

Reconciliation of Q3 2004 cash operating costs to Q2 2004 cash operating costs

Total cash costs per Q2 2004			32.4
Additional travel agents commission			4.0
			<hr/> 36.4
Q3 costs associated with acquisitions			
OTC	(3 months)	3.3	
lastminute.de	(1 month)	0.5	
Gemstone	(2 months)	0.5	4.3
		<hr/>	<hr/> 40.7
Variable costs:			
Sales growth Q3/Q2		90.1	
Less: OTC & lastminute.de sales in Q3		38.0	
		<hr/>	
Sales growth in Q3		52.1	
		<hr/>	
Additional variable costs @ £500k per £10m of sales			2.6
			<hr/> 43.3
Total Q3 underlying cash costs			
Actual costs Q3 2004			42.0
			<hr/> £1.3m
Underlying cost savings in Quarter 3			<hr/>