

Registered number: 05448223

TVL EUROPE

DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018



TVL EUROPE

COMPANY INFORMATION

Director	B S Evans (appointed 9 May 2018)
Registered number	05448223
Registered office	3rd Floor 1 Church Road Richmond Surrey TW9 2QE
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Southampton Science Park 5 Benham Road Southampton Hampshire SO16 7QJ

TVL EUROPE

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DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their report and the financial statements for the year ended 31 December 2018.

Results and dividends

The loss for the year, after taxation, amounted to £1k (2017 - profit £356k).

The directors do not recommend a dividend.

Going concern

After making enquiries, the directors have formed a view that, as at the date of approving the financial statements, there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The directors have reviewed and are satisfied with the recoverability of intercompany receivables and investments in subsidiaries. For this reason, the directors continue to adopt the going concern basis in preparing the accounts.

Directors

The directors who served during the year were:

C M Nester (resigned 9 May 2018)
B S Evans (appointed 9 May 2018)

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

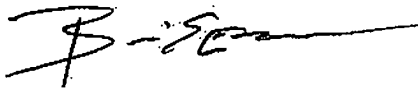
Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



B S Evans
Director

Date: 27 Sept 19



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TVL EUROPE

Opinion

We have audited the financial statements of TVL Europe (the 'company') for the year ended 31 December 2018, which comprise the Statement of income and retained earnings, the Statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TVL EUROPE (CONTINUED)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TVL EUROPE (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

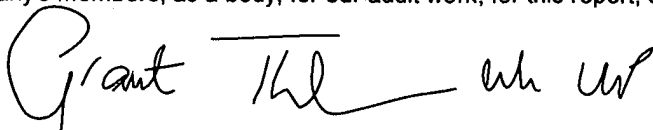
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Norman Armstrong BSc FCA (Senior statutory auditor)

for and on behalf of

Grant Thornton UK LLP

Chartered Accountants

Statutory Auditor

Southampton

Date:

30/9/19

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STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 £000	2017 £000
Administrative expenses		(1)	(4)
Exceptional administrative income	7	-	360
Operating (loss)/profit	4	(1)	356
Tax on (loss)/profit	6	-	-
(Loss)/profit after tax		(1)	356
Retained earnings at the beginning of the year		3,352	2,996
(Loss)/profit for the year		(1)	356
Retained earnings at the end of the year		3,351	3,352

There were no recognised gains and losses for 2018 or 2017 other than those included in the statement of income and retained earnings.

The notes on pages 8 to 14 form part of these financial statements.

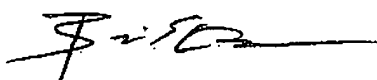
TVL EUROPE
REGISTERED NUMBER: 05448223

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note	2018 £000	2017 £000
Fixed assets			
Investments	8	3,000	3,000
		<u>3,000</u>	<u>3,000</u>
Current assets:			
Debtors: amounts falling due within one year	9	319	319
Cash at bank and in hand	10	32	33
		<u>351</u>	<u>352</u>
Total assets less current liabilities		<u>3,351</u>	<u>3,352</u>
Net assets		<u>3,351</u>	<u>3,352</u>
Capital and reserves			
Called up share capital	12	-	-
Profit and loss account	13	3,351	3,352
		<u>3,351</u>	<u>3,352</u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



B.S. Evans
Director

Date: 27 Sept 19

The notes on pages 8 to 14 form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. General information

The Company is a private company limited by shares registered in England and Wales. Its registered number is 05448223. The registered office is included within the company information.

The company is a non-trading holding company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Sabre Corporation as at 31 December 2018 and these financial statements may be obtained from the US Securities and Exchange Commission.

2.3 Group financial statements

The company is a wholly owned subsidiary of Sabre Corporation and has taken advantage of the exemption afforded by s401 of the Companies Act 2006 and hence the financial statements contain information about TVL Europe as an individual company and do not contain consolidated financial information as the parent of a group.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.4 Going concern

After making enquiries, the directors have formed a view that, as at the date of approving the financial statements, there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The directors have reviewed and are satisfied with the recoverability of intercompany receivables and investments in subsidiaries. For this reason, the directors continue to adopt the going concern basis in preparing the accounts.

2.5 Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

The company's functional and presentational currency is GBP.

2.6 Investments in group undertakings

At each balance sheet date the company reviews the carrying amounts of its tangible investments to determine whether there is any indication that those investments have suffered an impairment loss. If any such indication exists, the recoverable amount of the investment is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of net realisable value and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the investment.

If the recoverable amount of an investment is estimated to be less than its carrying amount, the carrying amount of the investment is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit and loss account.

2.7 Deferred taxation

Deferred tax assets are recognised only to the extent that the assets are expected to be realised, either in cash terms or by the mitigation of future liabilities, in the foreseeable future. Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the company but are presented separately due to their size or incidence.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make certain judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognized in the financial statements:

Impairment of investments

Where there are indicators of impairment of investments held in subsidiaries the company performs impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell is based on the latest audited statements of financial position of the respective investment where available, otherwise the year end statement of financial position is used and adjusted for any known material audit adjustments. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the latest available forecasts approved by senior management for the following financial year and applying a growth rate appropriate to the market in which the subsidiary operates. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes.

Recognition of deferred tax assets and liabilities

Management estimation is required to determine the amount of the deferred tax assets that can be recognized, based on likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Management currently considers that as the company is dormant, there is no future likelihood of any deferred tax assets being realised, and as such none have been recognised.

4. Operating (loss)/profit

The audit fee of £9,100 (2017: £10,000) has been borne by the Sabre Group on behalf of the Company. The fee for non-audit services was £1,755 (£1,500) has also been borne by the Sabre Group on behalf of the company.

TVL EUROPE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

5. Directors' remuneration

The directors received nil remuneration for the year ended 31 December 2018 (2017: £nil). The directors remuneration is paid by other group companies. The directors believe it is not practical to apportion the directors' remuneration in relation to the qualifying services of this entity.

6. Taxation

	2018 £000	2017 £000
Total current tax	-	-

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2017 - lower than) the standard rate of corporation tax in the UK of 19% (2017 - 19.25%). The differences are explained below:

	2018 £000	2017 £000
(Loss)/profit on ordinary activities before tax	(1)	356
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.25%)	-	68
Effects of:		
Permanent differences	-	(69)
Tax losses carried forward	-	1
Total tax charge for the year	-	-

Factors that may affect future tax charges

The company has potential deferred tax assets at the year end of £1,319,294 (2017: £1,479,000). The deferred tax assets have not been recognised as it is not sufficiently certain that the company will have sufficient suitable taxable profits for these items to reverse in the foreseeable future.

For the purposes of deferred tax, the main rate of corporation tax changed from 20% to 19% effective from 1 April 2017 and will change from 19% to 17% effective from 1 April 2020. The first change was substantively enacted on 26 October 2015 and the latter change was substantively enacted 6 September 2016.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

7. Exceptional administrative expenses

	2018 £000	2017 £000
Impairment of intercompany balances	-	(1,550)
Release of accrual	-	1,910
	-	360

Impairment of intercompany balances

In the prior year TVL Europe had intercompany receivable balances due from Lastminute.com LLC (1.5M) and Travelocity Holdings (40k). The directors provided for these in full in the prior year.

Release of accrual

The statute of limitations for the provision for uncashed cheques of prior shareholders relating to the purchase of lastminute.com Limited in 2005 had expired. It was the view of directors that this amount is no longer payable and the amount was released in 2017.

8. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2018	457,126
At 31 December 2018	457,126
Impairment	
At 1 January 2018	454,126
At 31 December 2018	454,126
Net book value	
At 31 December 2018	3,000
At 31 December 2017	3,000

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

8. Fixed asset investments (continued)

Subsidiary undertaking

The following was a subsidiary undertaking of the company:

Name	Principal activity	Class of shares	Holding
Laser Holdings Limited	Holding company	Ordinary shares	100%

9. Debtors

	2018 £000	2017 £000
Amounts owed by group undertakings	319	319
	<u>319</u>	<u>319</u>

10. Cash and cash equivalents

	2018 £000	2017 £000
Cash at bank and in hand	32	33
	<u>32</u>	<u>33</u>

11. Financial instruments

	2018 £000	2017 £000
Financial assets		
Financial assets measured at amortised cost	319	319
Financial assets measured at fair value through profit or loss	32	33
	<u>351</u>	<u>352</u>

Financial assets measured at amortised cost comprise amounts owed by group undertakings of £319,000 (2017: £319,000). Financial assets that held at fair value through profit or loss comprise cash of £32,000 (2017: £33,000).

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

12. Share capital

	2018	2017
	£	£
Allotted, called up and fully paid		
2 (2017 - 2) Ordinary shares of £1.0 each	2	2

13. Reserves

Profit and loss account

The profit and loss account represents the accumulated results of the company since its inception, less any dividends paid.

14. Related party transactions

The Company has taken advantage of the exemption available under FRS 102 section 33 'Related Party Disclosures' not to disclose transactions between entities whose voting rights are 100% controlled within the Sabre group of companies.

15. Parent undertaking and controlling party

The immediate parent company is registered as lastminute.com LLC, a company incorporated in Delaware. The ultimate holding company is Sabre Corporation (formerly known as Sovereign Holdings, Inc.) incorporated in Delaware, United States of America.

Sabre Holdings Corporation is the smallest group in which the results of TVL Europe are consolidated. The largest group in which the TVL Europe results are consolidated is Sabre Corporation. Copies of the Sabre Corporation accounts are publicly available at <http://investors.sabre.com/releases.cfm?view=all>.