

LYCOS Europe N.V.

Interim Report

For the period from 1 January 2010 to 31 March 2010

This interim report of LYCOS Europe N.V. (ISIN NL0000233195) refers to the first quarter of the financial year 2010 (1 January 2010 to 31 March 2010).

Business Development

LYCOS Europe N.V. continues to move forward with the liquidation process of the entire company.

The shopping unit (Pangora) has successfully been sold to an affiliate of Become, Inc. in October 2009. The final closing of this transaction was in February 2010.

As no operational or revenue contributing business unit remained after the sale of Pangora the first quarter of the ongoing business year was clearly focused on the liquidation process.

Having returned the Lycos Brand back to Licensor Lycos, Inc. in 2009 the right to use the Lycos brand will expire by the end of 2010. The shareholders' meeting will be asked to follow the proposal to change the name of Lycos Europe N.V. to Jubii Europe N.V. The subsidiaries will be renamed accordingly.

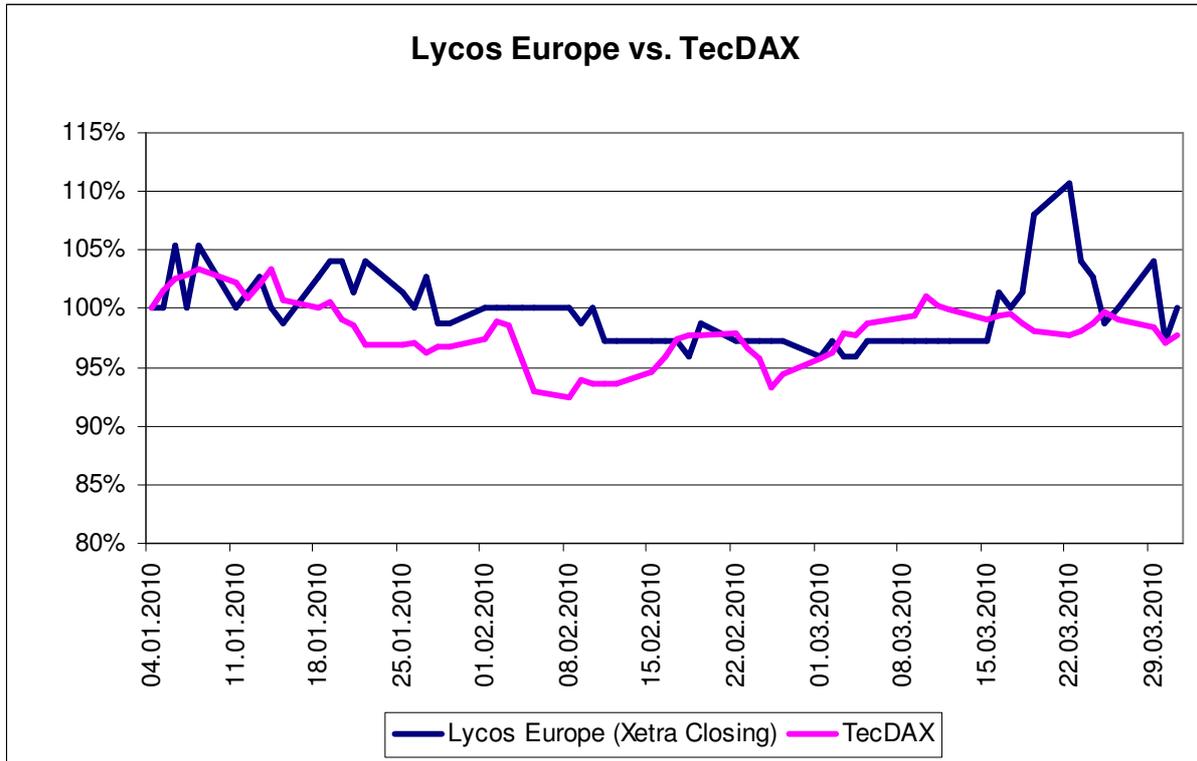
The liquidation of several entities within the Group has advanced and is expected to be finished in the near future.

Share price Development

On January 4, 2010 the delisting of the Lycos Europe shares from NYSE Euronext Paris in France became effective. Since that date Lycos Europe shares are only listed in Germany. Therefore the following information refers to the German stock exchange (Xetra).

At the end of March the Lycos Europe share price had a consistent value as at the beginning of the ongoing business year (EUR 0.075). The TecDAX lost 2 percent in the same period while the Lycos share remained comparably stable.

The highest share price was EUR 0.083 on March 22, 2010. On several trading days the Lycos Europe share decreased to a low of EUR 0.072. An average of 139,536 shares was traded on Xetra in the first quarter of 2010.



The shareholder structure remains unchanged.

HSBC Trinkaus & Burkhardt served as a Designated Sponsor in the period under review.

The annual general meeting of shareholders will be taking place on May 27, 2010 in Amsterdam.

Employee Development

By the end of the first quarter the number of employees translated into full time equivalents was reduced to 5 from 7 as at December 31, 2009 and will decrease further as the shutdown process continues.

The remaining staff are mainly working in the legal and accounting department of Lycos Europe GmbH and Lycos Europe N.V. ensuring the proper shutdown of the different subsidiaries.

Key Financials

The revenues in the three months ended March 31, 2010 declined further to EUR kEUR (3) compared to EUR 1.2 million in the same period of the previous year. The negative revenues result mainly from granting credit notes for termination of sales contracts.

Mainly due to the release of accruals for the Theseus project the EBITDA for the first quarter amounted to kEUR 630 compared to EUR (8.4) million in the same period 2009. The net profit of the period amounted to kEUR 275 (three months ended March 31, 2009: EUR 17.0 million).

Mainly due to payment obligations cash, cash equivalents and other investments decreased to EUR 37.2 million as of March 31, 2010 compared to EUR 40.1 million as of December 31, 2009.

Cash ratio accordingly changed to 3.0 compared to 2.5 at the end of the financial year 2009.

Risks and uncertainties

The risk categories and risk factors have extensively been described in the annual report 2009. Please refer to this report.

Supplemental report

In April 2010, Lycos Europe agreed upon a settlement with the landlord of the French office facilities in order to terminate the rental contract. The impact of this settlement will be shown in the figures for the second quarter of the ongoing business year.

Outlook

Further Lycos Europe will implement the shutdown plan step by step and continue to liquidate its entities. The entities Lycos UK Ltd., Lycos France Sarl, Pangora SAS, Lycos cjsc Armenia, Lycos Italia Srl, Lycos Espana Int. Serv. SL, Lycos Netherlands BV, Yarps Telecom Network AB (Sweden), Home SE AB (Sweden), Odina Sverige AB (Sweden) are currently being liquidated in a first step. After the successful liquidation of these companies Jubii Europe GmbH and Jubii Eastern Europe GmbH shall be liquidated.

A detailed time schedule can not be published at present.

Lycos is still looking for a new tenant for the entire office facilities in Gütersloh (Germany).



Key Figures*

		Three months ended March 31, 2010	Three months ended March 31, 2009	Change
Revenues	kEUR	(3.0)	1,158	>100%
EBITDA	kEUR	630	(8,433)	>100%
EBIT	kEUR	626	(9,541)	>100%
Net profit/ (loss)	kEUR	275	16,960	(98)%
Shares (average outstanding)	Number	311,576,344	311,576,344	0%
Profit/ (loss) per share	EUR	0.00	0.05	100%

		Three months ended March 31, 2010	Year ended December 31, 2009	Change
Cash, cash equivalents and other investments	Million EUR	37.2	40.1	(7)%
Cash ratio (Cash, cash equivalents and other investments/total liabilities)		3.0	2.5	20%
Shareholders' equity	Million EUR	31.2	30.5	2%
Equity ratio (Shareholders' equity/Total assets)	Percent	71.4	65.2	10%
Total assets	Million EUR	43.8	46.8	(6)%
Employees ¹⁾	number	5	7	

*unaudited

¹⁾ Employee figures are presented on a full time equivalent basis.

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Disclaimer

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