Annual Report 2012

Contents

1. Summary of Key Data

	1 January - 31 December 2012 TEUR	2011 TEUR	Changes %
Revenue	28,725	19,092	+ 50%
EBIT	2,470	2,662	-7%
Net income	1,688	1,878	- 10%
Balance sheet loss	-469	-2,157	-78%
Earnings per share in EUR (basic and diluted)	0.83	0.92	- 10%

2. Foreword

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

2012 was characterised by the expansion, internationalisation and the continuous growth of the online travel business of Travel24.com AG. Due to the establishment and reorganisation of portals, efficient marketing development and successful steps in the internationalisation process, our operating result improved significantly. The annual result amounting to TEUR 1,688 is 10% below the annual result of the previous year.

Our new business segment in the hotel industry Budget Design was started in the third quarter with the purchase of several shareholdings on 24 August 2012 (incl. two affiliated property companies). By purchasing these shareholdings, the Company is also obliged to prepare consolidated financial statements under IFRS.

Another milestone was achieved by placing a corporate bond amounting to EUR 25 million in Q3 - 2012. The bond is used for the establishment of the new business segment in the hotel industry as well as the financing of further internationalisation efforts in the online business.

Yours,

Armin Schauer

Leipzig, 18 July 2013 — Managing Board of Travel24.com AG

3. Supervisory Board Report

In the year under review, the Supervisory Board has performed its statutory tasks and those prescribed by the Articles of Association as well as by the Bylaws and convinced itself of the compliance of the management of the Company. The Supervisory Board dealt with the economic position in depth. However, the situation has improved again due to the continued positive business development and the associated improved capital base.

All mandatory meetings were held in accordance with the Bylaws, as described below.

Cooperation with the Managing Board / Focus of the Supervisory Board's Activities

The Supervisory Board discussed the business development and the further strategic alignment of the Company. It regularly advised the Managing Board in managing the company and monitored the management constantly. The Supervisory Board was directly involved in decisions of fundamental importance for the Company.

There were no conflicts of interests of Managing and Supervisory Board members, which must be disclosed to the Supervisory Board immediately and about which the General Meeting has to be informed.

In the financial year, the work of the Supervisory Board was marked by the further internationalisation of the business, the purchase of Travel24 Hotel AG on 24 August 2012, the placement of a corporate bond in the period from 29 August 2012 - 14 September 2012 as well as a house search by LKA Sachsen [Saxony State Office of Criminal Investigation] on 11 December 2012.

Simultaneous with the purchase of Travel24 Hotel AG, numerous shareholdings were acquired (including 2 property companies) so that as of this time (25 August 2012) there is again a group of companies with the obligation to prepare consolidated statements of account under IFRS.

The corporate bond amounting to EUR 25 million serves for the establishment of the new business segment in the hotel industry as well as the financing the further internationalisation.

Another peculiarity of 2012 was the house search carried out by LKA Sachsen on 11 December 2012 in the premises of the main shareholder (Unister) as well as at Travel24.com AG. The investigations have not yet been completed and will take quite some time according to the information provided by the lawyers retained. The Managing Board has formed a provision amounting to EUR 300,000 for all possible costs in this connection after consultation with the Supervisory Board.

In the financial year 2012, a total of 7 joint meetings were held. In the first half-year of 2012, 5 meetings were held; in the second half-year 2 meetings were also held. None of the members of the Supervisory Board was absent from the meetings in the financial year 2012. The Supervisory Board has not formed committees in the financial year 2012.

The subject-matter of the Supervisory Board meeting of 27 February 2012 was to discuss the annual financial statements 2011 with the Managing Board and the auditor. The Supervisory Board agreed to the explanations of the Managing Board and the auditor regarding the annual financial statements and approved the annual financial statements 2011.

Changes to the Supervisory Board

The composition of the Supervisory Board was confirmed by the General Meeting of 6 June 2012.

Corporate Governance

The Supervisory Board has continuously monitored the compliance with the corporate governance standard. In the meeting of 20 April 2012, the Managing Board and the Chairman of the Supervisory Board had already reported about the changes to the recommendations by the Government Commission regarding the German Corporate Governance Code in the version of 18 June 2009 published in the electronic federal bulletin on 5 August 2009. In this meeting of the Supervisory Board, the Managing Board and the Supervisory Board issued their declarations of conformity under § 161 AktG. This declaration of conformity is permanently available for the shareholders on the Company's website.

Consolidated financial statements 2012

On 27 November 2012, the Supervisory Board of Travel24.com AG commissioned BDO AG, Wirtschaftsprüfungsgesellschaft, Leipzig, to audit the consolidated financial statements of Travel24.com AG. The consilidated financial statements 2012 prepared by the Managing Board in accordance with the rules of the International Financial Reporting Standards (IFRS) as well as the group management report were audited by BDO AG, Wirtschaftsprüfungsgesellschaft, Leipzig, including the bookkeeping. An unqualified auditor's opinion was issued for the consolidated financial statements.

Afterwards, the audit documents were handed over to the Supervisory Board for inspection. The Supervisory Board dealt with the annual financial statements of Travel24.com AG (including the measurement options exercised) as well as the consolidated financial statements and the management report for the group in detail, taking into account the audit report of the auditor, and critically examined these documents. The management report was examined by the Supervisory Board in particular with regard to its realistic presentation of the situation and perspectives of the Company. The Supervisory Board shares the opinion of the Managing Board. In the Supervisory Board meeting of 19 July 2013, the documents were discussed with the Managing Board in detail. The auditor participated in these deliberations and during these meetings reported about significant results of the audit of the Company and provided additional information. After its own in-depth examination of the documents, the Supervisory Board determined that the audit reports correspond to the legal requirements. No objections were be raised against the reports so the Supervisory Board was able to consent to the audit reports. Therefore, the Supervisory Board approved the annual financial statements as well as the consolidated financial statements both prepared by the Managing Board in its meeting of 19 July 2013. Thus, the annual financial statements 2012 of Travel24.com AG have been approved in accordance with § 172 AktG.

The Supervisory Board thanks the Managing Board for the great commitment and the performance rendered in the past year.

Daniel Kirchhof

Leipzig, 19 July 2013 (Chairman of the Supervisory Board)

4. Business Development

Travel retail

In the financial year 2012, the Company further developed travel and flight sales.

The number of tourist bookings also increased significantly; the Company’s growth exceeded the Internet business growth rates of more than 15%.

5. Investor Relations

The total of voting rights of Travel24.com AG as of the end of December 2012 amounted to 2,033,585.

As of 31 December 2012, the shareholder structure is as follows:

	Voting rights	Percent
Unister Group	996,270	48.99
Bankhaus Metzler (Erste Gallus Verwaltungs GmbH)	608,042	29.90
LOET Trading AG	332,300	16.34
Free Float	96,823	4.76
Total	**2,033,585**	**100.00**

6. Outlook

Travel24.com AG plans to further expand the business in 2013, aiming at an improvement of revenue and the result. The main focus in this respect is on the expansion of the UK business, the establishment of new portals in France and the further expansion of the German-speaking markets.

Furthermore, two properties are being modified into Budget Design-style hotels. The construction stage for the Travel24 hotel Leipzig City and the Travel24 hotel Cologne City will last until 2014.

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7.1 Group management report of Travel24.com AG, Leipzig

for the financial year from 1 January to 31 December 2012

1. General

In the past financial year 2012, the industry was able to record a satisfactory business development in the German online travel business which was marked in particular by another increase in travel bookings recorded. This trend is due to a continued shift from travel agency bookings to online sales.

For our new business segment in the hotel industry, which is in the process of being set up, we continue to see positive outlooks without change. The budget hotel industry in Germany has a share of ca. 10 % of the hotel market with a slightly increasing trend and it is accepted by hotel customers from all social classes and used by them with a likewise increasing trend.

2. Economic environment

General development

The general economic environment in 2012 was stable despite political changes in some destinations, Euro crisis and looming economic crisis in the source markets that are relevant for Travel24.

The online tourism and travel market

In the past year, online tourism in Germany recorded a growth of approximately 10% (according to PhocusWright, the most renowned market research institute for the travel industry worldwide). The trend towards online booking also continued in the Swiss market, our second key market. In this respect, growth in the early booking season (particularly from January to March) turned out to be just as strong as in the last minute season (particularly from June to September).

3. Corporate strategy

2012 was characterised for Travel24 by the expansion of the portals and the sales and marketing activities resulting in a significant growth of revenue and profit.

Travel24.com AG developed into a relevant stakeholder in online tourism and travel sales with international orientation.

On a national level, the travel retail business was secured to a large extent by the contractual relations with Unister GmbH, Leipzig, a subsidiary of Unister Holding GmbH, Leipzig, also in 2012. Unister GmbH operates and markets numerous Internet portals in different business areas. With travel brands such as for example ab-in-den-urlaub.de and fluege.de, the online travel network of Unister GmbH is one of the networks with the greatest reach in Germany. A broad line up with partially complementary portals in different business areas is a significant characteristic of the corporate strategy of Unister GmbH. The competitiveness is ensured in particular by the innovative and efficient IT and marketing department. In addition, Travel24.com AG benefits from the conditions of Unister GmbH in the rest of the service segment and therefore uses synergies optimally.

Based on this knowhow, the business expansion also progressed in international markets (Austria, Switzerland, the Netherlands, UK). The Group uses maximum synergies for its activities: Where possible, the presentation in the different markets is identical. If required, the websites are adapted to the market requirements. A proportion of contracts are concluded with external service-providers, for example in fulfilment, and by doing so the corresponding market knowhow relevant for the travel retail is ensured.

4. Group development

4.1 Special events

Four formative events took place in the second half-year 2012:

With the purchase of shares in Travel24 Hotel AG on 24 August 2012, Travel24.com AG commenced its entry into the new business segment of Budget Design Hotels already mentioned. By purchasing this shareholding incl. its subsidiaries, Travel24.com AG again is obliged to prepare consolidated financial statements under IFRS.

In the period from 29 August to 14 September 2012, Travel24.com AG issued a corporate bond with a total volume of EUR 25 million. The five-year bond is divided into shares of EUR 1,000 and an interest coupon of 7.5% p.a. The first interest payment is due on 17 September 2013. The bond has been traded in the entry standard for bonds at Frankfurt stock exchange since 17 September 2012 (WKN: A1PGRG and ISIN: DE 000 A1PGRG2). According to the planning, the issue proceeds will be used for the internationalisation in the online travel market and mainly for the new business segment Budget Design Hotels.

On 17 September 2012, the domains Travel24.com and Travel24.de as well as the associated brand “Travel24” were bought back for a total of TEUR 3,268. The domains as well as the brand are not subject to scheduled amortisation. These intangible assets had been sold within the framework of the necessary restructuring in 2009 by Travel24.com AG in order to generate short-term liquid funds for the restructuring. With the buy-back of these assets, the restructuring is completed. At the same time, an overall concept for the new business segment Budget Design Hotels was bought for TEUR 950.

These three events directly changed the balance sheet massively (assets, indebtedness) and will continue to have more influence on the income statement (depreciation of hotel buildings and amortisation of the costs of the concept after their completion as well as the interest charge regarding the corporate bond).

In addition, a house search was carried out by the State Office of Criminal Investigations Saxony on 11 December 2012. In the course of this search, one member of the Supervisory Board and the two members of the Managing Board were accused of evasion of taxes. The trigger for this was the suspicion that Travel24.com AG inter alia distributed insurance products on its website without having the necessary permit and without paying insurance tax in this respect. The investigations have not yet been completed and are expected to take another couple of months. In order to cover all costs incurred in this respect (taxes, legal costs etc.), the Managing Board formed a provision by way of precaution.

4.2 Segment Internet

Within the segment Internet, travel retail services (travel packages, last minute offers, hotel), additional travel services and flight retail are offered. In 2012, the area travel retail of Travel24.com AG experienced constant growth.

The online sales business in Germany, Switzerland and Austria was expanded further. In the UK, the success in this respect was still negligible.

The product portfolio of the portals in German language comprises all major German tour operators with up to 100 million travel packages and last minute offers each day as well as more than 200,000 hotels and more than 750 scheduled, charter and low-budget flight providers. Numerous additional products such as rental cars, cruises and insurances as well as an extensive travel news section and an own hotel video area, which is new, are also included. All travel services can be booked easily and comfortably via the website www.travel24.com or the booking hotline. In Switzerland, Austria and the Netherlands, all hotels and travel packages of all major tour operators can also be booked, in addition to holiday homes, cruises and many additional services. In the UK, Travel24 focuses on the dynamic packaging technology of Unister and a portfolio of established tour operators of the British market. .

The growth of this segment was significantly above the Internet market level of approximately 10% in the travel business. As in the previous years, the bookings focused on last minute and travel package offers and the sale of hotel products; also the share of booked flights increased strongly. This applies in particular also to foreign markets. The flug24.de flight sales business has been stabilised on a high profitability level. Compared to the previous year, the revenue increased again. Furthermore, strong internationalisation efforts were started in the flight segment. In the countries France, the UK and the Netherlands, successful flight portals have already been established. The expansion of other international flight portals is aimed for.

4.3 Segment Hotel Industry

The segment Hotel Industry is still being set up at present. Travel24.com AG wishes to expand its business in this area in future by branded hotels in the budget design segment (2-star and 2-star plus). All in all, 25 hotels are supposed to take up operation within the next five years. By purchasing several shareholdings incl. two new property companies as well as the purchase of an overall concept for the new business segment, this undertaking was heavily promoted.

4.4 Marketing

Anyone who wants to be successful in the highly competitive online travel market must, now more than ever, be able to respond to changes in demand at short notice and in a flexible manner. A competitive product portfolio and efficient applications for dynamic pricing and packaging as well as efficient marketing are key factors for being successful.

In 2012, the marketing aiming at the German-speaking markets has been extended significantly. TV advertising and an increase in online activities contributed to a considerable rise in revenue. Our online marketing included various measures, search engine marketing, newsletter promotion, the targeted use of banner ads both online as well as traditional and so-called affiliated marketing. All marketing tools were continuously optimised and also adapted to the corresponding markets in the second half of the year.

This resulted in a significant rise in user numbers.

5 Development of the result

5.1 Results of operation

In the financial year 2012, the revenue from the retail of travel, additional travel services and flights amounts to TEUR 28,725 compared to TEUR 19,092 in 2011. The result of the previous year amounting to TEUR 1,878 was not achieved in the financial year 2012 due to the consideration of risks within the framework of the issue of the corporate bond. The Group closes the financial year with a net income amounting to TEUR 1,688.

The cost of raw materials and supplies mainly comprises marketing expenses of TEUR 22,781 (previous year TEUR 15,419) as well as provider costs of TEUR 428 (previous year TEUR 365). In the financial year 2012, the ratio of cost of raw materials and supplies of the Group decreased only slightly from 82.9% in the previous year to 81.1% in the financial year 2012.

The consolidated result in the financial year 2012 is burdened by the consideration of risks in connection with the issue of the corporate bond amounting to TEUR 1,600.

5.2 Assets position

The balance sheet situation improved slightly in the financial year 2012. The equity increased from TEUR 2,791 to TEUR 4,479. Mainly due to the issue of the bond, the balance sheet total significantly increased from TEUR 4,954 to TEUR 28,606. Insofar the equity ratio decreased from 56.3% in the financial year 2011 to 15.7% in the financial year 2012.

In the other provisions, risks from the transfer of 7,300 bonds to an intermediary for the purpose of resale to institutional investors amounting to TEUR 1,600 were considered in the financial year 2012. Based on the contractual agreement between Travel24 and the intermediary, the bond is deemed not to be fully issued in the amount of TEUR 7,300 in terms of accounting law.

5.3 Financial position

In the course of issuing the corporate bond, the liquidity situation of the Group improved significantly in the ongoing financial year. The funds collected by doing so were used for financing the hotel projects in the Group.

In all other respects, the Group was able to meet its payment obligations from operations in the entire financial year 2012.

6. Opportunities and risks

In our opinion, the macro-economic and industry-specific market environment is sufficiently favourable for a positive development despite the known macroeconomic development: Despite the economic crisis, the online business developed positively in the past years all across Europe and we expect a continuation of this trend in 2013 and 2014.

As described, the Group is on the way to solid growth. As more and more people get used to the Internet as booking medium, the online sale of travel experiences strong growth also in economically challenging times. The pressure on sales prices remains, however. Our customers look for the best offer for their money on the Internet but at the same time the providers in our portfolio wish to minimise their costs. The short-term nature of the decision-making process is maintained. For this reason, we expect a strong last minute business also for 2013 and 2014, as experienced in 2012.

The operations of the Group continue to benefit from the management and technology support provided by Unister Group. However, this also constitutes a dependency on Unister Group.

By means of the continuous early detection as well as recognition, assessment and monitoring of potential risks we allow for a systematic analysis of the current risk situation on which we base the specific risk control. In organisational terms, the risk management system is directly integrated into the Managing Board. The Managing Board monitors the risks arising in their respective areas such as for example IT security as well as legal and fiscal risks. In this respect it is crucial that risks are perceived consciously and information on new risks and changes is notified immediately.

In the financial year 2012, three risk management meetings were held.

The market entry in the new European markets in parts involves market-specific risks. They include incorrect or incomplete technical market penetration on the product side, necessary adaptations in the marketing mix, insufficient performance of partners in terms of products and fulfilment as well as specific economic factors which may influence the business. Global risks such as terrorist attacks or major environmental or political changes affecting the general willingness to travel remain immanent.

To the effect that they might relate to Travel24, financial risks from the house searches carried out by Landeskriminalamt Sachsen in December 2012 regarding the accusation of evasion of insurance tax were sufficiently taken into account in the financial year 2012.

7. Events of particular significance subsequent to the balance sheet date

The member of the Managing Board, Thomas Gudel, Königstein, resigned from his office as member of the Managing Board of Travel24.com AG with immediate effect on 13 May 2013.

On 9 April 2013, Travel24.com AG founded another group company with the name Travel24.com France SAS, having its place of registration in Paris, France.

8. Information under § 315 para. 4 HGB [German Commercial Code]

For elaborations regarding the information under § 315 para. 4 HGB, we refer to the notes.

9. Accounting-related internal control and risk management system in accordance with § 289 para. 5 HGB

The significant characteristics of the accounting-related internal control and risk management system existing with Travel24.com AG can be described as follows:

The Group has a clear management and corporate structure. The functions of the essential areas for the accounting process Accounting, Taxes, Controlling and Investor Relations are clearly separated. The responsibilities are clearly attributed.

The financial systems used are protected against unauthorised access by means of appropriate IT facilities. As far as possible, standard software is used in finances.

The departments and areas involved in the accounting process are equipped appropriately both in terms of quantity and quality. The completeness and correctness of booking data received or forwarded is reviewed permanently, for example by means of random sampling. The software used enables programmed plausibility checks, for example within the framework of payment runs.

The four-eyes principle is used for all accounting-relevant processes without exceptions. Appropriate control boards (Supervisory Board) have been implemented with regard to the compliance and reliability of the internal and external accounting.

The accounting-related internal control and risk management, the main characteristics of which have been described above, ensures that corporate issues are correctly recognised on the balance sheet, processed and considered and included in the accounting. Appropriate personnel, the use of adequate software and clear legal and corporate requirements form the basis for a proper, uniform and continuous accounting process. The clear differentiation of responsibilities as well as different control and monitoring mechanisms ensure a correct and responsible accounting process. In detail, the result thereof is that transactions are recognised, processed and documented in compliance with the legal requirements and are accounted for correctly and promptly. At the same time it ensures that assets and liabilities are recognised, shown and measured correctly in the annual financial statements and that reliable and relevant information is made available completely and promptly.

10. Declaration regarding the corporate management

Corporate Governance for the Group is a demand which comprises all areas of the Company. Transparent reporting and corporate management aligned to the interests of the shareholders is the subject-matter of the corporate policy, the responsible and trustful cooperation is the basis for the corporate actions. With the resolution of 20 April 2012, the Managing Board and the Supervisory Board of Travel24.com AG declare in accordance with § 161 AktG that the recommendations of the "Government Commission regarding the German Corporate Governance Code", which the Federal Ministry of Justice announced on 4 July 2003 in the official part of the electronic federal bulletin in the version of 18 June 2009, publicly announced on 5 August 2009 have been complied with since the last declaration of conformity until (and including) 1 July 2010 and that the recommendations of the "Government Commission regarding the German Corporate Governance Code", which the Federal Ministry of Justice announced on 2 July 2010 in the electronic federal bulletin in the version of 26 May 2010 have been and are complied with from 2 July 2010 and/or they state which recommendations were or are not applied.

This declaration - including explanation - is permanently accessible on the website of Travel24.com AG at www.travel24.com and is annually renewed.

11. Forecast

In the segment Internet, we expect another growth of revenue, given our estimate of the development of the online travel business, the starting situation of the Group and the revenue achieved in the financial year 2012. For the financial years 2013 and 2014, we expect an increase in the travel services to be sold and consequently an increase in revenue of ca. 10% each. This rise in revenue can be generated only by a significant intensification of the marketing activities.

The Managing Board of Travel24.com AG expects a net income in the segment Internet amounting to ca. TEUR 3,100 in the financial year 2013. For the financial year 2014, a maximum increase in earnings is expected in the proportion of the revenue.

In the segment Hotel Industry, two properties are being modified into budget design hotels. The construction stage for Hotel Ringmessehaus in Leipzig and Hotel Perlengraben in Cologne will continue until 2014. In addition to the hotel projects in construction in Leipzig and Cologne, further hotel projects in Essen, Berlin, Munich, Hamburg and Dresden are in the planning stage.

Revenue is not expected at all in the financial year 2013 and in the financial year 2014 only to a minor extent. The interest obligations resulting from the corporate bond amounting to TEUR 1,328 p.a. have a reducing influence on the result of the segment Hotel Industry. Additional expenses are not expected in the financial year 2013.

Leipzig, 18 July 2013

Armin Schauer

7.2 Consolidated financial statements of Travel24.com AG, Leipzig

7.2.1 Consolidated balance sheet of Travel24.com AG as of 31 Dec. 2012

ASSETS	Reference to notes	31 December 2012 EUR	31 December 2011 EUR
NON-CURRENT ASSETS			
Intangible Assets			
Intangible assets purchased	2(e),2(f),2(q),11,24	4,225,634.60	7,634.60
		4,225,634.60	**7,634.60**
Property, plant and equipment			
Land	2(h),12	4,843,948.99	0.00
Construction in process	2(h),12	6,674,104.45	0.00
		11,518,053.44	**0.00**
Financial Assets			
Other loans	2(i),15,29	3,510,763.89	0.00
		3,510,763.89	**0.00**
Deferred tax assets	2(j),13	**585,415.80**	**0.00**
TOTAL NON-CURRENT ASSETS		**19,839,867.73**	**7,634.60**
CURRENT ASSETS			
Receivables and other assets			
Trade receivables	2(i),14	8,906.91	7,594.08
Receivables due from affiliated companies	2(i),15,29	5,487,491.12	4,833,983.81
Other financial assets	2(i),16,29	277,000.00	0.00
Other non-financial assets	17	1,936,754.40	69,602.91
		7,710,152.43	**4,911,180.80**
Cash	2(k),18	**1,056,154.46**	**35,254.31**
TOTAL CURRENT ASSETS		**8,766,306.89**	**4,946,435.11**
BALANCE SHEET TOTAL		**28,606,174.62**	**4,954,069.71**

EQUITY AND LIABILITIES		31 December 2012 EUR	31 December 2011 EUR
EQUITY			
Subscribed capital	19	2,033,585.00	2,033,585.00
Capital reserve	19	2,913,974.00	2,913,974.00
Balance sheet loss	19	-468,514.80	-2,156,928.83
Equity of the owners of the parent company		**4,479,044.20**	**2,790,630.17**
Shares of non-controlling shareholders		0.00	0.00
TOTAL EQUITY		**4,479,044.20**	**2,790,630.17**
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities	2(i),21	17,229,831.11	0.00
Deferred tax liabilities	2(j),13	156,825.34	0.00
TOTAL NON-CURRENT LIABILITIES		**17,386,656.45**	**0.00**
CURRENT LIABILITIES			
Tax liabilities	8	2,586,406.97	1,727,247.62
Provisions	2(l),20	2,440,478.35	220,227.73
Financial liabilities	2(i),21	383,500.00	0.00
Trade payables	2(i)	662,837.59	62,023.06
Other liabilities	22	667,251.06	153,941.13
TOTAL CURRENT LIABILITIES		**6,740,473.97**	**2,163,439.54**
TOTAL LIABILITIES		**24,127,130.42**	**2,163,439.54**
BALANCE SHEET TOTAL		**28,606,174.62**	**4,954,069.71**

7.2.2 Consolidated income statement of Travel.24.com AG, Leipzig from 1 Jan. to 31 Dec. 2012

	Reference to notes	1 January - 31 December 2012 EUR	2011 EUR
1. Revenue	2(m), 4	28,724,699.02	19,092,469.12
2. Other operating income		21,241.45	32,349.08
3. Cost of materials	5	-23,297,899.78	-15,834,658.78
4. Personnel expenses		-432,952.12	-397,827.82
5. Other operating expenses	6	-2,544,650.03	-230,825.14
6. Operational result		**2,470,438.54**	**2,661,506.46**
7. Interest income	2(i), 7, 23	216,876.53	117,234.29
8. Interest expenses	2(i), 7, 23	-436,404.92	-18,033.26
9. Financial result		**-219,528.39**	**99,201.03**
10. Result before taxes		**2,250,910.15**	**2,760,707.49**
11. Tax expenses	8	-991,086.58	-882,376.85
12. Deferred taxes	2(j), 8	428,590.46	0.00
13. Net income		**1,688,414.03**	**1,878,330.64**
14. Accumulated losses carried forward		-2,156,928.83	-4,035,259.47
15. Balance sheet loss		**-468,514.80**	**-2,156,928.83**
16. Expenses and income directly recognised in equity		0.00	0.00
17. Comprehensive income		**1,688,414.03**	**1,878,330.64**
thereof attributable to owners of the parent company		1,688,414.03	1,878,330.64
attributable to non-controlling shareholders		0.00	0.00
Earnings per share in EUR (basic and diluted)	2(n), 9	0.83	0.92

7.2.3 Consolidated cash flow statement of Travel24.com AG, Leipzig from 1 Jan. to 31 Dec. 2012

		Reference to notes	1 January - 31 December 2012 EUR	2011 EUR
Cash flow from operating activities				
Net income			**1,688,414.03**	**1,878,330.64**
+	Income taxes	8	562,496.12	882,376.85
+ / -	Financial result	7	219,528.39	-99,201.03
+ / -	Increase/decrease in provisions	20	2,220,250.62	142,538.84
- / +	Increase/decrease in trade receivables and other assets which are not attributable to investing or financing activities		-425,112.38	-2,848,280.52
+ / -	Increase/decrease in trade payables and other liabilities which are not attributable to investing or financing activities		1,114,124.46	22,559.64
+ / -	Other non-cash expenses/income		28,831.11	0.00
-	Interest paid		-52,904.92	0.00
+	Interest received		109,253.39	117,234.29
-	Taxes paid		-131,927.23	-64,129.23
=	Cash flow from operating activities		**5,332,953.59**	**31,429.48**
-	Payments for investments in intangible assets	11	-4,218,000.00	-6,100.00
-	Payments for investments in property, plant and equipment	12	-11,518,053.44	0.00
-	Payments from the issue of loans	29	-3,500,000.00	0.00
=	Cash flow from investing activities		**-19,236,053.44**	**-6,100.00**
+	Inflow from the issue of a bond	25	14,924,000.00	0.00
+	Inflow from bank loans	3	7,495,000.00	0.00
-	Repayment of bank loans	3	-7,495,000.00	0.00
=	Cash flow from financing activities		**14,924,000.00**	**0.00**
	Net changes in cash		**1,020,900.15**	**25,329.48**
	Cash at the beginning of the period	2(k),18	35,254.31	9,924.83
	Cash at the end of the period	2(k),18	1,056,154.46	35,254.31

7.2.4 Consolidated statement of changes in equity of Travel24.com AG, Leipzig from 1 Jan. to 31 Dec. 2012

	Outstanding shares	Subscribed capital	Capital reserve	Balance sheet loss	Total	Shares of non-controlling shareholders	Total Equity
	number	EUR	EUR	EUR	EUR	EUR	EUR
As of 31 December 2010	**2,033,585**	**2,033,585.00**	**2,913,974.00**	**-4,035,259.47**	**912,299.53**	**0.00**	**912,299.53**
Comprehensive income		0.00	0.00	1,878,330.64	1,878,330.64	0.00	1,878,330.64
As of 31 December 2011	**2,033,585**	**2,033,585.00**	**2,913,974.00**	**-2,156,928.83**	**2,790,630.17**	**0.00**	**2,790,630.17**
Comprehensive income		0.00	0.00	1,688,414.03	1,688,414.03	0.00	1,688,414.03
As of 31 December 2012	**2,033,585**	**2,033,585.00**	**2,913,974.00**	**-468,514.80**	**4,479,044.20**	**0.00**	**4,479,044.20**

7.2.5 Consolidated notes of Travel24.com AG, Leipzig

for the financial year from 1 January to 31 December 2012

1. The Company

(a) Description of the business activity

Travel24.com AG, Leipzig, is the parent company of Travel24.com Group ("the Company", "Travel24", "the Group"), which consists of Travel24.com AG and its subsidiaries. The product portfolio of the portals in the German language operated by Travel24 comprises all important German tour operators with up to 100 million travel packages and last minute offers each day as well as more than 200,000 hotels and more than 750 scheduled, charter and low-budget flight providers. In addition, there is a business travel application, numerous additional products such as rental cars and insurances and a large travel news area and an own hotel video area. All travel services can be booked easily and comfortably via the websites of Travel24.com AG, especially via www.travel24.com, or the booking hotline.

In the financial year 2012, the hotel business was commenced by the acquisition of Travel24 Hotel AG, Leipzig. In this respect, the Group is still in a development phase; in particular two of the properties bought are to be completely reconstructed within the framework of the acquisition in order to use them as hotel properties.

The headquarters of Travel24.com AG are in 04109 Leipzig, Germany (Barfußgässchen 11). The subsidiaries of the Company are exclusively located in Germany.

Travel24.com AG is entered in the commercial register of Amtsgericht [local court] Leipzig under the number HRB 25538.

The consolidated financial statements are available at the headquarters of the company and/or are published online and in the federal bulletin.

(b) Accounting bases

The present consolidated financial statements under IFRS are prepared again in compliance with IFRS. Travel24.com AG had prepared consolidated financial statements under IFRS already in the past, most recently as of the balance sheet date 31 December 2008 (cf. section 2(s)).

IFRS 1 was applied. The consolidated financial statements comprise the operations of Travel24.com AG from 1 January 2012 to 24 August 2012 as well as the operations of the other companies included in the consolidated financial statements from the time of acquisition by Travel24.com AG on 24 August 2012. The comparative figures from the previous year correspond to the values of the legal entity Travel24.com AG for the period from 1 January 2011 to 31 December 2011.

Due to the acquisition of assets of Travel 24 Hotel AG (cf. section 3), the comparability of the balances shown in the balance sheet is possible only to a limited extent. However, the comparability regarding the income statement is limited only marginally as the business segment hotel industry, which is still being set up, at present does not yet record significant revenue and expenses. This is illustrated also in the segment reporting.

The consolidated financial statements of Travel24.com AG are based on the going concern assumption. They were prepared in accordance with the International Financial Reporting Standards (“IFRS”) of the International Accounting Standards Board (“IASB”), London, and take into account all mandatory accounting standards and interpretations as applicable in the EU which have been adopted by 31 December 2012. In the present version, the consolidated financial statements correspond to the regulation of § 315a of the German Commercial Code (Handelsgesetzbuch; “HGB”). Together with the Regulation (EC) No. 1606/2002 of the European Parliament and the Council of 19 July 2002 on the application of international accounting standards, this regulation is the legal basis for the consolidated financial statements under international standards in Germany.

The financial year of Travel24.com AG and its subsidiaries ends on 31 December.

2. Accounting and measurement principles

(a) Bases of consolidation

The consolidated financial statements comprise the financial statements of Travel24.com AG and all subsidiaries. Subsidiaries are all companies which are controlled by Travel24.com AG. A controlling situation shall be given if Travel24.com AG has the possibility to determine the financial and business policy in order to benefit from the activity of the company. Travel24.com AG also holds the majority of voting rights in each of the companies controlled by it. Joint ventures are companies under joint management together with other companies.. A complete list of the holdings of Travel24.com AG can be found in section (35) “Information regarding the bodies of the parent company” in these notes to the consolidated financial statements.

All relevant internal group transactions, balances and interim results between group companies were eliminated within the framework of consolidation. Shares of non-controlling shareholders in the net assets of consolidated subsidiaries were determined and shown in the consolidated financial statements separated from the equity which is attributable to the shareholders of the parent company.

(b) Business combinations

The capital consolidation takes place using the acquisition method in accordance with IFRS 3 “”Business combinations”. In this respect, the identifiable assets and liabilities are measured at their fair value at the time of acquisition within the framework of the initial measurement. Minority shares (shares of non-controlling shareholders) are recognised amounting to their share in the fair values of the net assets. The costs of purchase of the shares acquired are offset with the group share of the net assets measured at the fair value of the subsidiary. Incidental costs of purchase are recognised directly as expenses. A remaining positive difference after the offsetting will be shown as goodwill.

The results of the subsidiaries acquired will be included in the consolidated income statement depending on their group affiliation, i.e. from the effective time of acquisition (possibility to exercise control). A subsidiary is deconsolidated as of the time when Travel24.com AG loses control over the company.

(c) Foreign currency translation

The consolidated financial statements are prepared in euro as the majority of the group transactions is realised in this currency and this currency constitutes the functional currency of Travel24.com AG. All amounts are stated in thousand euro (€ thousand) unless otherwise stated. Amounts are rounded up/down to the nearest even number. As a result, rounding differences may occur.

Transactions in foreign currencies are converted with the conversion rate as of the transaction time. Monetary assets and liabilities, such as for example cash and cash equivalents, accounts receivable or liabilities in foreign currencies are measured again at each reporting date until settlement. The income or expenses from currency translation are shown in the income statement under other operating income or expenses.

Below, the significant exchange rates used for the preparation of the consolidated financial statements are listed:

	Closing rate as of 31 December 2012	Closing rate as of 31 December 2011	+/- %	Average rate 2012	Average rate 2011	+/- %
GBP	1.2220	1.1933	2.4	1.2332	1.1522	7.0
CHF	0.8280	0.8216	0.8	0.8297	0.8113	2.3

(d) Use of judgments and estimates

The preparation of the consolidated financial statements taking into account the IFRS requires that judgments, assumptions and estimates are made which have effects on the amount and disclosure of the assets and liabilities on the balance sheet, the income and expenses as well as contingent liabilities. The assumptions and estimates mainly relate to the uniform group determination of the useful life of as well as the accounting and measurement of provisions. In individual cases, the actual values may differ from the assumptions and estimates made. Changes are taken into account as soon as the Company has better knowledge.

(e) Intangible assets with indefinite useful lives

Intangible assets acquired against remuneration are recognised with the costs of purchase if the accrual of a benefit to the Group is probable and can be assessed reliably. An indefinite useful life will be assumed if the assets are not subject to wear and therefore are permanently available to the Company.

Intangible assets with indefinite useful lives (for example domains and brands) are not amortised according to a schedule but tested for impairment regularly at least once a year in accordance with IAS 36 (impairment test).

(f) Other intangible assets

If intangible assets only have a specific useful life, they will be amortised according to schedule over the expected useful life.

The scheduled annual amortisation rates are shown in the separate item “Amortisation” within the statement of comprehensive income. In the case of a corresponding indication, this asset will be tested for impairment (impairment test caused by triggering event). However, no such indication was given as of the end of 2012. In this respect, it is to be taken into account that the time of acquisition of the hotel concept was close to the balance sheet date.

(g) Operating leases

Travel24.com AG mainly leases office premises and technical equipment; the beneficial ownership is retained by the lessor. The rental expenses are recognised in the statement of comprehensive income on a straight-line basis over the term of the contract. In this respect, Travel24.com AG will also take into account any agreements regarding an extension which exist at the time when the contract takes effect if their implementation is probable.

(h) Property, plant and equipment

Property, plant and equipment is measured at the cost of purchase and/or conversion minus accumulated scheduled depreciation and accumulated expenses for impairment. The cost of purchase and/or conversion include expenses which are directly attributable to the acquisition of the asset. The cost of conversion for own produced assets include the following: cost of raw materials or supplies and direct labour; all other directly attributable costs occurred in order to bring the assets to an operable condition for their intended purpose; the estimated cost of dismantling and/or removal of the items and the restoration of their location if there is an obligation to do so, and capitalised borrowing costs.

If parts of the property, plant and equipment have different useful lives, they will be shown on the balance sheet as separate items (main components) of property, plant and equipment.

Any profit or loss from the disposal of property, plant and equipment (calculated as difference between the fair value net costs to sell and the residual carrying amount) is recognised in the income statement.

Subsequent cost of purchase and conversion shall only be given and result in the capitalisation of subsequent expenses if it is probable that the future economic benefit associated with the expenses will actually accrue. Ongoing repairs and maintenances are immediately recorded as expenses.

Property, plant and equipment (here: buildings) are depreciated according to schedule from the time when it is available or with regard to own produced assets from the time when the asset has been completed and is ready for use. The depreciation is calculated so that the cost of purchase and/or conversion minus the estimated residual values are spread on a straight-line basis over the period of the estimated useful life and recognised as expenses.

The estimated useful life for the buildings (in construction) included in the balance sheet amounts to 30 years.

The depreciation method, useful life and the residual values are reviewed on each balance sheet date on principle and adjusted, if need be.

(i) Financial instruments

Financial assets and financial liabilities are taken into account in the consolidated balance sheet from the time when the Group becomes a contracting party to the financial instrument. The accounting of financial assets, which are acquired or sold as is customary in the market, takes place as of the settlement date on principle. Financial assets are measured when the fair value is recognised for the first time in addition to directly attributable transaction costs for financial assets which are not measured at the fair value and recognised in the income statement.

Financial assets and liabilities within the meaning of IAS 39 either are classified as loans and receivables (“LaR”), as held-to-maturity (“HtM”) financial investments, as financial assets available for sale (“AfS”), as financial assets/liabilities held for trading (“FAHfT/FLHfT”) or as financial liability at amortised cost (“FLAC”). The categorisation depends on the type and the purpose of use of the financial assets and liabilities and takes place upon addition. Financial assets will be recognised in the consolidated balance sheet if there is a contractual right to receive cash or other financial assets of another company.

<u>Original financial instruments</u>
The original financial instruments of the Company mainly consist of cash, loans, receivables and liabilities to affiliated companies, trade receivables and payables, bonds payable and other financial assets and liabilities.

Loans and receivables as well as short-term and long-term financial liabilities are measured at amortised cost. Amortised cost of a financial asset or financial liability mean the amount with which a financial asset or financial liability is measured during the initial recognition minus possible repayments using the effective interest method and possible impairments.

For current receivables and liabilities, the amortised cost on principle corresponds to the nominal value and/or repayment amount.

Trade receivables are recognised at the nominal value minus possible valuation allowances for presumably uncollectible accounts.

The Group determines the valuation allowances for doubtful accounts and loans based on systematic, regular reviews as well as measurements within the framework of the credit monitoring. This monitoring takes into account historical bad debt losses, the amount and adequacy of collaterals as well as other relevant factors. Impairments are made based on objective indications and account for the credit risk. For example, objective indications may be significant financial difficulties of the debtor, breach of contract, such as default or delayed interest payment, or principal repayment or the high probability of insolvency proceedings against the debtor. Receivables and loans will be written off against these valuation allowances if they are to be considered as uncollectible. For further information on credit risks please refer to section 32 (Financial risk management – Credit risk).

Income and expenses as well as profits and losses from financial assets include impairments and write-ups, interest income and expenses, dividends as well as profits and losses from the disposal of such assets. Dividends are recognised as income upon realisation. Interest income is recognised based on the effective interest method.

Upon disposal of an asset, neither dividend nor interest income is included in the calculation of the net income or loss. Financial assets are written off when the contractual rights in the cash flows from the financial assets have expired or when mainly all risks and opportunities from the ownership of the financial assets are transferred.

(j) Deferred income taxes

Deferred income taxes are determined annually based on the balance sheet-oriented approach in accordance with the provisions of IAS 12 “Income taxes” on the treatment of income taxes. All liabilities or claims from income taxes arising during a financial year are shown in the consolidated financial statements pursuant to the respective tax laws. In order to take into account the fiscal consequences of differences between valuations for assets and liabilities in the consolidated financial statements and the corresponding fiscal assessment bases as well as for differences from consolidation processes and for losses carried forward, deferred taxes are formed annually based on the tax rates which are applicable or which will be applicable shortly for the taxable profit if it is to be expected that these differences will be balanced over the course of time.

The taxes to be paid for the reporting period or to be refunded by the tax authorities in addition to and/or minus the changes to the deferred taxes (to be taken into account in the income statement) are shown under income tax expenses. The effects of changes of tax rates to deferred tax assets or liabilities are taken into account during the period in which the change was decided with legally binding effect.

Deferred claims for tax refunds for fiscal losses carried forward are recognised with the amount at which the realisation of the associated tax benefits by future fiscal profits is probable.

Deferred tax assets and liabilities will be shown as being offset only if there is a right to offsetting of receivables and payables from income taxes and the deferred tax assets and liabilities relate to income taxes raised by the same tax authorities and the same group companies.

(k) Cash

Deposits with banks are shown as cash Due to their short-term maturities, the carrying amounts of the cash mainly correspond to the fair value.

(l) Provisions

A provision will be recognised if the Group has a present (factual or legal) obligation based on a past event, the outflow of resources with economic benefits for meeting the obligation is probable and a reliable estimate of the amount of the obligation is possible. If the Group expects a refund for a passivated provision at least in parts (such as for example in the case of an insurance contract), the refund will only be recognised as separate asset if the refund is practically certain.

If the effect of the impact on interest is significant, provisions are discounted at an interest rate before taxes which reflects the specific risks for the liability. In the case of discounting, the increase of the provision caused by lapse of time will be recognised as interest expense. Provisions are broken down by the expected maturity so that provisions with a maturity of up to one year are considered as being short-term and provisions with a maturity of more than one year are considered as being long-term.

Obligations from the ongoing business operation
Travel24 is subject to the risk of cancellation of services brokered. In this respect, a provision for such risks is made in the balance sheet based on historical experience.

Other obligations
The provisions for other obligations relate to recognisable individual risks and uncertain obligations mainly from risks of litigation.

(m) Recognition of the revenue

The Group realises revenue from brokerage services (mainly commissions from acting as an agent) based on a contractual agreement with Unister GmbH as soon as the respective booking has been made by the customer and thus the respective products have been brokered, the remuneration can be determined reliably and no significant obligations exist vis-à-vis Unister GmbH and the collection of the receivable is considered to be probable.

Due to the possibility of cancellation by the customer, the revenue is booked only to the extent that the probability of a cancellation can be estimated reliably. For this purpose, cancellation quotas are determined based on historical data and future obligations from cancellations are estimated.

The net amount after deduction of cash discounts, customer bonuses and rebates is recognised as revenue.
Income from real estate is currently not yet generated.

(n) Earnings per share

The basic earnings per share were calculated by means of division of the consolidated result attributable to the shareholders of the parent company amounting to € 1,688 thousand (prior year: € 1,878 thousand) by the weighted average number of common shares issued during each individual period. As in the previous year, the number of shares in this financial year amounted to 2,034 thousand units. Conversion rights or options were not outstanding. By issuing shares or subscription rights from the approved or conditional capital, the earnings per share might potentially be diluted.

in € thousand	2012	2011
Net income	1,688	1,878
Net income attributable to the shareholders of the parent company	1,688	1,878
Weighted average number of outstanding shares (in thousand pieces)	2,034	2,034
Earnings per share in € (basic and diluted)	0.83	0.92

(o) Borrowing costs

Borrowing costs are credited to expenses in the period in which they arise. For qualified assets corresponding to IAS 23.5, borrowing costs are capitalised. Borrowing costs amounted to EUR 176 thousand were capitalized in the financial year 2012.

(p) Business relations with related companies and persons

The main shareholder of Travel24 is Unister Holding GmbH. Unister Holding GmbH, Leipzig, including its subsidiaries (the “Unister Group”) as well as the affiliated and not consolidated companies are considered as related companies and transactions, for example income, receivables and liabilities vis-à-vis these companies are shown separately in section 29.

The Group purchases services from Unister Group regularly, including Unister Holding GmbH. They include, without limitation, services for personnel and administrative activities as well as sales and IT services performed on the basis of contractual agreements. These transactions with related companies were carried out under the same conditions as those applicable to third parties. In addition, Unister Holding GmbH subscribed to a partial amount of the corporate bond issued in 2012.

(q) Impairment of property, plant and equipment and intangible assets

The book values of intangible assets are checked for evidence of occurred impairment as of each reporting date (31 December) (impairment test). If such evidence is apparent, the recoverable amount of the asset will be estimated in order to determine the scope of a possible impairment loss. If the recoverable amount cannot be estimated on the level of the individual asset, the determination will be carried out on the level of the cash-generating unit (CGU) which is attributed to the respective asset. In this respect, the distribution takes place to the individual CGUs and/or the smallest group of CGUs on a reasonable and consistent basis.

The Company carries out the impairment test for the intangible assets with indefinite useful life acquired in 2012 (domain and trademark rights).

In the case of intangible assets with indefinite useful life or assets which cannot yet be used, an impairment test will be carried out at least once a year and in the case of evidence for impairment (triggering events).

The recoverable amount is the fair value less costs to sell or the value in use, whichever is higher.

For determining the value in use, the estimated future cash flows are discounted with an interest rate before taxes. It also takes into account the present market estimate of the time value of the money as well as the risks relating to the asset, unless they have already been considered in the estimate of the cash flows. The calculations are based on forecasts which rely on the financial budgets approved by the management. Cash flow forecasts in excess of the detailed planning period are calculated based on suitable growth rates.

The fair value less costs to sell is determined based on available transaction prices / based on an appropriate assessment model. As far as can be observed, this model is based on valuation multiples, stock exchange prices of listed shares in subsidiaries or other available indicators for the fair value. The cash flows calculated are hedged by external sources of information. For calculating the fair value less costs to sell, the significant assumptions of the management are the following:

Development of sales,

Acquisition of customers and retention costs,

Cancellation quota,

Market share,

Growth rates and discount rate.

If the recoverable amount of an asset and/or a CGU falls below its carrying amount, the carrying amount will be impaired to the achievable amount. The impairment loss will be recognised immediately in the income statement by means of unscheduled amortisation.

If the impairment loss is reversed, the carrying amount of the asset and/or the CGU will be increased to the newly determined recoverable amount in the income statement.
In this respect, the upper value limit of the write-up amounting to the original carrying amount of the asset and/or the CGU is to be taken into account. A reversal of the impairment is immediately included in the income statement.

(r) New and changed accounting standards

Change of IFRS 7 - Financial instruments: Disclosures

In October 2010, the IASB published a change to IFRS 7 regarding the disclosure obligations in the case of derecognition of financial assets. By means of the new regulations, financial reports in future are supposed to be more clearly arranged and thus provide more insight to users in the case of transactions regarding the transfer of assets, for example securitisation. In addition, a significant standardisation of the disclosure obligations under IFRS and US GAAP is achieved. The changes are applicable to financial years starting on or after 1 July 2011.

The changed standard did not affect the consolidated financial statements of Travel24.com AG.

Change of IAS 12 - Income taxes

In December 2010, the IASB published changes to the standard IAS 12 resulting from suggestions which have been published in a standard draft in September 2010 for public comments. In accordance with IAS 12, the measurement of hidden taxes depends on whether the carrying amount of an asset is recovered through use or sale. The change provides for a practical solution for this problem by introducing a refutable assumption that the recovery of the carrying amount normally takes place by sale. In this connection, SIC 21 “Recovery of Revalued Non-Depreciable Assets” was withdrawn. The changed standard is to be applied initially to financial years starting on or after 1 January 2012. The change did not affect the consolidated financial statements of Travel24.com AG.

IASB and IFRS IC continued to issue the following standards, interpretations and changes to existing standards, whose application is not yet mandatory for Travel24.

The option to apply these standards prematurely was not made use of.

Issue date	Standard/ interpretation	Change/new regulation	Date of mandatory initial application	Adopted by the EU
12 November 2009	IFRS 9 “Financial instruments”	Categorisation and measurement of financial assets	Financial years starting on or after 1 January 2015	no
28 October 2010	Revision IFRS 9 “Financial instruments”	Amendment of regulations for the accounting of financial assets	Financial years starting on or after 1 January 2015	no
20 December 2010	Change of IAS 12 “Income taxes”	Practical solution for the issue of recovery of the carrying amount through use or sale	Financial years starting on or after 1 January 2013	yes
20 December 2010	Change of IFRS 1 “First time adoption of international financial reporting standards”	Amendment of the regulations in the case of severe hyperinflation and removal of fixed dates for first-time adopters	Financial years starting on or after 1 January 2013	yes
12 May 2011	IFRS 10 “Consolidated financial statements”	Accounting rules for presentation of consolidated financial statements as well as explanations regarding the principle of control	Financial years starting on or after 1 January 2014	yes
12 May 2011	IFRS 11 “Joint arrangements”	Amendment of regulations for joint arrangements and their accounting	Financial years starting on or after 1 January 2014	yes
12 May 2011	IFRS 12 “Disclosure of interests in other entities”	Extended disclosure duties with regard to subsidiaries, joint ventures and associates as well as non-consolidated structured entities	Financial years starting on or after 1 January 2014	yes
12 May 2011	IFRS 13 “Fair value measurement”	Guidelines on measurement and information on measurement of the fair value	Financial years starting on or after 1 January 2013	yes

12 May 2011	IAS 27 “Separate financial statements”	Guidelines on the accounting of investments in subsidiaries, associates and joint ventures in separate financial statements	Financial years starting on or after 1 January 2014	yes
12 May 2011	IAS 28 “Investments in associates and joint ventures”	Guidelines on the accounting of associates and regulations on applying the equity method	Financial years starting on or after 1 January 2014	yes
16 June 2011	Change of IAS 1 “Presentation of financial statements”	Presentation of the items of other comprehensive income	Financial years starting on or after 1 July 2012	yes

Issue date	Standard/ interpretation	Change/new regulation	Date of mandatory initial application	Adopted by the EU
16 June 2011	Change of IAS 19 “Employee benefits”	Accounting of defined benefit plans, definition of the individual types of employee benefits and extended information in the notes	Financial years starting on or after 1 January 2013	yes
19 October 2011	IFRIC interpretation 20: Stripping Costs in the Production Phase of a Surface Mine	Accounting of stripping costs in the production phase of a surface mine	Financial years starting on or after 1 January 2013	yes
16 December 2011	Amendments to IAS 32 “Financial instruments: Presentation”	Amendment of the regulations for offsetting financial assets and liabilities	Financial years starting on or after 1 January 2014	yes
16 December 2011	Amendments to IFRS 7” Financial instruments: Disclosures”	Additional information on offsetting financial assets and liabilities	Financial years starting on or after 1 January 2013	yes
13 March 2012	Change of IFRS 1 “First time adoption of international financial reporting standards”	Specification of the accounting of a government loan with an interest rate not corresponding to the market level	Financial years starting on or after 1 January 2013	yes
17 May 2012	Improvements to IFRS (2009-2011)	Changes of the standards IFRS 1, IAS 1, 16, 32 and 34	Financial years starting on or after 1 January 2013	yes
28 June 2012	Transition Guidance (Amendments to IFRS 10, IFRS 11 and IFRS 12)	Amendment of transition regulations regarding IFRS 10, 11 and 12	Financial years starting on or after 1 January 2013	yes
31 October 2012	Amendment to IFRS 10, IFRS 12 and IAS 27 “Investment Entities”	Special regulations for financial statements of investment entities	Financial years starting on or after 1 January 2014	no

All standards listed are expected to be applied by Travel24 for the first time as of the date of the mandatory first-time application, to the extent that they are relevant in terms of contents. No significant influences on the accounting and measurement are expected due to the future application pursuant to the present state of knowledge.

(s) Application of IFRS 1

Travel24.com AG had prepared consolidated financial statements under IFRS already in the past, most recently as of the balance sheet date 31 December 2008. As all subsidiaries had been sold during 2009, the duty to prepare consolidated financial statements in accordance with § 290 HGB was no longer applicable. Starting in the financial year 2009, separate financial statements of Travel24.com AG were prepared under commercial law. In August 2012, a group within the meaning of § 290 HGB was formed again due to the acquisition of Travel24 Hotel AG, which entailed that IFRS 1 became applicable again.

The reference date for the transition from HGB to IFRS is 1 January 2011. Based on the equity of Travel24.com AG under commercial law as of the reference date 31 December 2010, there are no differences to the equity under IFRS. For this reason, a schedule in table form is not provided, which equally applies to the equity as of the reference date 31 December 2011 as well as to the comprehensive income for the period and/or the comprehensive income for the financial year 2011. There was also no need for adjustment of the cash flow statement included in the separate financial statement of Travel24.com AG for the financial year 2011 under commercial law due to the application of the IFRS regulations, i.e. the cash flows shown under operational cash flows, cash flows from investment and financing activities are identical under commercial law and IFRS.

No options were made use of within the framework of the application of IFRS 1.

3. Acquisition of operations still being set up

Travel24 Group was created upon the acquisition of Travel24 Hotel AG, Leipzig, on 24 August 2012, including the shares held by it in the following companies (subgroup):

- Travel24 Hotel Betriebs- und Verwaltungs GmbH, Leipzig
- Travel24 Hotel Grundbesitz Holding GmbH, Leipzig
- Hotel Köln Perlengraben GmbH & Co. KG, Leipzig
- Perlengraben Besitz- und Verwaltungs GmbH, Leipzig
- Hotel Leipzig Ringmessehaus GmbH & Co. KG, Leipzig
- Hotel RMH Besitz- und Verwaltungs GmbH, Leipzig.

The initial consolidation took place as of 24 August 2012.

The acquired subgroup of Travel24 Hotel AG is not a business combination within the meaning of IFRS 3 because the acquired subsidiaries of Travel24 Hotel AG have not yet started their business operations, with exception of the commenced reconstruction of the buildings in Cologne and Leipzig for the purpose of establishing hotels. In particular, no income is being generated at present.

Rather, a group of assets with the associated liabilities was acquired. The latter are mainly bank loans. In particular, the assets comprise property, plant and equipment, i.e. land and buildings.

The purchase price for the acquisition of Travel24 Hotel AG amounts to € 2,228 thousand and was settled by means of transfer. The costs of purchase are distributed to the assets and debts acquired as follows:

	Acquisition cost
	€ thousand
Property, plant and equipment	11,262
Other assets	289
Cash	74
Short-term provisions	-5
Long-term bank loans	-7,495
Trade payables	-1,897
Net value of assets and liabilities acquired	**2,228**

Intangible assets have not been identified. In this respect, it is to be taken into account that the acquired companies have not yet started their business operations, with exception of the ongoing reconstruction of the buildings in Cologne and Leipzig for the purpose of establishing hotels.

Effect of the acquisition on the result of Travel24

Since the acquisition, the acquired companies have not yet contributed to the revenue of the Group as the future hotel buildings are still in process of construction. This also mainly applies regarding the contribution to the result.

Explanations regarding the consolidated income statement

4. Revenues

The group income for the financial years 2012 and 2011 mainly consists of revenue. A breakdown of the revenue is as follows:

	Financial year	
	2012	2011
	€ thousand	€ thousand
Revenue from travel retail commissions	15,218	10,951
Revenue from flight retail commissions	9,634	7,671
Revenue from commissions for additional travel services	3,873	470
Total	28,725	19,092

The significant increase in revenue mainly results from the significantly increased number of bookings of last-minute offers and package travels due to increased marketing activities and the sale of hotel products. The ancillary travel services in particular include travel cancellation insurances as well as the fee-based granting of short-term changes of bookings and cancellations of travel packages and flights.
The main revenue was achieved by the Company within the framework of a fulfilment agreement with Unister GmbH (cf. section 29 Business relations with related companies and persons).

5. Cost of raw materials or supplies

The cost of raw materials and supplies mainly includes marketing expenses, provider costs and costs of the fulfilment performed by Unister GmbH. In this respect, Unister GmbH in particular carries out the processing of bookings and the customer service including collection of receivables of Travel24.com AG.

6. Other operating expenses

This mainly includes the expenses for the provisions for contingent losses amounting to € 1,600 thousand (previous year € 0), which are shown in connection with the issue of the Travel24 bond (see section 20 Provisions). In addition, a significant part amounting to € 474 thousand (previous year € 75 thousand) constitutes legal and consulting fees.

In terms of accounting law, the issue of the Travel24 bond is not yet considered to be completed (section 21), therefore the issue costs are recorded only proportionately in the amount of € 235 thousand for the portion not yet issued under accounting law (previous year: € 0 thousand).

	Financial year 2012	2011
	€ thousand	€ thousand
Allocation provisions for contingent liabilities	1,600	0
Legal and consulting fees	474	75
Issue costs regarding the bond	235	0
Accounting and auditing costs	74	23
Expenses for the General Meeting	19	18
Contributions	19	16
Others	124	99
	2,545	231

7. Financial result

<u>Interest income</u>

The interest income results from the issue of long-term loans (loans; € 46 thousand) and granting of short-term loans (€ 171 thousand, previous year € 117 thousand).

<u>Interest expenses</u>

The interest expenses mainly result from the bond issued in the financial year 2012 (€ 384 thousand). Furthermore, the expenses include interest on additional payments of taxes.

In addition, the contribution to operating income attributable to the non-controlling shares (limited partnership share) of the partnerships “Hotel Köln Perlengraben GmbH & Co. KG” and “Hotel Leipzig Ringmessehaus GmbH & Co. KG” is shown under this item. The limited partnership shares did not bear interest in the financial year.

8. Income taxes

Income taxes are structured as follows

	Financial year	
	2012	2011
	€ thousand	€ thousand
Current taxes:	991	882
Germany	991	882
International	0	0
	991	882
(thereof income relating to other periods)	-159	0
Deferred taxes:	-429	0
Germany	-429	0
International	0	0
	-429	0
	0	0
Total	**562**	**882**

Current and deferred taxes which are directly attributed to the equity have not occurred in the financial years 2012 and 2011.

As Travel24.com AG does not record items within the other result, the provision of information regarding the income tax amount connected to any component of the other income is not necessary here.

In accordance with the tax law applicable in the financial year 2012, the income of German group companies is taxable at a corporation tax rate of 15% (previous year 15%). Taking into account the solidarity tax and the local trade tax multiplier for Leipzig of 460%, a total tax rate of 31.93% (previous year: 31.93%) results for the Group.

The nominal tax rate of the parent company Travel24 amounting to 31.93% (previous year 31.93%) valid in the past financial year is used as applicable tax rate for the fiscal reconciliation. Deferred taxes are calculated with the applicable nominal tax rate of the parent company Travel24 amounting to 31.93% (previous year 31.93%).

The reconciliation of the expected income tax expenses related to the result before income tax to the actual expenses for income taxes is as follows:

	Financial year	
	2012	2011
	€ thousand	€ thousand
Expected income tax expenses	719	881
Non-deductible expenses	533	1
Tax-free income	-55	0
Tax income for previous years	-159	0
Taxes on deviation from commercial to tax balance sheet	-429	0
Others	-47	0
Actual income tax expenses	**562**	**882**
Effective tax rate	24.9%	31.9%

9. Earnings per share

The following table shows the calculation of the earnings per share:

	Financial year	
	2012	2011
Consolidated result attributable to the shareholders of the parent company (in € thousand)	1,688	1,878
Weighted average of shares issued	2,034	2,034
Earnings per share (in €)	0.83	0.92

10. Dividend

During the reporting period, as in prior year, no dividend was distributed to the shareholders of Travel24.

Explanations regarding the consolidated balance sheet

11. Intangible assets

The development of the intangible assets for the financial years 2012 and 2011 is as follows:

2012 € thousand	Brand name	Hotel concepts	Domains	Total
Cost of purchase and conversion as of 1 January 2012	**0**	**0**	**8**	**8**
Additions	2,700	950	568	4,218
Disposals	0	0	0	0
As of 31 December 2012	**2,700**	**950**	**576**	**4,226**
Amortisations as of 1 January 2012	**0**	**0**	**0**	**0**
Additions	0	0	0	0
Disposals	0	0	0	0
As of 31 December 2012	**0**	**0**	**0**	**0**
Net carrying amount as of 31 December 2012	2,700	950	576	4,226

With regard to the assets acquired against remuneration in 2012, reference is made to the explanations regarding the transactions with related companies in section 29.

2011 € thousand	Brand name	Hotel concepts	Domains	Total
Cost of purchase and conversion as of 1 January 2011	**0**	**0**	**2**	**2**
Additions			6	6
Transfers				
Disposals				
As of 31 December 2011	**0**	**0**	**8**	**8**
Amortisations as of 1 January 2011	**0**	**0**	**0**	**0**
Additions				
Impairments				
Transfers				
Disposals				
As of 31 December 2010	**0**	**0**	**0**	**0**
Net carrying amount as of 31 December 2011	**0**	**0**	**8**	**8**

12. Property, plant and equipment

The development of the property, plant and equipment for the financial years 2012 and 2011 is as follows:

€ thousand	**Land**	**Buildings under construction**	**Total**
Cost of purchase and conversion as of 1 January 2012	**0**	**0**	**0**
Additions	4,844	6,674	11,518
Transfers	0	0	0
Disposals	0	0	0
As of 31 December 2012	**4,844**	**6,674**	**11,518**
Amortisations as of 1 January 2012	**0**	**0**	**0**
Additions	0	0	0
Disposals	0	0	0
As of 31 December 2012	**0**	**0**	**0**
Net carrying amount as of 31 December 2012	**4,844**	**6,674**	**11,518**

In the financial year 2011, Travel24 did not own property, plant or equipment.

13. Deferred taxes

The deferred tax receivables and liabilities are itemised in the following balance sheet items:

	31 December			
	2012		2011	
€ thousand	**Deferred tax assets**	**Deferred tax liabilities**	**Deferred tax assets**	**Deferred tax liabilities**
Losses carried forward	0	0	0	0
Intangible assets	0	0	0	0
Non-current assets	0	0	0	0
Trade receivables	0	0	0	0
Other assets	88	0	0	0
Provisions	497	0	0	0
Trade payables	0	0	0	0
Other liabilities and equity	0	157	0	0
Retained profits	0	0	0	0
Total	**585**	**157**	**0**	**0**

No offsetting in accordance with IAS 12 between deferred tax assets and deferred tax liabilities was made in the consolidated balance sheet.

There are no retained profits of subsidiaries intended for distribution for which deferred taxes would have to be formed.

For the financial year 2012, the consolidated financial statements of Travel24.com AG do not show a valuation allowance for deferred tax assets.
Deferred tax assets on losses carried forward were not formed as there is still legal uncertainty regarding the reconstruction clause of § 8c para. 1a KStG [Corporate Tax Act].

14. Trade receivables

Compared to the receivables from affiliated companies, the receivables from third parties are of minor importance.
With regard to further information regarding this item, reference is made to the explanations within the framework of the reporting on credit risks (section 32 Financial risk management - Credit risk).

15. Receivables from affiliated companies

The receivables from affiliated companies exist against Unister Holding GmbH (€ 2,296 thousand; previous year € 169 thousand) as well as Unister GmbH (€ 3,191 thousand; previous year € 4,665 thousand). In addition, there is a long-term loan receivable from Unister Holding GmbH (€ 2,511 thousand; previous year € 0 thousand).

In all other respects, reference is made to the explanations in section 29 “Business relations with related companies and persons”.

16. Other current financial assets

This item exclusively relates to a receivable from LOET Trading AG as one of the subscribers of the bond issued in 2012.

17. Other current non-financial assets

As of 31 December 2012, this item amounting to € 1,007 thousand mainly comprises receivables from the tax authority resulting from VAT. An offset liability was to be recorded in the previous year.

18. Cash

The existing cash exclusively consists of cash at call with a remaining time to maturity of up to three months. Thereof, € 355 thousand are subject to restraints on disposal for the first time as of 31 December 2012, which are attributable to a collateral for a guaranteed credit.

19. Equity

Subscribed capital

The share capital of Travel24.com AG is divided into 2,033,585 no-par shares with equal rights at an arithmetical amount of € 1 each and has been fully paid in, without any changes to the previous financial year 2011. The ownership of the shares involves the voting right in the General Meeting and the profit-sharing right if distributions are decided upon.
Regarding the disclosure of the outstanding shares reference is made to the statement of changes in equity.

Authorised capital

Authorised capital 2009

By resolution of the General Meeting of 31 August 2009, the Managing Board was authorised, subject to the approval of the Supervisory Board, to increase the Company's share capital once or several times in the period until 31 August 2014 by a maximum of € 893,730.00 by issuing up to 893,730 new no-par shares against cash contribution or contribution in kind (authorised capital 2009). In each case, no-par bearer shares may be issued; the share of profits may be determined in deviation from § 60 para. 2 AktG. The minimum amount issued per no-par share amounts to EUR 3.00. Furthermore, the Managing Board is authorised to exclude the subscription right of the shareholders, subject to the approval of the Supervisory Board. However, an exclusion of the subscription right is admissible only in the following cases:

- In the case of capital increases against contributions in kind if companies, investments in companies or parts thereof are incorporated into the company in return for the issue of shares;
- for residual amounts;
- if the issue price of the shares is not significantly below the stock market price and the exclusion of the subscription right only extends to new shares, the arithmetical value of which does not exceed 10% of the share capital, i.e. in total a maximum of EUR 178,746.10; with regard to the question of exploitation of the 10% limit, the exclusion of the subscription right due to other authorisations under § 186 para. 3 sentence 4 AktG is to be taken into account;
- if required in order to grant the owners of convertible bonds or conversion principles or option rights a subscription right to the extent to which they would be entitled after exercising the conversion right or option right as shareholder.

This resolution of the General Meeting was entered in the commercial register on 21 October 2009. As of the balance sheet date, the authorised capital 2009 amounts to EUR 893,730.00.

Authorised capital 2010

By resolution of the General Meeting of 30 July 2010, the Managing Board was authorised, subject to the approval of the Supervisory Board, to increase the Company's share capital once or several times in the period until 30 July 2015 by a maximum of € 90,170.00 through issuing up to 90,170 new no-par value shares against cash contribution or contribution in kind (authorised capital 2010). In each case, no-par bearer shares may be issued; the share of profits may be determined in deviation from § 60 para. 2 AktG. The minimum amount issued per no-par share amounts to EUR 3.00. Furthermore, the Managing Board is authorised to exclude the subscription right of the shareholders, subject to the approval of the Supervisory Board. However, an exclusion of the subscription right is admissible only in the following cases:

- In the case of capital increases against contributions in kind if companies, investments in companies or parts thereof are incorporated into the company in return for the issue of shares;
- for residual amounts;
- if the issue price of the shares is not significantly below the stock market price and the exclusion of the subscription right only extends to new shares the arithmetical value of which does not exceed 10% of the share capital, i.e. in total a maximum of EUR 196.780,00; with regard to the question of exploitation of the 10% limit, the exclusion of the subscription right due to other authorisations under § 186 para. 3 sentence 4 AktG is to be taken into account;
- if required in order to grant the owners of convertible bonds or conversion principles or option rights a subscription right to the extent to which they would be entitled after exercising the conversion right or option right as shareholder.

This resolution of the General Meeting was entered in the commercial register on 6 December 2010. As of the balance sheet date, the authorised capital 2010 amounts to EUR 90,170.00.

Contingent capital

The subscribed capital of Travel24.com AG is the subject of a conditional increase. The conditional capital increase is carried out only insofar as the holders of warrants and conversion rights exercise their rights.

In accordance with the entry in the commercial register of 6 February 2013, the contingent capital 2004/ II still amounts to EUR 8,213.00.

Capital surplus

The capital surplus includes the amounts achieved when issuing the shares in excess of the arithmetical amount.

Authorisation to purchase own shares

With the resolution in the General Meeting of 6 June 2012, the Company is authorised to purchase own shares. The authorisation is limited to the purchase of own shares amounting to a proportionate amount of the share capital of up to € 203 thousand in total. The authorisation can be exercised once or several times within the framework of the above-mentioned overall volume completely or in partial amounts. The authorisation is valid until the expiry of 6 June 2017.

Retained earnings

In accordance with the Stock Corporation Act, the dividend amount available for distribution to the shareholders depends on equity, as shown in the separate financial statements of Travel24.com AG corresponding to the German Commercial Code (HGB). Dividends can be decided and distributed only from a possible balance sheet profit (after allocation to statutory reserves). The balance sheet profit stated in the separate financial statements of Travel24.com AG under HGB regularly differs from the accumulated balance sheet profit in the present consolidated financial statements under IFRS. As of 31 December 2012, the separate financial statements of Travel24.com AG shows a balance sheet loss amounting to € 968 thousand (previous year € 2,157 thousand). In the separate financial statement, Travel24.com AG made use of the option in accordance with § 247 para. 1 sentence 2 HGB and in the financial year 2012 recognised deferred tax assets amounting to € 581 thousand. The deferred tax assets are subject to the ban on distribution within the meaning of § 268 para. 8 sentence 2 HGB.

Other comprehensive income

In the present year, Travel24.com AG does not have any items in the other comprehensive income; this applies also to the previous year. Accordingly, there are no effects on the amount of the income taxes attributable to the individual components of the other comprehensive income.

20. Provisions

The development of the current provisions is as follows:

	Personnel and social security	Accounting and auditing costs	Provisions for onerous contracts	Cancellation risks	Outstanding invoices	Legal and others	Total
	€ thousand	€ thousand	€ thousand	€ thousand	€ thousand	€ thousand	€ thousand
As of 1 January 2012	12	24	0	107	4	73	220
Additions	17	73	1,600	144	148	387	2,369
Releases	-3	0	0	0	0	-9	-12
Utilisation	-9	-21	0	-107	0	0	-137
As of 31 December 2012	17	76	1,600	144	152	451	2,440

The provisions for onerous contracts comprise anticipated charges from the agreed resale of bond units by LOET Trading AG, Baar (Switzerland) (€ 1,600 thousand).
Accordingly, LOET Trading AG intends to resell the Travel24.com bonds transferred to it. As LOET Trading AG is not contractually obliged to resell the bonds, Travel24.com AG records an adequate risk prevention amounting to the difference in value between the current market value and the nominal value of the bond (see also section 29).

In addition, the cancellation risk from the travel retail (€ 144 thousand; previous year € 107 thousand) is taken into account.

The provisions for legal costs and other provisions mainly include the risk from accusations asserted against Travel24 by authorities regarding matters under insurance law (€ 300 thousand; previous year € 0 thousand) as well as anticipated interest on additional payments of taxes (€ 72 thousand; previous year € 17 thousand).

21. Non-current financial liabilities

Bond payables

As of the balance sheet date, the non-current financial liabilities exclusively include the present value of the corporate bond issued in the third quarter of 2012, which has a maturity of 5 years and an interest coupon of 7.5% p.a. The nominal volume subscribed amounts to € 25,000 thousand, whereof € 9,577 thousand have not yet been paid. The bond is therefore treated as not completely issued for accounting purposes. The attributable offering costs amounted to € 499 thousand and reduced the net capital inflow correspondingly (and increased the effective rate of interest).

The current share of the bond payable exclusively relates to the interest claims of the creditors accrued until the balance sheet date. The first interest payment will take place in September 2013.

Non-controlling shares in partnerships

The non-controlling shares (limited partnership shares) of the two companies "Hotel Köln Perlengraben GmbH & Co. KG, Leipzig" and "Hotel Leipzig Ringmessehaus GmbH & Co. KG, Leipzig", which are included in the consolidated financial statements, are entitled to terminate their shareholding. The potential indemnification claims from a possible termination of the shares are recorded under other financial liabilities.

Travel 24.com AG calculates the amount of the obligation when the fair value is recognised for the first time, which corresponds to the share of the minority shareholder in the net asset value of the respective company. Afterwards, the obligation is measured at fair value.

Shares in profit increase, shares in loss and distributions reduce the obligation. Thus, the recorded liability corresponds to the arithmetical portion of the non-controlling shareholders in the net asset value of the respective subsidiary recorded the consolidated balance sheet at the carrying amount.

As the shareholdings with non-controlling shareholders in the Group are limited exclusively to the two partnerships stated above and the associated indemnification claims, these minority shares are shown as debt in accordance with IAS 32.

The total amount of a possible obligation as of the balance sheet date is nearly zero.

22. Other current liabilities

As of the balance sheet date, the other current non-financial liabilities nearly exclusively include liabilities due to the tax authority, which in turn mainly result from VAT. In contrast, the advance payments received were the most significant sub-item amounting to € 56 thousand.

23. Additional information regarding financial instruments

The following table shows the carrying amounts, valuations and fair values in accordance with measurement categories of financial instruments as of 31 December 2012 and as of 31 December 2011.

(All information in € thousand)		31 December 2012				
			Valuation balance sheet under IAS 39			
	Measurement category under IAS 39	**Carrying amount**	Amortised cost	Fair value not affecting income	Fair value not affecting income	**Fair value***
Original financial instruments						
Assets						
Loans	LaR	**3,511**	3,511	-	-	**3,511**
Trade receivables	LaR	**9**	9	-	-	**9**
Receivables from affiliated companies	LaR	**5,488**	5,488	-	-	**5,488**
Other financial assets	LaR	**277**	277	-	-	**277**
Cash	LaR	**1,056**	1,056	-	-	**1,056**
Liabilities and equity						
Bond (non-current and current portion)	FLAC	**17,613**	17,613	-	-	**17,613**
Trade payables	FLAC	**663**	663	-	-	**663**
Obligation from the potential termination of limited partner´s interest	FLaFV	**0**	0			**0**

(All information in € thousand)		31 December 2012				
			Valuation balance sheet under IAS 39			
	Measurement category under IAS 39	**Carrying amount**	Amortised costs	Fair value not affecting income	Fair value not affecting income	**Fair value***
Thereof aggregated under measurement categories pursuant to IAS 39						
Loans and receivables (LaR)		**10,341**	10,341	-	-	**10,341**
Financial liabilities measured at amortised cost (FLAC)		**18,276**	18,276	-	-	**18,276**
Financial Liabilities Measured at Fair Value (FLaFV)		**0**	0			**0**

* If no fair value can be determined, the carrying amount will be stated

(All information in € thousand)		31 December 2011				
			Valuation balance sheet under IAS 39			
	Measurement category under IAS 39	**Carrying amount**	Amortised costs	Fair value not affecting income	Fair value not affecting income	**Fair value***
Original financial instruments						
Assets						
Financial assets	LaR	**0**	0	-	-	**0**
Trade receivables	LaR	**8**	8	-	-	**8**
Receivables from affiliated companies	LaR	**4,834**	4,834	-	-	**4,834**
Other financial assets	LaR	**0**	0	-	-	**0**
Cash	LaR	**35**	35	-	-	**35**
Liabilities and equity						
Financial liabilities	FLAC	**0**	0	-	-	**0**
Trade payables	FLAC	**62**	62	-	-	**62**
Payables due to affiliated companies	FLAC	**0**	0	-	-	**0**
Obligation from the potential termination of limited partner´s interest	FLaFV	**0**	0			**0**

(All information in € thousand)		31 December 2011				
			Valuation balance sheet under IAS 39			
	Measurement category under IAS 39	**Carrying amount**	Amortised cost	Fair value not affecting income	Fair value not affecting income	**Fair value***
Thereof aggregated under measurement categories pursuant to IAS 39						
Loans and receivables (LaR)		**4,877**	4,877	-	-	**4,877**
Financial liabilities measured at amortised cost (FLAC)		**62**	62	-	-	**62**
Financial Liabilities Measured at Fair Value (FLaFV)		**0**	0			**0**

* If no fair value can be determined, the carrying amount will be stated

The abbreviations of the measurement categories under IAS 39 are explained under section (2 (i)). The above-mentioned classes for IFRS 7 purposes refer to the balance sheet items as follows:

Class under IFRS 7	Category under IAS 39	Balance sheet item
Loans	LaR	Financial assets/other loans
Trade receivables	LaR	Trade receivables
Receivables from affiliated companies	LaR	Receivables from affiliated companies
Other financial assets	LaR	Other financial assets
Cash	LaR	Cash
Bond	FLAC FLAC	(non-current) financial liabilities (current) financial liabilities
Obligation from the potential termination of limited partner´s interest	FLaFV	(non-current) financial liabilities
Trade payables	FLAC	Trade payables

The fair values of the financial instruments, which are assessed at amortised cost, are determined as follows:

- Cash and cash equivalents, trade receivables, other non-derivative financial assets: As the financial assets mainly are current assets, it is assumed that the fair values are approximately equivalent to their carrying amounts. We discount long-term loans to third parties or employees, which do not bear interest at all or which only bear little interest, to the cash value of the anticipated future cash flows and for doing so apply the original effective interest rate which a borrower would have to pay for a similar loan with a financial institute. Trade payables and non-derivative financial liabilities: Our non-derivative financial liabilities comprise financial debt and other non-derivative financial liabilities. As the trade payables and other non-derivative financial liabilities above all are of current nature, we assume that the fair values are approximately equivalent to their carrying amounts. We determine the fair value of financial debt with fixed interest rates based on available market prices or by discounting the cash flows with the market interest rates applicable on 31 December.

The Group does not hold financial instruments which are classified in the categories “held-to-maturity” and “available for sale”.

Net results by measurement category

The following schedule shows how the income from interest, the subsequent measurement of financial instruments at fair value and currency translations are distributed to the individual categories of financial instruments within the meaning of IAS 39 and how the respective net result is calculated.

(All information in € thousand)		Impacts on interest	From the subsequent measurement			Derecognition	Result not affecting net income	Net result
			At fair value	Currency translation	Valuation allowance			
From loans and receivables	31 December 2012	217	n.a.	(5)	(1)	(9)	n.a.	202
	31 December 2011	117	n.a.	(1)	-	-	n.a.	116
From financial liabilities measured at amortised cost	31 December 2012	(463)	n.a.	-	n.a.	n.a.	n.a.	(463)
	31 December 2011	(18)	n.a.	-	n.a.	n.a.	n.a.	(18)
From financial liabilities measured at fair value	31 December 2012	0	0	0	0	0	0	0
	31 De-cember 2011	0	0	0	0	0	0	0
Total	**31 December 2012**	**(219)**	**-**	**(5)**	**(1)**	**(9)**	**-**	**(234)**
	31 December 2011	**99**	**-**	**(1)**	**-**	**-**	**-**	**98**
Thereof affecting net income	31 December 2012	(219)	-	(5)	(1)	(9)	-	(234)
	31 December 2011	99	-	(1)	-	-	-	98

The interest from financial instruments is shown in the interest income and/or interest expenses, respectively. The other components of the net result are covered by Travel24 in the other operating income and/or other operating expenses, respectively.

Other information

24. Impairment test for intangible assets with indefinite useful life

The intangible assets with indefinite useful life (domains and brand) acquired within the framework of acquisition of Travel 24 Hotel AG were allocated to the cash generating unit (CGU) "Internet" for the purpose of the impairment test. In addition, there is also the CGU "hotel industry" in the Group, which had not yet been operating in 2012 and accordingly has not yet generated revenue.

The CGUs correspond to the operational segments prior to combination with other segments. The domains and the brand constitute jointly used assets (corporate assets), which do not generate own cash flows. For this reason, the allocation of the intangible assets to the CGUs takes place based on the revenue. As the area hotel industry has not yet generated revenue in 2012, the domains and the brand were reviewed for impairment based on the CGU "Internet".

In € thousand	CGU "Internet"	CGU "Hotel industry"	Total
Domains	576	0	576
Brand	2,700	0	2,700

24.1 Explanation of the CGUs

CGU "Internet"

The business segment Internet operates in the field of travel and flight retail. This includes travel packages and last-minute travel offers as well as flight retail. All services can be booked via the Internet or the booking hotline.

On 31 December 2012, Travel 24.com Group carried out an annual impairment test also for the CGU "Internet". The recoverable amount of the CGU "Internet" is determined based on the calculation of the fair value less costs to sell based on a DCF procedure. The assessment takes place based on medium-term plans approved by the management for a detailed period of five years. Growth rates for cash flow forecasts in excess thereof are determined both based on analyses of historical data as well as industry-specific future forecasts. The growth rates determined in 2012 amount to 1%. Long-term, market-specific inflation rates are the basis of the nominal growth rates, which were corrected by segment-specific development expectations. The discount rates after taxes used are determined based on market data and amount to 8.4% as of the reference date 31 December 2012.
Within the framework of the impairment test for the CGU "Internet", no need for impairment was determined.

24.2 Basic assumptions for calculating the achievable amount

When calculating the fair value less costs to sell (by means of the DCF procedure) of the CGU "Internet", there are estimation uncertainties for the underlying assumptions, in particular regarding:

- Gross profit margins
- Discount rate (interest rate)
- Market share in the reporting period
- Growth rate which is used as basis for the extrapolation of the cash flow forecast outside of the budget period.

Gross profit margins - The gross profit margins are determined based on the average values recovered in the three preceding financial years prior to start of the budget period. The gross profit margins were increased by anticipated efficiency increases over the course of the budget period. For the CGU "Internet" a factor of 10% p.a. was applied.
Discount rates - The discount rates reflect the current market estimates regarding the specific risks allocated to each of the CGUs. The discount rate was estimated based on the weighted average capital costs (WACC) customary in the industry. The interest rate was furthermore adjusted by the market estimate regarding all risks specifically allocated to the CGUs for which the estimates of future cash flows were not adjusted.

Assumptions regarding the market share - The assumptions regarding the market share correspond to the estimated growth rates. Thus, they reflect the opinion of the management as to how CGUs will develop compared to other competitors during the budget period. In this respect, the management expects that the market share of the Group in the CGU “Internet” will be secured in the long run due to strong activities in the field of marketing by associated market shares which are additionally gained.

24.3 Sensitivity of the assumptions made

The management is of the opinion that no change of a basic assumption made regarding the determination of the recoverable amount of the CGU “Internet”, which at reasonable discretion is possible on principle, might result in the carrying amount of the CGU significantly exceeding the recoverable amount.
The management also considered the possible presence of new competitors regarding the assumptions regarding the growth rate as parameter influencing the growth rate. All in all, no negative effects are expected due to the high marketing activities and the solid direction of growth.

25. Information regarding the cash flow statement

The cash flow statement in accordance with IAS 7 (Cash flow statement) shows how the cash and cash equivalents in the Group changed over the course of the year under review due to inflow and outflow of funds. The cash and cash equivalents existing exclusively comprise cash at call with a remaining time to maturity of up to three months. The cash flow statement differentiates between changes in cash flow from operating activities, from investment and financing activities.

In the year under review, cash flows amounting to € 5,333 thousand (previous year € 31 thousand) were generated from operating activities.

In the year under review, an outflow of funds amounting to € 19,236 thousand (previous year € 6 thousand) resulted from investment activities. It includes cash outflow for intangible assets (domains, brands, hotel concept) amounting to € 4,218 thousand as well as € 11,518 thousand for the future hotel properties in Cologne and Leipzig.

The cash flow from financing activities in the year under review shows an inflow of funds realised from the issued bond amounting to € 14,924 thousand (previous year € 0 thousand).

26. Contingencies and other financial obligations

Guarantees

As in the previous year, there are no guarantees vis-à-vis third parties.

Legal disputes and arbitral proceedings

Travel24 Group is a party to several court or arbitral proceedings, which, however, cannot have significant influence on the economic situation of Travel24 according to the present assessment of the shareholders in detail. Such proceedings are not threatened or to be expected as far as the Company knows.

In the present consolidated financial statements, a sufficient risk provision was made for the expenses expected due to the pending preliminary fiscal investigations.

In addition, a house search was carried out by LKA Sachsen on 11 December 2012. In the course of this search, the chairman of the Supervisory Board and the two members of the Managing Board were accused of evasion of taxes. The trigger for this was, among other things, the suspicion that Travel24.com AG distributes insurance products on its website without having the necessary permit and without paying insurance tax in this respect. The investigations have not yet been completed and are expected to take another couple of months.

Operating lease agreements

The subject-matter of the operating lease agreements mainly are rental expenses for office premises and technical equipment leased within the framework of a contract with Unister GmbH. For more detailed information regarding the contract, please refer to the statements regarding the affiliated companies in section 29. As the contract merely has a duration of one year, obligations are only stated for one year.

The obligations under operating lease agreements existing as of 31 December 2012 are structured as follows:

Information in EUR.	Lease agreement for office premises	Technical equipment	**Total**
Up to one year	10,950.00	149,887.82	**160,837.82**
Total	10,950.00	149,887.82	**160,837.82**

The obligations under operating lease agreements existing as of 31 December 2011 are structured as follows:

Information in EUR.	Lease agreement for office premises	Technical equipment	**Total**
Up to one year	10,950.00	149,887.82	**160,837.82**
Total	10,950.00	149,887.82	**160,837.82**

Other service relationships

In the financial year 2012, Travel24.com AG Group concluded service contracts with architects and other providers of construction services amounting to EUR 1,861 thousand.

27. Collateral

Assets pledged as collateral

Travel24.com AG pledged € 355 thousand (previous year: € 0) of its cash at call as collateral for a guaranteed credit in the same amount (cf. section 18). Travel24.com AG pledged the shares in Travel24 Hotel AG as collaterals for the bond to a trustee.

Assets received as collateral

In connection with the granting of a loan to Unister Holding GmbH as well as receivables from Unister GmbH, there is an exploitation right of the shares in Travel24.com AG held by Unister Holding GmbH in favour of Travel24.com AG.

28. Segment reporting

In accordance with IFRS 8, the Group publishes its business segments based on information which is reported internally to the CEO, who at the same time is the Chief Operating Decision Maker. The business segments correspond to the business areas of the Group. The segment “Internet” and the segment “Hotel Industry” comprise all activities of Travel24.

The segment “Internet” mainly operates in the field of travel services and flight retail. In this respect, the existing online sales business in Germany was expanded also to Switzerland and Austria. The travel offer comprises a multitude of travel packages and last-minute travel offers and numerous charter and low-budget flight providers. In addition, the Company also offers numerous additional tourism products (for example rental cars, cruises).

The segment “Hotel Industry” is still being set up at present. Travel24.com AG wishes to expand its business in these areas in future by branded hotels in the budget design segment (2-star and 2-star plus). All in all, 25 hotels are supposed to take up operation within the next five years.

For each of the business areas, internal management reports regarding decisions on the allocation of resources and performance are analysed by the CEO at least quarterly.

In € thousand	Internet		Hotel Industry		Total	
	12 months		12 months		12 months	
	2012	2011	2012	2011	2012	2011
Revenue	28,725	19,093	0	-	28,725	19,093
Other income	14	32	7	-	21	32
Cost of raw materials or supplies	(23,283)	(15,835)	(15)	-	(23,298)	(15,835)
Personnel expenses	(433)	(398)	(0)	-	(433)	(398)
Others	(802)	(231)	(1,831)	-	(2,545)	(231)
Result before interest and Income taxes	**4,221**	**2,661**	**(1,751)**	**-**	**2,470**	**2,661**
Reconciliation of the comprehensive income of the segments to the comprehensive income for the period of the Group						
Comprehensive income of the segments					**2,470**	**2,661**
Consolidated result before interest and income taxes (EBIT)					**2,470**	**2,661**
Financial result					(220)	99
Consolidated result before income taxes					**2,251**	**2,760**
Income tax expenses					(562)	(882)
Consolidated result					**1,688**	**1,878**
Thereof attributable to:						
Shareholders of the parent company					1,688	1,878
Shares of non-controlling shareholders					0	-

The segment data is based on IFRS; therefore, the total of the segments corresponds to the overall values shown in the consolidated income statement. For this reason, a reconciliation is not necessary (except for the segment result). The explanation of the reconciliation of the result before interest and income taxes to the consolidated result can be seen in the explanations to the consolidated income statement.

Significant income and expenses not affecting payment in excess of the expenses from the allocation to the provisions stated in order to account for risks in connection with the issue of the corporate bond were not recorded. On principle, no revenue was generated between segments. The revenue in the segment Internet is achieved mainly based on a contractual agreement between Travel24 and the affiliated company Unister GmbH (fulfilment contract). All segment activities take place in Germany.

29. Business relations with related companies and persons

Related companies and persons within the meaning of IAS 24 are legal or natural persons that may influence Travel24.com AG and its subsidiaries or are subject to its control or significant influence. This includes in particular legal or natural persons holding a share in Travel24.com AG which grants them a significant influence on Travel24.com AG as well as board members of Travel24.com AG.

The members of the Managing Board of Travel24.com AG do not receive remuneration for their activity from the group companies.

Transactions with related companies in accordance with IAS 24

The following transactions and outstanding balances result from different agreements with related companies:

	Transaction amount Financial year 2012	Transaction amount Financial year 2011		Outstanding balance 31 December 2012	Outstanding balance 31 December 2011
Income	28,733	19,252	Receivables/loans	7,998	4,834
Thereof Unister GmbH	28,691	19,252	Thereof Unister Holding GmbH	4,807	169
Expenses	22,467	15,166	Thereof Unister GmbH	3,191	4,665
Thereof Unister GmbH	22,466	15,165	Liabilities (unrelated to bonds)	0	0

<u>Transactions with Unister Holding GmbH</u>

The expenses and income related to Unister Holding GmbH are of minor importance.

As of the balance sheet date, there is a liability due to Unister Holding included in the balance sheet with a cash value of € 1,996 thousand which results from the subscription by Unister Holding GmbH of the corporate bond (disclosure as component of the current and/or non-current financial liabilities). The bond was not paid by Unister Holding GmbH in the financial year 2012. The resulting disadvantages in form of interest payments were compensated for by an identical receivable. Furthermore, Travel24.com AG grants to Unister Holding GmbH a loan amounting to up to € 5,000 thousand. The contractual terms provide for an interest rate which is customary in the market.

Transactions with Unister GmbH

In addition, there is an agreement between Unister GmbH and Travel24.com AG regarding the retail of travel and flight services as well as providing management, fulfilment and technical services as of the balance sheet date.

- The revenue from the retail of travel and flight services is allocated to Travel24.com AG based on the fulfilment contract of Unister GmbH. Therefore, the revenue resulting from that contract constitutes the main income component of Travel24. For fulfilling the above-mentioned agreement, Unister GmbH receives a remuneration as customary on the market.
- What is part of this agreement is a sublease regarding office premises and technical equipment under which rental expenses amounting to € 11 thousand for office premises and € 150 thousand for technical equipment (2011: office premises: € 11 thousand; technical equipment: € 150 thousand) were paid to Unister GmbH in 2012.

Transactions with LOET Trading AG

In addition to the subsidiaries included in the consolidated financial statements, Travel24 in exercising its normal business activity has a direct or indirect relationship with LOET Trading AG, Baar/Switzerland, as related company. For reasons of transparency, also those transactions with LOET Trading AG, Switzerland ("LOET") are stated below that were made from the moment when LOET possessed a voting right share in Travel24.com AG amounting to ca. 16%.

- As a first step, Unister GmbH as related company sold the domains "Travel24.com" and "Travel24.de", respectively, as well as the associated brand "Travel24" and a hotel concept developed by Unister Group to LOET. Afterwards, the resale to Travel24.com AG for a total purchase price of € 4,218 thousand by LOET took place within a short period of time.

As of 31 December 2012, there were no outstanding obligations under the above-mentioned transactions.

- In addition, Travel24.com AG records a balance of receivables as of the balance sheet date amounting to € 277 thousand (previous year: € 0) due from LOET Trading AG. This amount is attributable to the transfer of bonds of Travel24.com AG to LOET Trading AG. However, the transaction is not related to the following contract on the resale of bonds in any way whatsoever but has been agreed independently.
- In addition, reference is made to a contract on the resale of Travel24.com bonds. Within the framework of this contract, LOET is supposed to resell the bonds transferred to it. The purchase price payable for the bonds corresponds to the proceeds of resale realised by LOET. As LOET is not contractually obliged to resell the bonds, Travel24.com AG recorded an adequate risk prevention amounting to the difference in value between the current market value and the nominal value of the bond.

As of the balance sheet date, the purchase price for the bonds has not yet been settled by LOET (cf. section 20).

30. Employee participation programmes

In the financial years 2012 and 2011, the company has issued neither share options nor bonus shares.

31. Reportable transactions in the reporting period

Up to the day of preparation of the balance sheet, Travel24.com AG received the following notifications of shareholders of the company in accordance with the regulations of Wertpapierhandelsgesetz (WpHG) [Securities Trading Act]:

Notification of 24 August 2012 and corrections of this notification of 30 August 2012 and 22 October 2012

Regarding the reporting threshold of 75%:

On 19 October 2012, Unister Holding GmbH informed us under § 21 (1) WpHG that its voting share on 22 August 2012 fell below the threshold of 75% and on this day amounted to 65.34% (1,328,720 voting rights). Thereof, 0.28% (5,686 voting rights) in accordance with § 22 (1) sentence 1 no. 2 WpHG, another 1.21% (24,556 voting rights) under § 22 (1) sentence

1 no. 2 as well as under § 22 (2) WpHG and another 2.80% (56,998 voting rights) under § 22 (2) WpHG are attributable to Unister Holding GmbH.

We were informed on 19 October 2012 in accordance with § 21 (1) WpHG that the voting right share of Thomas Wagner in Travel24.com AG on 22 August 2012 fell below the threshold of 75% and on this day amounted to 65.34% (1,328,720 voting rights). Thereof 61.05% (1,241,480 voting rights) under § 22 (1) sentence 1 no. 1 WpHG as well as under § 22 (2) WpHG of Unister Holding GmbH are attributable to Thomas Wagner. Another 0.28% (5,686 voting rights) are attributable to Thomas Wagner both under § 22 (1) sentence 1 no. 2 in conjunction with sentence 2 WpHG and under § 22 (1) sentence 1 no. 1 WpHG and additionally under § 22 (2) WpHG. Another 1.21% (24,556 voting rights) are attributable to Thomas Wagner under § 22 (1) sentence 1 no. 2 in conjunction with sentence 2 WpHG as well as under § 22 (2) WpHG and another 0.01% (150 voting rights) under § 22 (2) WpHG. In this respect, voting rights attributable to Thomas Wagner are held through the following company controlled by him; the voting right share of this company in Travel24.com AG amounts to 3% or more: Unister Holding GmbH.

We were informed on 19 October 2012 in accordance with § 21 (1) WpHG that the voting right share of Oliver Schilling in Travel24.com AG on 22 August 2012 fell below the threshold of 75% and on this day amounted to 65.34% (1,328,720 voting rights). Thereof 61.05% (1,241,480 voting rights) under § 22 (1) sentence 1 no. 1 WpHG as well as under § 22 (2) WpHG of Unister Holding GmbH are attributable to Oliver Schilling. Another 0.28% (5,686 voting rights) are attributable to Oliver Schilling both under § 22 (1) sentence 1 no. 2 in conjunction with sentence 2 WpHG as well as under § 22 (1) sentence 1 no. 1 WpHG and additionally also under § 22 (2) WpHG. Another 2.80% (56,998 voting rights) are attributable to Oliver Schilling under § 22 (2) WpHG. In this respect, voting rights attributable to Oliver Schilling are held through the following company controlled by him; the voting right share of this company in Travel24.com AG amounts to 3% or more: Unister Holding GmbH.

We were informed on 19 October 2012 in accordance with § 21 (1) WpHG that the voting right share of Daniel Kirchhof in Travel24.com AG on 22 August 2012 fell below the threshold of 75% and on this day amounted to 65.34% (1,328,720 voting rights). Thereof 61.05% (1,241,480 voting rights) under § 22 (1) sentence 1 no. 1 WpHG as well as under § 22 (2) WpHG of Unister Holding GmbH are attributable to Daniel Kirchhof. Another 0.28% (5,686 voting rights) are attributable to Daniel Kirchhof both under § 22 (1) sentence 1 no. 2 in conjunction with sentence 2 WpHG as well as under § 22 (1) sentence 1 no. 1 WpHG and additionally also under § 22 (2) WpHG. Another 1.21% (24,556 voting rights) are attributable to Daniel Kirchhof under § 22 (1) sentence 1 no. 2 in conjunction with sentence 2 WpHG as well as under § 22 (2) WpHG and another 2.80% (56,848 voting rights) under § 22 (2) WpHG. In this respect, voting rights attributable to Daniel Kirchhof are held through the following company controlled by him; the voting right share of this company in Travel24.com AG amounts to 3% or more: Unister Holding GmbH.

We were informed on 19 October 2012 in accordance with § 21 (1) WpHG that the voting right share of Christian Schilling in Travel24.com AG on 22 August 2012 fell below the threshold of 75% and at this day amounts to 65.34% (1,328,720 voting rights). Thereof 61.05% (1,241,480 voting rights) under § 22 (1) sentence 1 no. 1 WpHG as well as under § 22 (2) WpHG of Unister Holding GmbH are attributable to Christian Schilling. Another 0.28% (5,686 voting rights) are attributable to Christian Schilling both under § 22 (1) sentence 1 no. 2 in conjunction with sentence 2 WpHG as well as under § 22 (1) sentence 1 no. 1 WpHG and additionally also under § 22 (2) WpHG. Another 1.21% (24,556 voting rights) are attributable to Christian Schilling under § 22 (1) sentence 1 no. 2 in conjunction with sentence 2 WpHG as well as under § 22 (2) WpHG and another 2.80% (56,998 voting rights) under § 22 (2) WpHG. In this respect, voting rights attributable to Christian Schilling are held through the following company controlled by him; the voting right share of this company in Travel24.com AG amounts to 3% or more: Unister Holding GmbH.

We were informed on 19 October 2012 in accordance with § 21 (1) WpHG that the voting right share of Sebastian Gantzckow in Travel24.com AG on 22 August 2012 fell below the threshold of 75% and at this day amounts to 65.34% (1,328,720 voting rights). Thereof 61.05% (1,241,480 voting rights) under § 22 (1) sentence 1 no. 1 WpHG as well as under § 22 (2) WpHG of Unister Holding GmbH are attributable to Sebastian Gantzckow. Another 0.28% (5,686 voting rights) are attributable to Sebastian Gantzckow both under § 22 (1) sentence 1 no. 2 in conjunction with sentence 2 WpHG as well as under § 22 (1) sentence 1 no. 1 WpHG and additionally also under § 22 (2) WpHG. Another 1.21% (24,556 voting rights) are attributable to Sebastian Gantzckow under § 22 (1) sentence 1 no. 2 in conjunction with sentence 2 WpHG as well as under § 22 (2) WpHG and another 2.80% (56,998 voting rights) under § 22 (2) WpHG. In this respect, voting rights attributable to Sebastian Gantzckow are held through the following company controlled by him; the voting right share of this company in Travel24.com AG amounts to 3% or more: Unister Holding GmbH.

We were informed on 24 August 2012 in accordance with § 21 (1) WpHG that the voting right share of Blue Biz Invest Ltd. in Travel24.com AG on 22 August 2012 fell below the thresholds of 75% and 50% and on this day amounted to 49.00% (996,420 voting rights).

Thereof, 48.72% (990,734 voting rights) both under § 22 (1) sentence 1 no. 2 and under § 22 (2) WpHG are attributable to Blue Biz Invest Ltd.. In this respect, voting rights of the following shareholders, whose voting right share in Travel24.com AG amounts to 3% or more, are attributed to it: Unister Holding GmbH 44.71% (909,180 voting rights).

Regarding the reporting threshold of 50%:

On 19 October 2012, Unister Holding GmbH informed us under § 21 (1) WpHG that its voting share on 22 August 2012 fell below the threshold of 50% and on this day amounted to 49.00% (996,420 voting rights). Thereof, 0.28% (5,686 voting rights) in accordance with § 22 (1) sentence 1 no. 2 WpHG, another 1.21% (24,556 voting rights) under § 22 (1) sentence 1 no. 2 as well as under § 22 (2) WpHG and another 2.80% (56,998 voting rights) under § 22 (2) WpHG are attributable to Unister Holding GmbH.

We were informed on 19 October 2012 in accordance with § 21 (1) WpHG that the voting right share of Thomas Wagner in Travel24.com AG on 22 August 2012 fell below the threshold of 50% and on this day amounted to 49.00% (996,420 voting rights). Thereof 44.71% (909,180 voting rights) under § 22 (1) sentence 1 no. 1 WpHG as well as under § 22 (2) WpHG of Unister Holding GmbH are attributable to Thomas Wagner. Another 0.28% (5,686 voting rights) are attributable to Thomas Wagner both under § 22 (1) sentence 1 no. 2 in conjunction with sentence 2 WpHG and under § 22 (1) sentence 1 no. 1 WpHG and additionally under § 22 (2) WpHG, another 1.21%

(24,556 voting rights) under § 22 (1) sentence 1 no. 2 in conjunction with sentence 2 WpHG as well as under § 22 (2) WpHG and another 0.01% (150 voting rights) under § 22 (2) WpHG. In this respect, voting rights attributable to Thomas Wagner are held through the following company controlled by him; the voting right share of this company in Travel24.com AG amounts to 3% or more: Unister Holding GmbH.

We were informed on 19 October 2012 in accordance with § 21 (1) WpHG that the voting right share of Oliver Schilling in Travel24.com AG on 22 August 2012 fell below the threshold of 50% and on this day amounted to 49.00% (996,420 voting rights). Thereof 44.71% (909,180 voting rights) under § 22 (1) sentence 1 no. 1 WpHG as well as under § 22 (2) WpHG of Unister Holding GmbH are attributable to Oliver Schilling. Another 0.28% (5,686 voting rights) are attributable to Oliver Schilling both under § 22 (1) sentence 1 no. 2 in conjunction with sentence 2 WpHG as well as under § 22 (1) sentence 1 no. 1 WpHG and additionally also under § 22 (2) WpHG. Another 2.80% (56,998 voting rights) are attributable to Oliver Schilling under § 22 (2) WpHG. In this respect, voting rights attributable to Oliver Schilling are held through the following company controlled by him; the voting right share of this company in Travel24.com AG amounts to 3% or more: Unister Holding GmbH.

We were informed on 19 October 2012 in accordance with § 21 (1) WpHG that the voting right share of Daniel Kirchhof in Travel24.com AG on 22 August 2012 fell below the threshold of 50% and on this day amounted to 49.00% (996,420 voting rights). Thereof 44.71% (909,180 voting rights) under § 22 (1) sentence 1 no. 1 WpHG as well as under § 22 (2) WpHG of Unister Holding GmbH are attributable to Daniel Kirchhof. Another 0.28% (5,686 voting rights) are attributable to Daniel Kirchhof both under § 22 (1) sentence 1 no. 2 in conjunction with sentence 2 WpHG as well as under § 22 (1) sentence 1 no. 1 WpHG and additionally also under § 22 (2) WpHG. Another 1.21% (24,556 voting rights) are attributable to Daniel Kirchhof under § 22 (1) sentence 1 no. 2 in conjunction with sentence 2 WpHG as well as under § 22 (2) WpHG and another 2.80% (56,848 voting rights) under § 22 (2) WpHG. In this respect, voting rights attributable to Daniel Kirchhof are held through the following company controlled by him; the voting right share of this company in Travel24.com AG amounts to 3% or more: Unister Holding GmbH.

We were informed on 19 October 2012 in accordance with § 21 (1) WpHG that the voting right share of Christian Schilling in Travel24.com AG on 22 August 2012 fell below the threshold of 50% and on this day amounted to 49.00% (996,420 voting rights). Thereof 44.71% (909,180 voting rights) under § 22 (1) sentence 1 no. 1 WpHG as well as under § 22 (2) WpHG of Unister Holding GmbH are attributable to Christian Schilling. Another 0.28% (5,686 voting rights) are attributable to Christian Schilling both under § 22 (1) sentence 1 no. 2 in conjunction with sentence 2 WpHG as well as under § 22 (1) sentence 1 no. 1 WpHG and additionally also under § 22 (2) WpHG. Another 1.21% (24,556 voting rights) are attributable to Christian Schilling under § 22 (1) sentence 1 no. 2 in conjunction with sentence 2 WpHG as well as under § 22 (2) WpHG and another 2.80% (56,998 voting rights) under § 22 (2) WpHG. In this respect, voting rights attributable to Christian Schilling are held through the following company controlled by him; the voting right share of this company in Travel24.com AG amounts to 3% or more: Unister Holding GmbH.

We were informed on 19 October 2012 in accordance with § 21 (1) WpHG that the voting right share of Sebastian Gantzckow in Travel24.com AG on 22 August 2012 fell below the threshold of 50% and on this day amounted to 49.00% (996,420 voting rights). Thereof 44.71% (909,180 voting rights) under § 22 (1) sentence 1 no. 1 WpHG as well as under § 22 (2) WpHG of Unister Holding GmbH are attributable to Sebastian Gantzckow. Another 0.28% (5,686 voting rights) are attributable to Sebastian Gantzckow both under § 22 (1) sentence 1 no. 2 in conjunction with sentence 2 WpHG as well as under § 22 (1) sentence 1 no. 1 WpHG and additionally also under § 22 (2) WpHG. Another 1.21% (24,556 voting rights) are attributable to Sebastian Gantzckow under § 22 (1) sentence 1 no. 2 in conjunction with sentence 2 WpHG as well as under § 22 (2) WpHG and another 2.80% (56,998 voting rights) under § 22 (2) WpHG. In this respect, voting rights attributable to Sebastian Gantzckow are held through the following company controlled by him; the voting right share of this company in Travel24.com AG amounts to 3% or more: Unister Holding GmbH.

Regarding the reporting threshold of 25%:

Erste Gallus Verwaltungs GmbH informed us on 24 August 2012 in accordance with § 21 (1) WpHG that its voting right share in Travel24.com AG exceeded the thresholds of 3%, 5%, 10%, 20% and 25% and since that day has amounted to 29.90% (608,042 voting rights).

B. Metzler seel. Sohn & Co. KGaA informed us on 24 August 2012 in accordance with § 21 (1) WpHG that its voting right share in Travel24.com AG exceeded the thresholds of 3%, 5%, 10%, 20% and 25% and since that day has amounted to 29.90% (608,042 voting rights). Thereof, 29.90% (608,042 voting rights) under § 22 (1) sentence 1 no. 1 WpHG, which are held by Erste Gallus Verwaltungs GmbH, are attributable to B. Metzler seel. Sohn & Co. KGaA.

Regarding the reporting threshold of 15%:

LOET Trading AG, Switzerland, informed us on 24 August 2012 in accordance with § 21 (1) WpHG that its voting right share in Travel24.com AG exceeded the thresholds of 3%, 5%, 10% and 15% and since that day has amounted to 16.34% (332,300 voting rights).

32. Financial risk management

The Group operates financial risk management, which covers all subsidiaries and is organised centrally on Group level. The paramount aim of the financial risk management is to provide the liquidity required by the group companies in business operations and to limit the financial risks.

Due to using its financial instruments, the Group is exposed to risks which result in particular from the change of the interest rate and changes to the credit-worthiness of the contracting parties involved.

The statements below explain the exposure of the Group regarding each of the above-mentioned risks. Furthermore, the aims, strategies and procedures for controlling and methods for assessing the risks are stated. In addition, information on the risk management system is provided in the risk report of the management report.

Market Risk

Interest rate risk

Interest-bearing financial instruments mainly consist of bond payables and loans, trade receivables as well as other receivables due from affiliated companies.

An interest sensitivity analysis is based on the following assumptions: Changes of market interest rates of original financial instruments with fixed interest rates will only affect the result if they are measured at fair value. Accordingly, all financial instruments measured at amortised costs with fixed interest rates are not subject to interest rate risks within the meaning of IFRS 7.

The following schedule shows the portfolio of interest-bearing non-derivative financial instruments within the meaning of carrying amounts.

Information in € thousand	31 December 2012	31 December 2011
Financial assets with variable interest rates	3,191	4,665
Financial assets with fixed interest rates	5,511	-
Total of interest-bearing assets	**8,702**	**4,665**
Financial liabilities with variable interest rates	-	-
Financial liabilities with fixed interest rates	17,614	-
Total of interest-bearing liabilities	**17,614**	**-**

A change of the average variable interest rates of 100 base points would not have significantly influenced the result as of the balance sheet date, all the more as in 2012 interest income amounting to a mere € 110 thousand was generated based on variable interest rates.

The interest rate risk is addressed within the framework of the overall financial risk management by regularly monitoring the significant items and the inherent interest rate risks. The aim is to limit these risks, if need be. At present, this risk can be assessed as being insignificant.

Other price risks

Within the framework of presentation of the market risks, IFRS 7 also calls for information about the effects of hypothetical changes of risk variable to prices of financial instruments. In particular stock exchange prices or indices come into question as risk variables. As of 31 December 2012 - as well as in the previous year - there were no such significant risks within the Group.

Exchange rate risk

As the Group is active nearly exclusively in the euro currency zone, there is no notable exchange rate risk. Insofar, the presentation of a sensitivity analysis is renounced.

There is no significant concentration of market risks.

Credit Risk

The Group is exposed to a credit risk under its operations and financing activities. What applies to all performance relationships underlying the original financial instruments is that collaterals are requested for minimising the credit risk depending on the type and amount of the respective performance or that historical data are used from previous business relations, in particular the payment history. To the extent that credit risks are recognisable for the individual financial assets, these risk are covered by impairments. The management is regularly involved in the respective decisions on risk prevention. The maximum credit risk is expressed by the carrying amounts of the financial assets recognised in the balance sheet. For the future, credit risks which do not change significantly are assumed.

The category of trade receivables from third parties is of subordinate importance for the Group, therefore there were no notable valuation allowances as of the two balance sheet dates. No significant bad debt losses were recorded.
However, basically there are credit risks with a view to the receivables from affiliated companies (including the balances stated under other loans), other current financial assets and loans to third parties. No valuation allowances were considered to be necessary in this respect.

The remaining credit risks are presented based on the following age analyses:

In € thousand		Carrying amount	Thereof neither impaired nor past due as of the reporting date	Thereof not impaired as of the reporting date, although past due in the following time ranges				
				Up to 30 days	From 31 to 90 days	From 91 to 180 days	From 181 to 360 days	More than 360 days
Financial assets (loans)	31 December 2012	3,511	3,511	-	-	-	-	-
	31 December 2011	0	-	-	-	-	-	-
Trade receivables	31 December 2012	9	9	-	-	-	-	-
	31 December 2011	8	0	5	3	-	-	-
Receivables from affiliated companies	31 December 2012	5,487	5,487	-	-	-	-	-
	31 December 2011	4,834	4,834	-	-	-	-	-
Other financial assets	31 December 2012	277	0	277	-	-	-	-
	31 December 2011	0	-	-	-	-	-	-
Cash	31 December 2012	1,057	1,057	-	-	-	-	-
	31 December 2011	35	35	-	-	-	-	-

Regarding the Company, there is a concentration of credit risks related to the outstanding balance of EUR 277 thousand due from LOET Trading AG (refer to section 29).

Liquidity Risk

In order to ensure the solvency as well as the financial flexibility within the Group, Travel24 forecasts its required financial means using a liquidity forecast within a fixed planning period and maintains a corresponding liquidity reserve in form of cash. Due to the cash existing within the Group as well as the financing structure with an equity ratio of 15%, the insolvency risk at present can be assessed as being manageable.

Regarding the liquidity risk involved with the issue of the bond reference is made to section 21.

As of 31 December 2012, the financial liabilities of the Group have the following maturities.

	Balance sheet date	Carrying amount	Disclosure of undiscounted contractually agreed cash outflows					
			Total	Up to 30 days	From 31 to 90 days	From 91 to 180 days	From 181 to 360 days	More than 360 days
Financial liabilities (bond)	31 December 2012	18,156	21,675	-	-	-	1,182	20,493
	31 December 2011	0	-	-	-	-	-	-
Trade payables	31 December 2012	663	663	663			-	-
	31 December 2011	62	62	62			-	-
Financial liabilities (limited partner´s interest)	31. December 2012	0	0	0	0	0	0	0
	31. December 2011	0	0	0	0	0	0	0
Total	31 December 2012	18,819	22,338	663	-	-	1,182	20,493
	31 December 2011	62	62	62	-	-	-	-

There is no significant concentration of liquidity risks.

33. Additional information regarding the capital management

The Group controls its capital with the aim to minimise the capital costs of the Group and at the same time to keep the balance between cash flow volatility and financial flexibility. In order to achieve this aim, the equity-debt ratio is to be optimised correspondingly. At present the Company is within the determined target corridor. The significant decisions regarding the financing structure are taken by the Managing Board. The equity ratio and the net debt ratio are used as performance indicators for the equity-debt ratio. The equity ratio is defined as the percentage ratio of equity to the overall capital. The net debt results from the debt of the Group minus cash as well as possible short-term financial investments. The Company is not subject to external minimum capital requirements. The following table presents the ratio stated above in the report period:

Information in € thousand	31 December	
	2012	2011
Equity	4,479	2,791
Debt	24,127	2,163
Balance sheet total	28,606	4,954
Cash	1,056	35
Equity ratio in %	15.7	56.3
Net debt	28,383	2,128

34. Events after the reporting period

The CFO, Thomas Gudel, resigned from his office as member of the Managing Board of Travel24 with immediate effect on 13 May 2013. The position is to be refilled within a short period of time.

35. Information regarding the bodies of the parent company

Managing Board

In the financial year 2012, the following persons were appointed as Managing Board members of Travel24.com AG and entered in the commercial register:

Member of the Managing Board	Membership in the Supervisory Board, the formation of which is required by law and comparable supervisory committees *in other companies*
Armin Schauer Chairman Commercial employee Year of initial appointment 2011	none
Thomas Gudel Commercial clerk Year of initial appointment 2010	none

The members of the Managing Board did not receive remuneration from the Company.

Supervisory Board

In the financial year 2012, the Supervisory Board of Travel24.com AG consisted of the following members:

Members in the Supervisory Board	Membership in the Supervisory Board, the formation of which is required by law and comparable supervisory committees *in other companies*
Daniel Kirchhof Chairman Dipl.-Kaufmann, Leipzig Member in the Supervisory Board since 2 January 2012	Chairman of the supervisory board of Travel24 Hotel AG, Leipzig Chairman of the supervisory board of GELD.de Holding AG, Leipzig
Oliver Schilling Deputy chairman Dipl.-Kaufmann, Leipzig Member in the Supervisory Board since 2 January 2012	Deputy chairman of the supervisory board of Travel24 Hotel AG, Leipzig Deputy chairman of the supervisory board of GELD.de Holding AG, Leipzig
Detlef Kurt Schubert State Secretary (retired), Leipzig Member in the Supervisory Board since 2 January 2012	none

The members of the Supervisory Board did not receive remuneration.

Allowances/credits and contingencies in favour of board members

No allowances/credits were granted to the board members. The Company has not entered into contingencies in favour of members of the Managing Board or Supervisory Board.

Average number of employees (§ 285 no. 7 HGB)

In the reporting period, the Group employed 10.7 employees (previous year: 13.3 employees) on average.

Auditor's fees

The overall fee charged by the auditor in Germany is structured as follows:

In € thousand	Financial year 2012	2011
Auditing services	**65**	**19**
Other audit-related services	**0**	**0**
Tax consultancy services	**0**	**0**
Other services	**0**	**0**

Information on the shareholding (consolidated companies) in € thousand

Name and place of registration of the company	**Share in the voting-right capital (in %)**	**Equity 31 December 2012**	**Thereof result of financial year 2012**
Travel24 Hotel AG, Leipzig	100.0	46	-4
Travel24 Hotel Betriebs- und Verwaltungs GmbH, Leipzig	100.0	22	-3
Travel24 Hotel Grundbesitz Holding GmbH, Leipzig	100.0	269	244
Hotel Köln Perlengraben GmbH & Co. KG, Leipzig	94.9	1,290	-120
Perlengraben Besitz- und Verwaltungs GmbH, Leipzig	100.0	25	0
Hotel Leipzig Ringmessehaus GmbH & Co. KG, Leipzig	94.9	-18	-7
Hotel RMH Besitz- und Verwaltungs GmbH, Leipzig	100.0	25	0
Vols24 GmbH, Hamburg	100.0	43	18

Information in accordance with § 285 no. 14 HGB

Travel24.com AG is included in the consolidated financial statements of Unister Holding GmbH based in Leipzig. The consolidated financial statements of Unister Holding GmbH are disclosed in the federal bulletin.

Information in accordance with § 160 para. 1 no. 8 AktG

All voting right notifications can be inspected on the Company's website under www.travel24.com.

German Corporate Governance Code / Declaration under § 161 AktG

The declaration prescribed under § 161 AktG was made by the Managing Board and the Supervisory Board and made permanently available online under http://www.travel24.com.

36. Approval for publication

On 18 July 2013, the Managing Board of Travel24.com AG approved the present IFRS consolidated financial statements for forwarding to the Supervisory Board. It is the task of the Supervisory Board to examine the consolidated financial statements and to declare whether it approves of the consolidated financial statements. If the Supervisory Board approves of the consolidated financial statements, the consolidated financial statements shall be determined and released for publication.

Leipzig, 18 July 2013
Travel24.com AG

Armin Schauer
Managing Board

7.3. Declaration by the legal representative

To the best of my knowledge I ensure that, according to the principles of proper accounting, the consolidated financial statements of Travel24.com AG provide a true and fair view of the assets, financial position and results of operation of the Group and that the group management report presents the Group's business including the business results and the Group's position such as to provide a true and fair view, and that the major opportunities and risks of the Group's anticipated development are described.

Leipzig, 18 July 2013

Armin Schauer

7.4. Auditor's report

We have audited the consolidated financial statements prepared by Travel24.com AG, Leipzig - comprising the balance sheet, the income statement, the statement of changes in equity, the cash flow statement and the notes to the consolidated financial statements – together with the group management report for the financial year from 1 January 2012 to 31 December 2012. The preparation of the consolidated financial statements and the group management report in accordance with IFRSs as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315a(1) of the HGB are the responsibility of the legal representatives of the parent company. Our responsibility is to express an opinion on the consolidated financial statements and on the group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with § 317 of the HGB and the German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the financial information of those components consolidated, the scope of the consolidation, the accounting and consolidation principles used and the significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements and the group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements comply with IFRSs as adopted by the EU, the additional requirements of German commercial law pursuant to § 315a(1) of the HGB and give a true and fair view of the net assets, financial position and results of operations of the group in accordance with these requirements. The group management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the group's position and suitably presents the opportunities and risks of future development.

Leipzig, 18 July 2013

BDO AG
Wirtschaftsprüfungsgesellschaft

sd. Dr. Hammer Auditor	sd. ppa Funk Auditor

8. Key corporate announcements 2012

Ad hoc announcements under § 15 WpHG

10 January 2012	Retired state secretary new member of the Supervisory Board of Travel24.com AG
22 August 2012	Travel24.com AG decides to issue a corporate bond
28 August 2012	BaFin approves of the prospectus for issue of the corporate bond
14 December 2012	Preliminary investigations

9. Financial calendar 2013

24 July 2013	Publication of Annual Report 2012
29 August 2013	Analysts' conference
30 August 2013	Publication of Three-Month Report Q 1 2013
30 August 2013	General Meeting
30 September 2013	Publication of Half-Year Report 2013
29 November 2013	Publication of Nine-Month Report Q 3 2013

10. Publication Details

Publisher

Travel24.com AG
Barfußgässchen 11
D- 04109 Leipzig

Security identification number of the share

WKN: A0L 1NQ
ISIN: DE000 A0L 1NQ8

Security identification number of the bond

WKN: A1PGRG
ISIN: DE 000 A1PGRG2

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