

Three-month Report Q1 / 2010



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1. Summary of key data

		1 Jan. – 31 March	
		2010	2009
		TEUR	TEUR
net sales		2,172	0
EBIT		509	- 295
net gain / loss		343	- 294
net gain / loss per share in	basic	0.19	-0.87
EUR	diluted	0.17	-0.87

note: The previous year comparison is not meaningful since the previous year's Group structure does not exist anymore.

2. Foreword

**Dear Shareholders, Customers, Business Associates and Employees,
Ladies and Gentlemen,**

In the first quarter 2010, operating business reaccelerated. Marketing and sales activities were successfully initialised. The Company's bad debts were eliminated and the Company shows a good and stable development due to the support of the majority shareholder Unister Group.

During the Supervisory Board meeting on 25 January 2010 Jan Valentin was appointed as new CEO and Thomas Gudel was appointed as new CFO of Travel24.com AG. The previous Managing Board members Thomas Wagner and Sebastian Gantzckow had resigned from their membership before. We would like to thank the former Managing Board members for their commitment, and we are looking forward to a successful future.

Yours,

Leipzig, May 2010

Jan Valentin
CEO Travel24.com AG

3. Business development

Travel retail

The sale of holidays remains the core business of Travel24.com AG even after Unister Holding GmbH acquired the majority in the business. In the first quarter 2010, the flight as well as the travel business was extended in Germany, Austria and Switzerland on the basis of successful marketing activities.

Internet

In the first quarter 2010, the number of visits on travel24.com increased significantly compared to the previous year (from 0.2 million to 0.8 million). Flug24.de recorded 3.5 million visits.

Bookings developed accordingly, and the Company's growth exceeded the market level of the Internet business amounting to 20% generated by the package holiday business in Germany in the first quarter 2010. The economic basis can be considered as stable whereas stationary travel business continues to decrease compared to the online business.

Marketing and IT

In the first quarter 2010, the travel retail business has been assured by the contractual relationship of Unister GmbH, a subsidiary of Unister Holding GmbH. Unister GmbH operates and markets numerous Web portals of different business areas. With travel brands such as ab-in-den-urlaub.de and fluege.de, the online travel network of Unister GmbH is among the largest networks in Germany. A broad line up with complementary portals of different business areas is a key element of the business strategy of Unister GmbH. Competitiveness is particularly ensured by the innovative and efficient IT and Marketing department. Travel24.com AG was able to obtain attractive conditions for travel retail due to the agreement concluded with Unister GmbH in the context of the acquisition. Like this, and due to the service contract concluded with Unister GmbH, Travel24.com AG benefits from the conditions of Unister GmbH and uses the synergies and know-how of the new shareholder.

4. Outlook

In 2010, Travel 24.com AG plans to extend business significantly with a view to increasing sales and results. The main focus is on extending marketing activities, product portfolio as well as market presence (internationalisation of business) with the website Travel24.com. The flight segment is also being extended. Other business segments are still in the planning stages as of the time of preparation of the statement. According to recent planning, a positive result and cash flow will be reached in financial year 2010.

5. Interim financial statements of Travel24.com AG as of 31 March 2010

5.1. Balance sheet as of 31 March 2010, figures pursuant to HGB (German Commercial Code)

ASSETS	31 March 2010 EUR	31 December 2009 TEUR	LIABILITIES	31 March 2010 EUR	31 December 2009 TEUR
A. fixed assets			A. shareholders' equity		
I. intangible assets			I. share capital	1,787,461.00	1,787
concessions, industrial property rights and similar rights and values	0.00	0	II. additional paid - in capital	2,161,726.00	2,012
II. tangible assets			III. accumulated deficit, portion covered by shareholders' equity (total accumulated deficit TEUR 4,715)	3,949,187.00	-3,799
other fixtures and fittings, tools and equipment	0.00	0		0.00	0
III. financial assets					
other loans	0.00	0	B. accrued expenses		
			1. provisions for taxes	552,000.00	387
			2. other provisions	117,070.80	117
	0.00	0		669,070.80	504
B. current assets			C. liabilities		
I. accounts receivable and other assets			1. bonds	1,190,201.00	1,190
1. trade accounts receivable	2,581,175.93	0	- thereof convertible TEUR 763 (prior year TEUR 4,497)		
2. accounts receivable from affiliated companies		265	2. accounts payable to banks	76.58	
3. other assets	206,395.34	211	3. trade accounts payable	261,520.90	334
			4. accounts payable to affiliated companies	1,523,551.88	0
II. cash balance, bank balances and cheques	318,814.60	308	accounts payable other		
	3,106,385.87	784	5. - thereof from taxes TEUR 0 (prior year TEUR 10)	228,153.39	15
C. deferred expenses and accrued income	172.55	0	- thereof from social security TEUR 0 (prior year TEUR 0)		
D. balance of the accumulated deficit not covered by the shareholders' equity	766,016.13	1,259		3,203,503.75	1,539
	3,872,574.55	2,043		3,872,574.55	2,043

5.2. Statement of income

from 1 January to 31 March 2010, figures pursuant to HGB

		1 Jan. – 31 March	
		2010	2009
		EUR	TEUR
1.	revenues	2,171,471.15	0
2.	other operating income	36,827.50	194
3.	purchases		
a)	expenses for third party services	-1,607,991.05	
3.	personnel expenses		
a)	wages and salaries		- 1
			2
			4
b)	statutory welfare contributions and expenses relating to pension plans and for optional support payments		-9
4.	depreciation of property, plant and equipment and intangible assets		-3
5.	other operating expenses	-91,445.72	-351
6.	income from other securities and loans receivable held as financial assets		
7.	interest and similar income	50.83	1
8.	depreciation and amortization of financial assets and marketable securities		
9.	interest and similar expenses		-2
10.	result from ordinary activities	508,912.71	- 294
11.	extraordinary income		0
12.	extraordinary expenses	-859.80	0
13.	extraordinary result	-859.80	
14.	income taxes	-165,013.40	0
15.	other taxes	103.00	0
16.	net loss / profit	343,142.51	- 294
17.	loss carried forward	5,058,356.64	-5,931
18.	transfer from treasury stock reserve	0.00	0
19.	proceeds from equity cut	0.00	0
20.	accumulated loss	4,715,214.13	- 6,207

5.3. Cash flow statement from 1 January to 31 March 2010

		1 Jan. – 31 March 2010 TEUR
net income / net loss		343
(+) depreciation and amortisation		0
(+) net interest income		0
(+/-) increase / decrease in provisions		165
(+/-) gains (-) / losses (+) on the disposal of fixed assets		0
(+/-) change in net working capital		-648
(+) non-cash items		
net cash used in operating activities		-140
(-) purchase of property, plant and equipment		0
(+) proceeds from sale of equipment / repayment of loans		0
net cash generated through / used in investing activities		0
(+/-) accruals from the increase of share capital		150
(+) payments on other financing instruments		0
(+) interest received		0
(-) interest paid		0
net cash provided by financing activities		150
net decrease / increase in cash and cash equivalents		10
cash and cash equivalents at the beginning of the period		308
cash and cash equivalents at the end of the period		318

note:

Due to a lack of comparability, the previous year comparison is not meaningful.

5.4. Statement of changes in shareholders' equity from 1 January to 31 March 2010

Travel24.com AG

Statement of changes in shareholders' equity
in TEUR, with the exception of
figures per share

	number of shares issued	share capital preference shares	share capital ordinary shares	treasury stock	additional paid-in capital	remuneration from stock options	net loss	total
As of 31 December 2009	1,787,461	0	1,787	0	2,012	0	-5,058	-1,259
Capital increase for cash								0
Payment to additional paid-in capital					150			150
Equity cut & reverse share split								
Convertible bond warrants								0
Expenses for procurement of equity								0
Capital increase through conversion of convertible bonds								
Issue of stock options and partial deferred expenses for remuneration from stock options								
Profit/Net loss of the reporting period							343	343
As of 31 March 2010	1,787,461	0	1,787	0	2,162	0	-4,715	-766

5.5. Notes to the interim financial statements

Information on general accounting and valuation principles

Travel24.com AG prepared its financial statements as of 31 March 2010 using the same accounting and valuation methods as were applied in the last financial statements as of 31 December 2009. The German Accounting Law Modernization Act (BilMoG) was included which led to no modifications. The interim financial statements has neither been reviewed by auditors nor audited within the meaning of Article 317 of the Handelsgesetzbuch (HGB).

Information on single items

Payables and receivables were assessed at their nominal value. All of them have a residual term of less than one year. The liabilities are unsecured. Since the extraordinary result is insignificant (EUR - 860) income taxes only affect the result from ordinary activities.

Other provisions comprise the following:

	31 December 2009 EUR	appropriation EUR	usage EUR	dissolution EUR	31 March 2010 EUR
legal disputes	23,100	20,000	0	0	43,100
personnel expenses	46,000	39,750	0	36,328	49,422
annual financial statements	42,900	1,000	23,071	500	20,329
legal advice	5,000		781		4,220
other	0	0	0	0	0
total	117,000	60,750	23,852	36,828	117,071

Other liabilities for the next five years from the balance sheet day are as follows. The service fees stated apply to affiliated companies (Unister GmbH):

	1 April. – 31 Dec. 2010 EUR	2011 EUR	2012 EUR	2013 EUR	2014 EUR	31 March 2015 EUR
office rent	64,500	0	0	0	0	0
services/consulting fees	63,000	84,000	84,000	84,000	84,000	21,000
total	127,500	84,000	84,000	84,000	84,000	21,000

Investor Relations

Share capital and conversion right

The total of voting rights of Travel24.com AG amounted to 1,787,461 as of the end of the quarter. At the same time, 763,010 EUR from the convertible bond issued in 2005 (ISIN: DE 000 A0EPSZ7) were still convertible in a ratio of 3:1. In case of a full conversion, this would correspond to 254,337 new shares. The conversion period expires on 1 July 2010.

Authorised Capital

The Managing Board was empowered by resolution of the General Meeting on 31 August 2009, subject to the approval of the Supervisory Board, to increase the Company's share capital by a maximum of EUR 893,730 (Authorised Capital 2009) by no later than 31 August 2014 through issue of 893,730 new non-par value bearer shares against cash or non-cash contributions with a minimum issuing price of EUR 3.00 per no-par value share. The Managing Board may decide on a share of profits that differs from that stipulated in Art. 60 (2) AktG. The Managing Board was furthermore authorised, subject to the approval of the Supervisory Board, to exclude the statutory subscription rights of the shareholders subject to specific conditions.

Entry of this resolution in the commercial register was made on 21 October 2009.

Corporate Governance Code

The conformity declaration has been made accessible to shareholders on the homepage of Travel24.com AG at www.travel24.com according to Article 161 AktG and will be renewed on an annual basis.

Employees

As of the balance sheet date on 31 March 2010, Travel24.com AG had no employees (excluding Managing Board).

Events subsequent to the balance sheet date

Progression of the reorganisation

After the balance sheet date, the reorganisation process has been continued. The reorganisation and new strategic orientation show positive results. The continuation prognosis issued by the Managing Board turns out to be true. The reorganisation will be completed in the current financial year.

6. Interim management report

6.1 Report on net worth, financial position and results of operations

Revenue

In the first quarter 2010, revenue from travel and flight retail as well as advertising amounted to TEUR 2,171.

Results

The Company generated an EBIT of TEUR 509 from operating business resulting in net profits of TEUR 343 with the full income tax charge (TEUR 165).

Cash and cash equivalents

In the first quarter, liquidity only increased insignificantly from TEUR 308 to TEUR 318.

Notes to the balance sheet

The Company's share capital as of 31 March 2010 remained unchanged and amounted to EUR 1,787,461.

Equity was increased due to the payment to additional paid-in capital amounting to TEUR 150 and the net profit of TEUR 343. Accordingly, the deficit not covered by equity could be reduced from TEUR 1,259 to TEUR 766.

The provisions in the amount of TEUR 669 include provisions for taxes amounting to TEUR 552. The calculation of provisions for tax was done without accounting for the existing tax loss carry forward. The losses carried forward amount to approx. 93 million EUR as of 31 December 2008. The Company believes that they still exist in spite of the acquisition by the Unister Group according to § 8c (1a) KStG (Corporate tax law), since it incontrovertibly constitutes a reorganisation measure. The compatibility of clause § 8c (1a) KStG with European law is however being reviewed by the European Commission. The result of this review is not foreseeable for the Company (neither in terms of time nor in terms of content). As a result, the provisions for tax are calculated without accounting for the losses carried forward until the situation will be clarified.

Notes to the cash flow statement

The consolidated cash flow statement for the period under review starts with the net profit from the period under review. First, net profit is adjusted for non-cash income and expenses. Then the changes in working capital are accounted for in the cash flow. In the period under review, cash flow recognises a payment of the shareholder to additional paid-in capital. Cash and cash equivalents comprise the cash items recognised in the balance sheet.

6.2 Reorganisation measures

The reorganisation has basically been completed.

6.3 Opportunity and risk report

In the current economic condition, the focussing on online business is increasing since clients are even more price conscious and service providers are more cost-sensitive. Our clients are looking for the best offer for their money, and providers wish to minimize their distribution costs. Considering the unstable economic situation, our clients will rather be cautious with early decisions. Thus, a stronger last minute business can be expected for financial years 2010 and 2011.

For those who want to be successful in the highly competitive online travel market, it is essential to be able to respond flexibly to short-term changes in demand. Effective applications for dynamic pricing and packaging, efficient online marketing with core competences in search engine marketing as well as newsletter and display promotion are key factors for being successful. In 2009, there is also a lot of competitive pressure on the travel market, particularly for flight and hotel bookings.

However, there was a further shift in travel bookings from stationary distribution channels to the Internet, which has reduced the negative impact of the economic crisis on the travel market. If and to which extent the current economic crisis will influence the online travel market during the next months is not yet foreseeable. But due to the reorganisation measures described above as well as the marketing and sales activities carried through, Travel.24.com AG is well prepared for the future.

By means of ongoing early detection and the recognition, assessment and monitoring of potential risks we enable the systematic analysis of current risk situations, on which concrete risk control is based. In organisational terms the risk management system is directly integrated into the Managing Board.

The Managing Board observes the risks arising in their respective areas such as IT security as well as legal and fiscal risks. It is crucial that risks are consciously perceived and information on new risks and changes is immediately notified.

The reorganisation of business required new monitoring targets. Therefore, the most important monitoring targets were ensuring liquidity, eliminating accounting insolvency, cost discipline as well as the operative reorientation.

6.4 Related party transactions

The business plan of Unister Holding GmbH provides for an evaluation of the acquired “travel24” brand as well as continuation of the Internet-based business activities by using the “Travel24.com” and “Travel24.de” domains, which permit to organize business activities in a sustainable and profitable way. Unister Holding GmbH acquired the “Travel24.com” and “Travel24.de” domains as well as the “Travel24” brand at a total purchasing price of EUR 1.5 million. Pursuant to a License Agreement, the Travel24.com AG domains and brand are made available for at least 30 months free of charge. A monthly compensation fee in the amount of TEUR 10 will be due from 1 January 2012 at the earliest.

Due to the acquisition of Travel24.com AG by Unister GmbH, a subsidiary of Unister Holding GmbH, Travel24.com AG was able to obtain attractive conditions for travel retail due to the agreement concluded with Unister GmbH in the context of the acquisition. Like this, and due to the service contract concluded with Unister GmbH, Travel24.com AG benefits from the conditions of Unister GmbH and uses the synergies and know-how of the new shareholder. The aforementioned business will have a positive effect on the net worth, financial position and results of operation of the Company.

7. Securities held by the Managing Board and Supervisory Board

As of the balance sheet date 31 March 2010, the shares and options held by members of the Managing Board and of the Supervisory Board under the employee participation program were as follows:

	<u>Shares</u>	<u>Options</u>
Managing Board		
Jan Frederik Valentin (CEO)	0	0
Thomas Gudel	0	0
Supervisory Board		
Daniel Kirchhof (Chairman)	0	
Oliver Schilling	24,556	
Markus Mair	0	

8. Declaration by the legal representatives

To the best of our knowledge, we declare that, according to the principles of proper interim reporting applied, the interim financial statements provide a true and fair view of the Company's net worth, financial position and results of operations, that the interim management report presents the Company's business including the results and the Company's position such as to provide a true and fair view and that the major opportunities and risks of the Company's anticipated growth for the remaining fiscal year are described.

Leipzig, May 2010

The Managing Board of Travel24.com AG

Jan Valentin

Thomas Gudel

9. Financial Calendar

29 April 2010	Publication of Half-year Report 2009
29 April 2009	Publication of Nine-month Report Q3 / 2009
29 April 2010	Publication of Annual Report 2009
31 May 2010	Publication of Three-month Report Q1 / 2010
18 June 2010	Analysts' Conference
30 July 2010	General Meeting
31 August 2010	Publication of Half-year Report Q2 / 2010
30 November 2010	Publication of Nine-month Report Q3 / 2010

10. Publication Details

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