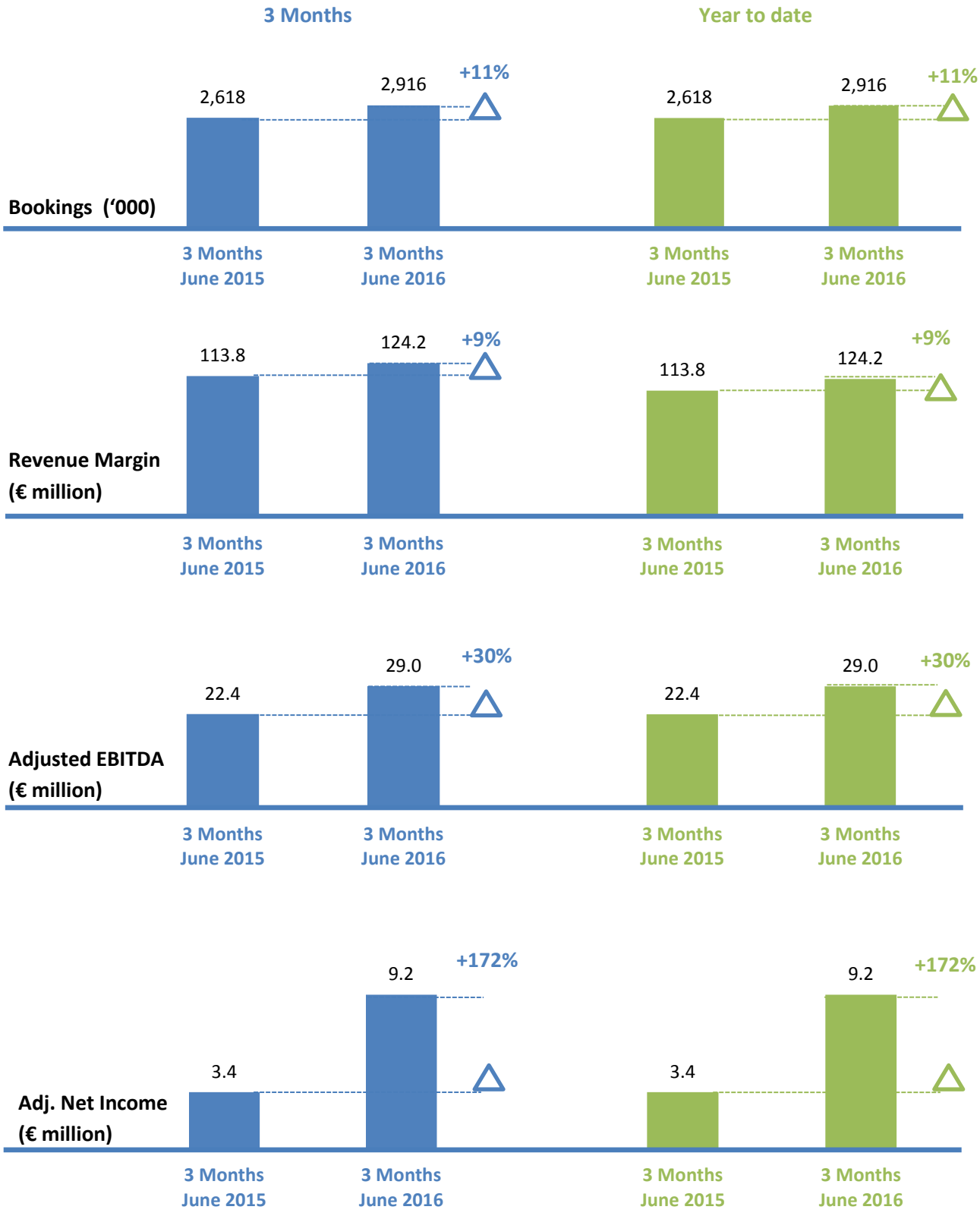
eDreams ODIGEO

FIRST QUARTER REPORT

2016-17

Summary Financial Information



eDreams ODIGEO has built a highly successful travel business over the past 15 years with well know global brands.



#1

flight retailer in Europe[1]; growing market share



330M

monthly searches[2]



>17M

Customers served[1]



140

web sites[3]



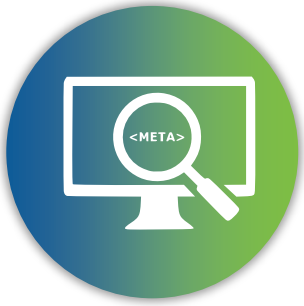
44

countries where we operate[1]



24%

flight bookings[1] done via mobile devices [4]



#1

Leading Metasearch in France[1]. Present in 11 countries

[1] Reference period FY 2016
[2] Monthly searches in all our OTA sites FY 2016
[3] Includes sites across all markets, brands , and devices
[4] Average FY 2016

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Strong first quarter with growth in bookings, revenue margin and Adjusted EBITDA. Full year guidance reiterated.

Results Highlights

- Strong growth in bookings (+11%), revenue margin (+9%) and Adjusted EBITDA (+30%).
- Adjusted net income of €9.2million, representing a 172% increase year-on-year.
- Successful debt deleveraging. Group successfully repurchased €30 million of the 2018 notes.
- Solid cash flow with cash position of €111.7 million (€140.8 million excluding debt repurchase, up 14% year-on-year).
- Flight: revenue margin up +9%. Non-flight: revenue margin up +12%
- Core Markets: Bookings positive trend continued (+12%), revenue margin growth (+10%); Expansion Markets: Growth in bookings (+11%) and revenue margin (+9%).
- Full year guidance reiterated

Quote from the CEO

"This has been a strong first quarter, with growth in bookings and revenue margin in both our flight and non-flight businesses and a marked decrease in variable costs per booking resulting in increased profitability. Last year was a transitional moment for our business and this quarter's results are further evidence that our strategic initiatives are continuing to bear fruit."

He added:

"The strong performance has been driven by the strength of our consumer offer and our ongoing focus on the quality of our customer service. Looking forward, we will be increasing investment in our business and customer proposition in order to capitalise on the long-term and sustainable growth opportunities available to us."

Business review

In the first-quarter ended June 30, 2016, eDreams ODIGEO delivered a strong financial performance. The strategy announced in June 2015 continues to drive improvements in the business, and is consequently delivering positive growth rates in bookings (+11%), revenue margin (+9%) and adjusted EBITDA (+30%).

The quarter also saw strong profitability and solid cash flows. Adjusted net income was up significantly at €9.2million, representing a 172% increase year-on-year. Our cash position at the end of the quarter stood at €111.7 million, taking into account the successful debt deleveraging. Excluding the debt repurchase, cash position would have stood at €140.8 million, up 14% year-on-year.

The group is making good progress in all the strategic initiatives, including an improved product proposition, business model and channel mix re-alignment, as well as improved customer experience and satisfaction.

Bookings and revenue margin trends continued to improve in the first quarter, showing an 11% and 9% increase, respectively, while adjusted EBITDA growth accelerated, growing by 30%, as a result of growth in bookings and revenue margin, and a reduction in variable cost per booking of 10%, which compares with a 4% increase in variable cost per booking in the same period last year.

Bookings and revenue margin growth rates trend continued to improve in our core markets, with all three markets (Spain, Italy and France) growing, and are back to double digit growth rates overall in bookings as well as revenue margin. Expansion markets are also showing solid growth rates with 11% and 9% growth in bookings and revenue margin, respectively, in the first quarter.

Flight revenue margin showed solid growth rates (up 9%), due to our continued efforts to improve products, re-orient price and channel performance. Non-flight revenue margin also improved and increased revenue margin by 12%, mainly due our growing advertising and metasearch business as well as dynamic packages, hotels and car rentals.

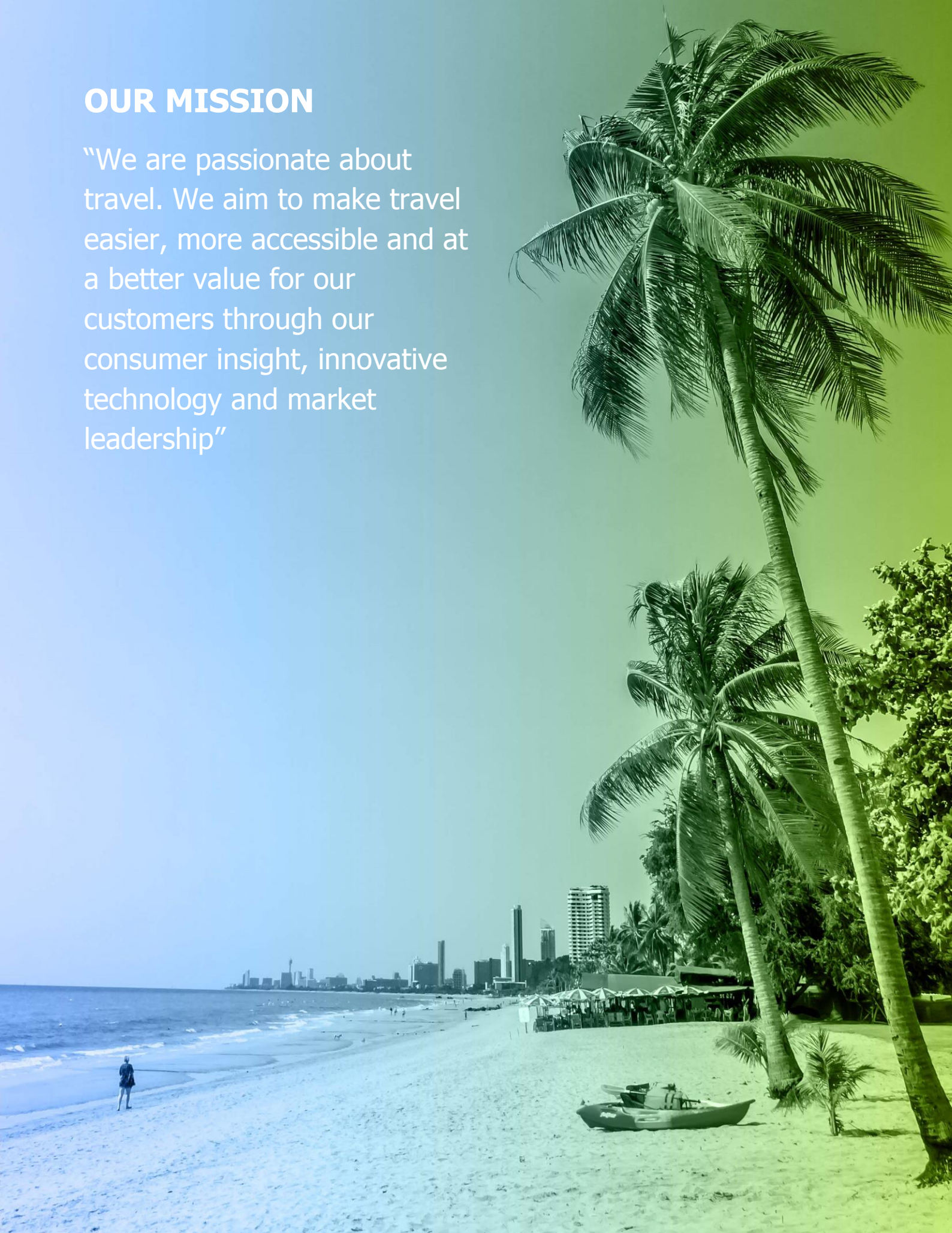
The company generated 2.9 million bookings, up 11% year-on-year, and revenue margin of €124.2 million, up 9% year-on-year.

Adjusted EBITDA amounted to €29.0 million, which reflected an acceleration in growth rates in Q1, up 30% year-on-year.

And adjusted Net income stood at €9.2 million, representing a 172% increase year-on-year.

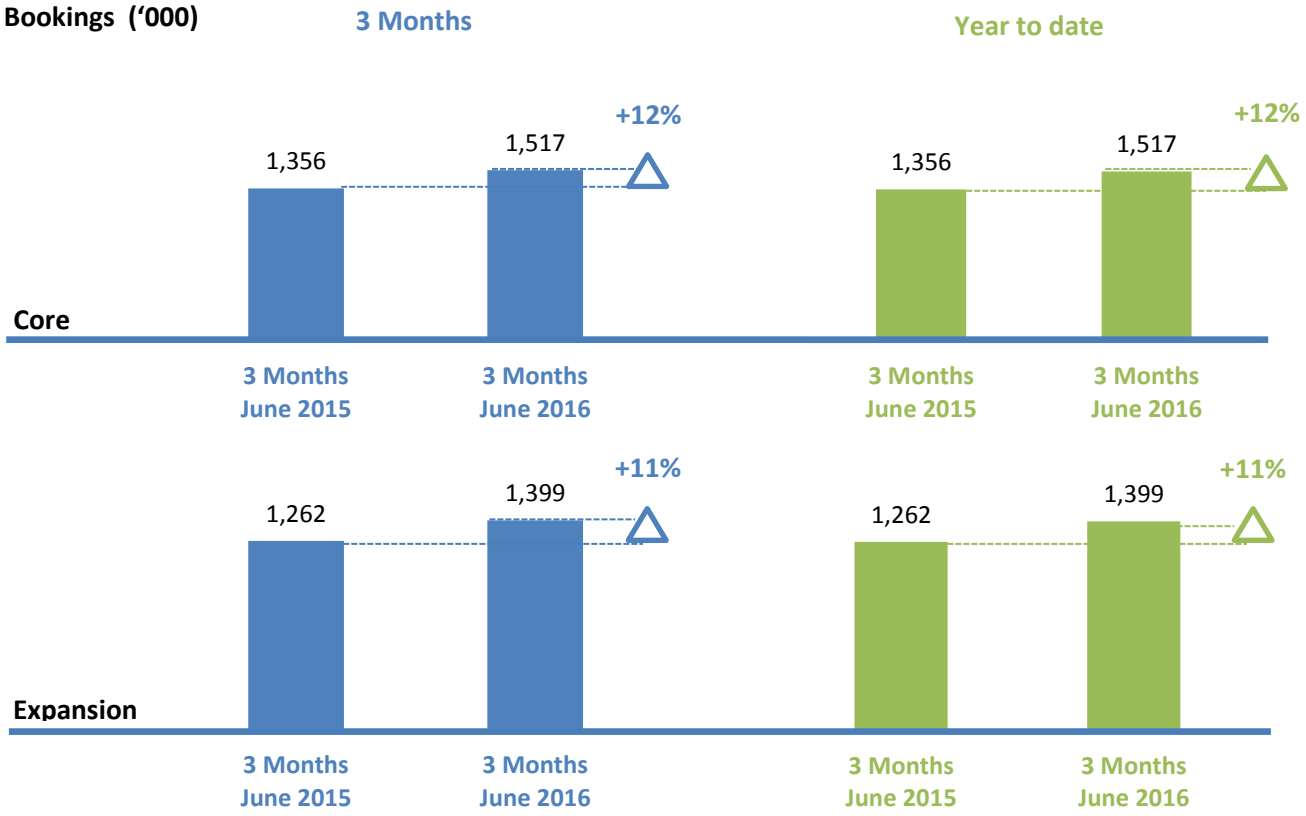
OUR MISSION

"We are passionate about travel. We aim to make travel easier, more accessible and at a better value for our customers through our consumer insight, innovative technology and market leadership"

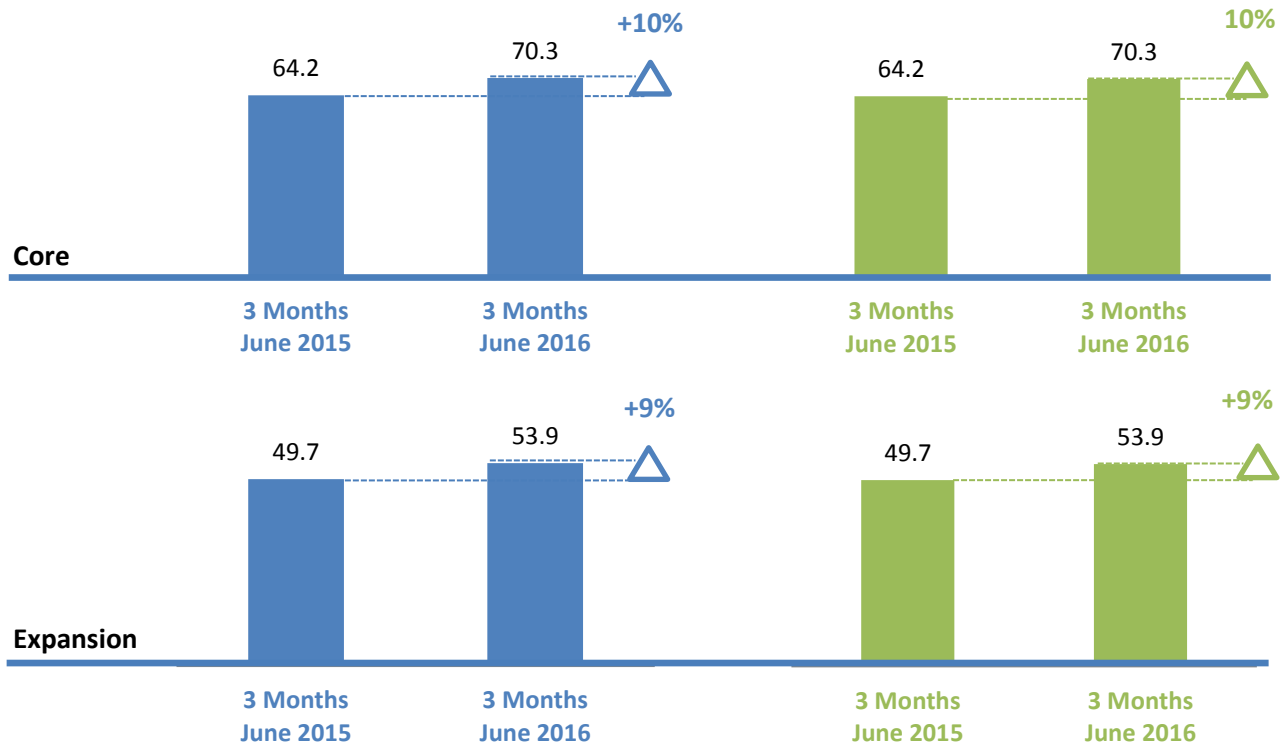


Geographical Evolution

Bookings ('000)



Revenue Margin (€ million)



Business review by geography

Bookings and revenue margin growth in Core and Expansion markets were solid in the first quarter. In Core markets the growth rates in bookings was driven by solid performance in Spain, Italy and France and in particular the flight business which experienced strong growth rates. In our Expansion markets the increase relates mostly to Germany, as well as the UK and International markets.

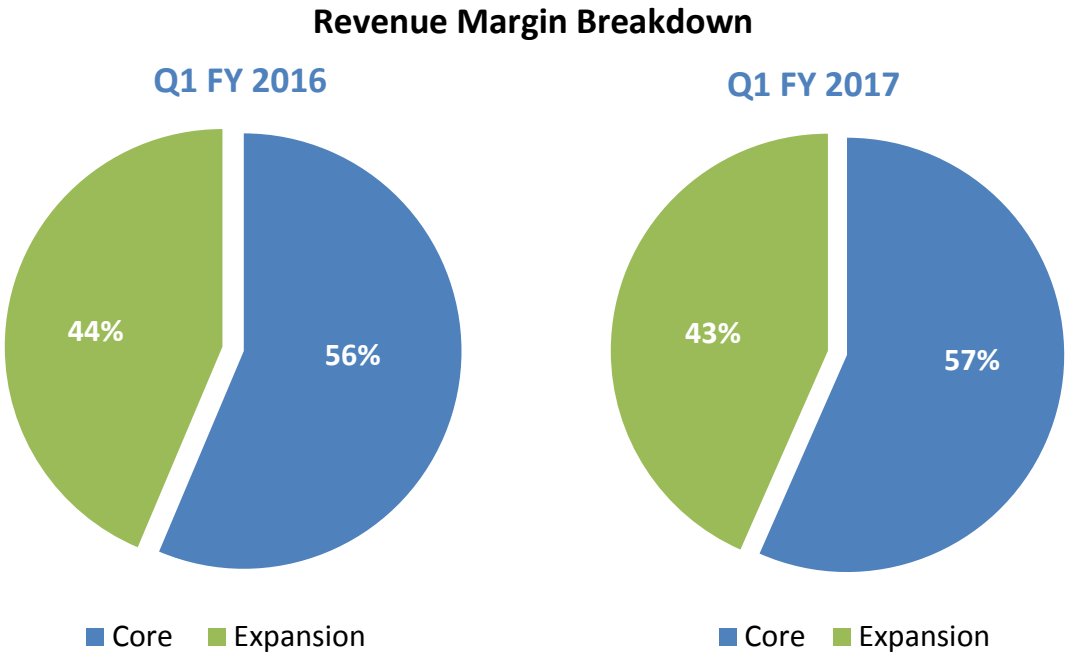
Core markets bookings reached 1.5 million, up 12% year-on-year, as the positive bookings trend improved for the fourth consecutive quarter. Bookings growth was due to solid growth rates in all three markets (Spain, Italy and France) and in particular the flight business.

Expansion markets bookings performed well too with solid growth rates, up 11% year-on-year, this increase mostly related to European countries like Germany, but also the UK and international markets. This growth was partly offset by underperformance in the packaged tours business in Germany.

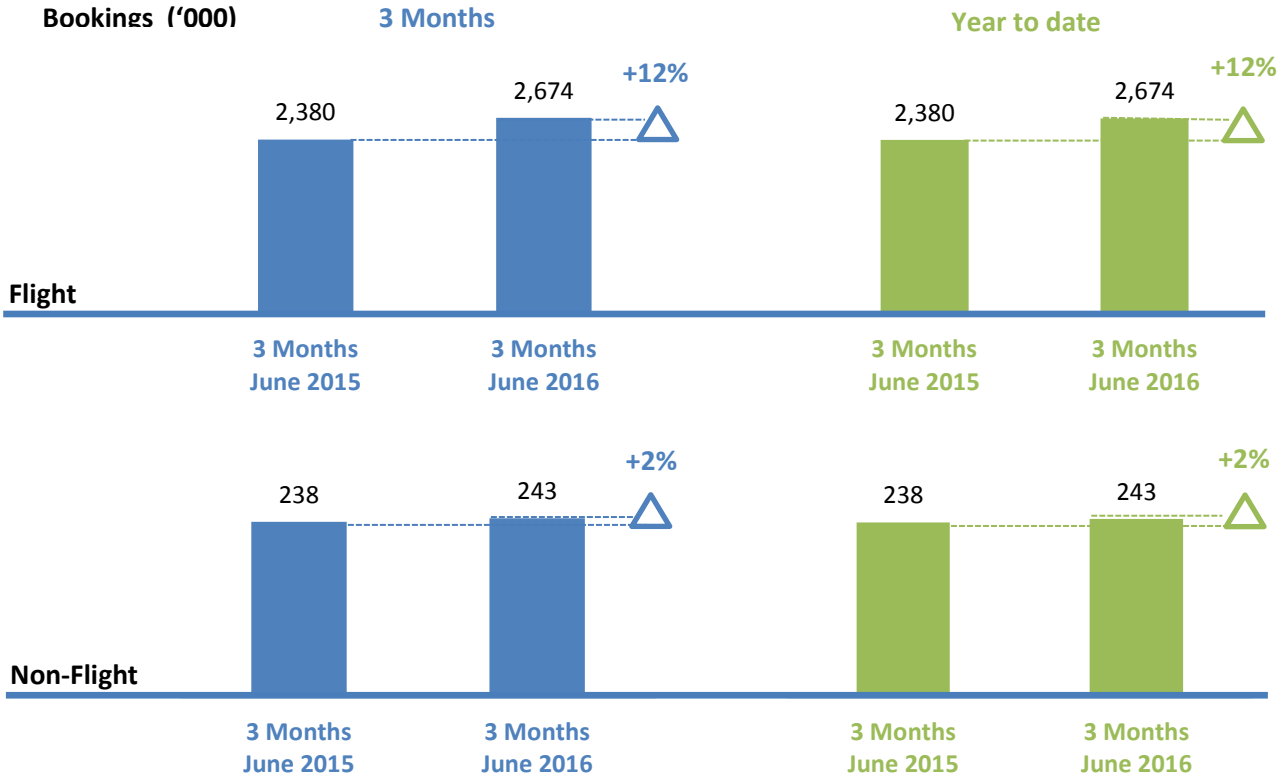
Revenue margin in our Core segment for the Q1 fiscal year 2017 experienced solid growth rates, up 10% year-on-year, and amounted to €70.3 million. While revenue margin per booking fell 2%, the group delivered 10% growth in revenue margin as a result of our continued efforts to improve product, re-orient pricing and channel performance. Growth in the first quarter was driven by solid growth in our flight business.

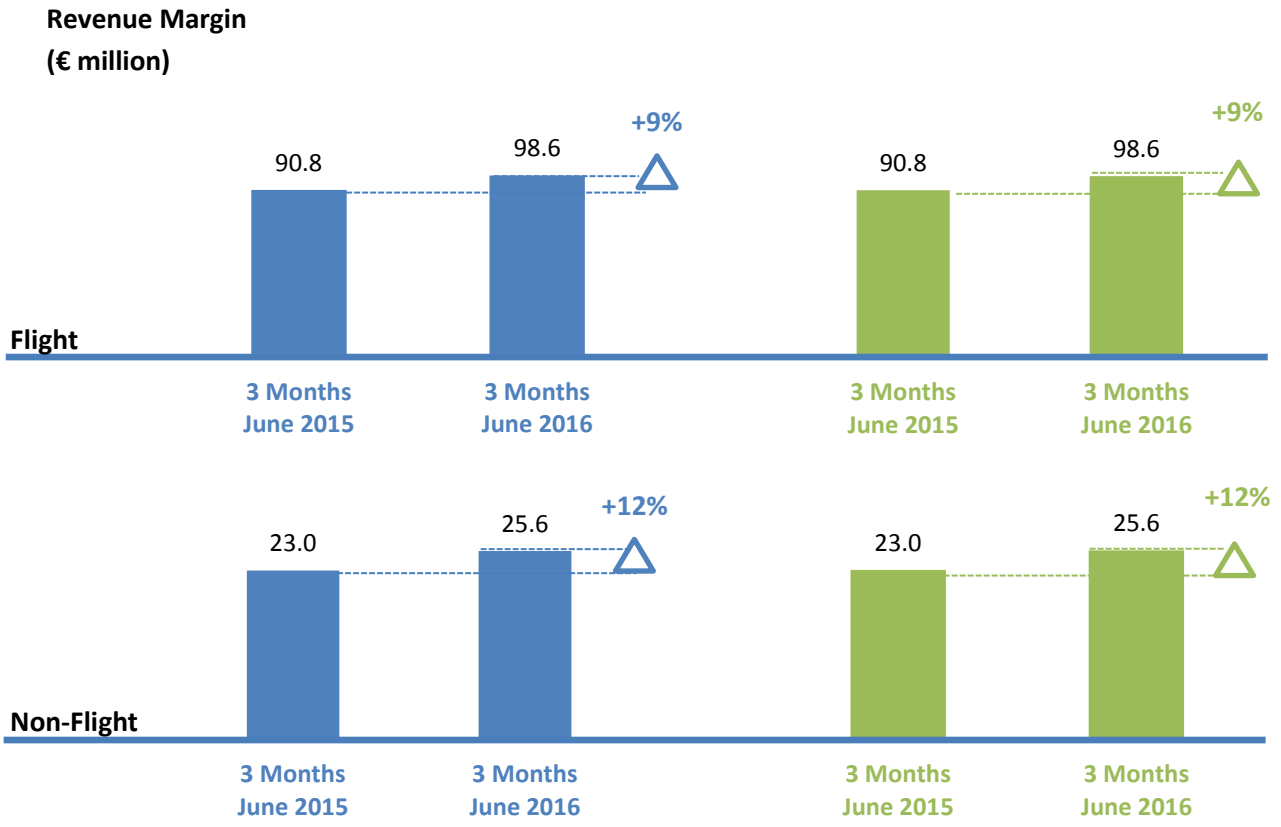
Expansion markets also experienced solid growth rates in revenue margin, up 9% year-on-year for the first quarter to €53.9 million. The growth in Q1 fiscal year 2017 was driven by growth in bookings (+11%), in Germany, as well as UK and International markets, and partly offset by a decrease in revenue margin per booking (-2%), reflecting our re-orientation of pricing and marketing, and by underperformance in our packaged tours business in Germany.

Expansion markets now represent 43% of our overall revenue margin.



Business Evolution





Business review by business

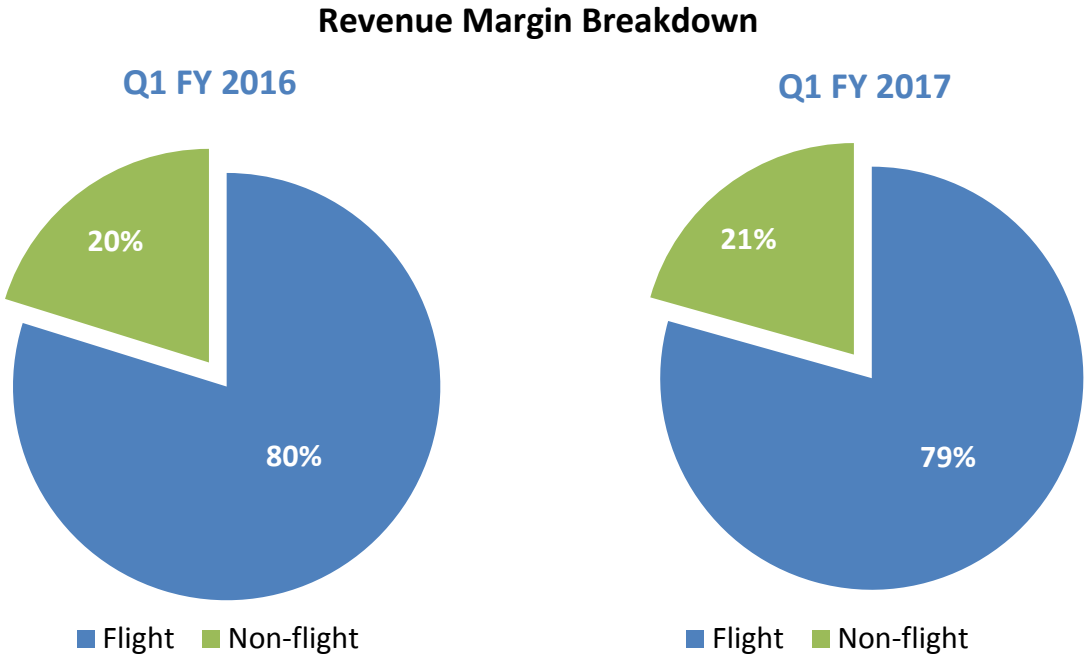
The company's growth in bookings, up 11% year-on-year, was mainly sustained by growth in the Flight business bookings, which increased by 12% year-on-year in Q1 fiscal year 2017.

Progress in strategic initiatives continued to deliver solid growth in flight bookings, up 12% in Q1 fiscal year 2017, and revenue margin, up 9% year-on-year, driven by both Core and Expansion markets.

Non-flight business bookings continued to grow, driven by the core markets. The group experienced bookings growth in most non-flight products, except packaged tours which decreased year-on-year.

Revenue margin in our flight business experienced solid growth rates with an increase of 9%, reaching €98.6 million for the Q1 fiscal year 2017. Revenue margin growth was driven by solid growth in bookings, which were up 12% year-on-year, and partly offset by a decrease of 3% in Revenue Margin per Booking for Flight products, due to continued efforts to improve product, re-orient price and channel performance.

Non-flight revenue margin grew for the third consecutive quarter. The growth was primarily driven by a 9% increase in revenue margin per booking which itself was driven by development of metasearch, non-transactional revenue and growth in our cars, hotels and dynapacks business.



Outlook

The focus for FY2017 will be on improving the profitability and investing in the long term sustainability of the business.

We aim to invest in areas that reinforce our long term sustainability and are in the best interest of the customer, even if it leads to a trade-off between short term and long term results. We will also reduce areas in which we are not as profitable and are not as strategic to long term success.

On phasing, we expect a strong first half which will underpin most of the growth expected this year and which will allow us to accelerate the investments in the transformation of the business in H2 leading to a lower second half of the year.

The annual targets for fiscal year 2017 are as follows:

- **Bookings:** In excess of 10.7 million
- **Revenue margin**: In excess of €463 million
- **Adjusted EBITDA**: €105 million (+10% growth), +/- €2 million

Financial Review

Summary and Analysis of Income Statement – Full P&L in page 20

(in € million)	3M June 2015	3M June 2016	Var
Revenue Margin	**113.8**	**124.2**	**9%**
Adjusted EBITDA	**22.4**	**29.0**	**30%**
Non-recurring items	-3.4	-2.0	-41%
EBITDA	**19.0**	**27.0**	**42%**
EBIT	**14.7**	**23.1**	**57%**
Net income	**0.7**	**7.7**	**N.A.**
Adjusted net income	**3.4**	**9.2**	**172%**

Revenue Margin increased by 9%, to €124.2 million, principally due to an increase in Bookings by 11% and partly offset by a decrease of 2% in Revenue Margin per Booking in line with our strategy to to improve product, re-orient price and channel performance.

Variable costs remained flat as increased bookings were more than offset by a reduction in cost per booking of 10% year-on-year. Reductions in variable costs per booking were achieved as a result of the positive impact of our strategy to re-orient price and channel performance.

Fixed costs increased mainly due to higher personnel costs, primarily related to an increase in personnel, higher external fees, mainly related to consultancy work, and higher IT costs.

Adjusted EBITDA for the first quarter of fiscal year 2017 amounted to €29.0 million, up 30% year-on-year. Adjusted EBITDA accelerated in the first quarter, due to growth in bookings and revenue margin and lower variable costs per booking.

Non-recurring items decreased by 41% due to the absence this year of €1.3 million of exceptional consultancy fees, the absence of restructuring costs of €0.4m, but partly offset by higher long term incentive plan (LTI) expenses.

EBITDA growth was significantly higher than Adjusted EBITDA growth, up 42% year-on-year due to the decrease in non-recurring items.

D&A and Impairment decreased mainly as a result of the full amortization of certain software in previous quarters.

Financial loss in the first quarter of fiscal year 2017 decreased by €1.7 million, mainly as a result of the successful repurchase of €30 million of our 2018 notes, which took place in April 2016, and positive variation in FX income/loss.

Income tax increased by €3.1 million reflecting the increase in taxable profit.

Adjusted Net Income stood at €9.2 million, a 172% improvement year-on-year.

Summary & Analysis of Cash Flow Statement – Full cash flow in page 24

(in € million)	3M June 2015	3M June 2016
Adjusted EBITDA	**22.4**	**29.0**
Non recurring items	-3.4	-2.0
Non operating / non cash items	-0.7	-1.4
Change in working capital	0.5	-0.7
Income tax paid	-2.3	-2.4
Net cash from operating activities	**16.6**	**22.6**
Cash flow from investing activities	**-7.6**	**-6.0**
Cash flow from financing	**-7.4**	**-36.9**
Cash and cash equivalents at end of period (net of bank overdrafts)	**123.3**	**111.6**

Cash flow from operating activities increased by €6.0 million, mainly reflecting:

- Increased adjusted EBITDA by €6.7 million
- Lower non recurring items (+€1.4 million impact)
- Minor changes in working capital
- And increased non operating/non cash items

We have **used cash in investments** of €6.0 million compared to €7.6 million in the same period of last year. The decrease in investing activities mainly relates to lower development costs of our platform vs. last year, as license fees related to our new mid-back office negatively impacted last year and was partly offset by the reversal of a license fee (amortized) following the end of a white label agreement that positively impacted last year.

Cash flow used in financing amounted to €36.9 million, compared to €7.4 million in the same period of last year. The main difference is related to the repurchase and cancellation of €30 million of the 2018 bonds for €29.1 million, and higher financial expenses (€+0.6 million) mainly due to €0.5 million of payment of accrued interests on the €30 million repurchased 2018 Notes, which are normally paid in July, and €0.2 million of external suppliers related to the repurchase of the 2018 bonds.

Summary & Analysis of Balance sheet – Full Balance Sheet in page 22

(in € million)	3M June 2015	3M June 2016
Total fixed assets[5]	**1022.6**	**1033.8**
Total working capital[6]	**-278.3**	**-277.1**
Deferred tax	**-38.7**	**-42.3**
Provisions	**-14.5**	**-15.0**
Other non current assets / (liabilities)	**6.3**	**6.6**
Other current assets / (liabilities)	**0.1**	**0.0**
Financial debt	-461.1	-435.9
Cash and cash equivalents	123.4	111.7
Net financial debt[7]	**-337.7**	**-324.2**
Convertible bonds	**0.0**	**0.0**
Net assets	**359.8**	**381.9**

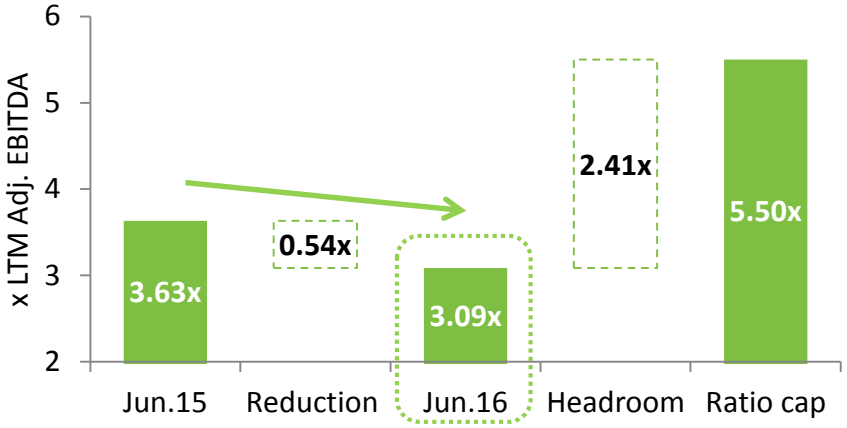
Compared to last year, main changes relate to:

- Increase of **other fixed assets** mainly related to software developed internally
- Stable **working capital** in line with same quarter in the previous year
- Increase of **deferred tax liability** mainly due to technology developed in the US
- Decrease of **net financial debt**:
  - decrease of **financial debt** following the repurchase of €30 million of the 2018 notes
  - partly offset by the decrease of **Cash position**

[5] Excluding non-current deposits and guarantees amounting to €2.7 million and €3.0 million in June 2015 and 2016, respectively.
[6] Including non-current deferred revenue amounting to €30.7 million and €25.2 million in June 2015 and 2016, respectively.
[7] Excluding non-current loans and receivables amounting to €2.2 million and €1.5 million in June 2015 and 2016, respectively.

Debt Cover ratio

We have only one maintenance covenant[8] in our SS RCF, which is a ratio 5.5x Net Debt to LTM adjusted EBITDA. At the end of June 2016 the current net leverage ratio was 3.09x, providing us with ample headroom.



As a result of our strong performance we were able to successfully repurchase €30 million of our 2018 notes on April 14th 2016, reducing our debt cover ratio from 3.63 times in June 2015 to 3.09 in June 2016. (see Note 2.1.1).

The company continues to be engaged in conversations with financial institutions regarding a potential refinancing and/or an additional notes redemption or repurchase following its solid financial results and cash position in the fiscal year 2016, which has continued into the first quarter of fiscal year 2017.

Other information

Shareholder information

The subscribed share capital of eDreams ODIGEO at June 2016, is €10.49 million divided into 104,878,049 shares with a par value of ten euros cents (€0.10) each, all of which are fully paid.

During the three months ended June 30, 2016 and during the fiscal year 2016, none of the Group companies held shares in the holding companies.

Branches of the Company

The Company has no direct branches.

Important events that have occurred since June 30, 2016

See a description of the Subsequent events in Note 22 of the Notes to the Consolidated Financial Statements attached hereafter.

8 Covenants figures presented above are unaudited and at GEO Travel Finance level



OUR PURPOSE

"To help people discover their world through travel"

Condensed Consolidated Interim Financial Statements and Notes for the three-month period ended June 30, 2016

eDreams ODIGEO

and Subsidiaries

Registered office:

1, Boulevard de la Foire

L-1528 Luxembourg

R.C.S. Luxembourg B N° 159 036

As of August 25, 2016 the Board of Directors formally prepared and approved these Condensed Consolidated Interim Financial Statements for the three-month period ended June 30, 2016.

Condensed Consolidated Interim Income Statement

(Thousand of euros)

	Notes	June 2016	June 2015
Revenue	6	126,861	119,895
Supplies		(2,637)	(6,066)
Revenue Margin	6	**124,224**	**113,829**
Personnel expenses	8	(19,538)	(17,170)
Depreciation and amortization	9	(3,849)	(4,297)
Impairment loss	9	-	-
Gain or loss arising from assets disposals		(27)	-
Other operating income / (expenses)	10	(77,671)	(77,664)
Operating profit/(loss)		**23,139**	**14,698**
Financial and similar income and expenses			
Interest expense on debt	11	(10,592)	(10,331)
Other financial income / (expenses)	11	440	(1,475)
Profit/(loss) before taxes		**12,987**	**2,892**
Income tax		(5,312)	(2,230)
Profit/(loss) for the year from continuing operations		**7,675**	**662**
Profit for the year from discontinued operations net of taxes (net)		-	-
Consolidated profit/(loss) for the year		**7,675**	**662**
Non controlling interest - Result		-	0
Profit and loss attributable to the parent company		**7,675**	**662**
Basic earnings per share (Euro)	5	**0.073**	**0.006**
Basic earnings per share (Euro) - fully diluted basis	5	**0.070**	**0.006**

The notes on pages 6 to 26 are an integral part of these Condensed Consolidated Interim Financial Statements.

Condensed Consolidated Interim Statement of Other Comprehensive Income

(Thousand of euros)

	June 2016	June 2015
Consolidated profit/(loss) for the year (from the income statement)	**7,675**	**662**
Income and expenses recorded directly in equity		
Exchange differences	(1,621)	1,139
For actuarial gains and losses (pensions)	-	-
Other income and expenses recorded directly in equity	-	-
Tax effect	-	-
	(1,621)	**1,139**
Total recognized income and expenses	**6,054**	**1,801**
a) Attributable to the parent company	6,054	1,801
b) Attributable to minority interest	-	-

The notes on pages 25 to 45 are an integral part of these Condensed Consolidated Interim Financial Statements.

Condensed Consolidated Interim Balance Sheet Statement

(Thousand of euros)

ASSETS	Notes	June 2016	March 2016
Non-current assets			
Goodwill	12	727,308	728,377
Other intangible assets	13	297,159	294,616
Tangible assets		7,796	7,642
Non-current financial assets		4,516	4,962
Deferred tax assets		1,189	2,298
Other non-current assets		3,622	3,599
		1,041,590	**1,041,494**
Current assets			
Inventory		817	800
Trade and other receivables		63,455	66,237
Current tax assets		13,946	10,075
Financial assets		-	74
Cash and cash equivalent	14	111,748	132,077
		189,966	**209,263**
TOTAL ASSETS		**1,231,556**	**1,250,757**

EQUITY AND LIABILITIES	Notes	June 2016	March 2016
Shareholder's Equity			
Share Capital		10,488	10,488
Share Premium		974,512	974,512
Other Reserves		(608,449)	(622,543)
Other equity instruments		-	-
Profit and Loss for the period		7,675	12,427
Foreign currency translation reserve		(2,359)	(738)
		381,867	**374,146**
Non controlling interest		-	-
	15	**381,867**	**374,146**
Non-current liabilities			
Non-current financial liabilities	17	417,971	446,463
Non current provisions	18	6,741	6,659
Deferred revenue		25,218	26,206
Deferred tax liabilities		43,501	43,518
Other non-current liabilities		-	-
		493,431	**522,846**
Current liabilities			
Trade and other payables		312,413	315,211
Current provisions	18	8,213	9,861
Current taxes payables		17,676	12,268
Current financial liabilities	17	17,956	16,425
		356,258	**353,765**
TOTAL EQUITY AND LIABILITIES		**1,231,556**	**1,250,757**

The notes on pages 25 to 45 are an integral part of these Condensed Consolidated Interim Financial Statements.

Condensed Consolidated Interim Statement Change in Equity

(Thousand of euros)

	Share Capital	Share premium	Other Reserves	Profit & Loss for the period	Other equity instrum.	Foreign currency translation reserve	Total Equity
Closing balance at March 31, 2016	**10,488**	**974,512**	**(622,543)**	**12,427**	**-**	**(738)**	**374,146**
Total recognized income / (expenses)	**-**	**-**	**-**	**7,675**	**-**	**(1,621)**	**6,054**
Operations with members or owners	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Payments based on equity instruments	-	-	1,678	-	-	-	1,678
Transfer between equity items	-	-	12,427	(12,427)	-	-	-
Other changes	-	-	(11)	-	-	-	(11)
Other changes in equity	**-**	**-**	**14,094**	**(12,427)**	**-**	**-**	**1,667**
Closing balance at June 30, 2016	**10,488**	**974,512**	**(608,449)**	**7,675**	**-**	**(2,359)**	**381,867**

	Share Capital	Share premium	Other Reserves	Profit & Loss for the period	Other equity instrum.	Foreign currency translation reserve	Total Equity
Closing balance at March 31, 2015	**10,488**	**974,512**	**(444,793)**	**(181,306)**	**-**	**(1,530)**	**357,371**
Total recognized income / (expenses)	**-**	**-**	**-**	**662**	**-**	**1,139**	**1,801**
Operations with members or owners	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Payments based on equity instruments	-	-	612	-	-	-	612
Transfer between equity items	-	-	(181,306)	181,306	-	-	-
Other changes	-	-	4	-	-	-	4
Other changes in equity	**-**	**-**	**(180,690)**	**181,306**	**-**	**-**	**616**
Closing balance at June 30, 2015	**10,488**	**974,512**	**(625,483)**	**662**	**-**	**(391)**	**359,788**

The notes on pages 25 to 45 are an integral part of these Condensed Consolidated Interim Financial Statements.

Condensed Consolidated Interim Cash Flow Statement

(Thousand of euros)

	Notes	June 2016	June 2015
Net Profit / (Loss)		**7,675**	**662**
Depreciation and amortization	9	3,849	4,297
Impairment and results on disposal of non-current assets (net)		-	-
Other provisions		(2,287)	(1,318)
Income tax		5,312	2,230
Gain or loss on disposal of assets		27	-
Finance (Income) / Loss	11	10,152	11,806
Expenses related to share based payments	16	1,678	612
Other non cash items		(770)	-
Changes in working capital		(666)	534
Income tax paid		(2,376)	(2,266)
Net cash from operating activities		**22,594**	**16,557**
Acquisitions of intangible and tangible assets		(6,322)	(9,316)
Proceeds on disposal of tangible and intangible assets		5	1,700
Acquisitions of financial assets		3	(7)
Payments/ Proceeds from disposals of financial assets		349	-
Net cash flow from / (used) in investing activities		**(5,965)**	**(7,623)**
Reimbursement of borrowings	2.1.1	(29,176)	-
Interest and other financial expenses paid		(7,716)	(7,095)
Interest received		9	17
Fees paid on debt		-	(325)
Net cash flow from / (used) in financing activities		**(36,883)**	**(7,403)**
Net increase / (decrease) in cash and cash equivalent		**(20,254)**	**1,531**
Cash and cash equivalents at beginning of period		132,038	121,768
Effect of foreign exchange rate changes		(140)	(28)
Cash and cash equivalents at end of period		**111,644**	**123,271**
Cash at the closing:			
Cash	14	111,748	123,396
Bank facilities&overdrafts	17	(104)	(125)
Cash and cash equivalents at end of period		**111,644**	**123,271**

The notes on pages 25 to 45 are an integral part of these Condensed Consolidated Interim Financial Statements.

Notes to the Condensed Consolidated Interim Financial Statements

1. GENERAL INFORMATION

eDreams ODIGEO (formerly LuxGEO Parent S.à r.l.) was set up as a limited liability company (société à responsabilité limitée) formed under the Laws of Luxembourg on Commercial Companies on February 14, 2011, for an unlimited period, with its registered office located at 1, Boulevard de la Foire, L-1528 Luxembourg (the "Company" and, together with its subsidiaries, the "Group"). In January 2014, the denomination of the Company was changed to eDreams ODIGEO and its corporate form from an S.à r.l. to an S.A. ("Société Anonyme").

eDreams ODIGEO and its direct and indirect subsidiaries (collectively the "Group") headed by eDreams ODIGEO, as detailed in Note 23, is a leading online travel company that uses innovative technology and builds on relationships with suppliers, product know-how and marketing expertise to attract and enable customers to search, plan and book a broad range of travel products and services.

2. SIGNIFICANT EVENTS

2.1 Significant events during the three-month period ended June 30, 2016

2.1.1 Repurchase of 2018 Notes

The Group, through its subsidiary Geo Debt Finance S.C.A., has repurchased €30 million of the 2018 Notes on April 14, 2016 at a clearing price of 97% (€29.1 million). All the repurchased Notes have been cancelled.

The tender offer was made as part of eDreams' liability management, to decrease its overall level of debt and was financed out of the company's cash flows.

2.1.2 Change in management

Management has decided the appointment of Carsten Bernhard as Chief Technology Officer and Gerrit Goedkoop as Chief Operating Officer, strengthening our senior management team.

Carsten Bernhard joins eDreams from TUI Germany where he was Chief Information Officer. Previously he worked as Chief Technology Officer of Autoscout24, Europe's largest online car marketplace, from 2006 to 2013 where he put in place agile development and supporting processes.

Gerrit Goedkoop, who currently serves as Chief Customer Officer for eDreams Odigeo will now take up position as Chief Operating Officer. Gerrit has been with eDreams since 2014 and previously served as Vice President Customer Care for cable company Liberty Global.

Philippe Vimard, who currently serves as Chief Technology Officer and Chief Operating Officer is leaving the business after 6 years.

These management changes were effective from August 1, 2016.

2.2 Significant events during the year ended March 31, 2016

2.2.1 Covenant ratio increase consent from lenders

On June 2015, the Company obtained consent from lenders under the €130 million Super Senior Revolving Credit Facility (SSRCF) to increase the ratio of Consolidated Total Net Debt to Consolidated EBITDA from 5.50:1 to 6.00:1 for the Relevant Period ending on 31 December 2015 only.
The purpose of this amendment was to allow the Company to support its strategy with potential acquisitions, which can be funded from internal cash, but without eating into covenant headroom during the seasonally low point of December.

2.2.2 Change in management

Effective September 22, 2015, eDreams ODIGEO ("the Company") accepted the resignation of Mr. Mauricio Luis Prieto Prieto as an Executive member from the Board of Directors. Mr. Prieto was a co-founder of the Company.
On July 22, 2015 was announced the appointment of Ms. Amanda Wills and Mr. David Elizaga Corrales as an Independent and Executive Director, respectively.

2.2.3 Change in Barcelona offices

On July 2015, the Group moved its Barcelona offices from "World Trade Center" to new offices located in Carrer Bailen and Zona Franca (both located also in Barcelona). The cost of new furniture and general installations related to the refurbishment amounted to €2.3 million.

3. BASIS OF PRESENTATION

3.1 Accounting principles

These Condensed Interim Consolidated Financial Statements and Notes for the 3 months ended June 30, 2016 of eDreams ODIGEO and its subsidiaries ("the Group") have been prepared in accordance with the International Financial Reporting Standards IAS 34 – Interim Financial Reporting as adopted in the European Union and the figures are expressed in thousands of euros.
As these are condensed consolidated interim financial statements, they do not include all the information required by IFRS for the preparation of the annual financial statements and must therefore be read in conjunction with the Group consolidated financial statements prepared in accordance with IFRS as adopted in the European Union for the year ended at March 31, 2016.

The accounting policies used in the preparation of these condensed Condensed Interim Consolidated Financial Statements as of and for the three months period ended June 30, 2016 are the same as those applied in the Group's consolidated annual accounts for the year ended March 31, 2016, except for the following:

- New IFRS or IFRIC issued, or amendments to existing ones that came into effect as of April 1, 2016, the adoption of which did not had a significant impact on the Group's financial situation in the period of application;
- Income tax which, in accordance with IAS 34, is recorded in interim periods on a best estimate basis.

- The Impairment test performed at March 31, 2016 has not been updated as of June 30, 2016, as no impairment indicator was identified, and therefore the Condensed Consolidated Interim Financial Statements have not reflected any adjustment related to the impairment analysis, as at June 2016.

There is no accounting principle or policy which would have a significant effect and has not been applied in drawing up these financial statements.

3.2 New and revised International Financial Reporting Standards

The new IFRS and interpretations published as of March 31, 2015 and effective from April 1, 2015 listed in the Note 3.2 – New and revised International Financial Reporting on the Consolidated Financial Statement for the year ended March 31, 2016, had no material impact on the Group interim Condensed Interim Consolidated Financial Statements at June 30, 2016.

The Group has not early adopted standards and interpretations that are not yet mandatorily effective at April 1, 2016.

3.3 Changes in consolidation perimeter

There have been no changes in the consolidation perimeter since March 31, 2016.

3.4 Comparative information

The Directors present, for comparative purposes, together with the figures for the three months period ended June 30, 2016, the previous periods' figures for each of the items on the annual consolidated statement of financial position (March 31, 2016), condensed consolidated interim income statement, condensed consolidated interim statement of other comprehensive income, condensed consolidated interim statement of changes in equity, condensed consolidated interim cash flow statement (June 30, 2015) and the quantitative information required to be disclosed in the condensed consolidated interim financial statements.

4. SEASONALITY OF BUSINESS

We experience seasonal fluctuations in the demand for travel services and products offered by us. Because we generate the largest portion of our revenue margin from flight bookings, and most of that revenue for flight is recognized at the time of booking, we tend to experience higher revenues in the periods during which travelers book their vacations, i.e., during the first and second calendar quarters of the year, corresponding to bookings for the busy spring and summer travel seasons. Consequently, comparisons between subsequent quarters may not be meaningful.

5. EARNINGS PER SHARE

The basic earnings per share are calculated by dividing the profit attributable to equity holders of the company by the average number of shares.
The calculation of basic earnings per share (rounded to two digits) for the three-month period ended June 30, 2016 and 2015, is as follows:

June 2016			June 2015		
Profit attributable to the owners of the parent (€ thousand)	Average Number of shares	Basic Earnings per Share (Euro)	Profit attributable to the owners of the parent (€ thousand)	Average Number of shares	Basic Earnings per Share (Euro)
7,675	104,878,049	0.073	662	104,878,049	0.006

In the earning per share calculation as of June 30, 2016 dilutive instruments are considered, using a maximum dilution rate of 4.44%.

The calculation of fully diluted earnings per share for the three-month period ended June 30, 2016 and 2015, is as follows:

Basic Earnings per Share - fully diluted basis					
June 2016			June 2015		
Profit attributable to the owners of the parent (€ thousand)	Average Number of shares	Basic Earnings per Share (Euro)	Profit attributable to the owners of the parent (€ thousand)	Average Number of shares	Basic Earnings per Share (Euro)
7,675	109,750,993	0.070	662	109,750,993	0.006

6. REVENUE

Gross bookings is an operating and statistical metric that captures the total amount paid by customers for travel products and services booked through or with us, including taxes, service fees and other charges and excluding VAT. Gross Bookings include the gross value of transactions booked under both agency and principal models as well as transactions made under white label arrangements and transactions where we just act as "pure" intermediary whereby we serve as a click-through and pass the reservations made by the customer to the relevant travel supplier.

	June 2016	June 2015
Total Gross bookings	**1,145,978**	**1,160,922**
Total Number of bookings	**2,916,417**	**2,618,176**

The following is an analysis of the Group's revenue and revenue margin for the period:

	Revenue		Revenue Margin	
	June 2016	June 2015	June 2016	June 2015
From customers	86,390	83,648	83,753	77,582
From suppliers	31,589	28,768	31,589	28,768
From advertising and meta clicks-out	8,882	7,479	8,882	7,479
Total	**126,861**	**119,895**	**124,224**	**113,829**

7. SEGMENT INFORMATION

The Group has four reportable geographical segments based on how the Chief Operating Decision Maker (CODM) manages the business, makes operating decisions and evaluates operating performance. Reportable segments offer different products and services and are managed separately because the nature of products and methods used to distribute the services are different. For each reportable segment, the Group's Leadership Team comprising of Chief Executive Officer and Chief Financial Officer, reviews internal management reports. Accordingly, the Leadership Team is construed to be the Chief Operating Decision Maker (CODM).

As it is stated in the IFRS 8, paragraph 23 an entity shall report a measure of total assets and liabilities for each reportable segment if such amounts are regularly provided to the chief operating decision maker. As this information is not regularly provided, information regarding assets and liabilities by segments has not been disclosed in these financial statements.

	June 2016						
	France	Southern Europe (Spain + Italy)	**Core**	Germany + Austria	UK + Nordics + Other	**Expansion**	**TOTAL**
Gross Bookings	**360,662**	**225,127**	**585,789**	**167,062**	**393,127**	**560,189**	**1,145,978**
Revenue	**43,522**	**28,164**	**71,686**	**16,418**	**38,757**	**55,175**	**126,861**
Revenue Margin	**42,494**	**27,817**	**70,311**	**16,418**	**37,495**	**53,913**	**124,224**
Variable costs	(23,754)	(17,190)	(40,944)	(8,985)	(25,982)	(34,967)	(75,911)
Marginal Profit	**18,740**	**10,627**	**29,367**	**7,433**	**11,513**	**18,946**	**48,313**
Fixed costs							(19,306)
Depreciation and amortization							(3,849)
Impairment and results on disposal of non-current assets							(27)
Others							(1,992)
Operating profit/(loss)							**23,139**
Financial result							(10,152)
Profit before tax							**12,987**

	June 2015						
	France	Southern Europe (Spain + Italy)	**Core**	Germany + Austria	UK + Nordics + Other	**Expansion**	**TOTAL**
Gross Bookings	**393,273**	**193,209**	**586,482**	**158,895**	**415,544**	**574,440**	**1,160,922**
Revenue	**45,239**	**23,144**	**68,383**	**13,552**	**37,960**	**51,512**	**119,895**
Revenue Margin	**41,685**	**22,473**	**64,158**	**13,552**	**36,119**	**49,671**	**113,829**
Variable costs	(24,711)	(16,094)	(40,805)	(7,401)	(27,653)	(35,054)	(75,859)
Marginal Profit	**16,975**	**6,379**	**23,354**	**6,151**	**8,466**	**14,617**	**37,970**
Fixed costs							(15,617)
Depreciation and amortization							(4,297)
Impairment and results on disposal of non-current assets							-
Others							(3,358)
Operating profit/(loss)							**14,698**
Financial result							(11,806)
Profit before tax							**2,892**

8. PERSONNEL EXPENSES

8.1 Personnel expenses

This item breaks down as follows:

	June 2016	June 2015
Wages and salaries	13,563	12,196
Social security costs	3,587	3,498
Pensions costs (or employees welfare expenses)	441	126
Share-based compensation	1,672	609
Other personnel expenses	275	741
Total personnel expenses	**19,538**	**17,170**

8.2 Number of employees

The average number of employees (including executive directors) by category of the Group during the year is as follows:

	June 2016	June 2015
Management	15	18
Administrative Staff	986	959
Operational Staff	613	714
Total average headcount	**1,614**	**1,691**

9. DEPRECIATION, AMORTIZATION AND IMPAIRMENT

This item breaks down as follows:

	June 2016	June 2015
Depreciation of tangible assets	640	569
Amortization of intangible assets *(see Note 13)*	3,209	3,728
Total Depreciation and amortization	**3,849**	**4,297**
Impairment of tangible assets	-	-
Impairment of intangible assets and goodwill	-	-
Impairment	**-**	**-**

Amortization of intangible assets primarily related to the capitalized IT projects as well as the intangible assets identified through the purchase price allocation.

For the closing of June 2016, the Company did not update the impairment test performed at March 31 2016. As per management understanding since that date, there have been no events which could impact significantly and change the conclusions reached as per the impairment test performed as of March 31, 2016 Therefore these consolidated financial statements as of June 2016 have not reflect

any adjustment related to the impairment analysis. An impairment test will be performed before year-end once the financial projections will be updated and approved by management.

10. OTHER OPERATING INCOME/ (EXPENSES)

This item breaks down as follows:

	June 2016	June 2015
Marketing and other operating expenses	71,422	71,219
Professional fees	2,929	1,442
IT expenses	1,756	1,795
Rent charges	968	1,017
Taxes	471	60
Foreign exchange gains/(losses)	79	123
Non-recurring expenses	46	2,008
Total other operating income and expenses	**77,671**	**77,664**

Other operating expenses primarily consist in marketing expenses, credit card processing costs (incurred only under the merchant model), chargebacks on fraudulent transactions, IT costs relating to the development and maintenance of our technology, GDS search costs and fees paid to our outsourcing service providers, such as call centers or IT services.

The marketing expenses comprise customer's acquisition costs (such as paid search costs, metasearch costs and other promotional campaigns) and commissions due to agents and white label partners.

A large portion of the other operating expenses are variable costs, either because they are directly related to the number of transactions processed through us or because they result from discretionary decisions from our management.

11. FINANCIAL AND SIMILAR INCOME AND EXPENSE

This item breaks down as follows:

	June 2016	June 2015
Interest expense on 2019 Notes	(3,346)	(3,345)
Interest expense on 2018 Notes	(5,613)	(6,094)
Interest expense on Revolving Credit Facilities	(117)	(78)
Effective interest rate impact on debt	(1,516)	(814)
Interest expense on debt	**(10,592)**	**(10,331)**
Foreign exchange differences	516	(524)
Other financial expense	(980)	(978)
Other financial income	904	27
Other financial income / expense	**440**	**(1,475)**
TOTAL FINANCIAL RESULT	**(10,152)**	**(11,806)**

12. GOODWILL

A detail of the goodwill movement for the three-month periods ended June 30, 2016 and 2015 are set out below:

Balance at March 31, 2016	**728,377**
Changes in the scope	-
Impairment	-
Exchange rate diferences	(1,069)
Balance at June 30, 2016	**727,308**

Balance at March 31, 2015	**727,820**
Changes in the scope	-
Impairment	-
Exchange rate diferences	837
Balance at June 30, 2015	**728,657**

As at June 30, 2016, the amount of the goodwill corresponding to the Nordic markets has decreased due to the evolution of the euro compared to the functional currency of these countries, with a balancing entry under “Foreign currency translation reserve”.

The goodwill allocation by markets at June 30, 2016 and 2015 was as follows:

	June 2016	June 2015
Markets		
France	326,522	326,522
Spain	49,073	49,073
UK	39,033	39,033
Italy	44,087	44,087
Germany	155,718	155,718
Nordics	49,557	50,906
Metasearch	8,608	8,608
Other	54,710	54,710
	727,308	**728,657**

As we mentioned in the Note 9, the Company has not identified further impairment indicators and therefore did not update the impairment test performed at June 30, 2016.

13. OTHER INTANGIBLE ASSETS

The other intangible assets at June 30, 2016 and 2015 break down as follows:

Balance at March 31, 2016	**294,616**
Acquisitions	6,025
Amortization (see note 9)	(3,209)
Exchange rate diferences	(273)
Balance at June 30, 2016	**297,159**

Balance at March 31, 2015	**282,581**
Acquisitions	8,357
Amortization (see note 9)	(3,728)
Disposal of intangible assets	(1,700)
Exchange rate diferences	153
Balance at June 30, 2016	**285,663**

“Acquisitions” mainly correspond to the capitalization of the technology internally developed by the Group which, due to its functional benefits, contributes towards attracting new customers and retaining the existing ones.

14. CASH AND CASH EQUIVALENT

Shown below is a breakdown of cash and cash equivalent:

	June 2016	March 2016
Marketable securities	8	8
Cash and other cash equivalent	111,740	132,069
Cash and cash equivalent	**111,748**	**132,077**

The majority of the bank accounts and marketable securities have been pledged to secure the obligations in respect of the Group financial indebtedness.

15. EQUITY

15.1 Share capital

The subscribed share capital of eDreams ODIGEO at June 2016 is €10.488 thousand divided into 104,878,049 shares with a par value of ten euros cents (€0.10) each, all of which are fully paid.

15.2 Share premium

The share premium account may be used to provide for the payment of any shares, which the Company may repurchase from its shareholders, to offset any net realized losses, to make distributions to the shareholders in the form of a dividend or to allocate funds to the legal reserve.

15.3 Foreign currency translation reserve

The foreign currency translation reserve correspond to the net amount of the exchange differences arising from the translation of the financial statements of eDreams LLC, eDreams Ltd., Liligo Hungary Kft, Findworks Technologies Bt and Travellink since they are expressed in currencies other than the euro.

15.4 Equity-settled share-based payments

The amount recognized under “payment based on equity instruments” in the consolidated balance sheet at June 30, 2016 and March 31, 2016 arose as a result of the Long Term Incentive plan given to the employees during the current year (see Note 16).

16. SHARE-BASED COMPENSATION

A Long Term Incentive Plan ("Incentive Plan") in which certain employees of the Company or any subsidiaries (the "Participants") may participate was granted on September 26, 2014. The purpose of this Incentive Plan was to enable the Participants to participate in the possible increase in value of the Company.

The total maximum number of shares that could be acquired by the Participants under the Incentive Plan represents 4.4% of the total issued share capital of the Company on a fully diluted basis.

The Incentive Plan basically concerns the granting of the right to acquire a certain number of shares in the Company (called Incentive Shares) to the Participants for a price equal to the local nominal value of the Incentive Shares (€0.10 per share), provided that certain conditions are met:

- Service condition: the Participants must be employed by the Company or any subsidiary during a certain period of time i.e. he must hold an active employment or services relationship until a certain future date.
- Market–performance condition: the target increase in value of the Company's shares must be reached.

The Incentive Plan refers to the ordinary shares issued by eDreams ODIGEO, S.A.

As at March 31, 2016 4,525,591 Incentives Shares were granted under the Incentive Plan.

On May 10, 2016, the Group approved a new Long Term Incentive Plan for Managers. The new scheme will be based on operational performance, measured with stringent financial and strategic objectives. It will have the benefit of generating long-term company value, being simple to administer and align management and shareholder interest.

The estimated accounting value of the new plan is €13.1 million, €6.8 million more than before the change.

The new LTIP will last for 2 years and is designed to vest around financial results publications between November 2016 and November 2017.

All currently employed managers that were eligible for the change have been granted the new plan as an alternative to the existing plan on June 2016.

As at June 30, 2016 964,459 Incentives Shares were granted under the old Incentive Plan for past employees that had already vested part of the old Plan or current employees that have served notice of resignation and 3,862,729 Incentives shares were granted under the new Incentive Plan.

The cost regarding the Long Term Incentive Plans has been recorded in the Income Statement (Personnel expenses) (see Note 8) and against Equity (see Note 15), amounting € 1.7M and € 0.6M in June 30, 2016 and 2015 respectively.

17. BORROWING AND DEBT

17.1 Debt by type

The Group borrowings and debts at June 30, 2016 and March 31, 2016 are as follows:

	June 2016			March 2016		
	Current	Non Current	Total	Current	Non Current	Total
Principal						
2019 Notes	-	125,036	**125,036**	-	124,733	**124,733**
2018 Notes	-	291,848	**291,848**	-	320,799	**320,799**
Total Principal	**-**	**416,884**	**416,884**	**-**	**445,532**	**445,532**
Accrued interest - 2019 Notes	2,231	-	**2,231**	5,575	-	**5,575**
Accrued interest - 2018 Notes	9,212	-	**9,212**	4,063	-	**4,063**
Total Interests	**11,443**	**-**	**11,443**	**9,638**	**-**	**9,638**
Total Borrowing	**11,443**	**416,884**	**428,327**	**9,638**	**445,532**	**455,170**
Other Financial Liabilities						
Bank facilities and bank overdrafts	104	-	**104**	39	-	**39**
Finance Lease Liabilities	551	1,087	**1,638**	623	931	**1,554**
Other Financial Liabilities	5,858	-	**5,858**	6,125	-	**6,125**
Total other Financial liabilities	**6,513**	**1,087**	**7,600**	**6,787**	**931**	**7,718**
Total financial liabilities	**17,956**	**417,971**	**435,927**	**16,425**	**446,463**	**462,888**

Senior Notes – 2019 Notes

On April 21, 2011 Geo Travel Finance S.C.A. issued €175 million 10.375% Senior Notes with maturity date of May 5, 2019 ("the 2019 Notes"). Interest on the 2019 Notes is payable semi-annually in arrears each May 1st and November 1st.

Senior notes – 2018 Notes

On January 31, 2013 Geo Debt Finance S.C.A. issued €325 million aggregate principal amount of 7.5% Senior Secured Notes with maturity date of August 1st, 2018 ("the 2018 Notes"). Interest on the 2018 Notes is payable semi-annually in arrears each February 1st and August 1st.

As it is explained in Note 2.1.1, on April 14th 2016, the Group repurchased 30M€ of the 2018 Notes.

17.2 Debt by maturity

The maturity date of the debt at June 30, 2016 and March 31, 2016 is as follow:

June 30, 2016	< 1 year	1 to 5 years	> 5 years	Total
Principal				
2019 Notes	-	125,036	-	125,036
2018 Notes	-	291,848	-	291,848
Total Principal	-	416,884	-	**416,884**
Accrued interest - 2019 Notes	2,231	-	-	2,231
Accrued interest - 2018 Notes	9,212	-	-	9,212
Total Interests	**11,443**	**-**	**-**	**11,443**
Other financial liabilities				
Bank facilities and bank overdrafts	104	-	-	104
Finance Lease Liabilities	551	1,087	-	1,638
Other financial liabilities	5,858	-	-	5,858
Total Other Financial Liabilities	**6,513**	**1,087**	**-**	**7,600**
Total financial liabilities	**17,956**	**417,971**	**-**	**435,927**

March 31, 2016	< 1 year	1 to 5 years	> 5 years	Total
Principal				
2019 Notes	-	124,733	-	124,733
2018 Notes	-	320,799	-	320,799
Total Principal	-	445,532	-	**445,532**
Accrued interest - 2019 Notes	5,575	-	-	5,575
Accrued interest - 2018 Notes	4,063	-	-	4,063
Total Interests	**9,638**	**-**	**-**	**9,638**
Other financial liabilities				
Bank facilities and bank overdrafts	39	-	-	39
Finance Lease Liabilities	623	931	-	1,554
Other financial liabilities	6,125	-	-	6,125
Total Other Financial Liabilities	**6,787**	**931**	**-**	**7,718**
Total financial liabilities	**16,425**	**446,463**	**-**	**462,888**

17.3 Credit lines

At June 30, 2016, the Group had a €130 million 4 year Revolving Credit Facility to provide for working capital requirements and IATA Guarantees divided into a €105 million tranche that can be used to finance working capital or guarantees, and a €25 million tranche that can be used only for guarantees. At the end of June 2016 and March 2016, the Group had not drawn any significant credit line.

17.4 Fair value measurement of borrowings and debt

June 2016	Total net book value of the class	Level 1 : Quoted prices and cash	Level 2 : Internal model using observable factors	Level 3 : Internal model using non-observable factors	Fair value
Balance Sheet headings and classes of instruments					
Cash and cash equivalents	**111,748**	**x**			**111,748**
Senior Notes Due 2019	**127,267**		**x**		**131,801**
Principal and Interest	131,231		x		135,765
Financing costs capitalized on Senior Notes due 2019	(11,909)		x		(11,909)
Amortization of Financing costs capitalized on Senior Notes due 2019	7,945		x		7,945
Senior Notes Due 2018	**301,060**		**x**		**302,937**
Principal and Interest	304,212		x		306,089
Financing costs capitalized on Senior Notes due 2018	(8,722)		x		(8,722)
Amortization of Financing costs capitalized on Senior Notes due 2018	5,570		x		5,570
Bank facilities and bank overdrafts	**104**	**x**			**104**

The book value of current loans and receivables, trade and other receivables and trade and other payables is approximately their fair value.

Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair values of financial assets and financial liabilities are determined as follows:

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices (includes listed redeemable notes, bills of exchange, debentures and perpetual notes).

- The fair values of other financial assets and financial liabilities (excluding those described above) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The market value of financial assets and liabilities measured at fair value in the statement of financial position shown in the table above has been ranked based on the three hierarchy levels defined by IFRS 13:

- level 1: quoted price in active markets;
- level 2: inputs observable directly or indirectly;
- level 3: inputs not based on observable market data.

17.5 Covenants

Pursuant to the Senior Facility Agreement, Geo Travel Finance S.C.A. has to respect its Consolidated Total Net Debt Cover ratio every quarter. The requested covenant is calculated as follows:

Total Net Debt Cover ratio = Total Net Debt / Last Twelve Month recurrent Adjusted EBITDA.

At June 30, 2016, the abovementioned covenant is met.

18. PROVISIONS

The amounts of provisions break down as follows:

	June 2016	March 2016
Non-current provisions		
Provisions for tax risks	5,471	5,349
Provision for pensions and other post employment benefits	1,270	1,310
Total Non-current provisions	**6,741**	**6,659**
Current provisions		
Provisions for litigation risks	3,456	3,515
Provision for pensions and other post employment benefits	77	78
Provision for other employee benefits	1,789	3,161
Provisions for operating risks and others	2,891	3,107
Total Current provisions	**8,213**	**9,861**

As at June 30, 2016 and March 31, 2016, the caption Provisions for other employee benefits mainly includes the provision for the restructuring in France and related litigation (see note 21.4).

The provision for tax contingencies concerns mainly an indirect tax contingency which is relating to a transaction between two of the Group's subsidiary companies prior to their acquisition by the Group for which the Group has obtained a full indemnity from the seller.

19. OFF-BALANCE SHEET COMMITMENTS

19.1 Operating lease commitments

The Group leases mainly buildings under non-cancellable operating lease contracts. These contracts have a long term, most of them being renewable upon expiry at market conditions. The minimum total future payments in respect of non-cancellable operating leases are as follows:

	< 1 year	1 to 5 years	> 5 years	TOTAL
Minimum lease payments at June 2016	**2,792**	**6,367**	**5,799**	**14,958**

	< 1 year	1 to 5 years	> 5 years	TOTAL
Minimum lease payments at March 2016	**2,901**	**6,460**	**5,221**	**14,581**

19.2 Other off-balance sheet commitments

	June 2016	March 2016
Guarantees To IATA	38,260	42,415
Guarantees To Package Travel	6,439	6,352
Guarantees Linked To Public Entities	1,476	1,863
Guarantees linked to Private Entities	364	224
Others	-	-
Total	**46,539**	**50,854**

Additionally, the Company is a party to an intercreditor agreement entered into between, amongst others, the Company as Investor Creditor and several credit institutions, which provided financing to the Company's affiliated undertakings in the context of the refinancing of LuxGEO, Geo Travel Finance S.C.A.' subsidiary which completed on January 31, 2013.

All the shares held by the Company in Geo Travel Finance S.C.A. are pledged in favor of the holders of certain of the Company's bonds.

20. RELATED PARTIES TRANSACTIONS

20.1 Key management

The compensation received by the key management of the Group and during the three-months periods ended June 30, 2016 and 2015 amounted to €0.9 and €1.0 million, respectively. Moreover there was one-off supplementary retribution amounting to €0.4 million in the three-month period ended June 30, 2015 for severance indemnities.

As at June 30, 2016, the key management has been also granted with 503,399 rights under the old Incentive Plan and 2,229,740 rights under the new Incentive Plan to acquire a certain number of shares of the parent company eDreams ODIGEO at its nominal value (See Note 16). The valuation of this rights amounted €7.4 million of which €3.7 million have been accrued at June 30, 2016 since the beginning of the plan (€0.3 million during the period ended at June 30, 2015).

20.2 Board of Directors

During the three-months periods ended June 30, 2016 and 2015 certain members of the Board received a total remuneration of €56 and €42 thousand for their mandate.

Some members of the Board are also members of the key management of the Group and, consequently, they have accrued remuneration in concept of their executive services, not for their mandate as members of the Board and, therefore part of this information is included in key management retribution section above:

- Remuneration for management services during the three-months periods ended June 30, 2016 and 2015 amounting to €0.3 million and €0.2 million respectively.

- One-off supplementary retribution amounting to €0.4 million in the three-months periods ended June 30, 2015 for severance indemnities.

- As at June 30, 2016 some Directors have been also granted with 8,207 rights under the old Incentive Plan and 1,332,146 rights under the new Incentive Plan to acquire a certain number of shares of the parent company eDreams ODIGEO at its nominal value (See Note 16). The valuation of these rights amounted €3.9 million of which €1.8 million have been accrued at June 30, 2016 since the beginning of the plan (€0.4 million during the period ended at June 30, 2015).

21. CONTINGENCIES

21.1 Insurance premium tax

The Group considers that there is a possible risk of reassessment of insurance premium tax in certain jurisdictions where the Group renders mediation services to its customers regarding the supply of travel insurance by insurers. This risk is relating to the possible view of local tax authorities that part of the remuneration received by the Group for the mediation of the travel insurance to its customers in certain countries should be considered basis for the levy of insurance premium tax. This risk is estimated at €2.1 million. The Group takes the view that it has sufficient grounds to successfully defend its position in case of a reassessment by local tax authorities. As the risk is considered unlikely to result in a cash outflow, no liability has been recognized in the balance sheet.

21.2 Dispute with UK tax authorities

The Group has been assessed by the UK tax authorities for an amount of €0.4 million. This concerns a dispute re the qualification for VAT purposes of the contractual relationship between the UK entity and a UK bed bank. The Group disputes the UK tax authorities´ view that the UK entity should have paid UK VAT on the margin which it has generated in respect of this contractual relationship relating to hotel accommodation which is located outside the UK. The Group has appealed against the

assessment with the UK First tier Tribunal, where it is currently pending, and takes the view that it has sufficient arguments to successfully defend its case. As the risk is considered only possible, no liability has been recognised in the balance sheet.

21.3 License fees

The group considers that there is a possible risk of reassessment by tax authorities in respect of license fees charged between entities of the Group for the use of certain self-developed software. Tax authorities may take the view that there was an undercharge of license fees to the users. This risk is estimated at a maximum amount of €2.4 million. The group takes the view that it has sufficient arguments to defend its position in case of an assessment by tax authorities. As the risk is considered only possible, no liability has been recognised in the balance sheet.

21.4 Litigation resulting from the Social Plan in France

The restructuring plan project of Go Voyages France was approved on March 20th 2015 by the French Labor Authorities. 66 employees made redundant in accordance with the social plan implemented have challenged their dismissal for economic reason before Paris Labor Court.

The total amount claimed by the 66 employees is equal to €2.7 million. As of March 2016, the Group has booked a provision related to this for €2.0 million based on the best estimate of the Group's Management.

21.5 Litigation with Ryanair

In December, 2015, Ryanair launched a legal action before the Irish High Court related to the Search Engine Marketing activities performed by Vacaciones eDreams via the Google Adwords service. While travel agencies are entitled to use the trademarks and logos of the airlines offered for sale on their websites, such use must not create confusion between the official activities of the airlines and the distribution activity of the OTAs. This action could result in damages granted to Ryanair by Vacaciones eDreams and/or Google Ireland or Google Inc. A provision for this has been booked in the balance sheet for €700 thousand based on the best estimate of the Group's Management.

22. SUBSEQUENT EVENTS

There have been no other events since the balance sheet date on June 30, 2016 that would require an adjustment of assets or liabilities or a disclosure.

23. CONSOLIDATION SCOPE

As at June 30, 2016 and March 31, 2016, the companies included in the consolidation are as follows:

Consolidated entities at June 30, 2016

Name	Location / Registered Office	Line of business	% interest	% control
eDreams ODIGEO S.A.	1, Boulevard de la Foire, L-1528 (Luxembourg)	Holding Parent company	100%	100%
Geo Travel Finance S.C.A.	1, Boulevard de la Foire, L-1528 (Luxembourg)	Holding company	100%	100%
LuxGEO S.à r.l.	1, Boulevard de la Foire, L-1528 (Luxembourg)	Holding company	100%	100%
Geo Debt Finance S.C.A.	1, Boulevard de la Foire, L-1528 (Luxembourg)	Holding company	100%	100%
Geo Debt GP S.à r.l.	1, Boulevard de la Foire, L-1528 (Luxembourg)	Holding company	100%	100%
LuxGEO GP S.à r.l.	1, Boulevard de la Foire, L-1528 (Luxembourg)	Holding company	100%	100%
Opodo Limited	Waterfront Hammersmith embankment, Chancellors Road, w6 9RU (London)	On-line Travel agency	100%	100%
Opodo GmbH	Büschstraße 12 20354 (Hamburg)	Marketing services	100%	100%
Travellink AB	Hemvärnsgatan 9,171 54 Solna (Stockholm)	On-line Travel agency	100%	100%
Opodo Italia SRL	Via Boscovich 14, 20124 (Milan)	On-line Travel agency	100%	100%
Opodo SL	Calle Vilanueva 29 28001 (Madrid)	On-line Travel agency	100%	100%
Online Travel Portal Ltd	Waterfront Hammersmith embankment, Chancellors Road, w6 9RU (London)	Dormant	100%	100%
eDreams Inc.	1209 Orange Street, city of Wilmington, County of New Castle, 19801 (State of Delaware)	Holding company	100%	100%
Vacaciones eDreams, S.L.U	Passeig de la Zona Franca, 191-205, 08038 (Barcelona)	On-line Travel agency	100%	100%
eDreams International Network, S.L.U	Carrer Bailén, 67-69, 08009 (Barcelona)	Admin and IT consulting services	100%	100%
eDreams, S.r.L	Via Boscovich 14, 20124 (Milan)	On-line Travel agency	100%	100%
Viagens eDreams Portugal LDA	Avda. Fontes Pereira de Melo, 7 (Lisbon)	On-line Travel agency	100%	100%
eDreams do Brasil Viagens e Turismo	Rua James Watt, 84, 9th floor, Room 2, Brooklin Novo, 04576-050 (São Paulo)	On-line Travel agency	100%	100%
eDreams LLC	160 Greentree Drive Suite 101 (City of Dover) Delaware	On-line Travel agency	100%	100%
eDreams Corporate Travel, S.R.L	Via Boscovich 14, 20124 (Milan)	On-line Travel agency	100%	100%
eDreams Business Travel, S.L.	Carrer Bailén, 67-69, 08009 (Barcelona)	On-line Travel agency	100%	100%
Geo Travel Ventures S.A.	Carrer Bailén, 67-69, 08009 (Barcelona)	On-line Travel agency	100%	100%
Geo Travel Pacific Pty Ltd	Level 5, Plaza Building, Australia Square, 95 Pitt Street, NSW 2000 (Sidney)	On-line Travel agency	100%	100%
Go Voyages SAS	9, Rue Rougemont, 75009 (Paris)	On-line Travel agency	100%	100%
Go Voyages Trade	9, Rue Rougemont, 75009 (Paris)	On-line Travel agency	100%	100%
Liligo Metasearch Technologies	9, Rue Rougemont, 75009 (Paris)	Metasearch	100%	100%
ODIGEO Hungary Kft	Weiner Leó utca 16. 6. em, 1066 (Budapest)	Admin and IT consulting services	100%	100%
Findworks Technologies Bt	Sashegyi út 9, 1124 (Budapest)	On-line Travel agency	100%	100%

Affiliates at June 30, 2016

Name	Location / Registered Office	Line of business	% interest	% control
IIPIR Software Development S.L.	Calle Catalina 11, 3.º B Majadahonda (Madrid)	Development software applicati	25%	25%

Consolidated entities at March 31, 2016

Name	Location / Registered Office	Line of business	% interest	% control
eDreams ODIGEO S.A.	1, Boulevard de la Foire, L-1528 (Luxembourg)	Holding Parent company	100%	100%
Geo Travel Finance S.C.A.	1, Boulevard de la Foire, L-1528 (Luxembourg)	Holding company	100%	100%
LuxGEO S.à r.l.	1, Boulevard de la Foire, L-1528 (Luxembourg)	Holding company	100%	100%
Geo Debt Finance S.C.A.	1, Boulevard de la Foire, L-1528 (Luxembourg)	Holding company	100%	100%
Geo Debt GP S.à r.l.	1, Boulevard de la Foire, L-1528 (Luxembourg)	Holding company	100%	100%
LuxGEO GP S.à r.l.	1, Boulevard de la Foire, L-1528 (Luxembourg)	Holding company	100%	100%
Opodo Limited	Waterfront Hammersmith embankment, Chancellors Road, w6 9RU (London)	On-line Travel agency	100%	100%
Opodo GmbH	Büschstraße 12 20354 (Hamburg)	Marketing services	100%	100%
Travellink AB	Hemvärnsgatan 9,171 54 Solna (Stockholm)	On-line Travel agency	100%	100%
Opodo Italia SRL	Via Boscovich 14, 20124 (Milan)	On-line Travel agency	100%	100%
Opodo SL	Calle Vilanueva 29 28001 (Madrid)	On-line Travel agency	100%	100%
Online Travel Portal Ltd	Waterfront Hammersmith embankment, Chancellors Road, w6 9RU (London)	Dormant	100%	100%
eDreams Inc.	1209 Orange Street, city of Wilmington, County of New Castle, 19801 (State of Delaware)	Holding company	100%	100%
Vacaciones eDreams, S.L.U	Passeig de la Zona Franca, 191-205, 08038 (Barcelona)	On-line Travel agency	100%	100%
eDreams International Network, S.L.U	Carrer Bailén, 67-69, 08009 (Barcelona)	Admin and IT consulting services	100%	100%
eDreams, S.r.L	Via Boscovich 14, 20124 (Milan)	On-line Travel agency	100%	100%
Viagens eDreams Portugal LDA	Avda. Fontes Pereira de Melo, 7 (Lisbon)	On-line Travel agency	100%	100%
eDreams do Brasil Viagens e Turismo	Rua James Watt, 84, 9th floor, Room 2, Brooklin Novo, 04576-050 (São Paulo)	On-line Travel agency	100%	100%
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Go Voyages SAS	9, Rue Rougemont, 75009 (Paris)	On-line Travel agency	100%	100%
Go Voyages Trade	9, Rue Rougemont, 75009 (Paris)	On-line Travel agency	100%	100%
Liligo Metasearch Technologies	9, Rue Rougemont, 75009 (Paris)	Metasearch	100%	100%
ODIGEO Hungary Kft	Weiner Leó utca 16. 6. em, 1066 (Budapest)	Admin and IT consulting services	100%	100%
Findworks Technologies Bt	Sashegyi út 9, 1124 (Budapest)	On-line Travel agency	100%	100%

Affiliates at March 31, 2016

Name	Location / Registered Office	Line of business	% interest	% control
IIPIR Software Development S.L.	Calle Catalina 11, 3.º B Majadahonda (Madrid)	Development software applicati	25%	25%