

**INTERIM REPORT
JANUARY THROUGH
JUNE**

2015

KEY FIGURES FOR THE GROUP, IFRS MYBET HOLDING SE

INCOME STATEMENT	6M 2015	6M 2014	CHANGE	Q2 2015	Q2 2014	CHANGE
	€ '000	€ '000		€ '000	€ '000	
Revenues	36,293	34,419	+5.5 %	17,949	17,926	+0.1 %
<i>Sports Betting segment</i>	19,879	19,879	0.0 %	9,462	10,663	-11.3 %
<i>Casino & Poker segment</i>	11,690	10,919	+7.1 %	5,990	5,522	+8.5 %
<i>Horse Betting segment</i>	4,379	3,126	+40.1 %	2,354	1,446	+62.8 %
<i>Other segment</i>	343	495	-30.7 %	149	270	-44.8 %
Revenue per employee	206.2	190.2	+8.4 %	102.0	106.1	-3.9 %
Net Gaming Revenue (NGR)	35,781	33,946	5.4 %	18,085	17,682	2.3 %
EBITDA	472	707	-33.2 %	643	-178	N/A
EBIT	-756	-361	-109.4 %	30	-688	N/A
EBT	-753	-320	-135.3 %	33	-679	N/A
Net profit / loss for the period	-238	-534	+55.4 %	640	-768	N/A
Earnings per share (diluted, €)	-0.04	-0.04	0.0 %	0.00	-0.04	N/A

BALANCE SHEET	30/06/2015	31/12/2014	CHANGE
	€ '000	€ '000	
Balance sheet total	36,807	36,978	-0.5 %
Shareholders' equity	18,719	18,934	-1.1 %
Equity ratio	50.9 %	51.2 %	-0.3PP
Cash & cash equivalents	6,585	8,676	-24.1 %

NOTE Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

HIGHLIGHTS

IN FIRST HALF OF 2015

- SLIGHT YEAR-ON-YEAR INCREASE IN BETTING STAKES EVEN IN ABSENCE OF WORLD CUP EFFECT
-

- MARKED GROWTH IMPETUS IN MOBILE SECTOR: REVENUE QUADRUPLED COMPARED WITH PREVIOUS YEAR
-

- HOLD MARGIN IN SPORTS BETTING SEGMENT STILL HIGH AT 18.9 PERCENT AND WITHIN EXPECTATIONS
-

- STRONG GROWTH IN HORSE BETTING SEGMENT CONTINUES
-

- MUCH-IMPROVED EBIT FOR SECOND QUARTER
-

- PARTNERSHIP WITH AMELCO WILL REVOLUTIONISE MYBET SPORTS BETTING AND CASINO PRODUCT RANGE AND PROSPECTIVELY FROM 2016 PRODUCE SUSTAINABLE EARNINGS GROWTH
-

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**// TO THE
SHAREHOLDERS**

LETTER TO THE SHAREHOLDERS

DEAR SHAREHOLDERS,

The first-half result reflects the challenges which mybet faces: on the one hand we are seeing our Customer First strategy begin to bear fruit, while on the other hand the overall result drives home the need for more trenchant changes. We have now been venturing down new paths since last year with the objective of priming mybet for sustained success. We have already implemented a raft of important measures to secure our permanent profitability. The most notable of these include the steps successfully taken to boost activity among existing customers, across all product offerings, and to improve upselling in the mobile area, which has seen a quadrupling of business year on year.

In the first quarter we launched a change project with the clear objective of priming mybet for success, both in product terms and organisationally. Long-term, mybet must become sustainably profitable. The steps that this requires will demand a great deal of the company over the next 12 months.

The improved customer loyalty and dialogue measures have boosted reactivation, yielding an increase in betting stakes per active customer, above all in the second quarter. Investment spending on the further development of CRM and the Product Management team, along with the wider use of automated processes, have helped deliver a quantifiable improvement in efficiency. In the retail business area, too, we have been able to achieve slight year-on-year growth hand in hand with our franchise partners. We have for instance increased the betting stakes per month at our German branches by 15 percent. The rollout of the loyalty card at the German branches is playing a major role in boosting customer loyalty. For the first time in the history of mybet shops, we are now able to implement

tried-and-tested CRM measures from the online sector for customers in the offline realm, too.

At the end of the second quarter we launched our partnership with amelco. amelco is a British company that specialises in high-performance software solutions for investment banking and sports betting and numbers the international industry leaders among its clients.

The principal aim of the partnership is to secure an immediate improvement to the product range in the Sports Betting and Casino segments. At the same time future innovative capability and scalability are assured across the entire product range and along all sales channels. Furthermore, the completely revamped product range will underpin the intrinsic value of the existing and new customers. Continually increasing customer lifetime value represents a decisive step towards securing sustained profitability.

From a financial perspective the first half of 2015 was as follows: In the Sports Betting segment, betting stakes were up 6.0 percent compared with the first half of 2014. A notable feature of this development is that the previous year's high level included the boost from the FIFA World Cup. The Casino & Poker segment likewise benefited from these marketing activities and increased its revenue slightly to EUR 11.7 million (previous year: EUR 10.9 million). Furthermore, we have succeeded in expanding the revenue share of the profitable mobile sector compared with the previous year. In the period under review it already accounted for a revenue share of 14.9 percent for Sports Betting, up from 3.7 percent in the previous year. We will increase this share even further and extend it to other business areas next year.

Due to comparatively higher payouts of winnings and a correspondingly slightly lower hold margin of 18.9 percent (previous year: 19.9 percent), the very good development in betting stakes was not yet fully reflected in revenue and earnings. In the Sports Betting segment, revenue of EUR 19.9 million was on a par with the prior-year level (previous year: EUR 19.9 million). Meanwhile at group level revenue showed a 5.5 percent increase to EUR 36.3 million (previous year: EUR 34.4 million). This overall growth is mainly the consequence of the positive revenue performance in the Casino & Poker and Horse Betting segments, while revenue for the Sports Betting segment remained stable at a high level.

Profitability expressed as earnings before interest and taxes (EBIT) came under pressure from a variety of factors in the first half of 2015. A structural shift in the composition of revenue towards sales channels that are less advantageous for the company brought an increase in expenditure for commissions of EUR 1.0 million. The marketing costs for the intensified customer acquisition work were equally up by around EUR 0.2 million. After a subdued first quarter, the second quarter brought mybet a much-improved EBIT of EUR 30 thousand. The first half of 2015 consequently ends with an EBIT of EUR -0.8 million (previous year: EUR -0.4 million).

The focus for 2015 is squarely on our guiding principle of "Product and Customer First". In specific, that means a clear brand promise, a perfect product and excellent customer service. The interests and opinions of our customers are at the heart of our entrepreneurial activities – their satisfaction is the yardstick by which we seek to be measured. We have already made quite some progress in that direction in recent months

through numerous product improvements. For example, we now offer our customers far more betting options and live bets, as well as more than twice as many casino games. Based on this progress, the satisfactory activation of new and existing customers and the nascent partnership with amelco, we believe the future prospects are promising. We are convinced that optimising our products and broadening our product diversity will give mybet a significantly stronger market position and thus enable it to make up ground on the leading players in the industry. In order to succeed we will need to overhaul our product range from the ground up. We are convinced that we have found the right partner for this venture in amelco. The investment necessitated by the project will weigh on 2015 earnings. In our assessment, the measures will result in a sustained improvement in profit from 2016.

We would be delighted for you to continue to accompany us on our journey forward.

Kiel, August 13, 2015



Zeno Osskó

Markus Peuler

Management Board of mybet Holding SE



A large, stylized number '2' in a vibrant lime green color serves as the background for the text. The number is composed of thick, rounded strokes. The text is positioned in the upper right quadrant of the '2'.

**// GROUP INTERIM
MANAGEMENT
REPORT**

ECONOMIC REPORT

1 GENERAL ECONOMIC, INDUSTRY-SPECIFIC AND REGULATORY ENVIRONMENT

1.1 ECONOMIC ENVIRONMENT

mybet is active in both European and non-European markets through subsidiaries as well as venture partners. Alongside the central sales market Germany, its defined target markets include Ghana and other European countries in particular. The economic environment in Europe, but especially in these countries, therefore affects the business development of mybet.

According to the Kiel Institute for the World Economy (IfW), the attractive financing terms available in Germany are expected to lead to a rise in consumer spending and investment activity, driving up economic activity there. The IfW experts forecast a strong rise in gross domestic product (GDP) of 1.8 percent.

For the eurozone, the IFW economists expect to see GDP growth of 1.5 percent in 2015. For Greece, the IfW economists forecast a 1.0 percent contraction in the economy in 2015. In addition, there is a discussion within Greece's new government of a raft of measures that may also affect the gaming and sports betting market in Greece. It remains to be seen what their actual impact will be. For Ghana, the International Monetary Fund expects economic growth to reach 4.7 percent in the year in progress of 2015.

1.2 INDUSTRY ENVIRONMENT

In Germany, betting stakes totalling around EUR 4.5 billion were placed in the sports betting market in 2014 according to current information from the market research institute Goldmedia. This figure does not include the illegal black market. The institute attributes the marked rise in the volume of betting stakes compared with the previous year (EUR 3.8 billion) to a growing number of betting providers avoiding the legal grey area and striving for the (fiscal) legalisation of their business. It estimated mybet's market share at 4.1 percent.

According to earlier forecasts by Goldmedia and H2 Gambling, a limited opening-up of the market for sports betting by 2017

will lead to moderate long-term growth in the online sports betting market of 6.0 percent. In years with major sporting events, the overall market will grow correspondingly more strongly than in years without sporting highlights. For the online casino and poker market, an average annual growth of 5.0 percent is forecast for the same period.

1.3 REGULATORY ENVIRONMENT

The regulatory environment remains unchanged. The 20 Germany-wide sports betting licences based on the amended State Treaty on Gaming (GlückStV) from 2012 have not yet been awarded. As previously announced, in September 2014 the Hesse Ministry of the Interior and Sports (HMdIS), which is leading the process, informed the mybet group company that is participating in the process that it intended to award it a licence. Following that communication, bidders that had come away from the licensing process empty-handed brought appeals before the relevant administrative courts. The Hamburg and Wiesbaden Administrative Courts extensively upheld the appeals in summary processes and therefore initially suspended the awarding of the licences. The appeals against this ruling lodged with the relevant higher administrative courts by the Hesse Ministry of the Interior, among others, are currently pending. A decision is not likely until the fourth quarter of 2015. It remains unclear when the licences will finally be awarded on a legally binding basis.

At European level, a dot-country model has emerged as the preferred format in many member states, binding providers to national licensing requirements. Companies of the mybet Group now hold licences in Germany (Schleswig-Holstein), Malta, the United Kingdom, Belgium and Cyprus. Operations are officially tolerated by the relevant authority in Greece. In other countries, such as Ghana, mybet works with licensed partners with which it has long-term tie-ins.

■ 2 BUSINESS PROGRESS

The company's profitability in H1 2015 came under pressure from a variety of factors. The marketing costs for the intensified customer acquisition work were up by around EUR 0.2 million. After a subdued first three months of the year, mybet achieved a substantially better EBIT of EUR 30 thousand (previous year: EUR –688 thousand) in the second quarter. mybet thus achieved earnings before interest and taxes (EBIT) of EUR –0.8 million in the first half of 2015 (previous year: EUR 0.4 million).

2.1 SPORTS BETTING SEGMENT

Betting stakes for H1 2015 for this segment were 6.0 percent up on the prior-year period, at EUR 99.8 million (previous year: EUR 94.2 million). 54 percent of betting stakes were generated over the internet (online) and 46 percent via terrestrial channels in betting shops (offline). Compared to the previous year, both offline and online business grew in absolute terms: the betting stakes placed in the shops rose by 8.0 percent in the first six months of 2015 to EUR 46.2 million (previous year: EUR 42.8 million), and betting stakes placed online increased by 4.2 percent to EUR 53.6 million (previous year: EUR 51.5 million).

On the back of already high betting stakes in the first quarter, mybet was able to increase betting stakes per customer by 22.9 percent in the second quarter compared with the previous year, thanks to improved customer dialogue and promotions. As a result, the prior-year level was emulated even in the absence of the one-off effects from the FIFA World Cup. The hold from sports betting (betting stakes less payouts of winnings) for H1 2015 of EUR 18.9 million was slightly above the previous year's level (previous year: EUR 18.7 million). The hold margin of 18.9 percent was slightly below the prior-year figure of 19.9 percent but is in line with expectations. Other operating income came to EUR 394 thousand (previous year: EUR 182 thousand). Expenses for the segment rose to EUR 21.9 million (previous year: EUR 20.8 million) as a result of intensified marketing measures aimed at new and existing customers, along with higher commission payments attributable to a structural shift towards more cost-intensive sales channels. Earnings before interest and taxes (EBIT) for the Sports Betting segment thus came to EUR –1.7 million, compared with EUR –0.9 million in the previous year.

The number of registered online customers climbed to around 1.4 million in the first half of 2015. The number of customers who use mybet's services at least once a month fell by –13.8 percent to 21,235 in the period under review (previous year: 24,637). Thanks to constant optimisation of the drive to activate existing customers and successful cross-selling activities in the mobile area, the average monthly betting stakes per active customer was increased to EUR 421 (previous year: EUR 348). The previous year's figures include betting customers that prefer betting on major sporting events like the FIFA World Cup.

The average number of mybet betting shops edged up to 303 shops (previous year: 298). At June 30, 2015 mybet had 286 shops (previous year: 309). In Germany, the number of shops declined minimally from 189 to 186. Thanks to consistently good system availability, the average betting stakes per month were increased to EUR 31 thousand (previous year: EUR 27 thousand).

FIGURES SPORTS BETTING	6M 2015	6M 2014	CHANGE	Q1 2015	Q2 2015	Q2 2014	CHANGE
	€ '000	€ '000		€ '000	€ '000	€ '000	
Betting stakes	99,849	94,239	+6.0%	53,355	46,494	47,337	-1.8%
Online	53,620	51,453	+4.2%	28,804	24,816	25,799	-3.8%
as % of betting stakes	54%	55%		54%	53%	55%	
Offline	46,229	42,786	+8.0%	24,551	21,678	21,538	+0.6%
as % of betting stakes	46%	45%		46%	47%	45%	
Hold	18,858	18,707	+0.8%	9,890	8,969	8,550	+4.9%
Margin in %	18.9%	19.9%		18.5%	19.3%	18.1%	
Hold online	8,018	8,119	-1.2%	4,335	3,682	3,762	-2.1%
Margin in %	15.0%	15.8%		15.1%	14.8%	14.6%	
Hold offline	10,841	10,588	+2.4%	5,555	5,286	4,788	+10.4%
Margin in %	23.4%	24.7%		22.6%	24.4%	22.2%	
Existing customers (online)	1,416,410	1,282,667	+10.4%	1,386,796	1,416,410	1,282,667	+10.4%
Active online customers in period	114,489	127,238	-10.0%	61,713	52,776	64,949	-18.7%
Active online sports betting customers in month (average)	21,235	24,637	-13.8%	22,881	19,608	25,047	-21.7%
Betting stakes per active online customer in month (€)	421	339	+20.9%	420	422	343	+22.9%

2.2 CASINO & POKER SEGMENT

Revenue for this segment, too, benefited from the outlay for acquiring new customers and activating existing ones in the first half of 2015, and rose by 7.1 percent from EUR 10.9 million in the prior-year period to EUR 11.7 million. EBIT for the 2015 reporting period of EUR 1.8 million was markedly up on the prior-year level (previous year: EUR 1.1 million).

2.3 HORSE BETTING SEGMENT

The sharp rise in revenue from EUR 3.1 million in the previous year to EUR 4.4 million in the 2015 reporting period results from sustained growth in online business for the segment. Thanks to optimised marketing expenditure EBIT for the segment showed an overproportional improvement

of 63 percent, from EUR 0.7 million in the previous year to EUR 1.1 million in H1 2015.

2.4 OTHER OPERATING SEGMENT

The other operating segment mainly comprises the activities of C4U-Malta Ltd (C4U). C4U offers payment processing and related services to third party companies on the basis of an e money licence received in 2013 in Malta, in the capacity of an independent financial institution. In continuing to operate as the main service provider within the mybet Group, C4U moreover enables it to handle its own payment transactions.

Revenue of EUR 0.3 million was down on the previous year (previous year: EUR 0.5 million). EBIT for the segment came to EUR -96 thousand (previous year: EUR 197 thousand).

Due to the technical and personnel restructuring measures, C4U's development to date has taken longer than planned. Now that C4U has been established as an internal payment service provider and following the upgrading of the software platform used, the range of services is to be made available for third parties. The Management Board is in addition considering other strategic options for the further development of C4U.

REVENUE AND FINANCIAL PERFORMANCE

mybet was able to maintain the positive revenue performance of the previous quarter in Q2 2015, achieving 8.8 percent growth on the previous year to EUR 17.9 million. This performance is all the more noteworthy in that the prior-year quarter had included the extra boost from the FIFA World Cup. mybet achieved a 5.5 percent year-on-year increase in revenue to EUR 36.3 million in the first six months of 2015 (previous year: EUR 34.4 million).

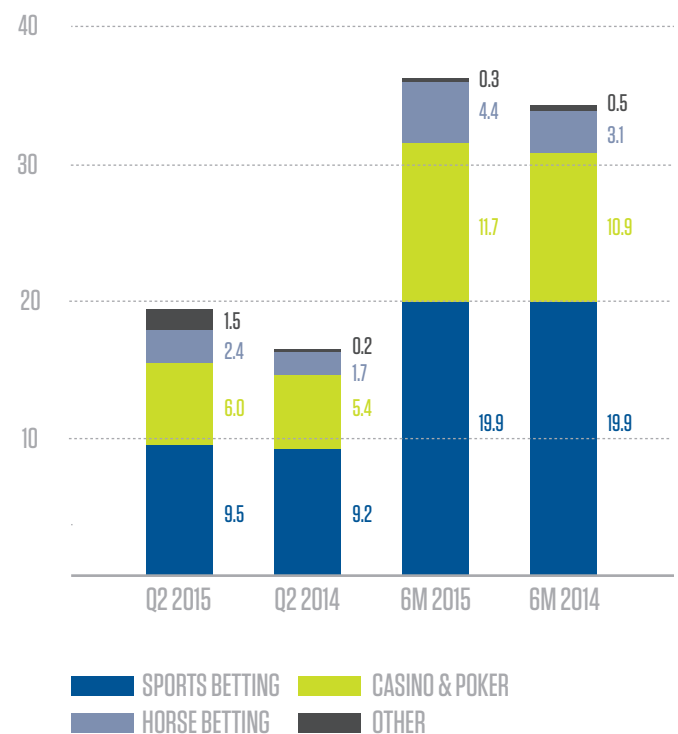
The revenue performance by segment is presented in the segment reporting. The diagram below provides an overview of revenue by segment. Net gaming revenue (NGR), or revenue less gaming tax, totalled EUR 35.8 million for the first half of 2015 (previous year: EUR 33.9 million).

Production for own assets capitalised rose to EUR 1.0 million in the 2015 reporting period, up from EUR 686 thousand in the previous year. This increase was attributable to the elevated production for own assets capitalised in the first quarter of 2015 in the amount of EUR 647 thousand; this arose in connection with the development of new systems for internally produced software as well as a measurement approach based on the actual hours put in. Production for own assets capitalised in the second quarter of 2015 was roughly on a par with the previous year. The significant projects in the period under review included the further development of the software for betting terminals, improved betting slip submission, the multi-outcome bet and the updating of the registration process. Other operating income increased to EUR 923 thousand (previous year: EUR 853 thousand).

The cost of purchased materials in the 2015 reporting period rose by 7.6 percent overall to EUR 25.0 million (previous year: EUR 23.2 million). This rise is attributable to higher commissions expenditure and betting bonuses. At EUR 17.8 million, expenditure for commissions in the 2015 reporting period was some 5.4 percent up on the previous year's EUR 16.9 million. The above-average increase compared with the revenue performance correlates to the structural shift towards more cost-intensive sales channels. The expenses for licence fees for

REVENUE BY SEGMENT

in EUR million



casino software providers and poker networks as well as gaming tax came to EUR 2.2 million in the 2015 reporting period (previous year: EUR 2.0 million). The 47.6 percent rise in bonuses granted to customers to EUR 2.7 million in the 2015 reporting period (previous year: EUR 1.9 million) is mainly down to the increased acquisition of new customers along with various customer reactivation measures. The expense for payment processing comprises expenditure for customer-related payment transactions and came to EUR 1.3 million (previous year: EUR 1.5 million). Other cost of purchased materials, which mainly comprises expenditure for the purchasing of betting odds, remained unchanged at EUR 1.0 million in the 2015 reporting period (previous year: EUR 1.0 million).

The average number of employees fell from 181 in the previous year to 176 in the first half of 2015, reflecting the normal fluctuations in staffing levels. At the same time we improved staffing by recruiting qualified employees to key positions. At EUR 5.4 million, personnel expenses were 5.7 percent higher (previous year: EUR 5.1 million). The expenses per employee in H1 2015 came to EUR 30.7 thousand (previous year: EUR 28.2 thousand). Revenue per employee climbed from EUR 190.2 thousand to EUR 206.2 thousand. The personnel expenses

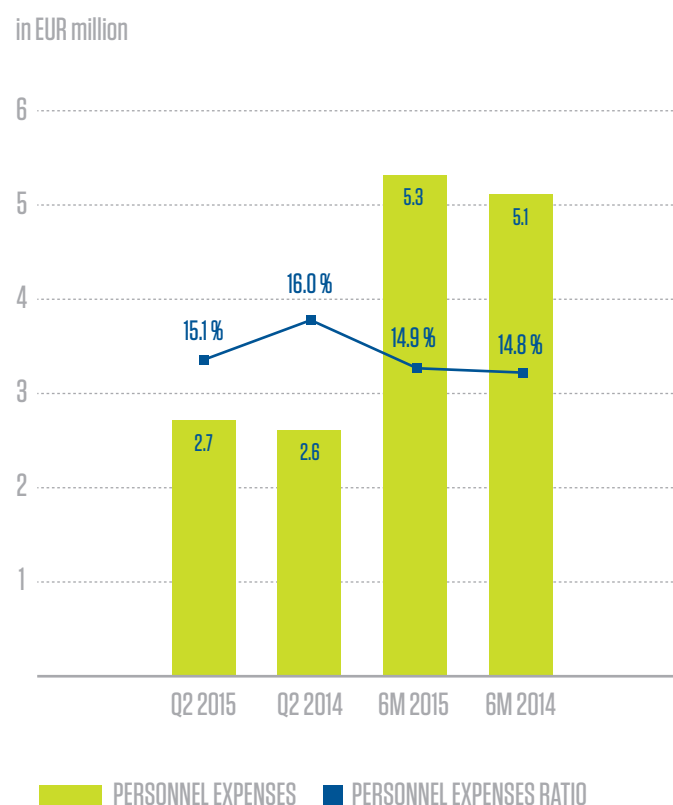
ratio of 14.9 percent in the first half of 2015 was roughly on a par with the previous year (14.8 percent).

Depreciation and amortisation reached EUR 1.2 million in the first half of 2015, compared with EUR 1.1 million in the corresponding period of 2014.

Other operating expenses showed a year-on-year increase of 6.4 percent in the first half of 2015, from EUR 6.9 million to EUR 7.4 million. This was driven mainly by the rise in marketing and distribution expenditure to EUR 2.5 million (previous year: EUR 2.3 million). Investment spending on marketing to existing and new customers was brought forward in the period under review to enable a higher number of active customers to have a positive revenue impact in the current financial year.

Because of the risen expense items, earnings before interest, taxes, depreciation and amortisation (EBITDA) fell from EUR 707 thousand in the 2014 reporting period to EUR 472 thousand in the first half of 2015. After a subdued first quarter the second quarter of 2015 brought mybet much-improved earnings before interest and taxes (EBIT) of EUR 30 thousand. This took EBIT for the first half of 2015 to EUR –756 thousand (previous year: EUR –361 thousand). Earnings before tax for the 2015 reporting period came to EUR –753 thousand (previous year: EUR –320 thousand).

PERSONELL EXPENSES



PRINCIPAL EXPENSE ITEMS	6M 2015	6M 2014	CHANGE	Q2 2015	Q2 2014	CHANGE
	€ '000	€ '000		€ '000	€ '000	
Cost of purchased materials	24,995	23,220	7.6%	12,269	11,221	9.3%
<i>of which commissions</i>	17,800	16,886	5.4%	8,572	7,929	8.1%
Personnel expenses	5,399	5,106	5.7%	2,712	2,643	2.6%
Employees (average for the period)	176	181	–2.8%	176	166	6.0%
Other operating expenses	7,365	6,925	6.4%	3,385	3,676	–7.9%
<i>of which marketing</i>	2,457	2,291	7.2%	1,019	1,451	–29.8%

EARNINGS	6M 2015	6M 2014	CHANGE	Q2 2015	Q2 2014	CHANGE
	€ '000	€ '000		€ '000	€ '000	
EBITDA	472	707	–32.2%	643	–178	N/A
EBIT	–756	–361	–109.4%	30	–688	N/A
EBT	–753	–320	–135.3%	33	–679	N/A
Net profit / loss for the period	–238	–534	+55.4%	640	–768	N/A
Earnings per share (diluted, €)	–0.04	–0.04	–0.0%	0.00	–0.04	N/A

After tax, there was a net loss for the period of EUR –238 thousand (previous year: EUR –534 thousand) due to the capitalisation of deferred tax on loss carry-forwards for pferdewetten.de AG that were deemed sound. Taking account of the profit contributions from investments, this corresponds to diluted earnings per share of EUR –0.04 (previous year: EUR –0.04); the basic earnings per share figure is likewise EUR –0.04 for the first half of 2015 (previous year: EUR –0.03).

3.2 FINANCIAL POSITION AND NET WORTH OF THE GROUP

Cash and cash equivalents declined from EUR 8.7 million at December 31, 2014 to EUR 6.6 million at June 30, 2015. Of this sum, EUR 3.3 million is attributable to pferdewetten.de AG (December 31, 2014: EUR 2.7 million) and is therefore not available group-wide. The fall is substantially attributable to the net loss for the period as well as to investment spending on further software and product development work.

LIQUIDITY	30/06/2015	31/12/2014
Cash and cash equivalents (€ '000)	6,585	8,676
Liquidity ratio 2*	95%	106%

* Liquidity ratio 2 describes the ratio between current assets (excl. inventories) and current liabilities

In the period under review the group was financed substantially from financial resources. Starting with a net profit for the period of EUR –238 thousand (previous year: EUR –534 million), the cash flow before changes in working capital is EUR 496 thousand (previous year: EUR 818 thousand). The negative cash flow from operating activities of EUR –199 thousand (previous year: EUR 2.4 million) stems from the rise in working capital attributable to the increase in inventories, receivables as well as other assets amounting to EUR 0.7 million (previous year: cash inflow of EUR 2.0 million), in conjunction with a rise in liabilities as well as other equity and liability items amounting to EUR 0.5 million (previous year: EUR –0.3 million).

At EUR –1.9 million overall, cash flow from investing activities was higher than the previous year's level (previous year: EUR –1.1 million) as a result of increased investment spending on fixed assets. Mobile solutions and system stability were the major targets of investment spending in the period under review. No financing activities were undertaken in the 2015 reporting period (previous year: EUR –8 thousand).

Non-current assets totalled EUR 20.3 million at June 30, 2015 and were above the year-end reporting date level of EUR 18.6 million

at December 31, 2014. This figure comprised mainly intangible assets of EUR 17.0 million (December 31, 2014: EUR 16.3 million), property, plant and equipment of EUR 1.0 million (December 31, 2014: EUR 1.0 million) and deferred taxes of EUR 1.8 million (December 31, 2014: EUR 1.3 million). The increase in intangible assets is attributable to internally produced software capitalised in connection with the development activities: the other intangible assets came to EUR 10.3 million at June 30, 2015 (December 31, 2014: EUR 8.8 million).

Current assets at June 30, 2015 fell from EUR 18.4 million at December 31, 2014 to EUR 16.5 million. Receivables and other assets increased from EUR 9.6 million at the prior-year reporting date to EUR 9.8 million at June 30, 2015 mainly because of increased prepaid expenses. The other financial assets at June 30, 2015 included restricted cash amounting to EUR 0.9 million (December 31, 2014: EUR 0.8 million). The restricted cash relates to security set aside mainly for licences.

Shareholders' equity was reduced slightly to EUR 18.7 million at June 30, 2015 by the net loss for the 2015 period (December 31, 2014: EUR 18.9 million). Based on a balance sheet total of EUR 36.8 million (December 31, 2014: EUR 37.0 million), the equity ratio at June 30, 2015 declined to 50.9 percent, compared with 51.2 percent at December 31, 2014. mybet therefore continues to enjoy a sound balance sheet structure.

The mybet Group is free of non-current interest-bearing liabilities. Because of the increase in other financial liabilities as well as liabilities from trade accounts payable / other liabilities, current liabilities of EUR 17.2 million were on a par with the reporting date of December 31, 2014. The current liabilities in addition include other accrued expenses and income taxes.

3.3 GENERAL STATEMENT ON THE ECONOMIC SITUATION

With the revenue level having improved slightly, the company has successfully invested a significant amount in marketing measures aimed at existing and new customers in the core Sports Betting business area and has consequently been able to increase the revenue per active customer in the online sector, and also revenue per shop. The liquidity position of the mybet Group is slightly weaker than at the end of the 2014 financial year, but compared with the first quarter of 2015 it remains stable in spite of ongoing investment.

Following a challenging first quarter of 2015, operational performance indicators such as betting stakes and stakes per customer showed a further improvement in the second quarter. The 2015 financial year overall is nevertheless expected to be challenging.

REPORT ON POST-BALANCE SHEET DATE EVENTS

On July 8, 2015 mybet announced that the Chief Executive Officer of mybet Holding SE, Mr Sven Ivo Brinck, was to leave the board at his own request with effect from July 31, 2015. The new Chief Executive Officer is Mr Zeno Oskó, hitherto Head of Business Operations.

On August 3, 2015 a group company of mybet Holding SE signed a partnership agreement with Amelco UK Ltd., a specialist for the development of software solutions and products for the betting industry.

Over and above this, there were no events of material significance after the period under review that would have been of particular importance for or had a significant impact on the net worth, financial position and financial performance of the group as presented in these interim financial statements.

RISKS AND OPPORTUNITIES REPORT

There have been no significant changes compared with the opportunities and risks presented in the 2014 Annual Report. For detailed information on the significant opportunities and risks that could impact the economic and financial position of the mybet Group and for a description of the risk management system, please refer to the opportunities and risks report in the 2014

Annual Report of mybet Holding SE dated April 2, 2015. It can be downloaded from the mybet website (www.mybet-se.com) under Investor Relations.

In connection with the new value-added tax rules in the European Union from January 1, 2015, please also refer to the report on expected developments that forms part of the 2015 Annual Report.

According to leading VAT experts, the hold earned from the electronic services casino and poker should be taken as the basis for calculating value-added tax. However it cannot be ruled out that the fiscal authorities will identify a different tax base.

IV REPORT ON EXPECTED DEVELOPMENTS

■ OUTLOOK

Having successfully initiated the turnaround in the past year, the mybet Group will continue to pursue its chosen strategy and concentrate on its operational core skills. The Management Board believes implementing the necessary product innovations and platform optimisations will be decisively influence how successful the turnaround is in the current year 2015. The Sports Betting segment in particular is to undergo further expansion in future and be developed into a key revenue driver and future earnings contributor for the company.

In this connection the Management Board signed a partnership agreement with Amelco UK Ltd., a specialist for the development of software solutions and products for the betting industry, on August 3, 2015. The principal aim of the partnership is to secure an immediate improvement to the product range in the Sports Betting and Casino segments. At the same time future innovativeness and scalability will be assured. Furthermore, the completely revamped product range will underpin the intrinsic value of the existing and new customers. Continually increasing customer lifetime value represents an important step towards securing sustained profitability.

As previously communicated as an alternative scenario in the 2014 Annual Report, the partnership affects the full-year forecast for 2015. In the assessment of the Management Board, the decision to technologically extend the product range in collaboration with Amelco could help revenue reach the upper end of the forecast revenue range of EUR 70 to 75 million. In view of the investment outlay necessitated by the project, the Management Board expects operating EBIT for the 2015 financial year to reach a maximum of EUR –0.5 million. The Management Board currently expects that this investment spending will have a clear impact on the overall result from the 2016 financial year and that overproportional rises in earnings could then be realistic.

■ FUTURE-RELATED STATEMENTS

This Interim Report contains future-related statements. These statements are based on the current information available to mybet at the time of compiling this report. Such statements relating to the future are, however, subject to risks and uncertainty. If the underlying assumptions should not prove accurate or in the event of additional opportunities / risks arise – potentially beyond the sphere of influence of mybet – the actual results could differ from those forecast. mybet is therefore unable to give any guarantee for these particulars.

V RESPONSIBILITY STATEMENT BY THE MANAGEMENT

The Management Board gives assurance that to the best of its knowledge and belief the business performance, including the business results and the situation of the company, are presented in this Management Report in such a way as to provide a true and fair view and that the principal opportunities and risks are described.

Kiel, August 13, 2015



Zeno Osskó

Markus Peuler

Management Board of mybet Holding SE



A large, bold, blue number '3' is centered on the page. The number is composed of three thick, rounded strokes. The top stroke is a horizontal bar with rounded ends. The middle stroke is a vertical bar with rounded ends, positioned below the top stroke. The bottom stroke is a horizontal bar with rounded ends, positioned below the middle stroke. The text is overlaid on the top stroke of the number.

**// CONSOLIDATED
FINANCIAL
STATEMENTS**

CONSOLIDATED BALANCE SHEET AT JUNE 30

ASSETS

	NOTE	30/06/2015	31/12/2014
		€ '000	€ '000
A. Non-current assets		20,319	18,574
I. Intangible assets	6.1.1	17,018	16,325
1. Goodwill		6,186	6,186
2. Other intangible assets		10,248	8,759
3. Construction in progress		584	1,380
II. Property, plant and equipment	6.1.2	965	989
1. Leasehold improvements		54	54
2. Other plant and equipment		912	935
III. Financial assets	6.1.3	1,839	1,260
B. Current assets		16,488	18,404
I. Inventories	6.2.1	144	177
II. Receivables and other assets	6.2.2	9,759	9,551
1. Trade accounts receivable / other receivables		2,999	2,235
2. Other financial assets		6,760	7,317
III. Cash and cash equivalents	6.2.3	6,585	8,676
Total assets		36,807	36,978

SHAREHOLDERS' EQUITY AND LIABILITIES

	NOTE	30/06/2015	31/12/2014
		€ '000	€ '000
A. Shareholders' equity		18,719	18,934
I. Share capital	6.3.1	25,585	25,585
II. Additional paid-in capital	6.3.2	12,197	12,175
III. Retained earnings	6.3.3	-22,669	-21,549
Shareholders' equity attributable to the shareholders of mybet Holding SE		15,113	16,210
IV. Non-controlling interests	6.3.4	3,606	2,724
B. Non-current liabilities		882	893
1. Deferred tax liabilities	6.4	882	893
C. Current liabilities		17,206	17,151
1. Due to banks	6.4	6	0
2. Trade accounts payable / other liabilities	6.4	9,159	9,256
3. Other financial liabilities	6.4	7,240	6,637
4. Other accrued expenses	6.4	597	1,021
5. Income taxes		205	236
Total shareholders' equity and liabilities		36,807	36,978

CONSOLIDATED INCOME STATEMENT

FOR THE PERIOD JANUARY 1 TO JUNE 30	NOTE	2015	2014
		€ '000	€ '000
Revenue	4.1	36,293	34,419
Production for own assets capitalised	4.2	1,015	686
Other operating income	4.3	923	853
Cost of purchased materials	4.4	24,995	23,220
a) Commission charges		17,800	16,886
b) Licence fees, gambling taxes		2,157	2,022
c) Betting bonuses		2,745	1,859
d) Payment transaction expenses		1,323	1,477
e) Other cost of purchased materials		970	976
Personnel expenses	4.5	5,399	5,106
a) Wages and salaries		4,745	4,502
b) Social insurance		655	604
Depreciation and amortisation	4.6	1,228	1,068
Other operating expenses	4.7	7,365	6,925
Operating profit / loss		-756	-361
Other interest and similar income	4.8	0	59
Interest and similar expenses	4.8	-2	18
Financial result		3	41
Earnings before tax		-753	-320
Income tax	4.9	-517	213
Other tax		2	1
Net profit / loss for the period		-238	-534
Profit attributable to non-controlling interests		883	307
Profit attributable to the shareholders of mybet Holding SE		-1,120	-841
Earnings per share			
Earnings per share (basic, €)	8.1	-0.04	-0.03
Earnings per share (diluted, €)	8.1	-0.04	-0.04

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD JANUARY 1 TO JUNE 30	2015	2014
	€ '000	€ '000
Net profit / loss for the period	-238	-534
Foreign currency translation gains and losses from the financial statements of foreign subsidiaries	0	0
Overall result	-238	-534
<i>of which</i> non-controlling interests	883	307
<i>of which</i> shareholders of mybet Holding SE	-1,120	-841

CONSOLIDATED INCOME STATEMENT

FOR THE PERIOD APRIL 1 TO JUNE 30	NOTE	Q2 2015	Q2 2014	Q1 2015
		€ '000	€ '000	€ '000
Revenue	4.1	17,949	16,493	18,344
Production for own assets capitalised	4.2	368	328	647
Other operating income	4.3	693	541	230
Cost of purchased materials	4.4	12,269	11,221	12,726
a) Commission charges		8,572	7,929	9,229
b) Licence fees, gambling taxes		1,098	1,034	1,059
c) Betting bonuses		1,466	997	1,279
d) Payment transaction expenses		658	728	665
e) Other cost of purchased materials		476	533	494
Personnel expenses	4.5	2,712	2,643	2,687
a) Wages and salaries		2,371	2,351	2,374
b) Social insurance		341	291	314
Depreciation and amortisation	4.6	613	511	615
Other operating expenses	4.7	3,385	3,676	3,980
Operating profit / loss		30	-688	-786
Other interest and similar income	4.8	0	16	0
Interest and similar expenses	4.8	-3	7	0
Financial result		3	10	0
Earnings before tax		33	-679	-786
Income tax	4.9	-608	88	91
Other tax		1	0	0
Net profit / loss for the period		640	-768	-878
Profit attributable to non-controlling interests		645	177	237
Profit attributable to the shareholders of mybet Holding SE		-5	-945	-1,115
Earnings per share				
Earnings per share (basic, €)	8.1	0.00	-0.04	-0.04
Earnings per share (diluted, €)	8.1	0.00	-0.04	-0.04

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD APRIL 1 TO JUNE 30	Q2 2015	Q2 2014	Q1 2015
	€ '000	€ '000	€ '000
Net profit / loss for the period	640	-768	-878
Foreign currency translation gains and losses from the financial statements of foreign subsidiaries	0	0	0
Overall result	640	-768	-878
<i>of which</i> non-controlling interests	645	177	237
<i>of which</i> shareholders of mybet Holding SE	-5	-945	-1,115

CASH FLOW STATEMENT

FOR THE PERIOD JANUARY 1 TO JUNE 30	2015	2014
	€ '000	€ '000
Net profit / loss for the period	-238	-534
Depreciation and amortisation of intangible assets and property, plant and equipment	1,228	1,068
Expense / income from income tax	-519	211
Expense / income from other taxes	2	2
Interest income	0	-59
Interest expense	-2	18
Other non-cash expenses and income	26	111
Cash flow before changes to working capital	496	818
Changes in inventories, receivables and other assets that are not investing or financing activities	-678	1,976
Changes in liabilities and other items on the shareholders' equity and liabilities side	512	-271
Increase / decrease in short-term accruals	425	-42
Interest paid	0	-28
Income taxes paid	-104	-30
Cash flow from operating activities	-199	2,423
Cash payments for investments in fixed assets	-1,897	-1,197
Interest received	0	59
Cash flow from investing activities	-1,897	-1,138
Cash payments for the redemption of bonds and loans	0	-8
Cash flow from financing activities	0	-8
Overall effective adjustment	-2,096	1,277
Changes to cash funds due to exchange rate movements and changes in consolidation	5	7
Cash and cash equivalents at the start of the period	8,676	7,965
Cash and cash equivalents at the end of the period	6,585	9,249

STATEMENT OF MOVEMENTS IN EQUITY

FOR THE PERIOD DECEMBER 31, 2013 TO MARCH 31, 2015	SHARE CAPITAL	ADDITIONAL PAID-IN CAPITAL	GROUP EQUITY GENERATED	SHAREHOLDERS OF PARENT COMPANY	NON- CONTROLLING INTERESTS	TOTAL
	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000
Position at Dec 31, 2013	24,257	11,637	-21,127	14,767	2,192	16,960
mybet Holding SE: capital increase (by way of shares)	1,328	531		1,859		1,859
Taxes on cost of raising equity capital		-46		-46		-46
QED Network Curacao: cash contribution		9		9		9
pferdewetten.de AG: recognition of share-based payments		44		44		44
MYBET ITALIA S.R.L.: other netting			-104	-104		-104
Net profit / loss for the period			-317	-317	531	215
Equity transactions with shareholders: other netting			-2	-2		-2
Overall result			-318	-318	531	213
Position at Dec 31, 2014	25,585	12,175	-21,549	16,210	2,724	18,934
pferdewetten.de AG: recognition of share-based payments		23		23		23
Net profit / loss for the period			-1,120	-1,120	883	-238
Overall result			-1,120	-1,120	883	-238
Position at June 30, 2015	25,585	12,197	-22,669	15,113	3,606	18,719
pferdewetten.de AG: recognition of share-based payments		19		19		19
pferdewetten.de AG: other netting			-12	-12		-12
Net profit / loss for the period			-841	-841	307	-534
Equity transactions with sharehol- ders: other netting			-2	-2		-2
Overall result			-843	-843	307	-536
Position at June 30, 2014	24,257	11,655	-20,635	15,277	2,499	17,777

1 GENERAL DISCLOSURES

mybet Holding SE is a company based in Germany.

On the basis of its own licences and permits and those of its venture partners, the group offers gaming in the European market and selected non-European markets, subject to the various national laws. The focus of the group's business activities here is on the areas of sports betting, casino & poker and horse betting.

The Interim Consolidated Financial Statements at June 30, 2015 of mybet Holding SE are in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) as adopted by the EU, as well as with the requirements of commercial law pursuant to Section 315a (1) of German Commercial Code. In agreement with IAS 34 "Interim Financial Reporting", a reduced reporting scope is chosen for the representation of these Consolidated Financial Statements. No separate Consolidated Financial Statements or separate group management report in accordance with the requirements of German Commercial Code are prepared.

Unless indicated otherwise in these Notes, the same recognition and measurement principles as for the Consolidated Financial Statements for the 2014 financial year are applied for the six-month report. For further details, we accordingly refer to the Consolidated Financial Statements at December 31, 2014. In the opinion of the Management Board, the Interim Consolidated Financial Statements reflect all the customary, routinely performed adjustments that are necessary in order to present the net worth, financial performance and financial position of the group appropriately.

The Consolidated Interim Financial Statements and Group Interim Management Report for mybet Holding SE have not been audited or subjected to review by an independent auditor.

2 CONSOLIDATION

The Consolidated Financial Statements include six domestic (previous year: six) and 15 foreign companies (previous year: 16) in which mybet Holding SE directly or indirectly holds a majority of voting rights.

3 PRINCIPLES OF RECOGNITION AND MEASUREMENT

Unless indicated separately, the principles of recognition and measurement correspond to the principles already indicated for the Consolidated Financial Statements at December 31, 2014.

4 NOTES TO THE CONSOLIDATED INCOME STATEMENT

■ 4.1 REVENUE

Revenue includes the hold from sports and horse betting organised, gambling fees from casino games, commissions from the arranging of horse betting, service proceeds as well as other proceeds.

REVENUE	6M 2015	6M 2014	CHANGE
	€ '000	€ '000	
Hold	22,426	21,271	5.4%
Gambling fees	11,644	10,648	9.4%
Service proceeds	784	1,233	-36.4%
Commissions	812	500	62.3%
Other	627	767	-18.2%
Total	36,293	34,419	5.4%

Overall, there was a slight rise in revenue year on year. There was variation in the performance of the individual revenue streams.

Despite the slightly lower margin of 18.9 percent (previous year: 19.9 percent), the hold for sports betting was maintained at the previous year's level thanks to the 6.7 percent rise in betting stakes to EUR 18,993 thousand overall. The previous year's first half had benefited from the FIFA World Cup, with 54 of the total of 64 matches already played. The one-off effects of this major event were therefore more than compensated for in the period under review.

The hold from horse betting rose by 45.8 percent compared with the prior-year quarter. The main factor at work here was the optimised marketing measures.

The gambling fees from casino games showed a strong performance, with significant growth when measured against the prior-year period.

The service proceeds consist mainly of the payment services performed by C4U-Malta Ltd. for third-party customers. This item also reflects the B2B business with sports betting providers; in these partnerships, mybet provides the technical infrastructure and betting odds. Both areas contracted due to the ending of partnerships.

Commissions occur in connection with the arranging of horse betting, and increased substantially.

The other revenue consists mainly of proceeds from the sale of shop fittings and from customer shares of payment costs.

■ 4.2 PRODUCTION FOR OWN ASSETS CAPITALISED

Production for own assets capitalised of EUR 1,015 thousand (previous year: EUR 686 thousand) relates to internally produced intangible assets. The intangible assets in question are exclusively internally produced software.

The main basis for the development of new products and new software modules is the mybet platform. Until a new technology partner has been involved it will continue to be developed by ANYBET GmbH in order to keep pace with the competition.

The significant projects in the period under review included the further development of the software for betting terminals, improved betting slip submission, the multi-outcome bet and the updating of the registration process.

■ 4.3 OTHER OPERATING INCOME

The other operating income comprises income that is not allocable to current revenue. This includes income not relating to the accounting period, income that does not recur regularly or income that does not stem from the core business but is nevertheless from operating activities and is not allocable to the financial result or to taxes.

It covers a large number of items that are each of lesser importance for the Consolidated Financial Statements. Types of income include income from the reversal of accruals, from the disposal of assets, from statute-barred liabilities, from receivables realised but already written off and from the derecognition of gaming winnings from unpaid bets..

■ 4.4 COST OF PURCHASED MATERIALS

The cost of purchased materials comprises expenditure for commissions, licence expenditure, bonus expenditure, payment transaction costs in connection with customer transactions and the other cost of purchased materials.

EXPENDITURE FOR COMMISSIONS

The year-on-year increase in expenditure for commissions stems mainly from the increased hold, which serves as the basis for revenue-share payments. The above-average increase correlates to the high growth in sales channels and non-European markets where the venture partners need to be guaranteed higher distributions.

LICENCE EXPENDITURE / GAMING TAX

The rise in licence expenditure in the Casino area compared with the previous year is attributable to the higher casino hold, which is the basis for calculating the licence expenditure.

Gaming tax is paid on the basis of country-specific regulations and is passed on wholly or partly to customers or venture partners.

BONUS EXPENDITURE

The rise in bonus expenditure in the period under review is mainly attributable to the increased acquisition of new customers and to a variety of customer reactivation measures. In addition, the bonus expenditure for new customers in the reference period was lower than in the 2015 reporting period, especially at the start of the first quarter of 2014. The result is that the half year under review, with pleasing numbers of new customers acquired and successful reactivation measures, presents a very different picture to the reference period with its lower figures.

OTHER COST OF PURCHASED MATERIALS

This item is substantially defined by the expenditure for the purchasing of betting odds. These odds are evaluated and adjusted by a team of specialists. This approach enables mybet to offer its customers individualised betting odds.

This item also includes the expenditure for a service provider of the sports channels that mybet enables customers to view in the sports betting shops, for live broadcasts of sporting events.

PAYMENT TRANSACTION COSTS

Payment transaction costs include expenditure arising in connection with the processing of customer transactions.

■ 4.5 PERSONNEL EXPENSES

Personnel expenses developed as follows in the period under review:

PERSONNEL EXPENSES	6M 2015	6M 2014	CHANGE
	€ '000	€ '000	
Wages and salaries	4,722	4,424	6.7%
Share-based payment	23	19	22.0%
Incidental payroll costs	617	567	8.9%
Social security benefits	26	25	2.1%
Settlements	0	59	-100.0%
Other social security contributions	12	12	-6.4%
Total	5,399	5,106	5.7%

At the 2015 reporting date there were 173 employees (previous year: 177). The average number of employees over the period was 176 (previous year: 181).

■ 4.6 DEPRECIATION AND AMORTISATION

This item includes the ongoing depreciation and amortisation of intangible assets and property.

■ 4.7 OTHER OPERATING EXPENSES

OTHER OPERATING EXPENSES	6M 2015	6M 2014	CHANGE
	€ '000	€ '000	
Marketing, sales, Investor Relations	2,457	2,291	7.2%
Miscellaneous operating expenses / pooled items	2,284	2,172	5.1%
Service and maintenance, hosting, technical services	1,515	1,458	3.9%
Costs of premises	460	429	7.2%
Non-deductible input tax	252	177	41.8%
Travel and entertainment costs	219	205	7.3%
Costs of annual accounts and audit	178	193	-7.8%
Total	7,365	6,925	6.4%

MARKETING, SALES, INVESTOR RELATIONS

This item substantially contains expenses for online marketing, consultancy on advertising strategy, advertisement costs for print media, expenses for promotional materials and sponsorship activities, and expenses in connection with the stock exchange listing.

Investment spending on marketing among existing and new customers was brought forward in the period under review in order to reflect the revenue effect of the higher number of active customers in the current financial year.

MISCELLANEOUS OPERATING EXPENSES AND POOLED ITEMS

This item in essence comprises consultancy costs, legal consultancy costs, expenses unrelated to the accounting period, membership and other fees as well as insurance, Supervisory Board remuneration, bad debt costs, telephone costs, bookkeeping costs, office supplies, postage and shipping costs as well as other typical expenses.

SERVICE AND MAINTENANCE, HOSTING, SOFTWARE AND TECHNICAL SERVICES

The expenditure for maintenance work, hosting as well as software and technical services is shown under this item. This item is on a par with the previous year.

COSTS OF PREMISES

The costs of premises include the rents for office space, energy and maintenance costs as well as the cleaning costs.

NON-DEDUCTIBLE INPUT TAX

Within the mybet Group certain operating units are not entitled to deduct input tax because they do not generate any revenue on which input tax is chargeable. The input tax is reported as an expense at those subsidiaries.

TRAVEL AND ENTERTAINMENT COSTS

Travel and entertainment costs are incurred mainly in connection with cross-location projects.

COSTS OF ANNUAL ACCOUNTS AND AUDIT

The costs of annual accounts and audit are substantially made up of expenses for audits and reviews of the annual accounts for the holding company and subsidiaries.

■ 4.8 INTEREST RESULT AND OTHER FINANCIAL RESULT

The other interest and similar income results from bank credit balances; the interest expense are in respect of amounts due to banks.

■ 4.9 INCOME TAX

Income tax includes corporate taxes such as corporation and trade tax, or similar taxes of domestic and foreign companies.

In addition to the current tax expense for individual subsidiaries, this item includes the deferred tax expense or income from the origination and reversal of temporary differences and of tax loss carry-forwards.

Deferred tax assets are netted against deferred tax liabilities if they relate to income taxes collected by the same tax office and if an entitlement exists to net a current tax refund claim against a current tax liability.

The soundness of the deferred tax assets on loss carry-forwards is based on corporate plans in conjunction with the past development of the individual group companies.

5 NOTES TO THE CASH FLOW STATEMENT

■ 5.1 CASH FLOW FROM OPERATING ACTIVITIES

The cash flow from operating activities is made up largely of earnings before interest, taxes, depreciation and amortisation (EBITDA), adjusted for non-cash expenses and income.

A major feature of the comparative period was the payment of the purchase price from the disposal of the JAXX Group, while receivables built up in the period under review, leading to a slightly negative cash flow from operating activities.

■ 5.2 CASH FLOW FROM INVESTING ACTIVITIES

Investing activities primarily comprised cash outflows for the acquisition of intangible assets and property, plant and equipment.

■ 5.3 CASH FLOW FROM FINANCING ACTIVITIES

There were cash outflows for the redemption of loans in the reference period.

6 CONSOLIDATED BALANCE SHEET

■ 6.1 NON-CURRENT ASSETS

6.1.1 INTANGIBLE ASSETS

The intangible assets include goodwill and other intangible assets from the various corporate acquisitions. An amount totalling EUR 1,015 thousand was in addition capitalised for internally produced software in the period under review (previous year: EUR 686 thousand).

The other intangible assets furthermore include EUR 1,138 thousand for the brands and EUR 603 thousand for the domains acquired in connection with the takeover of pferdewetten.de AG. These assets have an indefinite useful life and are not depreciated. An impairment test carried out revealed no need for write-downs.

6.1.2 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment comprises hardware, office equipment and furnishings, and other fixtures and fittings. Hardware is depreciated by the straight-line method over a period of three to four years, and office equipment and furnishings and other fixtures and fittings are depreciated by the straight-line method over a useful life of between three and ten years.

6.1.3 DEFERRED TAXES

For disclosures concerning deferred taxes, please refer to Note 4.9.

■ 6.2 CURRENT ASSETS

The current assets include inventories, trade accounts receivable, other assets and cash and cash equivalents.

6.2.1 INVENTORIES

Inventories include infrastructure components for betting shops (betting tills, scanners, printers) that are sold to the shops' franchisees. Inventories totalling EUR 59 thousand (previous year: EUR 10 thousand) were recognised as an expense in the financial year.

6.2.2 RECEIVABLES AND OTHER FINANCIAL ASSETS

RECEIVABLES AND OTHER FINANCIAL ASSETS	30/06/2015	CURRENT UP TO 1 YEAR	NON-CURRENT 1 – 5 YEARS	NON-CURRENT > 5 YEARS
	€ '000	€ '000	€ '000	€ '000
Trade accounts receivable / other receivables	2,999	2,999	0	0
<i>of which</i>				
Trade accounts receivable	2,955	2,955	0	0
Other receivables	44	44	0	0
Other financial assets	6,760	6,760	0	0
Total	9,759	9,759	0	0

RECEIVABLES AND OTHER FINANCIAL ASSETS	31/12/2014	CURRENT UP TO 1 YEAR	NON-CURRENT 1 – 5 YEARS	NON-CURRENT > 5 YEARS
	€ '000	€ '000	€ '000	€ '000
Trade accounts receivable / other receivables	2,687	2,687	0	0
<i>of which</i>				
Trade accounts receivable	2,235	2,235	0	0
Other receivables	453	453	0	0
Other financial assets	7,317	7,317	0	0
Total	10,004	10,004	0	0

The trade accounts receivable mainly comprise receivables from over-the-counter betting operations. The main items reported under other financial assets are receivables from payment service providers (EUR 2,632 thousand), from guarantees (EUR 2,054 thousand), and from prepaid expenses (EUR 841 thousand).

The other receivables result from pferdewetten.de AG and constitute receivables in respect of customers.

The other financial assets and the other receivables generally have a maturity of between 30 and 90 days. There are in essence no overdue items here.

With regard to the receivables and other assets that were neither impaired nor overdue, there is no evidence at the reporting date that the debtors will not meet their payment commitments. As in the previous year, the maximum default risk amounts to the level of the receivables and other assets reported.

6.2.3 CASH AND CASH EQUIVALENTS

At June 30, 2015 cash and cash equivalents amounted to EUR 6,585 thousand (previous year: EUR 8,676 thousand).

■ 6.3 SHAREHOLDERS' EQUITY

6.3.1 SHARE CAPITAL

The share capital of mybet Holding SE amounts to EUR 25,584,924.00 (previous year: EUR 25,584,924.00) and is divided into the same number of no par value shares.

6.3.2 ADDITIONAL PAID-IN CAPITAL

The company has additional paid-in capital in the amount of EUR 12,197 thousand (previous year: EUR 12,175 thousand). It mainly comprises additional payments from capital increases and the equity capital portion of the convertible bonds issued.

6.3.3 GROUP EQUITY GENERATED

This item is comprised as follows:

ERWIRTSCHAFTETES KONZERNEIGENKAPITAL	30/06/2015	31/12/2014
	€ '000	€ '000
Position at 31/12/2014 / 31/12/2013	-21,549	-21,127
MYBET ITALIA S.R.L.: other netting	0	-104
Equity transactions with shareholders: other netting	0	-2
Overall result	-1,120	-317
Position at 30/06/2015 / 31/12/2014	-22,669	-21,549

6.3.4 NON-CONTROLLING INTERESTS

Non-controlling interests in the share capital and the additional paid-in capital are reported here. Interests in the result for the period relate to the other shareholders of QED Ventures Ltd., Malta, and of pferdewetten.de AG. There was no netting of other interests in earnings, as the other minority shareholders do not participate in the respective earnings.

■ 6.4 LIABILITIES

As well as the financial liabilities, other liabilities are classified by maturity as follows:

LIABILITIES	30/06/2015	CURRENT UP TO 1 YEAR	NON-CURRENT 1 – 5 YEARS	NON-CURRENT > 5 YEARS
	€ '000	€ '000	€ '000	€ '000
Due to banks	6	6	0	0
Trade accounts payable / other liabilities	9,159	9,159	0	0
Other financial liabilities	7,240	7,240	0	0
Total	16,405	16,405	0	0

LIABILITIES	31/12/2014	CURRENT UP TO 1 YEAR	NON-CURRENT 1 – 5 YEARS	NON-CURRENT > 5 YEARS
	€ '000	€ '000	€ '000	€ '000
Due to banks	0	0	0	0
Trade accounts payable / other liabilities	9,256	9,256	0	0
Other financial liabilities	6,637	6,637	0	0
Total	15,894	15,894	0	0

The other financial liabilities contain derivative liabilities from bets outstanding amounting to EUR 120 thousand; these are due in less than one year.

TRADE ACCOUNTS PAYABLE / OTHER LIABILITIES

The trade accounts payable have a term of up to one year. They are secured to the customary extent by retention of title.

OTHER FINANCIAL LIABILITIES

This item largely consists of liabilities for gaming operations.

7 SEGMENT REPORTING

6M 2015	SPORTS BETTING	CASINO & POKER	HORSE BETTING
	€ '000	€ '000	€ '000
Revenue	19,879	11,690	4,379
Other operating income	394	89	133
Expense (EBITDA costs)	-21,854	-9,941	-3,234
EBITDA	-1,580	1,838	1,278
Depreciation and amortisation	-130	-25	-196
EBIT	-1,710	1,812	1,082
Interest income			
Interest expense			
Earnings before tax			
Taxes			698
Net profit / loss for the period (IFRS)			

6M 2014	SPORTS BETTING	CASINO & POKER	HORSE BETTING
	€ '000	€ '000	€ '000
Revenue	19,879	10,919	3,126
Other operating income	182	77	192
Expense (EBITDA costs)	-20,755	-9,775	-2,495
EBITDA	-694	1,221	823
Depreciation and amortisation	-165	-74	-157
EBIT	-860	1,146	666
Interest income			
Interest expense			
Earnings before tax			
Taxes			
Net profit / loss for the period (IFRS)			

OTHER OPERATING SEGMENT	TOTAL OPERATING SEGMENTS	MISCELLANEOUS	TOTAL SEGMENTS	CONSOLIDATED TRANSFERS	TOTAL
€ '000	€ '000	€ '000	€ '000	€ '000	€ '000
343	36,291	2	36,293	0	36,293
28	644	151	795	1,143	1,894
-312	-35,341	-2,422	-37,763	4	-37,759
58	1,594	-2,269	-675	1,147	472
-154	-506	-101	-607	-621	-1,228
-96	1,088	-2,370	-1,282	526	-756
		0	0		0
		2	2		2
					-753
		-182	516		516
					-238

OTHER OPERATING SEGMENT	TOTAL OPERATING SEGMENTS	MISCELLANEOUS	TOTAL SEGMENTS	CONSOLIDATED TRANSFERS	TOTAL
€ '000	€ '000	€ '000	€ '000	€ '000	€ '000
495	34,419	0	34,419	0	34,419
293	743	105	848	690	1,539
-451	-33,477	-1,681	-35,158	-1,161	-36,319
336	1,685	-1,576	110	-471	-361
-140	-536	-104	-640	-428	-1,068
197	1,150	-1,680	-531	169	-361
		59	59		59
		-18	-18		-18
					-320
		-214	-214		-214
					-534

To reflect its organisation, the group is structured into legal entities that serve as the basis for preparing the financial statements and for formal external reporting as well as according to product areas. These product areas represent the cost units and therefore the segments, and serve as the basis on which the management reaches controlling decisions. The uniform cost unit and cost centre approach across all group subsidiaries provides a general overview of the products' performance. The management bases its decisions primarily on the revenue performance of these product areas and on the costs directly associated with them.

This structure is a crucial part of the management's decision-making process and accordingly constitutes the basis for segment reporting pursuant to IFRS 8. In the course of internal reporting, earnings before depreciation and taxes (EBIT) and earnings before interest, taxes, depreciation and amortisation (EBITDA) are reported as the result for the segments.

The segments comprise the three product areas Sports Betting, Casino & Poker and Horse Betting. The other operating segment mainly comprises the activities of the subsidiary C4U-Malta Ltd., which as an independent financial institution is in a position to offer its payment transaction services to other companies. The holding activities that have not been apportioned to individual operating segments are the main items reported under the Miscellaneous segment. It reflects the actual costs of the holding operations as well as key operating areas (accounts, controlling, legal, human resources) which are handled by the holding company for organisational reasons.

The basis for internal cost allocation was reviewed further, with the result that differentiated contribution accounting is now practised. Since 2012 these costs have been differentiated as direct and indirect costs (prime costs) and as apportioned overheads. The overheads include costs that cannot be apportioned either directly or indirectly and are therefore apportioned to the segments using an allocation formula. In its segment-specific decisions the management does not take account of either interest income and expense or assets and liabilities per segment, as those items are of no relevance for controlling decisions because financing of the group with borrowed capital is not currently relevant and asset utilisation is very low.

Nor are taxes taken into consideration in the decision-making process at segment level. Regional revenue patterns are not used for steering purposes on the one hand because the platform products are structured internationally (.com) and not by country or region, and on the other hand are each operated centrally by a national company that does not normally correspond to the customer's country of domicile. There is correspondingly no geographical segmentation by country / region.

In view of the structure chosen, revenue between the segments does not occur because the cost units and cost centres are grouped together into segments on a cross-company basis.

■ **8.1 EARNINGS PER SHARE**

EARNINGS PER SHARE	6M 2015	6M 2014
Profit for period attributable to the shareholders of mybet Holding SE (€ '000)	-1,120	-841
Weighted average number of ordinary shares outstanding during the period under review (units)	25,584,924	24,257,373
Basic earnings per share (€)	-0.04	-0.03
Dilutive shares from options and bonds (units)	0	0
Dilution of result from pferdewetten.de AG (€ '000)	-11	-12
Interest payments saved (€ '000)	0	0
Consolidated earnings (€ '000) + opposite dilutive effect (€ '000)	-1,131	-853
Number of dilutive shares (units)	25,584,924	24,257,373
Diluted earnings per share (€)	-0.04	-0.04

As in the previous year, earnings per share were marginally diluted by the diluted result for pferdewetten.de AG.

■ **8.2 HEDGING POLICY AND DERIVATIVE FINANCIAL INSTRUMENTS**

The company has concluded insurance policies to cover various operating risks. The scope of insurance has not changed since the 2014 Consolidated Financial Statements and is presented in the 2014 Annual Report.

■ **8.3 OTHER FINANCIAL OBLIGATIONS**

The company must spend EUR 3,162 thousand (previous year: EUR 2,653 thousand) in the future for rent, leases, contracts for services and similar obligations.

■ **8.4 CONTINGENT LIABILITIES AND OTHER FINANCIAL OBLIGATIONS / CONTINGENT ASSETS**

Contingent liabilities are potential obligations towards third parties or actual obligations where an outflow of resources is not improbable. They are not recognised on the balance sheet, but explained in the Notes. Companies of the mybet Group are the defendants in various proceedings in connection with the State Treaty on gaming, the outcome of which is uncertain. Based on the legal assessment of the company's legal consultants and on rulings already delivered, the company considers it improbable that it will have to meet any claims as a result. There are no risks from pending proceedings not recognised on the balance sheet. By way of supplementary information, we refer to the remarks on estimates under Note 8.9.

Contingent assets are potential claims from third parties or actual claims where an inflow of resources is not improbable. They are not recognised on the balance sheet, but explained separately.

In response to an appeal by Westdeutsche Lotterie GmbH & Co. OHG, Münster, against the non-admission of an appeal the Cartel Panel of the Federal Supreme Court granted a right of appeal against the ruling of the 1st Cartel Panel of the Higher Regional Court of Düsseldorf on March 3, 2015. In 2008 SWS Service GmbH (formerly FLUXX GmbH), a fully owned subsidiary of mybet Holding SE, had filed for compensation for the illegal boycott of its business by the German Lottery and Pools Organisation, in breach of competition law. In April 2014 the Higher Regional Court of Düsseldorf had then ordered Westdeutsche Lotterie GmbH & Co. OHG to pay damages of EUR 11.5 million plus interest. The Higher Regional Court did not grant a right of appeal. The appeal subsequently

lodged by Westdeutsche Lotterie GmbH & Co. OHG against the non-admission of an appeal was upheld by the Federal Supreme Court decision. A possible compensatory payment plus interest in favour of SWS Service GmbH is therefore subject to a renewed verdict.

■ 8.5 LEASES

The lease agreements concluded by the company consist of operating lease agreements.

Vehicles, office machinery and telecommunications systems are financed using operating leases. The agreements concluded have terms to maturity of between one and five years. The expense from these operating lease agreements and from tenancy agreements for furniture and fittings totalled EUR 83 thousand in the financial year 2015 (previous year: EUR 151 thousand), and the expense from tenancy agreements EUR 361 thousand (previous year: EUR 326 thousand). The expenses are reported in other operating expenses under vehicle costs, rental for fixtures and fittings and expenses for premises.

The following table shows the future minimum expenses that will be incurred from lease and tenancy agreements in view of the terms and notice periods of these agreements. These come under other financial obligations (see also Note 8.3).

TENANCY AND LEASE AGREEMENTS	30/06/2015	30/06/2014
	€ '000	€ '000
Tenancy agreements		
Maturity up to 1 year	540	606
Maturity 1 to 5 years	729	1,325
Lease agreements		
Maturity up to 1 year	130	124
Maturity 1 to 5 years	146	64

■ 8.6 RELATED PARTIES

The following table shows the amounts due to related parties which diminished the result for the first half of 2015. The amounts concerned are in respect of consultancy services.

BEZIEHUNGEN ZU NAHESTENENDEN PERSONEN	6M 2015	6M 2014
	€ '000	€ '000
Behördenengineering Jakopitsch, Clemens Jakopitsch (member of the Supervisory Board)	0	12
Franz Frhr. von Brackel, lawyer (Managing Director of SWS Service GmbH, Berlin, until May 31, 2014)	59	92
Volker Rohde (CEO of C4U Malta, Ltd.)	56	78
Total	115	182

The prices are in line with arm's-length transactions. The consultancy services are invoiced on the basis of hours worked, at hourly rates that are in line with the market, or on the basis of the applicable fee scales, or on the basis of a carefully considered quotation.

There were no outstanding liabilities to related parties at the closing date.

■ 8.7 STOCK OPTION PLANS

The salary expenses arising from the granting of option plans amounting to EUR 23 thousand (previous year: EUR 19 thousand) were included in personnel expenses. The expenses are in respect of options granted to the Management Board and employees of pferdewetten.de AG.

There were no changes compared with December 31, 2014 regarding the measurement of the phantom stocks of the Management Board members of mybet Holding SE.

■ 8.8 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

On July 8, 2015 mybet announced that the Chief Executive Officer of mybet Holding SE, Mr Sven Ivo Brinck, was to leave the board at his own request with effect from July 31, 2015. The new Chief Executive Officer is Mr Zeno Osskó, hitherto Head of Business Operations.

On August 3, 2015 a group company of mybet Holding SE signed a partnership agreement with Amelco UK Ltd., a specialist for the development of software solutions and products for the betting industry. The aim is to rejuvenate the platform and broaden the product portfolio, while at the same time increasing its scalability.

There were no other events occurring after the balance sheet date to be reported pursuant to IAS 10.

■ 8.9 DISCRETIONARY DECISIONS IN THE APPLICATION OF THE RECOGNITION AND MEASUREMENT PRINCIPLES

Discretionary decisions are required in applying the recognition and measurement principles. This is particularly the case regarding the following matter: the impairment test for goodwill is based on forward-looking assumptions. These assumptions have been made on the basis of the estimated situation at the balance sheet date. An assumption on the future development of the economic context that was considered to be realistic at that point in time was moreover taken into account in estimating future business development. The actual amounts may differ from the estimates as a result of differences between actual developments in the underlying situation and the assumed developments. In such instances the assumptions and, if necessary, the carrying amounts of the assets and liabilities in question, are adjusted. In addition, the preparation of the Consolidated Financial Statements necessitates certain assumptions and estimates that apply to the carrying amounts of the assets, liabilities, income and expenditure recognised in the accounts.

■ 8.10 CORPORATE BODIES

Members of the Management Board

- Sven Ivo Brinck, Economics Graduate (BA), (until July 31, 2015)
- Zeno Osskó, Economics Graduate, (from August 1, 2015)
- Markus Peuler, Business Administration Graduate

Members of the Supervisory Board

- Chairman: Dr Volker Heeg, Hamburg, lawyer and tax consultant
- Deputy Chairman (from June 5, 2015): Clemens Jakopitsch, Vienna, management consultant
- Deputy Chairman (until June 5, 2015): Marcus Geiß, Monza (Italy), managing director (until June 5, 2015)
- Konstantin Urban, Gräfelfing, managing director (until June 5, 2015)
- Markus Knoss, Frankfurt, banker and economist
- Patrick Möller, Hamburg, IR manager
- Michael Otto, Hamburg, managing director (from June 5, 2015)
- Maurice Reimer, Berlin, managing director (from June 5, 2015)

■ 8.11 INDEPENDENT AUDITORS' FEE

The amount of EUR 60 thousand was recognised as an expense for the auditing of the 2015 accounts (previous year: EUR 56 thousand). In addition a payment of EUR 5 thousand was due for other services (previous year: EUR 7 thousand).

Kiel, August 13, 2015



Zeno Osskó

Markus Peuler

Management Board of mybet Holding SE

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