of EUR 1,850 thousand (previous year: EUR 2,146 thousand) is attributable to the **Internet** segment and EUR -291 thousand (previous year: EUR -79 thousand) is attributable to the **Hotels** segment.

The reconciliation of the sum of the segment results (EUR 1,559 thousand) to the consolidated result before taxes can be directly obtained by reference to the consolidated statement of comprehensive income.

VI. Significant transactions with related parties

We refer to the presentation in the 2014 annual report for a description of the nature of the respective transactions. Approximately 52 % of revenues and approximately 99 % of marketing expenses result from transactions with Unister Travel Betriebsgesellschaft mbH.

VII. Events subsequent to the balance sheet date

The sale of the Cologne Perlengraben property could not be completed in the third quarter of 2015, and accordingly a subsequent amendment to the sale agreement was agreed in October 2015 (see section J "Opportunities and risk report").

In October 2015 Travel24.com AG submitted an application to withdraw the listing of the Company's ordinary shares from the Prime Standard and applied for permission to list the shares for trading in the General Standard segment of the regulated market. This application was approved by the Frankfurt Stock Exchange in October and the associated deregistration notice has been issued. The deregistration is effective from January 29, 2016. The shares will be registered and listed for trading on the General Standard segment of the regulated market, effective on February 1, 2016. This decision was taken by Travel24.com AG in consultation with the Frankfurt Stock Exchange in view of the shareholder structure of the Company.

Investor relations

Share capital of Travel24.com AG

The total number of voting rights in Travel24.com AG remained unchanged at the end of the first nine months, totaling 2,033,585.

Shareholdings of members of the Management and Supervisory Boards

As at the balance sheet date of September 30, 2015 members of the Management and Supervisory Boards held shares in the Company as follows:

	Shares	Options
Managing Board		
Armin Schauer	0	0
Supervisory Board		
Daniel Kirchhof	150	0
Oliver Schilling	24,556	0
Markus Hennig	0	0

Responsibility statement by the legal representative

I confirm that to the best of my knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the Group's assets, financial position, and results of operations. Also, I confirm that the Group's interim management report includes a true and fair description of business developments, including the results of the business and the position of the Group. The material opportunities and risks associated with the expected development of the Group for the remaining period of the financial year have been described.

Leipzig, November 2015

The Management Board of Travel24.com AG

Armin Schauer

Reporting calendar

November 30, 2015

Publication of the quarterly report Q3 2015

January 28, 2016 (preliminary)

Analysts' conference

January 29, 2015 (preliminary)

Annual General Meeting

April 30, 2016

Publication of the Annual Report 2015

Legal notices

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DE 000 A1PGRG2

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