NET MOBILE AG

2012
ANNUAL REPORT

net-m.de

CONTENTS

MOBILE TV

DEAR SHAREHOLDERS,
BUSINESS PARTNERS AND CUSTOMERS,

In this annual report, we take a look back at a year of enormous challenges for net mobile AG (net-m). In the past 2012 financial year, we worked intensively on our profitability and our strategic refocus on the smartphone and tablet segment, in addition to the ongoing operating development of our subsidiaries. Driven by the huge changes in the telecommunications market, we have had to adapt ourselves and our services to the new conditions on the market and invest in new product solutions. We generated sales of EUR 126 million in the 2012 financial year. This marked an increase of 17 % as against the previous financial year. A further milestone for net mobile AG in 2012 was the integration into the group of net-m privatbank 1891 AG and the subsequent squeeze-out. Thanks to its full banking licence, we can now tap the market for innovative mobile payment solutions. Other key areas of activity in the 2012 financial year were the ongoing development of "Google Carrier Billing" (GCB) in line with the rising requirements of OTT players and the further internationalisation of the net-m Group.

We are highly optimistic for the future as our cross-media approach means that our product portfolio boasts the right products and services for the booming smartphone and tablet market. According to BITKOM Research, the German ICT market will expand by a further 1.4 % to EUR 153 billion in 2013. Thus, the ICT market will again significantly outpace the economy as a whole. Thanks to the unwavering demand for high-quality smartphones and tablets, continuing sales growth is anticipated on both of these markets.

Unit sales increases in smartphones and tablet computers are also firing mobile data service sales. In 2013, these are expected to rise by 10 % to EUR 9.4 billion. Moreover, smartphone and tablet users are increasingly willing to pay for additional programmes – so-called apps. 38 % of users are already prepared to pay extra for apps. We believe that this more than confirms our strategy of continuing to invest in new and innovative products.

Furthermore, there is the growing share of full video content in mobile data traffic. In particular, the rapid rise in mobile video use is placing ever higher demands on the flexibility and scalability of the underlying network infrastructure. In Germany alone, mobile data traffic will increase 21-fold by 2016. Here it is all the more important to expand mobile telecommunication networks in Germany so that customers can use our "Mobile TV" application and always experience the best quality no matter where they are.

Given the excellent market outlook, net mobile AG is planning to continue its path of systematically focusing on smartphone and tablet technology, optimising m- and e-commerce payment methods and full video content in the 2013 financial year. net mobile AG will further advance its strong growth momentum with the full support of our major shareholder NTT DOCOMO in future as well.

2012 was an important year for net mobile AG in many respects – a year in which we repeatedly counted on the personal commitment, drive and talents of all our employees. We would like to thank everyone for this. Our thanks also go to the shareholders, customers and partners of net mobile AG for their support and confidence in the past financial year. Let it be said that we will continue to expand our position as a leading provider of mobile value-added services and payment solutions. We would especially like to thank our customers all over the world for their trust in net mobile AG and our innovative products.

Let's stay connected!

Theodor Niehues
Chairman of the Executive Board

DEAR SHAREHOLDERS,

All in all, net mobile AG enjoyed a positive development in the financial year 2012. Although the company is still lagging behind its plans, the turnaround in revenue and result is pleasing. The Group's research and development activities remained at a high level.

One of the focuses of the company in 2012 was on further intensifying the cooperation with various Group companies of the NTT DOCOMO Group and on the full acquisition of net-m privatbank 1891 AG, Düsseldorf (previously Bankverein Werther AG). In addition, the focus on the smartphone technology was consistently continued.

In the financial year 2012, the Supervisory Board comprised Mr Hajime Kii as Chairman and Mr Hiroyuki Sato as Deputy Chairman. The term of office of the Supervisory Board member Mr Alexander Straub ended with the closure of the Annual General Meeting on 26 May 2011. At the request of the Executive Board of the company, Mr Alexander Straub was appointed as member of the Supervisory Board by court order dated 15 May 2013. The Supervisory Board in its complete composition after completion upon court order confirmed all Supervisory Board resolutions passed after the expiry of the term of office of Mr Straub, in which he participated, including in particular all resolutions passed in the financial year 2012 and repeated the adoption of the respective resolutions.

The Supervisory Board performed its tasks in the financial year 2012 according to statutory law and the articles of association of the company. The Supervisory Board consulted with the Executive Board of the company on a regular basis with regard to the management of the company and supervised its activities. The Supervisory Board was involved in all decisions with fundamental importance for the company. The Executive Board reported to the Supervisory Board on a regular basis, both in writing and orally, promptly and comprehensively, with regard to the forecasts for the company, the development of the day-to-day business, the strategic development and the current situation of the Group. Deviations from forecasts were explained in detail. The Executive Board discussed with the Supervisory Board the strategic focus of the company. In addition, the Supervisory Board extensively discussed with the Executive Board the most significant transactions on the basis of its reports, in particular the squeeze-out of the minority shareholders of net-m privatbank 1891 AG as well as the capital increase in December 2012.

The Executive Board submitted various measures to the Supervisory Board for approval upon which the Supervisory Board resolved after careful examination and consultation. The Supervisory Board was in particular involved in the decisions regarding the full acquisition of net-m privatbank 1891 AG.

Altogether, four Supervisory Board meetings were held in the financial year 2012. In addition, to the extent necessary, the Supervisory Board took resolutions by written consent.

Furthermore, the chairman of the Supervisory Board was, in addition to the Supervisory Board meetings, in regular contact with the Management Board and was regularly informed about the current development of the business and any significant transactions. The Chairman of the Supervisory Board discussed in separate meetings with the Executive Board the strategy of the company, the perspectives and the future focus on the different segments of the company.

COMMITTEES

The Supervisory Board has not installed any committees.

Key aspects of the Supervisory Board's activity

The turnover, profit and loss and the employee development of the company, the different segments and the Group, the financial situation and the most important acquisitions and divesture projects were regularly discussed in the Supervisory Board meetings. The Executive Board reported on a regular basis and comprehensively on the forecasts of the company, its strategic development, the day-to-day business and the current situation of the Group. The Supervisory Board received on a regular basis reports on the developments of the company.

In the first Supervisory Board meeting of the financial year 2012 on 6 February 2012, the budget for the business year 2012 was intensively discussed. In addition, the Supervisory Board resolved on the outsourcing of a small non-strategic platform as well as a new lease agreement for the Düsseldorf office that led to a relocation of the office within the city of Düsseldorf.

In the balance sheet Supervisory Board meeting on 14 May 2012, the annual financial statements and the consolidated financial statements 2011 were extensively discussed and approved.

Further, the Supervisory Board approved various issues in writing such as the consent to an increase of the credit lines up to a total of EUR 32 million. Furthermore, the agenda and the proposed resolutions for the Annual General Meeting 2012 were adopted by written circulation procedure.

In the Supervisory Board meeting on 9 July 2012, the Executive Board presented the current situation of the company and discussed present and future strategic challenges with the Supervisory Board. Further, the Supervisory Board approved a participation of net-m privatbank 1891 AG (previously Bankverein Werther AG) in Sigma Bank Malta.

On 19 July 2012, the Supervisory Board approved to initiate a squeeze-out at net-m privatbank 1891 AG, Düsseldorf, by written circulation procedure.

The Executive Board then informed the Supervisory Board in the meeting on 26 September 2012 extensively on the appropriate cash compensation pursuant to section 327b para. 1 sentence 1 of the German Stock Corporation Act, which it intended to determine for the transfer of the shares of the minority shareholders of net-m privatbank 1891 AG to net mobile AG as the main shareholder. In this context, the Supervisory Board reviewed in particular the external evaluation report drawn up for the determination of the cash compensation.

Finally, in December 2012 the Supervisory Board approved the issue of 218,229 new shares of net mobile AG to DOCOMO Deutschland GmbH in the context of a capital increase using parts of the Authorised Capital of the company, excluding the statutory subscription rights of the shareholders, due to which the company generated liquid funds of EUR 1,707,003.91.

Intensive review of the financial statements of net mobile AG and the group financial statements 2012

KPMG AG Wirtschaftsprüfungsgesellschaft as auditors elected by the Annual General Meeting audited the annual financial statements for the financial year 2012 and the management report of net mobile AG as of 31 December 2012 and the consolidated financial statements for the financial year 2012 and the group management report as of 31 December 2012. This review has not led to any objections and unqualified opinions have been issued by the auditors. The consolidated financial statements and the group report were prepared on the basis of the international accounting standards (IFRS) as they apply in the EU and in accordance with additionally applicable commercial law regulations pursuant to section 315a of the German Commercial Code (HGB). The annual financial statements were prepared in accordance with the regulations of the German Commercial Code. The auditors performed the audit according to and in compliance with the German standards of the Institute of Public Auditors in Germany (IDW) for orderly audits. The described presentations and the auditing report of KPMG AG Wirtschaftsprüfungsgesellschaft were made available to the Supervisory Board members for their review first in draft form and later again in finalised and signed versions in a timely manner. The presentations and the auditing reports of the auditors in draft form were intensively discussed in the meeting of the Supervisory Board on 2 April 2013, in which Mr Robert Kuntz and Mr Carsten Nölgen of KPMG AG Wirtschaftsprüfungsgesellschaft participated. The auditors informed the Supervisory Board that there were no circumstances that might give rise to a conflict of interest and that no other services apart from their audit of the financial statements had been performed. The auditors reported on the main results of the audit, the review of the internal control system and the risk management system and they came to the conclusion that such systems do not have significant weaknesses. The Executive Board explained in this meeting the annual financial statements of net mobile AG and the consolidated financial statements and the existing risk management system. In addition, the auditors explained the scope, the focus and the costs of the audit, answered questions and were available to provide additional information.

After its own thorough examination, the Supervisory Board did not have any objections against the annual financial statements or the consolidated financial statements or the respective management reports each in their respective finalised versions and concurred with the audit result of the auditors after presentation of the signed auditing reports along with audit certificates. On May 30 May 2013, the Supervisory Board approved the annual financial statements and the consolidated financial statements prepared by the Executive Board by way of a written resolution procedure. The annual financial statements are thus adopted.

Controlled entity report

For the financial year 2012, the Executive Board has prepared a report on relationships with affiliated companies (controlled entity report). The auditos, KPMG AG Wirtschaftsprüfungsgesellschaft, have reviewed the controlled entity report, issued a written statement about the findings of the review and issued the following unqualified opinion:

"On the basis of our diligent examination and judgement, we hereby confirm that:

1. the factual statements in such report are accurate;

2. the consideration paid by the company for the transactions specified in the report was not unreasonably high."

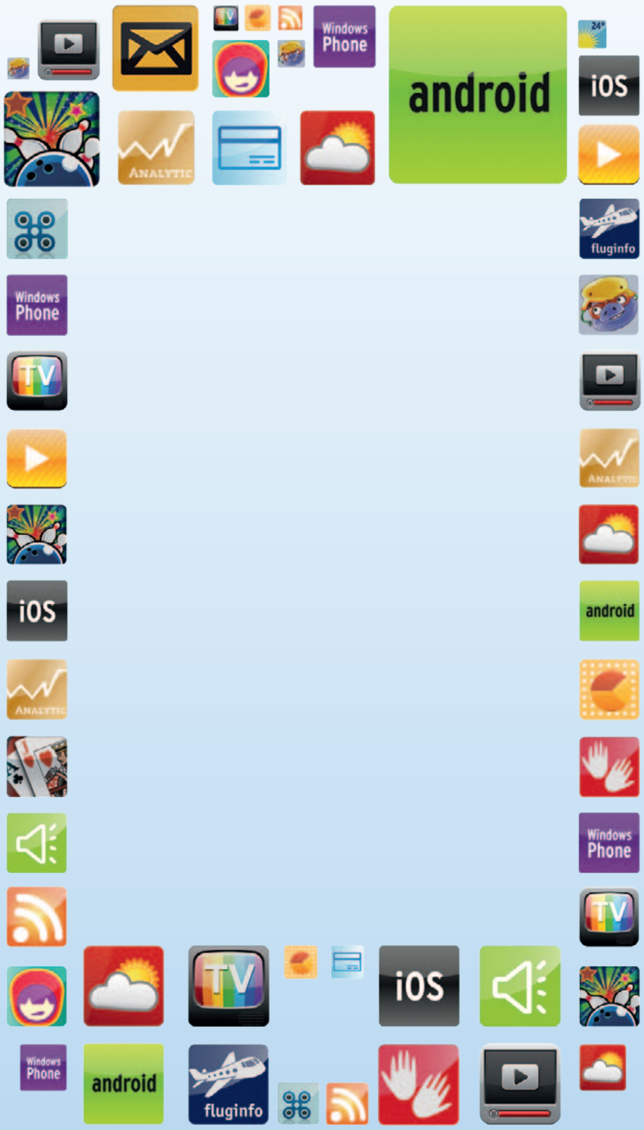
The controlled entity report and the audit report were made available to the Supervisory Board members first in draft form and later again in finalised and signed versions in a timely manner and were intensively discussed in the meeting of the Supervisory Board on 2 April 2013 and were independently examined by the Supervisory Board. The auditors were present in the discussion of the Supervisory Board on the controlled entity report, and reported on the main results of the audit. Based on its own review, the Supervisory Board had no objections regarding the final declaration of the Executive Board in the controlled entity report, and no objections against the controlled entity report in its final version as a whole. By way of a written resolution procedure on 30 May 2013, the Supervisory Board therefore concurred with the findings of the audit of the controlled entity report by the auditor.

The Supervisory Board would like to thank the members of the Executive Board, the employees and the works council of net mobile AG and all Group companies for their work and efforts. They contributed once more to a successful year of net mobile AG.

For the Supervisory Board

Hajime Kii
Chairman

Tokyo and Düsseldorf, 30 May 2013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SMARTPHONE

GROUP MANAGEMENT REPORT FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2012

A) MACROECONOMIC DEVELOPMENT / GENERAL ECONOMIC CONDITIONS

Sovereign debt crisis continues to dominate in 2012 / Germany remains on growth path

Steady growth in Germany would be unthinkable without growth in Europe. Germany is both the anchor of stability and the growth driver within the European Union. This applies for its stable monetary and financial regime, its public finances and its willingness to implement reforms. The German federal government will further strengthen the fundamental growth forces and create the conditions for a continuous process of positive economic development in Germany. The framework for this remain the successful principles of the social market economy. The growth forces in Germany are intact and people are benefiting from the upturn in various ways. The domestic economy is increasingly becoming the pillar of economic growth. This reduces the country's susceptibility to external risks, and hence is advantageous for Germany's trading partners.

Economic activity in Germany saw a return to the level prior to the economic and financial crisis of spring 2008, meaning that the post-crisis catch-up process has been even more dynamic than the German federal government forecast one year ago. The upturn was extremely strong, including compared with the international peer group. However, the level of indebtedness of a number of industrialised nations has led to considerable uncertainty on the capital markets. This also had a tangible impact on the outlook for the German economy, with growth slowing as a result. In 2012, price-adjusted gross domestic product (GDP) increased by 0.7 % [(1)]. According to the International Monetary Fund (IMF), Germany is expected to see GDP growth of 0.9 % in 2013 [(2)].

The IMF has lowered its global growth forecasts and now expects the global economy to grow by just 3.6 % [(2)] in the current year. According to the IMF, this less positive outlook is due in particular to the uncertainty affecting the markets. The crisis in the euro zone and the political turbulence in the USA need to be tackled in order to prevent a substantial downturn in global growth. Growth in the US economy remains weak at around 2 % [(3)]. In terms of the economic outlook, it is important that decisive political action is taken to stabilise confidence in the euro zone and the USA.

Japan has enjoyed economic growth as a result of the reconstruction efforts following the earthquake. Although this growth slowed in 2013, a return to stronger economic expansion is expected in the long term. Growth in Asia has declined slightly but remains strong compared with the rest of the world. India is suffering from a downturn in investment, while Brazil is making every effort to counteract the economic slowdown. The IMF cites average growth rates of 5.3 % (2012) and 5.6 % (2013) for the emerging economies [(4)]. The forecast for India in particular has been lowered significantly, while the forecast for China has only been cut slightly.

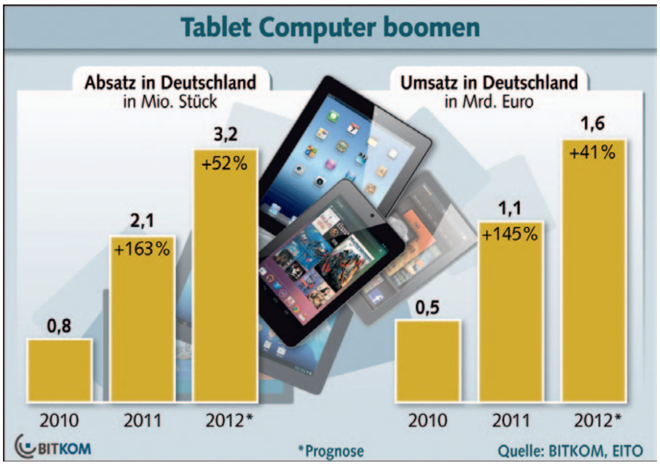
Two-thirds of German high-tech companies (65 %) recorded higher sales in the third quarter [(5)]. "Although the debt crisis in Europe and the strained situation on the financial markets have left their mark on the ICT markets, the industry remains remarkably stable compared with the economy as a whole," commented BITKOM CEO Dr. Bernhard Rohleder.

German ICT market grows by 2.8 % in 2012

According to forecasts by the German Federal Association for Information Technology, Telecommunications and New Media (BITKOM), the German market for information and communications technology (ICT) will record growth of 2.8 % [(6)] in 2012, thereby generating total sales of EUR 152 billion. In its previous forecast in spring 2012, BITKOM stated that it expected the ICT market to grow by just 1.6 %. "The large number of innovations, from new tablet computers through to smart grids, is leading to strong demand in the ICT market. The positive trend among BITKOM companies is having a stabilising effect on the economy as a whole," commented BITKOM president Prof. Dieter Kempf. The assessment of the market is based on the latest forecasts by the European Information Technology Observatory (EITO).

In the telecommunications sector, BITKOM is forecasting strong sales growth of 3.4 % to a total of EUR 66.4 billion [6]. One of the reasons for this development is the sustained boom in smartphone sales. Smartphone sales in Germany increased by 45.7 % to EUR 7.9 billion [7], thereby accounting for 93 % of the total mobile phone market (EUR 8.5 billion). This meant that more smartphones than feature phones were sold in Germany, and smartphones now make up seven out of ten mobile phones sold.

3.2 million tablet computers were sold in Germany in 2012



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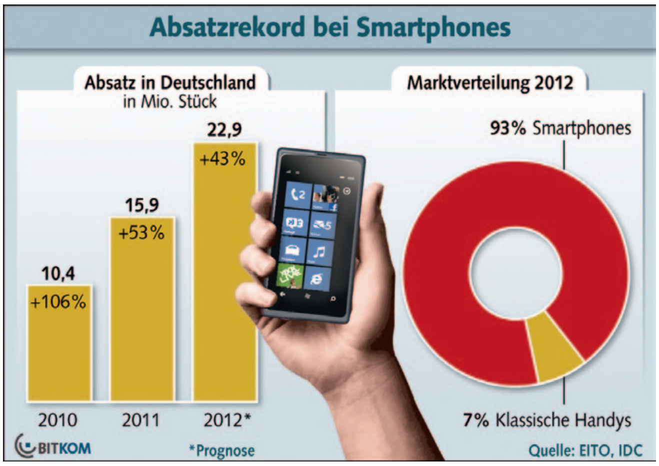
The spread of smartphones increased significantly in 2012. According to BITKOM, 38 % [8] of all German citizens over the age of 14 own a smartphone.

The figure at the start of 2012 was 34 %. Two-thirds of those under 30 years of age now own a smartphone, an increase of 14 %age points since the start of the year. According to a BITKOM survey, around 89 % of all Germans over the age of 14 use a mobile phone, whether for work or privately. Mobile telephony is also enjoying strong growth among senior citizens. A BITKOM survey clearly shows that two-thirds (65 %) of all Germans over 60 years of age owned a mobile phone in 2011, whereas this figure increased to three-quarters (76 %) in 2012 [8].

Around 23 million smartphones were sold in Germany in 2012



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According to forecasts by the market research institute EITO, around 23 million [9] smartphones were sold in Germany in 2012, an increase of 43 % compared with the previous year. "Only" 16 million smartphones were sold in 2011. Around 70 % of all mobile phones sold in 2012 were smartphones. According to BITKOM, standard mobile phones without touchscreens will largely disappear over the next two years, with their market share declining to around 10 %. Smartphones are available in various price and performance categories and are increasingly superseding conventional mobile phones. The average price for a smartphone in Germany is currently EUR 342.

The shake-up on the mobile phone market becomes even clearer when looking at revenue development. In 2012, smartphones alone generated sales of EUR 7.9 billion, thereby accounting for 93 % of the total mobile phone market (EUR 8.5 billion). Towards the end of the last decade, the German mobile phone market stagnated at an annual sales volume of around EUR 4 billion until smartphones and the accompanying expansion of the mobile broadband network gave a boost to innovation [9].

Forecasts suggest that the upward trend in the tablet market will continue. A total of 3.2 million tablet computers were sold in 2012, an increase of 52 % as against the previous year [10]. Revenue also increased, with tablet sales in Germany amounting to EUR 1.6 billion, up 41 % on the previous year [6].

In addition to smartphones, most tablet PCs also have wireless Internet access through a mobile phone connection. These high-quality devices are operated by a touch-sensitive screen, which allows for the use of mobile Internet applications, navigation services or games. One in every eight Germans (13 %) [10] already uses a tablet computer. This represents around 9.1 million people. "Tablet computers have quickly established themselves on the market since the launch of the first commercially successful devices in 2010," commented BITKOM president Prof. Dieter Kempf. According to a BITKOM survey, 15 % of all men have tablet devices compared with a figure of just 10 % for women. Tablets are most commonly used by people between 30 and 44 years of age: one in every five people in this category (20 %) owns a tablet computer. The figure for 18- to 29-year-olds is 10 %, while tablet ownership among those over 60 years of age is just 6 %.

All in all, the mobile telecommunications sector is currently in a phase of rapid change due to the new smartphone and tablet devices. Until recently, content and services for mobile phones were still selected and provided by the mobile phone operators. However, this market has now been made much more flexible by the availability of applications (apps) and services from third-party providers on the operating systems of modern devices. In the last few years, this new focus in the mobile telecommunications sector has generated billions in sales. Where there is consumer interest, new products and services programmed as "apps" can enjoy significant market penetration and high revenues within a few weeks and months.

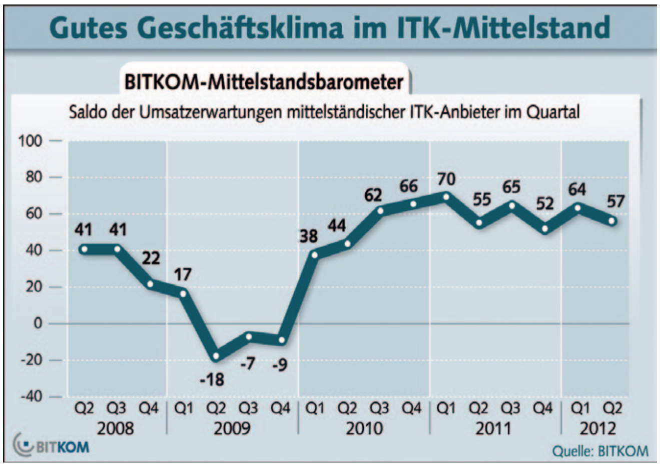
More than 15 million [11] Germans now have the small grammes installed on their mobile phone or smartphone, compared with just 10 million users in 2011. The owners of compatible devices have an average of 17 apps installed on their phone. "The app market is only just beginning to establish itself and has huge upside potential," notes René Schuster, member of the BITKOM Presiding Committee.

Apple customers have downloaded a total of 40 billion applications from the iTunes Store [12], with 20 billion of these downloads coming in 2012 alone. This underlines the extent to which app development has taken off. Apple reached the milestone of 25 billion app downloads in March 2012. Since 2008, users of Google Play have downloaded 25 billion apps from the Play Store. Around 10 billion of these programmes have been downloaded since May 2012 [13].

As previously, development in the area of telecommunications services was extremely varied in the year under review. Revenue from mobile data services increased by 13 % [6] to EUR 8.5 billion, whereas revenue from mobile calls fell by 4 % to EUR 12.8 billion. Landline "Voice Services" saw a further downturn, with revenue falling by as much as 7.5 % to EUR 11.3 billion. One of the main reasons for this development is the stringent intervention on the part of the government regulatory bodies.

The encouraging sales figures are providing further impetus for the employment market. According to the latest figures, a total of 876,000 people were employed in the ICT industry in 2011, with a further increase of 1.2 % to 886,000 forecast for 2012. This meant that ICT companies created 10,000 new jobs in 2012, thereby contributing not only to the stabilisation of the economy, but also to the expansion of the employment market [6].

For 2013, BITKOM is forecasting further growth in the German ICT market of 1.6 % to EUR 154.3 billion. The telecommunications market is set to increase by 0.5 % to EUR 66.7 billion in the same period [6].



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Despite the European financial and banking crisis, the global ICT market remains on a stable growth path. Global sales are expected to increase by 5.1 % [14] to EUR 2.57 trillion. There are substantial regional differences in terms of the development of the individual markets. According to the EITO, sales are booming in the emerging economies but largely stagnating in Western Europe. In the industrialised nations, the trend towards mobile data usage is generating additional revenue in the telecommunications sector.

The emerging economies will account for more than a quarter (27 %) of global ICT demand this year [15], and this figure will rise to almost half by 2020. In 2012, the Chinese market grew by around 12 % to EUR 220 billion, thereby replacing Japan as the world's second-largest demand market for ICT [15].

"Mobile Payment" is also becoming more significant in the context of this development. With "Mobile Payment", the amount to be paid is charged via smartphone. According to an international study by GfK Custom Research, German consumers are generally open to the concept of mobile payment. Around 56 % [16] of German consumers consider such payment solutions to be appealing. However, there are significant differences between the individual countries. Consumers in China (82 %) and Brazil (73 %) are far less enthused by the idea of mobile payment. However, it should be noted that extensive payment systems using credit cards and bank cards are considerably less well established in these countries. Gartner's "Mobile Payment, Worldwide, 2009–2016" forecasts a market volume of almost 620 billion dollars by 2016 [17].

A differentiated view of the situation is also necessary in Germany, where men are more interested in "Mobile Payment" than women. Age is also an important factor: according to a fK study from 2011, 75 % [18] of 16- to 24-year-olds consider such payment solutions to be appealing, whereas the figure for people between 25 and 54 years of age is around 58 %.

The high technological requirements of the necessary software platforms and the strict requirements of regulatory bodies mean that only highly specialised, financially strong companies can access the market.

In particular, internationally oriented corporations – like the net mobile Group – will probably be able to establish themselves as experts on a long-term basis. As a result of a high level of investment in technology and structure – notably including the integration of net-m privatbank 1891 AG – the net mobile Group has created an excellent basis from which to benefit from developments and trends in the area of mobile payments as a globally operating company. The new, platform-based sales structures for attractive mobile services mean that providers now also have the opportunity to launch a wide range of services and products on the market independently of mobile network operators.

B) POSITION OF THE GROUP

1. DEVELOPMENT OF THE NET MOBILE AG GROUP / COURSE OF BUSINESS

The net mobile Group is a leading international full-service provider of mobile and interactive value-added services and payment solutions. It also offers products in the area of mobile content, as well as landline telephony and service numbers. The company was formed in November 2000 and is regarded as an innovation leader in its market. Its full managed service approach encompasses consultation, design, applications, content, billing, transport and technical implementation. The net mobile AG also provides apps for smartphones and complete solutions as a white label app store provider, including app aggregation, in-app payment and store payment. As a partner to all the major music labels and the owners of rights for the film, television and games industry, the net mobile Group also ensures full content and royalty management.

Its more than 500 customers worldwide include national and global mobile telecommunications providers, media companies, portals, branded companies and TV channels for which it provides end-to-end mobile interactive TV services.

The net mobile Group consists of net mobile AG and the subsidiaries net-m privatbank 1891 AG, Düsseldorf, net mobile minick GmbH, Hamburg, First Telecom GmbH, First Communication GmbH, SN Telecom GmbH, all Frankfurt / Main, net mobile Verwaltungs AG, net mobile Schweiz AG, both Zürich / Switzerland, net mobile UK Ltd, London / United Kingdom, net mobile Minick Spain SLU, Madrid / Spain, and GOLDkiwi Media S.A., Diegem / Belgium.

The acquisition in full of net-m privatbank 1891 AG, Düsseldorf (formerly Bankverein Werther AG, Bielefeld) was implemented as planned in the 2012 financial year. At the General Meeting on 21 November 2012, the shareholders of net-m privatbank 1891 AG approved the squeeze-out at a price of EUR 6.49 per share. The transaction was entered in the commercial register at the start of the 2013 financial year. Accordingly, minority interests are still reported in net mobile's consolidated financial statements for 2012 in connection with this acquisition.

The Executive Board is satisfied with the development in the past financial year. Earnings improved significantly against the previous year; however, the planned growth in sales was not quite achieved in full. This was primarily due to the self-imposed restriction on supporting our partners' business models in anticipation of the tightening of regulatory controls, as well as the regulatory restrictions on marketing opportunities. The continued growth and the significant improvement in the gross profit margin are encouraging, although the latter was achieved in part due to non-recurring income of around EUR 5.2 million.

The chosen path of systematically orienting the company towards the challenges of tomorrow, primarily by addressing the new opportunities presented by smartphones, is also supported by the main shareholder.

At the time of writing, the Group's development and its complete focus on new technologies are not yet complete and will continue to impact on earnings over the coming financial years. Earnings will also significantly be affected by the planned adjustment to the organisational structure in the 2013 financial year.

2. SITUATION REPORT

2.1. Results of operations

All in all, the Group enjoyed positive development. Sales increased by kEUR 18,116 or around 17 % to kEUR 124,764. This was driven in particular by the areas "Digital Enabling" and "Online & TV". net-m privatbank 1891 AG contributed sales of kEUR 2,529 in the 2012 financial year (previous year: kEUR 601).

In the year under review, non-recurring transactions had a positive effect, accounting for a sales volume of EUR 5.2 million (previous year: EUR 0). These transactions are licence transactions that are generally accompanied by only a low cost of materials. Gross margin increased from 15.2 % to 19.1 %.

In 2012, the "Payment & Interactive" segment recorded a deterioration in sales of kEUR 504 to kEUR 73,555. Segment earnings fell substantially by kEUR 2,357 to kEUR 2,043, although it should be noted that extraordinary income of EUR 3.4 million was reported in the 2011 financial year due to the remeasurement of shares in net-m privatbank 1891 AG.

The "Digital Enabling" segment improved its sales significantly by kEUR 16,169 to kEUR 21,729. Segment earnings also rose sharply by kEUR 8,225 to kEUR 59. In the previous year, earnings were adversely affected by write-downs in particular.

The "Voice" segment also recorded sales growth of kEUR 2,927 to kEUR 19,347 in the 2012 financial year. Segment earnings improved by kEUR 1,049 year-on-year but remained negative at kEUR 219.

The "Online & TV" segment, which is reported separately for the first time, generated sales of kEUR 10,133 and strong positive segment earnings of kEUR 2,206 in 2012. In the previous year, the sales allocated to this segment were primarily reported in the "Payment & Interactive" segment.

Staff costs increased by kEUR 4,653 to kEUR 18,930. In line with this, own development work capitalised also rose by kEUR 2,713, from kEUR 3,871 to kEUR 6,584. Depreciation and amortisation expense declined by kEUR 5,109 year-on-year; this was largely due to the write-downs that impacted earnings in the amount of kEUR 5,501 in the previous year. Adjusted for this amount, depreciation and amortisation expense increased slightly by kEUR 392.

Other operating expenses increased by kEUR 539 to total kEUR 11,612. One of the main cost drivers was consulting and audit expenses, which rose by kEUR 353. This was primarily due to increased expenses in connection with the acquisition of the subsidiary net-m privatbank 1891 AG and the squeeze-out that was implemented in order to achieve this.

Compared with the previous year, the income and expenses of net-m privatbank 1891 AG are included in consolidation for the full year for the first time. This explains the significant year-on-year increase in expenses, among other things.

Net financial income improved by kEUR 527 year-on-year to kEUR 847, This is mainly due to the decrease of foreign currency losses to kEUR 56 (previous year: kEUR 476) as well as the extraordinary depreciation in the previous year which was necessary for the carriying amount on the shares in investment companies and loans to these investment companies amounting to kEUR 305. Additionally, the interest result deteriorated to a result of kEUR 790 (previous year: kEUR 601).

Accordingly, the consolidated net loss for the year improved significantly by kEUR 9,539 to kEUR 962. This development was driven in particular by income from non-recurring transactions totalling around kEUR 5.2 in the year under review and the write-downs that were required to be recognised in the previous year in the amount of EUR 5.5 million, as well as costs of kEUR 650 relating to the acquisition of net-m privatbank 1891 AG in the previous year.

2.2. Net assets

The net mobile Group reported another significant increase in its total assets of kEUR 25,413 to kEUR 156,604.

In the 2012 financial year, the company maintained its high level of investment in property, plant and equipment and intangible assets. Total investments excluding investments in financial assets amounted to kEUR 19,985 (previous year: kEUR 9,123). Investments in financial assets amounted to kEUR 2,128 (previous year: kEUR 2,392).

Advance payments primarily involve costs for the outstanding implementation of new products and additional components of the SAP platform that was established in 2010. A platform right has been sold to a subsidiary of our associate 8 Elements Ltd, Hong Kong. As the purchase price of kEUR 650 is due on a long-term basis, the corresponding receivable was reported as a financial asset. Further assets were sold to our associate H2O Entertainment GmbH. These were also provided to the company as a long-term loan and are reported in financial assets.

net mobile AG has now increased its equity interest in its subsidiary net-m privatbank 1891 AG to 100 %. The squeeze-out applied for by the company was approved by the General Meeting of net-m privatbank 1891 AG on 21 November and entered in the commercial register at the start of the 2013 financial year. The purchase price for the squeeze-out was EUR 6.49 per share. Opposition proceedings against the squeeze-out price of EUR 6.49 have been filed in court; the impact of these proceedings cannot currently be estimated.

In the year under review, net mobile AG resolved to issue 218,229 shares as part of a capital increase. The shares were subscribed by DOCOMO Deutschland GmbH at a purchase price of EUR 7.79 per share, meaning that the issue price was higher than the current market price and the average market price for the last ten days prior to the announcement of the capital increase. The subscribed capital of net mobile AG will increase from kEUR 12,229,987 to kEUR 12,448,207 as a result. As the capital increase only came into force with its entry in the commercial register in 2013, there was no change in subscribed capital compared with the previous year.

Total equity therefore amounted to kEUR 54,968 (previous year: kEUR 56,298). This includes a consolidated net loss of kEUR 962 (previous year: kEUR 10,501). The equity ratio declined from 42.9 % to 35.1 % as a result of the significant increase in total assets. In addition to substantial investments, the rise in total assets was due to the increase in loans to affiliated companies and the higher level of customer deposits at net-m privatbank 1891 AG.

2.3. Financial position

net mobile AG ended the 2012 financial year with cash and cash equivalents of kEUR 30,827 (previous year: kEUR 25,162). In addition, liabilities to banks amounted to kEUR 28,246 (previous year: kEUR 7,534). A significant proportion of the cash and cash equivalents are held by our subsidiary net-m privatbank 1891 AG and hence can only be used by the rest of the net mobile Group to a limited extent. To finance its business operations, net mobile AG has credit facilities with a total volume of EUR 32 million, EUR 9 million of which has been extended with a term of one year. The commitment of the lenders is based on the condition that net mobile AG is part of the NTT DOCOMO Group. In order to finance its further development, net mobile AG has secured increased credit commitments totalling EUR 40 million for the 2013 financial year, EUR 10.5 million of which has been extended with a term of one year. net mobile AG is included in the global cash management system of the NTT DOCOMO Group with effect from 1 April 2013. As part of global cash management, net mobile AG has access to a shareholder loan in the amount of EUR 40 million; however, this loan may be terminated at three months' notice. On 24 April 2013, DOCOMO Deutschland GmbH has assured net mobile AG in written form to financially support the Group through global cash management. The support is valid for a period of one year from the date of the preparation of the financial statements as of 31 December 2012, under the condition that DOCOMO Deutschland GmbH will remain the main shareholder of net mobile AG. The resulting intercompany invoicing also means a reduction in interest costs.

The net mobile Group closed the 2012 financial year with net cash flow from operating activities of kEUR 4,983 (previous year: kEUR 437). Net cash flow from investing activities was negative again and amounted to kEUR 20,924 (previous year: kEUR 8,050), while net cash flow from financing activities was positive and amounted to kEUR 21,600 (previous year: kEUR 30,727), largely as a result of borrowings. All in all, the Group's cash and cash equivalents increased by kEUR 5,665 as against the previous year.

3. INTERNAL ORGANISATION

Section 91 of the German Stock Corporation Act requires the Executive Board to adopt suitable organisational measures, particularly in terms of establishing a monitoring system, to enable developments threatening the continued existence of the company to be detected at an early stage. However, a one-sided focus on risks cannot do justice to the business of net mobile AG, as its business risk entails both risks and opportunities.

Each year, net mobile AG prepares planning on a monthly basis in accordance with the experience gained by the product and segment managers. Deviations are identified by means of a regular monthly variance analysis and discussed with the managers. Management of liquidity is carried out by means of long-term liquidity planning and daily monitoring of liquidity flows. A systematic controlling process, which was expanded further with the launch of the SAP system, is used to calculate key figures on a daily basis and monitor and discuss changes. The technical systems of net mobile AG are monitored and serviced by a team that is available 24 hours a day and seven days a week. Deviations and irregularities are monitored and identified using automatic processes. In order to further improve the transparency of its economic development, the company decided to introduce an SAP ERP system in 2011. The implementation of the basic modules is now complete. The company is currently pressing ahead with the further development of the management information system based on the BusinessObjects software solution with the necessary resources. The aim of this expansion is to increase transparency and improve the Executive Board's options for controlling the company. The additional information that this will generate will strengthen the ability of the Executive Board to recognise risks at an early stage and to use opportunities more systematically.

4. RESEARCH AND DEVELOPMENT

All in all, the company's research and development activities remained at a high level in the year under review. In-house development costs exceeded the EUR-6-million barrier for the first time (previous year: EUR 3.8 million). The net mobile Group believes that its specific business model means that development activities should be conducted primarily on an in-house basis, as this generates the greatest value added for the company and its shareholders. In addition to internally developed software, the acquisition of customer rights and third-party billing functions remain central to the net mobile Group's economic success. With its business model, net mobile can use its generally strong financial position to generate additional income. A total of 96 people were employed in the area of research and development as of 31 December 2012 (previous year: 72).

The intelligent billing system was systematically developed and expanded to include additional functions. Further developments included the billing functions of voice applications and the expansion of the statistics tool. Another focal point was the connection of alternative payment methods, such as credit cards and wallets. The development of the "Voice" platform concentrated on increasing service quality and on solutions for business clients. Substantial investments were also made in improving blacklisting with a view to generating optimal income for the company and its customers.

Development activities in the area of "Digital Distribution" focused on the further development of video and moving image applications. This related in particular to the "Mobile TV" solution, where corresponding applications were developed for the Android and IOS operating systems. A streaming service for video chat applications was also realised. One particular focal point was the optimisation of portals and the underlying systems for smartphone technology. Considerable efforts were made to adjust the existing portals to meet the new requirements.

Development activities in the area of "Transport and Platform Services" focused on expanding international connections. In Spain, connections to a local mobile phone operator were optimised further. Preparations were made for additional direct connections in other countries, while the provision of payment activities via third parties was also expanded. The area of "Google Carrier Billing" has established itself as a further area of activity. Contracts were concluded with additional mobile network operators and the first customers went live (including O2 Germany, Telefonica in Spain and SFA in France). Significant expansions in this area were also realised for NTT DOCOMO.

5. OUTLOOK

For the first time, the net mobile Group is forecasting a slight downturn in business activity in the 2013 financial year. This is primarily due to the company's focus on optimising profitability and the increased regulatory intervention in the Group's core markets. In addition, the Executive Board is currently evaluating potential adjustments at a strategic and process level.

In light of the company's overall orientation, the management is forecasting negative earnings amounting to a few million euros and reduced sales for 2013 as a whole. Following the completion of its reorientation, the company expects to return to higher sales and positive earnings in 2014.

C) SIGNIFICANT RISKS AND OPPORTUNITIES OF FUTURE DEVELOPMENT

As an international company, the Group is subject to a large number of opportunities and risks that are inherent to all of its business activities. For this reason, effective risk management is an important factor in safeguarding the company's future in the long term.

There were the following changes in the risk structure compared with the previous year. Ongoing change in the markets means that it is important to maintain a high level of innovative strength and to ensure that these innovations can be financed accordingly. Business liability insurance has also been concluded for selected customers.

One aspect that remains highly relevant for the risk structure is the fact that the Group's financing is dependent to a large extent on net mobile AG's inclusion in the NTT DOCOMO Group and on the continued provision of existing and new loans in future. With regard to the intensive integration of net mobile AG and its subsidiaries within the NTT DOCOMO Group, the management does not currently foresee any acute risk that could jeopardise the continued existence of the net mobile Group. However, the future development of the company will depend on its ability to generate sustainable positive earnings and cash flows in future. If the NTT DOCOMO Group fails to provide financial support in future and sufficient funding cannot be obtained from banks, loans from affiliated companies or similar measures, the continued existence of the company could be jeopardised due to a strained liquidity situation.

The acquisition by the NTT DOCOMO Group also provides the company with extensive opportunities to enter new markets that it has not previously served. All in all, the continued development of the Group is fundamentally dependent on the strategy of the NTT DOCOMO Group.

1. RISKS OF FUTURE DEVELOPMENT

1.1. Technical risks

The increasing transaction volume and rapid technological change require an ongoing adjustment of the performance of the technical systems. In view of the complexity of the technical systems, a breakdown of the systems or parts of the systems for a prolonged period cannot be completely ruled out. Moreover, the maintenance of technical performance depends on the financial feasibility of the required investments. The net mobile Group counters this operational risk with measures aimed at enhancing system stability. Furthermore, extensive monitoring is carried out during ongoing operation. In order to enhance product safety, new products are tested in live operation using a test system without impairing the systems in doing so. Insurance to protect against the total breakdown of the systems has been taken out for selected customers, but not for all products and customer groups.

1.2. Settlement risks

Owing to the high level of complexity involved, the settlement of copyrights and payment transactions poses operational risks as a result of licence fees being recognised at levels that are too high or too low. This would lead to potential claims on the part of rights owners. Copyrights are particularly important in the music sector. For example, the net mobile Group provides music downloads and ring tones and processes payments. The complexity of these transactions also gives rise to settlement risks of the kind whereby the misinterpretation of transaction codes results in payments being made to marketing partners and customers for which no income is generated. The net mobile Group counters this risk with a strong focus on processing, dual control and an SAP-based ERP system. Furthermore, each copyright owner can track the course of all transactions using a transparent data warehouse system from the time an order is placed to when the licensing fees are paid.

1.3. Political risks

Legal risks resulting from changes in the political environment have increased further. In Germany, for instance, the Federal Network Agency and the Federal Ministry for Food, Agriculture and Consumer Protection have significantly stepped up their activities aimed at preventing illegal advertising in recent years. Furthermore, carriers have again expanded the catalogue of requirements concerning the monitoring of mobile payments.

In order to increase consumer confidence in the new services and counter a further tightening of the legal guidelines, the mobile telecommunications sector drew up a Code of Conduct for Value-added Services on 5 July 2006. As a voluntary commitment, this Code of Conduct defines industry-wide guidelines for the provision of value-added services via SMS, MMS or online. Mobile phone operators, service and content providers and mediators jointly drew up and implemented the guidelines by October 2006. The signatories of the Code of Conduct, which include the four German mobile network operators in addition to net mobile AG, therefore far exceed the consumer protection standards presently required by the legislator. If, however, further legal intervention and hence a further restriction of business volume should arise, then this could lead to a (potentially significant) reduction in market volume.

1.4. Risk of default

The net mobile Group is primarily confronted with a certain risk of default in terms of direct business with end customers. The management tries to reduce this risk by means of a blacklisting system that continuously monitors the user behaviour of end customers and limits the maximum capacity for using the services of the net mobile Group on the basis of previous experience with said end customers. For the collection of open receivables, the management makes use of professional collection institutions, which are continually checked in a benchmarking process. In the other business areas, the risk in many cases exists to a lesser extent as the business model of the net mobile Group generally allows for a surplus of the accounts payable to customers in relation to the accounts receivable. Nevertheless, default on major individual receivables may have a considerable impact on earnings.

1.5. Dependency on a few major customers

The net mobile Group generates a large share of its revenues via cooperation partners. These partners support us in marketing our products. Some of the existing customers are of relatively major importance for the Company, which gives rise to certain dependencies. As is customary with comparable companies, the majority of sales are achieved with a relatively small number of customers. However, in order to counter the risk of being too greatly dependent on individual partners, the net mobile Group is improving its cooperation with the other cooperation partners and expanding its customer base.

1.6. Currency risks

Owing to its increasing internationalisation over the past few years, e.g. via the majority interest in net mobile AG held by DOCOMO Deutschland GmbH and the acquisition of the minick Group, the net mobile Group has built up extensive business relations abroad. Receivables, liabilities and liquid funds not denominated in the Company's functional currency (euro) pose currency risks. Larger amounts from international goods and services transactions, primarily with foreign Group companies, e.g. in Switzerland, Japan, the USA and the UK, are traded in foreign currencies.

1.7. Dependence on the major shareholder

As a result of its financing structure, net mobile AG is dependent on its major shareholder NTT DOCOMO INC., since the credit agreements and overdraft facilities negotiated with banks require the Company to belong to the NTT DOCOMO Group. The Company takes this into account by close consultation on all decisions with the representatives of the major shareholder in the Supervisory Board. According to the Executive Board, capital measures for improving liquidity and financing the acquisition of net-m privatbank 1891 AG are examples of the long-term support underlying net mobile AG.

Effective from 1 April 2013, the net mobile Group is integrated into the NTT DOCOMO Group's global cash management system. Because of this, the net mobile Group has access to credit facilities in the mid-tens of millions. On 24 April 2013, DOCOMO Deutschland GmbH has assured net mobile AG in written form to financially support the Group through global cash management. The support is valid for a period of one year from the date of the preparation of the financial statements as of 31 December 2012, under the condition that DOCOMO Deutschland GmbH will remain the main shareholder of net mobile AG. Management views this integration as a further indication of the NTT DOCOMO Group's support for the net mobile Group.

1.8. General banking risks

The consolidation of net-m privatbank 1891 AG into the Group gives rise to banking risks that could influence the results of operations. net-m privatbank 1891 AG has set up a risk management system that complies with the requirements of the supervisory authorities.

Risk-bearing capacity:

net-m privatbank 1891 AG assesses the suitability of its internal capital to cover current and future risks primarily from a profit and loss perspective. Risk cover comprises commercial law equity, undisclosed reserves and charges and the forecast net profit for the year.

The aim of the statement of risk-bearing capacity is to ascertain the extent to which the Bank is able to bear unexpected losses from risks. This is demonstrated by ongoing comparison of quantified risk potential and available risk cover. Risk-bearing capacity exists when all (significant) risks are covered on an ongoing basis by appropriate risk cover.

From the risk cover it derives the bank's overall risk limit, which is distributed to counterparty risk, market price risk (including interest rate risk), operating risks and the liquidity risk. Other risks are considered insignificant.

The measurement of risk cover against potential risks ensures that sufficient liable equity is available in accordance with banking supervisory agreements to maintain operating business even if these risks are incurred. Risk-bearing capacity was maintained at all times in all scenarios. In order to ensure the reasonableness of the bank's overall risk limit, derived from the calculated risk cover amount and its business objectives, the risk cover amount is checked through risk controlling during the course of the year.

Also in the past financial year, adherence to the regulatory requirements regarding the reasonableness of equity reserves was secured.

Counterparty risks:

The risk that a business partner is not able to meet all or part of its contractually agreed commitments represents a significant risk for net-m privatbank 1891 AG.

The targets and planning outlined in the business strategy are implemented for the credit business through the credit risk strategy, which is part of the bank's credit risk handbook, as well as the regulations for the credit business processes, rating procedures, and for the reporting and monitoring of the credit business. The credit risk strategy represents the qualitative guidelines for the bank's credit risk policy and, as a result, supplements and operationalises the business and risk strategy.

The bank's credit handbook contains the structure of the credit business, the processes for lending decisions, risk monitoring and the expected development of the credit portfolio. The bank's risk handbook regulates the risk-bearing capacity and the calculation of counterparty risks, the introduction of new products, and the risk-driven condition structure of the Bank.

Decisions about approval of loans are taken on the basis of clearly defined competencies. These correspond with the amount of the credit commitment being approved.

Early identification of the counterparty risk is primarily ensured by monitoring the customer's payment history. The small, manageable size of the net-m privatbank 1891 AG credit portfolio and the short information and decision channels allow for borrowers to be considered on an individual case basis. Further measures are regularly introduced where necessary. Four times a year, the credit portfolio is analysed in an extensive credit risk report and provided to the decision-makers and the Supervisory Board.

In the quarterly assessment of risk-bearing capacity, the expected loss and credit value at risk are calculated for the credit portfolio.

An automatic dunning procedure is in place. Conspicuous loans are monitored specially in an intensive monitoring system.

Appropriate issuer and counterparty limits exist to reduce investment risks. There are no derivative counterparty positions. net-m privatbank 1891 AG tries to minimise these risks through broad distribution of risk and restrictive lending.

Market price risks:
Market price risks are the danger of losses from changing market prices. These risks include foreign exchange risks, interest rate risks and currency risks. The interest rate risk arising from bank-wide changes to payment dates represents the most significant market price risk for the bank. There were no trading book positions according to section 1a KWG (Kreditwesengesetz – German Banking Act).

The interest rate risk includes interest risks arising from various fixed interest rates in customer and own business. This also includes the measurement of own business. The bank's foreign currency items are closed items. As a result, it is considered that there is no market price risk in connection with foreign currency items.

The interest rate risk at bank level is regularly assessed using a simulation calculation on the basis of item-specific interest adjustment parameters. The simulation calculation takes into account the impact on net interest income of current and expiring transactions, and the effects of interest rates on the bank's result in accordance with commercial law. For this purpose, all the bank's balance-sheet and non-balance-sheet items which affect the interest rate risk are taken into account. Interest rate changes are measured on the basis of the shifts and turns in the yield curve. The shifts in the interest rate curve increase or decrease the current interest rate level by the reported basis points. In addition, the impact on earnings of the scenarios of the DGRV (Federation for German Cooperatives), which stem from current regulatory requirements, have been included in the calculations.

Liquidity risks:
The liquidity risk refers to the current or future danger of insolvency or higher refinancing costs. The liquidity management by net-m privatbank 1891 AG incorporates all measures, procedures and processes that secure liquidity at all times and limit the liquidity risk.

The development of liquidity is continuously monitored. The Bank ensures constant solvency using planning and simulation calculations of inflows and outflows of funds. A daily liquidity forecast is produced for short-term purposes. Incoming and outgoing funds in accounts are managed daily with the aim of maintaining an optimal level. With regard to structural liquidity, future liquidity requirements are set against available liquidity coverage. An operating risk limit is established to utilise the liquidity cover potential.

The primary cause of liquidity risks are changes in customer behaviour, which can lead to unexpected outflows. Inflows and outflows of funds are therefore monitored regularly. Free funds are invested primarily in liquid tradable papers and bank deposits. The current and future liquidity situation is recorded, analysed and reported to the Executive Board daily in the context of the internal reporting system.

The development of key liquidity indicators in accordance with the Liquidity Directive is monitored monthly. The minimum regulatory requirements were fulfilled without exception in 2012.

Operational risks:
Operational risks include the possibility of losses due to insufficient systems and controls, as a result of human and technical failure, management error and external influences, such as natural disasters.

Based on the definition of the Basel Committee on Banking Supervision, operational risks can be defined as the "danger of direct or indirect losses arising as a result of the inadequacy or failure of internal procedures, people and systems or as a result of external events". Legal risks are also included in the risk report. Damage to property can only be considered operational risks if the damage incurred is clearly and exclusively due to the failure of internal procedures, people or systems.

Operational risks include other operating risks, unexpected negative developments, legal risks, and investment risks. net-m privatbank 1891 AG separates these risks into damage risks and income risks. For the damage risk, the damage database is used.

In order to limit operational risks due to damage risks, damage is identified and assessed decentrally in individual areas. Each case of damage is recorded. Damage above a particular size is reported immediately to the Executive Board. Damages are collected at a bank-wide level quarterly and reported in a damage report, which informs the Executive Board about the current state of operational damage. In addition, a risk inventory is carried out once a year in which operational risks are recorded.

The procedures outlined in the organisational guidelines are regularly revised and monitored by the internal audit department. The documentation of the audit results in the corresponding reports is used to eliminate any deficits that have been identified.

Data backup in the IT area takes place on an ongoing basis at the external data centre mandated by the bank. The computer-based systems were functioning at all times during the reporting year.

In order to avoid legal risks, all legal obligations and the legal and decision-making capability of the counterparty are closely monitored. Where possible, standardised contracts in line with industry standards are used. Where necessary, in individual cases, additional legal advice is sought from recognised legal firms with a relevant specialism.

2. OPPORTUNITIES OF FUTURE DEVELOPMENT

2.1. Internationalisation

The internationalisation strategy successfully implemented for years represents a major opportunity for the Group. As a result, the Group plans to press ahead further with its expansion into foreign markets in the future. The takeover by DOCOMO Deutschland GmbH serves to facilitate and support the internationalisation strategy significantly. Furthermore, the Group is considering further consolidating and expanding its market position by means of acquisitions and investments. However, these steps will be implemented only if the Executive Board expects them to result in a clear improvement in the results of operations combined with high added value for the net mobile Group.

2.2. Cooperation

Cooperation with – in part multinational – media, brand article and entertainment corporations such as Universal Music Deutschland and Universal International serves to open up major opportunities for the net mobile Group to achieve strong growth internationally. The services and applications already introduced very successfully in the German market can be speedily implemented and marketed internationally. This also represents a significant opportunity arising from the merger with DOCOMO Deutschland GmbH. The music portal in particular, in addition to the games portal and the adult entertainment platform currently being developed, is offering the Group considerable potential for an international rollout through partners and investment companies.

2.3. Positive economies of scale

Gross income growth and profitability are closely linked to each other in the business model of the net mobile Group. For technological reasons, positive economies of scale arise with an expansion of the business volume. These economies of scale are reflected in increased profit contributions. As long as no increase in fixed costs for the further development of the systems is necessary, the percentage of gross profit made up of selling and administrative expenses decreases with increasing business volume so that the margins rise sharply.

2.4. Paid use of the billing systems by third parties

There are also business opportunities for the net mobile Group in the highly complex copyright billing systems. In recent years, the Company has invested heavily in the transparency of its billing systems and developed a special position in the market. Additional sources of income can arise through the paid use of these systems by third parties. Competitors can also have their content billing processed by the net mobile Group, for example. In the past financial year, the joint activities with the music industry were stepped up further.

2.5. Developed platforms

In the opinion of the Executive Board, the platform developed for music and games has given the Group a significant competitive advantage. The net mobile Group is one of the few providers in the German market to possess all the necessary rights for the marketing of real tones and full-track music. Furthermore, due to the acquisition of the E-Plus games portal, the net mobile Group has unique access to the content industry with regard to games for mobile telephones. Both the music and mobile game portals and the adult entertainment platform can be marketed as white label solutions. By marketing these platforms locally and internationally, the company can participate both in services and the sales proceeds generated. The platform enables the Company to make a swift entry into new markets with attractive growth prospects.

2.6. Further business opportunities due to the acquisition of net-m privatbank 1891 AG

The acquisition of net-m privatbank 1891 AG has increased the business opportunities for the net mobile Group. Since it is now possible to offer regulated banking transactions to net mobile Group customers, the opportunity has arisen to create new business areas, particularly in the "Payment & Interactive" segment.

2.7. Opportunities arising from the majority interest of DOCOMO Deutschland GmbH

The takeover of the net mobile Group by DOCOMO Deutschland GmbH in 2009 serves to strengthen the joint position in the international mobile communications business. The close cooperation resulting from this should entail further significant growth impetus for both companies. DOCOMO Deutschland GmbH's strong position in the field of innovative mobile services will pose an advantage for the net mobile Group in the expansion of its service portfolio. As well as global alliances, DOCOMO Deutschland GmbH will also contribute synergies from the provision of services to companies from a diverse range of sectors. Together, we will jointly strive to provide mobile value-added services across the globe. We continue to expect higher business volume, less expensive financing opportunities, synergies and economies of scale.

D. SIGNIFICANT EVENTS AFTER THE END OF THE FINANCIAL YEAR

The capital increase resolved and contributed in December 2012 was entered into the commercial register in 2013. The squeeze-out at the subsidiary net-m privatbank 1891 AG was likewise entered into the commercial register in 2013. From 1 April 2013, the net mobile Group is integrated into the NTT DOCOMO Group's global cash management system.

E. CLOSING DECLARATION BY THE EXECUTIVE BOARD IN ACCORDANCE WITH SECTION 312 (3) AKTG

As the Executive Board of net mobile AG, we hereby declare that based on the circumstances that were known to us at the time of performance or omission of transactions subject to reporting requirements, no legal transactions detrimental to the Company have been conducted and no measures have been undertaken or omitted to the detriment of the Company.

Düsseldorf, 17 May 2013

Theodor Niehues

Frank Hartmann

Dieter Plassmann

Edgar Schnorpfeil

Kai Markus Kulas

SOURCES

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GAMES, APPLICATIONS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2012

in EUR	Note*	2012	2011
Sales	(19)	**124,764,335.14**	**106,648,072.20**
Thereof bank business		2,529,198.79	601,163.81
Cost of sales	(19)	**-100,948,527.12**	**-90,426,301.38**
Thereof bank business		-1,523,824.32	-260,571.20
Gross margin		**23,815,808.02**	**16,221,770.82**
Selling costs	(20)	-5,026,805.81	-5,288,316.38
Research and development costs	(21)	-6,882,720.98	-4,129,347.69
General administration costs	(22)	-1,707,155.05	-6,339,260.68
EBITDA before valuation adjustments		**10,199,126.18**	**464,846.07**
Valuation adjustments	(23)	-446,774.90	-1,952,332.51
Valuation financial assets	(24)	0.00	3,423,389.30
EBITDA after valuation adjustments		**9,752,351.28**	**1,935,902.86**
Amortisation and depreciation	(25)	-9,023,330.19	-14,132,603.03
Other expenses	(26)	-626,540.87	-409,902.92
EBIT		**102,480.22**	**-12,606,603.09**
Interest income	(27)	50,111.21	193,659.47
Interest expenses	(27)	-839,722.76	-795,534.82
Financial income	(28)	0.00	0.00
Financial expenses	(28)	-60,918.51	-776,788.47
Results from associated companies	(29)	3,527.67	4,766.40
Financial result		**-847,002.39**	**-1,373,897.42**
Consolidated net loss before income taxes		-744,522.17	-13,980,500.51
Income taxes	(30)	-217,867.28	3,479,290.59
Consolidated net loss including non-controlling interests		**-962,389.45**	**-10,501,209.92**
Profit attributable to:			
Owners of the Company		-920,839.66	-10,504,773.80
Non-controlling interests		-41,549.79	3,563.88
Deviations resulting from currency volatility		-69,416.95	68,198.50
Unrealised gains (losses) from assets held for sale			
Changes of unrealised gains and losses		0.00	-62,093.91
Deferred tax liabilities		0.00	-1,006.47
		0.00	-63,100.38
Defined-benefit plan actuarial losses			
Change in unrealised actuarial losses		-162,450.83	0.00
Deferred tax assets		13,568.25	0.00
		-148,882.58	0.00
Other comprehensive income		**-218,299.53**	**5,098.12**
Total comprehensive income		**-1,180,688.98**	**-10,496,111.80**
Total comprehensive income attributable to:			
Owners of the Company		-1,139,139.19	-10,499,675.68
Non-controlling interests		-41,549.79	3,563.88

* The notes are related to the explanations in section 4 of the Notes to the Consolidated Financial Statements.

	Note*	2012	2011
Earnings per share	(31)		
Numerator			
Consolidated net loss including non-controlling interests in EUR		**–962,389.45**	**–10,501,209.92**
Denominator			
Number of shares outstanding at the beginning of the fiscal year		12,229,978	8,466,910
Number of new shares issued in fiscal year		0	3,763,068
Number of shares outstanding at the end of the year		12,229,978	12,229,978
Average number of shares outstanding		12,229,978	9,407,677
Adjusted number of shares outstanding		**12,229,978**	**9,407,677**
Undiluted and diluted result per share in EUR		- 0.08	- 1.12

* The notes are related to the explanations in section 4 of the Notes to the Consolidated Financial Statements.

ASSETS

in EUR	Note*	31 Dec. 2012	31 Dec. 2011
A. Non-current Assets			
I. Property, plant and equipment	(1)	3,432,280.79	3,034,492.81
II. Intangible assets	(2)	29,199,818.76	19,120,701.43
III. Goodwill	(3)	30,961,694.22	31,101,113.75
IV. Non-current financial assets	(4)	9,487,687.47	7,928,016.86
V. Deferred tax assets	(5)	4,169,166.53	4,239,357.76
		77,250,647.77	**65,423,682.61**
B. Current assets			
I. Inventories	(6)	1,445,745.95	145,472.20
II. Trade receivables	(7)	31,966,243.84	26,854,744.50
III. Other financial assets	(8)	14,156,946.21	11,104,037.74
IV. Other non-financial assets	(8)	876,549.28	1,451,882.62
V. Tax assets	(9)	80,300.20	94,082.60
VI. Cash and cash equivalents	(10)	30,827,412.98	25,162,087.25
		79,353,198.46	64,812,306.91
C. Assets to be disposed	(11)	0.00	955,450.55
		156,603,846.23	**131,191,440.07**

* The notes are related to the explanations in section 4 of the Notes to the Consolidated Financial Statements.

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2012

LIABILITIES

in EUR	Note*	31 Dec. 2012	31 Dec. 2011
A. Equity	(12)		
I. Shared capital		12,229,978.00	12,229,978.00
II. Capital reserves		43,169,769.47	53,889,278.92
III. Consolidated year results		-920,839.66	-10,501,209.92
IV. Minority interests		489,088.29	680,327.66
		54,967,996.10	**56,298,374.66**
B. Non-current liabilities			
I. Financial liabilities	(13)	5,622,877.53	13,586,880.15
II. Pension obligations	(14)	1,142,222.00	922,260.00
		6,765,099.53	**14,509,140.15**
C. Current liabilities			
I. Provisions	(15)	689,950.00	759,534.02
II. Accounts payable	(16)	29,855,019.84	26,321,470.89
III. Liabilities to banks	(17)	28,246,467.29	7,533,965.91
IV. Other financial liabilities	(18)	36,079,313.47	25,768,954.44
		94,870,750.60	**60,383,925.26**
		156,603,846.23	**131,191,440.07**

* The notes are related to the explanations in section 4 of the Notes to the Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS OF 31 DECEMBER 2012

	Attributable to owners of the Company					
in EUR	Shared capital	Capital reserves	Accumulated deficit	Currency translation reserve	Other reserve	Total
As of 1 Jan. 2012	**12,229,978.00**	**72,339,105.48**	**-18,397,574.32**	**-52,252.24**	**0.00**	**53,889,278.92**
Rebooking prior-year loss	0.00	0.00	-10,501,209.92	0.00	0.00	-10,501,209.92
Group profit or loss	0.00	0.00	0.00	0.00	0.00	0.00
Minority interests	0.00	0.00	0.00	0.00	0.00	0.00
Currency profit / loss	0.00	0.00	0.00	-69,416.95	0.00	-69,416.95
Actuarial gain / loss not yet recognised	0.00	0.00	0.00	0.00	-148,882.58	-148,882.58
As of 31 Dec. 2012	**12,229,978.00**	**72,339,105.48**	**-28,898,784.24**	**-121,669.19**	**-148,882.58**	**43,169,769.47**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS OF 31 DECEMBER 2011

	Attributable to owners of the Company					
in EUR	Shared capital	Capital reserves	Accumulated deficit	Currency translation reserve	Revaluation reserve	Total
As of 1 Jan. 2011	**8,466,910.00**	**49,409,568.23**	**-19,280,374.95**	**-120,450.74**	**63,100.38**	**30,071,842.92**
Rebooking prior-year profit	0.00	0.00	882,800.63	0.00	0.00	882,800.63
Capital from the issuance of new shares	3,763,068.00	22,954,714.80	0.00	0.00	0.00	22,954,714.80
Issuance costs		-25,177.55	0.00	0.00	0.00	-25,177.55
Group profit or Loss	0.00	0.00	0.00	0.00	0.00	0.00
Minority interests	0.00	0.00	0.00	0.00	0.00	0.00
Currency profit / loss	0.00	0.00	0.00	68,198.50	0.00	68,198.50
Unrealised gains (losses) from assets held for sale	0.00	0.00	0.00	0.00	-63,100.38	-63,100.38
As of 31 Dec. 2011	**12,229,978.00**	**72,339,105.48**	**-18,397,574.32**	**-52,252.24**	**0.00**	**53,889,278.92**

Consolidated net loss	Non-controlling interests	Equity total
-10,501,209.92	**680,327.66**	**56,298,374.66**
10,501,209.92	0.00	0.00
-920,839.66	-41,549.79	-962,389.45
0.00	-149,689.58	-149,689.58
0.00	0.00	-69,416.95
0.00	0.00	-148,882.58
-920,839.66	**489,088.29**	**54,967,996.10**

Consolidated net loss (prior year: net income)	Non-controlling interests	Equity total
882,800.63	**0.00**	**39,421,553.55**
-882,800.63	0.00	0.00
0.00	0.00	26,717,782.80
0.00	0.00	-25,177.55
-10,501,209.92	0.00	-10,501,209.92
0.00	680,327.66	680,327.66
0.00	0.00	68,198.50
0.00	0.00	-63,100.38
-10,501,209.92	**680,327.66**	**56,298,374.66**

in EUR	Acquisition and production cost							
	Balance as of 1 Jan. 2012	Additions	Disposals	IFRS 5 in	Transfers	Consolidation	Exchange differences	Balance as of 31 Dec. 2012
I. Tangible assets								
Property, plant and equipment	112,380.70	266,013.54	-56,176.35	0.00	0.00	0.00	239.35	322,457.24
Technical equipment and machinery	4,794,523.68	598,309.24	-2,546,486.55	0.00	0.00	0.00	1,957.90	2,848,304.27
Other equipment, office furniture and equipment	1,460,859.19	667,074.46	-374,485.45	0.00	0.00	0.00	1,711.01	1,755,159.21
Prepayments	1,527,401.63	996,155.97	-101,131.89	0.00	-1,265,184.23	0.00	1,017.70	1,158,259.18
	7,895,165.20	2,527,553.21	-3,078,280.24	0.00	-1,265,184.23	0.00	4,925.96	6,084,179.90
II. Intangible assets								
Industry property rights and licences	29,561,154.13	9,267,029.34	-2,732,846.13	895,000.00	0.00	0.00	-6,435.51	36,983,901.83
Software	2,442,549.86	1,605,736.65	-4,004,038.61	2,651,017.40	1,265,184.23	0.00	946.43	3,961,395.96
Self-developed software	13,534,619.88	6,584,262.59	0.00	0.00	0.00	0.00	0.00	20,118,882.47
	45,538,323.87	17,457,028.58	-6,736,884.74	3,546,017.40	1,265,184.23	0.00	-5,489.08	61,064,180.26
III. Goodwill								
Goodwill	31,101,113.75	26,506.11	-165,925.64	0.00	0.00	0.00	0.00	30,961,694.22
IV. At-equity investments								
Financial assets carried using the equity method	75,439.51	0.00	0.00	0.00	0.00	0.00	0.00	75,439.51
V. Non-current financial assets								
Shares in associated companies	742,263.33	15,980.00	0.00	0.00	0.00	0.00	0.00	758,243.33
Other long-term financial assets	7,991,970.11	2,111,775.65	-568,085.04	0.00	0.00	0.00	23,162.49	9,558,823.21
	8,734,233.44	2,127,755.65	-568,085.04	0.00	0.00	0.00	23,162.49	10,317,066.54
	93,344,275.77	**22,138,843.55**	**-10,549,175.66**	**3,546,017.40**	**0.00**	**0.00**	**22,599.37**	**108,502,560.43**

DEVELOPMENT OF THE ASSETS IN THE BUSINESS YEAR 2012

Depreciation and amortisation									Book value	
Balance as of 1 Jan. 2012	Additions	IAS 36 in	Write-ups from over-depreciation	Disposals	IFRS 5 in	Transfers	Exchange differences	Balance as of 31 Dec. 2012	Balance as of 31 Dec. 2012	Balance as of 31 Dec. 2011
84,055.23	24,081.11	0.00	0.00	-56,176.35	0.00	0.00	87.85	52,047.84	270,409.40	28,325.47
3,850,788.97	463,384.74	0.00	0.00	-2,524,366.81	0.00	0.00	1,705.14	1,791,512.04	1,056,792.23	943,734.71
925,828.19	233,271.37	0.00	0.00	-351,926.68	0.00	0.00	1,166.35	808,339.23	946,819.98	535,031.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,158,259.18	1,527,401.63
4,860,672.39	720,737.22	0.00	0.00	-2,932,469.84	0.00	0.00	2,959.34	2,651,899.11	3,432,280.79	3,034,492.81
18,321,171.82	5,033,342.44	0.00	0.00	-2,386,069.44	888,133.36	0.00	-310.86	21,856,267.32	15,127,634.51	11,239,982.31
1,647,853.81	602,236.02	0.00	0.00	-3,978,342.24	2,620,499.59	0.00	235.68	892,482.86	3,068,913.10	794,696.05
6,448,596.81	2,667,014.51	0.00	0.00	0.00	0.00	0.00	0.00	9,115,611.32	11,003,271.15	7,086,023.07
26,417,622.44	8,302,592.97	0.00	0.00	-6,364,411.68	3,508,632.95	0.00	-75.18	31,864,361.50	29,199,818.76	19,120,701.43
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	30,961,694.22	31,101,113.75
75,439.51	0.00	0.00	0.00	0.00	0.00	0.00	0.00	75,439.51	0.00	0.00
315,904.65	0.00	0.00	0.00	0.00	0.00	0.00	0.00	315,904.65	442,338.68	426,358.68
490,311.93	0.00	0.00	0.00	0.00	0.00	0.00	23,162.49	513,474.42	9,045,348.79	7,501,658.18
806,216.58	0.00	0.00	0.00	0.00	0.00	0.00	23,162.49	829,379.07	9,487,687.47	7,928,016.86
32,159,950.92	**9,023,330.19**	**0.00**	**0.00**	**-9,296,881.52**	**3,508,632.95**	**0.00**	**26,046.65**	**35,421,079.19**	**73,081,481.24**	**61,184,324.85**

in EUR	Acquisition and production cost							
	Balance as of 1 Jan. 2012	Additions	Disposals	IFRS 5 downs	Transfers	Consolidation	Exchange differences	Balance as of 31 Dec. 2011
I. Tangible assets								
Property, plant and equipment	59,000.71	35,133.25	0.00	0.00	16,708.74	0.00	1,538.00	112,380.70
Technical equipment and machinery	3,041,950.68	305,240.53	0.00	0.00	1,441,123.78	0.00	6,208.69	4,794,523.68
Other equipment, office furniture and equipment	2,386,290.70	502,388.59	-4,726.76	0.00	-1,457,832.52	31,573.73	3,165.45	1,460,859.19
Prepayments	411,730.99	1,115,162.26	0.00	0.00	0.00	0.00	508.38	1,527,401.63
	5,898,973.08	1,957,924.63	-4,726.76	0.00	0.00	31,573.73	11,420.52	7,895,165.20
II. Intangible assets								
Industry property rights and licences	28,321,258.05	2,717,146.64	0.00	-2,265,000.00	543,000.00	244,318.77	430.67	29,561,154.13
Software	6,360,670.32	577,128.15	-1,651,583.54	-2,893,283.70	0.00	47,022.33	2,596.30	2,442,549.86
Self-developed software	10,207,051.62	3,870,568.26	0.00	0.00	-543,000.00	0.00	0.00	13,534,619.88
	44,888,979.99	7,164,843.05	-1,651,583.54	-5,158,283.70	0.00	291,341.10	3,026.97	45,538,323.87
III. Goodwill								
Goodwill	15,091,307.76	16,009,805.99	0.00	0.00	0.00	0.00	0.00	31,101,113.75
IV. At-equity investments								
Financial assets carried using the equity method	75,439.51	0.00	0.00	0.00	0.00	0.00	0.00	75,439.51
V. Non-current financial assets								
Shares in associated companies	1,404,950.45	0.00	-942,499.80	0.00	0.00	279,812.68	0.00	742,263.33
Other long-term financial assets	457,581.12	2,391,724.72	-196,285.91		0.00	5,096,219.37	242,730.81	7,991,970.11
	1,862,531.57	2,391,724.72	-1,138,785.71	0.00	0.00	5,376,032.05	242,730.81	8,734,233.44
	67,817,231.91	**27,524,298.39**	**-2,795,096.01**	**-5,158,283.70**	**0.00**	**5,698,946.88**	**257,178.30**	**93,344,275.77**

Depreciation and amortisation									Bookvalue	
Balance as of 1 Jan. 2011	Additions	IAS 36 In	Write-ups from over-depreciation	Disposals	IFRS 5 downs	Transfers	Exchange differences	Balance as of 31 Dec. 2011	Balance as of 31 Dec. 2011	Stand Balance as of 31 Dec. 2010
52,951.71	14,476.54	0.00	0.00	0.00	0.00	16,363.55	263.43	84,055.23	28,325.47	6,049.00
2,239,912.57	398,458.24	0.00	0.00	0.00	0.00	1,208,897.41	3,520.75	3,850,788.97	943,734.71	802,038.11
1,838,773.54	311,398.43	0.00	0.00	-1,022.58	0.00	-1,225,260.96	1,939.76	925,828.19	535,031.00	547,517.16
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,527,401.63	411,730.99
4,131,637.82	724,333.21	0.00	0.00	-1,022.58	0.00	0.00	5,723.94	4,860,672.39	3,034,492.81	1,767,335.26
9,908,234.91	5,361,756.11	5,191,876.62	0.00	-195,539.76	-2,192,749.99	247,594.10	-0.17	18,321,171.82	11,239,982.31	18,413,023.14
4,852,297.11	497,855.60	309,448.80	0.00	-1,151,583.54	-2,861,071.65	0.00	907.49	1,647,853.81	794,696.05	1,508,373.21
4,648,858.22	2,047,332.69	0.00	0.00	0.00	0.00	-247,594.10	0.00	6,448,596.81	7,086,023.07	5,558,193.40
19,409,390.24	7,906,944.40	5,501,325.42	0.00	-1,347,123.30	-5,053,821.64	0.00	907.32	26,417,622.44	19,120,701.43	25,479,589.75
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	31,101,113.75	15,091,307.76
75,439.51	0.00	0.00	0.00	0.00	0.00	0.00	0.00	75,439.51	0.00	0.00
208,892.45	130,000.00	0.00	0.00	-22,987.80	0.00	0.00	0.00	315,904.65	426,358.68	1,196,058.00
-815,320.00	183,310.57	0.00	0.00	880,000.00	0.00	0.00	242,321.36	490,311.93	7,501,658.18	1,272,901.12
-606,427.55	313,310.57	0.00	0.00	857,012.20	0.00	0.00	242,321.36	806,216.58	7,928,016.86	2,468,959.12
23,010,040.02	**8,944,588.18**	**5,501,325.42**	**0.00**	**-491,133.68**	**-5,053,821.64**	**0.00**	**248,952.62**	**32,159,950.92**	**61,184,324.85**	**44,807,191.89**

PAYMENT

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2012

in EUR	2012	2011
Group loss	- 920,839.66	- 10,501,209.92
+ Depreciation of intangible assets and tangible fixed assets	9,023,330.19	14,132,603.03
+/- Other non-cash-item expense / earnings and exchange-rate-related asset changes	- 1,296,996.82	- 3,155,921.96
-/+ Profit / loss from divestiture of tangible fixed assets	0.00	3,554.85
-/+ Increase / decrease of receivables from delivery of goods and services	- 5,111,499.34	- 8,431,322.94
-/+ Increase / decrease of inventories	- 1,300,273.75	856,755.60
-/+ Increase / decrease of deferred tax assets	70,191.23	- 1,408,560.66
-/+ Increase / decrease of other assets not allocated to investments or financing activities	- 1,515,039.57	1,816,254.82
+/- Increase / decrease of obligations from delivery of goods and services	3,533,673.19	12,796,012.58
+/- Increase / decrease of other liabilities not allocated to investments or financing activities	2,500,289.14	- 3,256,028.87
+/- Increase / decrease of deferred tax liabilities	0.00	- 2,415,003.85
= Cash flow from current business activities before interest charges	**4,982,834.61**	**437,132.68**
+ Receipts from the divestiture of intangible assets and tangible fixed assets	646,824.65	2,851,255.40
- Payments for the production, purchase of intangible assets and tangible fixed assets	- 20,011,087.90	- 9,122,676.68
- Net receipts from the acquisition of companies (payments less acquired liquid assets)	0.00	11,302,586.82
- Compensating payment from transfer of non-current assets and liabilities held for sale	0.00	- 12,685,065.77
+ Receipts from sale of financial assets	568,085.04	1,995,388.46
- Payments for the acquisition of financial assets	- 2,127,755.65	- 2,391,724.72
= Cash flow from investment activities	**- 20,923,933.86**	**- 8,050,327.49**
+ Receipts from capital changes	887,457.92	26,717,782.80
- Payments for issuance costs	0.00	- 25,177.55
+ Receipts from the borrowing of debt	22,812,344.67	5,483,921.66
- Payments for the redemption of minority interests	- 2,100,000.00	- 1,450,000.00
= Cash flow from financing activities	**21,599,802.59**	**30,726,526.91**
Change in liquid assets	**5,658,703.34**	**23,113,332.10**
+ Change in liquid assets from currency exchange-rate changes	6,622.39	50,941.35
+ Other non-cash movements from changes in the consolidation group	0.00	680,327.66
+ Cash at the start of the period	25,162,087.25	1,317,486.14
= Cash at the end of the period	**30,827,412.98**	**25,162,087.25**
Composition of liquid assets		
Cash	8,241.86	3,610,980.00
Deposits at central banks	17,452,052.28	12,372,385.86
Short-term receivables from banks / bank deposits	13,367,118.84	9,178,721.39
	30,827,412.98	**25,162,087.25**
The cash provided by operating activities includes		
- Interest paid	839,722.76	795,534.82
- Interest received	50,111.21	193,659.47
- Taxes paid	11,699.80	2,946.32

We also refer to section 3.5 of the Consolidated Financial Statements.

1. GENERAL INFORMATION

The parent company of the Group is net mobile AG, Düsseldorf, Germany (ISIN DE0008137852, stock exchange code N1M). The Company is entered in the commercial register, section B, of Düsseldorf Local Court under the number 48022. Since 10 August 2012, it has been based at Fritz-Vomfelde-Str. 26–30, 40547 Düsseldorf, Germany.

net mobile AG has been listed on the open market of the Munich Stock Exchange and on M:access, the cross-segment quality segment of the Munich Stock Exchange. In 2012, a change of the trading place from Munich to Frankfurt am Main took place. net mobile AG is since then listed on the Entry Standard, which belongs to the open market of the Frankfurt Stock Exchange.

By way of a public takeover bid, DOCOMO Deutschland GmbH, Düsseldorf, itself a wholly-owned subsidiary of NTT DOCOMO, INC., Tokyo, Japan, acquired 5,533,635 shares (around 72 % of all shares) in net mobile AG on 13 November 2009. DOCOMO Deutschland GmbH subsequently acquired additional shares in a number of tranches with the result that by 31 December 2010 it held 6,896,285 shares or 81.45 % of all the shares of net mobile AG.

On 26 September 2011, the Executive Board, with the approval of the Supervisory Board, resolved to make use of the authorisation granted at the annual general meeting on 27 May 2010 to increase the share capital (Authorised Capital 2010). Through the issue of 3,763,068 bearer shares, the Company's subscribed capital was increased by EUR 3,763,068 to EUR 12,229,978. This capital increase was conducted within the framework of a rights issue. By means of this capital increase, DOCOMO Deutschland GmbH initially were acquired 3,065,012 new shares plus 695,143 new shares that acquired as a result of the minority shareholders not exercising their purchase option. As of 31 December 2011, DOCOMO Deutschland GmbH therefore held 87.13 % of all shares in net mobile AG.

net mobile AG's Executive Board, with the approval of the Supervisory Board, resolved on 5 December 2012 to increase the Company's equity by 218,229 shares. The issue price amounts to EUR 7.79 per new share and is therefore 0.89 % above the average stock exchange price for the last five trading days and 1.83 % above the closing price at the stock exchange prior to the issue of the new shares. The Company's share capital raises up to EUR 12,448,207. The shares were subscribed as part of a private placement by the majority shareholder DOCOMO Deutschland GmbH. Thereby, the share of DOCOMO Deutschland GmbH in net mobile AG was increased by approximately 0.23 % to 87.36 %. The Company decided to extend the share capital by using parts of the Authorised Capital with exclusion of the statutory subscription rights of the shareholders. Since the capital increase was only registered in the commercial register on 1 February 2013, at the balance sheet date the previous share capital is shown. The amount of increase is shown under current other financial liabilities until the registration.

net mobile AG is a leading international full-service provider of mobile and interactive value-added services. The Company was founded in November 2000 and is regarded as an innovation leader in the market. Its full managed service approach comprises consultation, design, applications, content, billing, transport and technical implementation for optimal multichannel marketing campaign management. As a partner to all the major music labels and the owner of rights for the film, television and games industry, net mobile AG also ensures full content and royalty management. Its more than 500 customers worldwide include national and global mobile telecommunications providers, media companies, portals, branded companies and TV channels for which it provides end-to-end mobile interactive TV services. Since 31 October 2011, via its subsidiary net-m privatbank 1891 AG (former Bankverein Werther Aktiengesellschaft), the Group's range of services has been complemented by the provision of financial services subject to approval.

The Company has subsidiaries in Hamburg, Frankfurt am Main, Bielefeld, Zurich (Switzerland), Madrid (Spain), London (Great Britain) and Diegem (Belgium) as well as representative offices in Shanghai (People's Republic of China), Paris (France) and Vienna (Austria).

2. CONSOLIDATED GROUP AND SHAREHOLDINGS

During the financial year, there was no change to the consolidated group.

With respect to the fully consolidated net-m privatbank 1891 AG – in which net mobile AG has held the majority of voting rights since 31 October 2011 and subsequently increased its holding in tranches with the result that as of the reporting date 95.16 % of the shares are held – the purchase price allocation (PPA) provisionally conducted as at the date of acquisition has been completed within this financial year.

The consolidated group (GC) in the consolidated financial statements as at 31 December 2012 includes the affiliated companies in which net mobile AG directly or indirectly holds more than 50 % of voting rights or which it can otherwise control.

net mobile AG currently has no investments in joint ventures.

In addition, companies over which there is a significant influence are included in the consolidated financial statements using the equity method.

The other shareholdings of net mobile AG are shown in the consolidated financial statements in line with the regulations of IAS 39; please see the comments below under 3.4.1.

The shareholdings are as follows:

Company	Interest in share capital in %	Form of inclusion	31 Dec. 2012 equity in kEUR	2012 net profit for the period in kEUR
First Telecom GmbH, Frankfurt /Main, Germany	100	GC	938	135
First Communication GmbH, Frankfurt / Main, Germany (3)	100	GC	- 397	121
SN Telecom GmbH, Frankfurt / Main, Germany	100	GC	- 320	222
net mobile Verwaltungs AG, Zurich, Switzerland	100	GC	1,145	6 (4)
net mobile Schweiz AG, Zurich, Switzerland (3)	100	GC	104	453 (4)
net mobile minick GmbH, Hamburg, Germany	100	GC	564	- 519 (2)
net mobile UK Ltd, London, UK (3)	100	GC	- 455	51 (4)
net mobile Minick Spain SLU, Madrid, Spain (3)	100 (3)	GC	- 358	- 263
GOLDkiwi Media S.A., Diegem, Belgium	99.99 (1)	GC	- 1,028	- 844
net-m privatbank 1891 AG, Düsseldorf (former: Bankverein Werther Aktiengesellschaft, Bielefeld) Germany	95.16	GC	9,431	- 301
H2O Entertainment GmbH, Meerbusch, Germany	49	At equity	- 424	83
8 Elements Ltd, Hong Kong, China	18	IAS 39	- 508	- 139 (4)
Dadango Inc. Freeport, USA	15	IAS 39	Operations have not yet commenced	

(1) One share with a nominal value of EUR 10 is held by Executive Board member Frank Hartmann for technical reasons. Minority interests have not been reported in the consolidated financial statements on account of immateriality.
(2) Prior to profit transfer.
(3) Indirect shareholding.
(4) Net profit or loss including foreign currency translation.

The stated equity and net profits for the period were calculated on the basis of local accounting provisions, i.e. essentially on the basis of the German Commercial Code (HGB). The reporting date is 31 December of each year.

8 Elements Ltd and Dadango Inc. also prepare their financial statements to 31 December. The annual financial statements of 8 Elements Ltd for the year ending 31 December 2012 are not yet available. The figures for the year ending 31 December 2011 have therefore been used. There have been no significant transactions since the end of the reporting period that would require an adjustment of these values.

All companies prepare their separate financial statements in line with local accounting provisions (HGB, Swiss GAAP, UK GAAP, etc.). Any adjustments required in order to ensure conformity with IFRS (the International Financial Reporting Standards issued by the International Accounting Standards Board [IASB]), as applicable in the EU, are made in the preparation of the consolidated financial statements.

First Telecom GmbH offers connections in national and international landline and mobile telecommunication networks under the call-by-call number 01099. As a local exchange carrier and network operator, the company also offers local phone and service numbers and has a billing and collection agreement with Deutsche Telekom for the invoicing of phone numbers in Germany that are billed offline, such as 0900 and 118.

As a wholly-owned subsidiary of First Telecom GmbH, First Communication GmbH also offers connections in national and international landline and mobile telecommunication networks under the number 01039. Furthermore, the company also has a billing and collection agreement and is licensed as a local exchange carrier. The company also offers the service numbers 0180, 0900, 0800 and 0137.

SN Telecom GmbH holds some of the IP rights to the software platforms of the net mobile Group (e.g. largely in the maxmedia platform) and manages these rights. This also includes the platform previously owned by the Minick Group, which can support all the functionalities required for mobile services. SN Telecom GmbH receives licence fees for surrender of use within the Group. It has no operating activities beyond this at the current time.

net mobile minick GmbH, net mobile Verwaltungs AG, net mobile Schweiz AG, net mobile UK Ltd and net mobile Minick Spain SLU (previously the Minick Group) have a network for the provision of mobile services in Europe, Africa and America and operate their own SMS and MMS messaging centres. With their offices in Germany, Switzerland, the UK and Spain, they maintain more than 400 mobile Internet portals around the world.

GOLDkiwi Media S. A. commenced its operating activities during the current financial year. Among other things, it offers products such as images, videos and games for mobile phones and other mobile terminals, and sells these for their partners to the end users.

net-m privatbank 1891 AG provides services in the area of payment transactions and factoring, credit card acceptance and issue and the processing of transactions which are subject to licensing under the German Banking Act. The regional banking business that formed part of the company at takeover has already been sold on as of 30 November 2011. The remaining areas, in particular the payment transaction services and credit card business, are currently being expanded.

H2O Entertainment GmbH specialises in the marketing of merchandising products, online portals and computer games for online operation. Among other things, it markets the licences acquired by net mobile AG.

8 Elements Ltd, based in Hong Kong, is directly managed by its main shareholder and specialises in the marketing of high-quality mobile content. As one of the leading regional wholesalers, 8 Elements distributes games and videos of various brands as well as high-quality non-branded content in the Asia-Pacific region. Operating as a flexible team, 8 Elements is one of the most experienced and biggest distribution networks for its partners and suppliers from Europe and Asia. 8 Elements is currently operating directly with 13 carriers, five service providers and 14 portals in eight countries, thereby reaching more than 150 million users. Its customers include SmarTone-Vodafone, Telstra, Globe, maxis and SingTel Mobile.

Dadango Inc. is a start-up in the US that specialises in the marketing of mobile value-added services. It has not yet commenced operations.

The financial information of the associated companies is as follows:

Company in kEUR	Equity	Assets	Liabilities	Sales
H20 Entertainment GmbH, Meerbusch, Germany	- 424	891	467	508

H2O Entertainment GmbH's profit for the financial year 2012 totals kEUR 83. It has incurred cumulative losses of kEUR 502 to date. Accordingly, for the reporting company this implies a pro-rata financial result for the current financial year of kEUR 41 and a cumulative loss of kEUR 246. Due to full write-down of the amount recognised at equity, the current financial result had no further effect.

3. SUMMARY OF THE KEY ACCOUNTING POLICIES

3.1. BASIS OF ACCOUNTING

The consolidated financial statements of net mobile AG as at 31 December 2012 have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), taking into account the International Accounting Standards (IAS) and the interpretations of the IFRS Interpretations Committee (previously the International Financial Reporting Interpretations Committee – IFRIC and the Standing Interpretations Committee (SIC), and fully taking into account all the mandatory provisions of the International Financial Reporting Standards (IFRS) endorsed by 31 December 2012, as applicable in the European Union. The consolidated financial statements are consistent with IFRS as applicable in the European Union.

The duty to prepare IFRS-consolidated financial statements in accordance with section § 315a Sec. 3 HGB (Handelsgesetzbuch "German Commercial Code") does not apply to the Company as its securities are traded on the open market and not on an EU-regulated market. The option to voluntarily prepare IFRS-consolidated financial statements in accordance with section 315a III HGB is hereby exercised with these consolidated financial statements.

The financial year corresponds to the calendar year and thus begins on 1 January and ends on 31 December of each year.

The consolidated financial statements are prepared in euro. The functional currency of the Group is also the euro. Unless stated otherwise, all amounts are stated in thousands of euros (kEUR).

The consolidated balance sheet is subdivided into non-current and current items.

The consolidated statement of comprehensive income has been prepared using the cost of sales method.

Essentially uniform accounting policies are applied by the individual subsidiaries within the Group.

The preparation of the consolidated financial statements requires the use of estimates, judgements and assumptions by the Executive Board on matters that affect the amounts of assets and liabilities in the consolidated balance sheet, items in the consolidated statement of comprehensive income and information in the notes to the consolidated financial statements. In particular, estimates and judgements were made in the areas of goodwill, other intangible assets and property, plant and equipment, receivables, provisions, deferred taxes, segment reporting, the breakdown of sales, the calculation of the values of cash-generating units and depreciation and amortisation. These estimates, judgements and assumptions may deviate from actual circumstances. Any such actual deviations are taken into account in profit or loss as the Company becomes aware of them, with the exception of estimates that are required by the relevant accounting provision to be recognised directly in equity (Other comprehensive income). If our estimates, judgements and assumptions change, the calculations made on the basis of them would also change. The carrying amounts and fair values of the above items are directly sensitive to their measurement bases.

The consolidated financial statements have been prepared in line with the consolidation methods and accounting policies presented below.

3.2. NEW FINANCIAL REPORTING REQUIREMENTS

Standards and interpretations effective in the 2012 financial year

The following new or amended standards became effective for the first time in the financial year from 1 January to 31 December 2012:

- Amendments to IFRS 7 – Disclosures – Transfers of Financial Assets

The amendments to IFRS 7 concern additional disclosure requirements with relation to the transfer of financial assets. They are designed to increase the comprehensibility of relationships between financial assets that are not required to be derecognised in full and the corresponding financial liabilities. The intention is also to improve evaluation of the nature and especially the risks of continuing involvement in the case of derecognised financial assets. The changes also call for additional disclosures in the event of a disproportionately large number of transfers with continuing involvement (e. g. around the end of a reporting period). The Company is currently assuming that the new standards will have no significant influence on the presentation of the results and financial position.

- Amendments to IAS 12 – Deferred Tax – Recovery of Underlying Assets

With investment property, it is often difficult to assess whether existing temporary tax differences will be reversed under the continued use or as part of a sale. With the amendment to IAS 12 it is now clear that the measurement of deferred taxes is to be based on the rebuttable presumption that the reversal takes place through sale. The Company is currently assuming that the new standards will have no significant influence on the presentation of the results and financial position.

- Amendments to IFRS 1 – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters

Through this amendment to IFRS 1, the references previously used as the fixed transition date (1 January 2004) shall be replaced by "date of transition to IFRS". In addition, rules for the cases in which a company for some time could not meet the requirements of IFRSs because its functional currency was subject to hyperinflation will now be included in IFRS 1.

Standards and interpretations effective for later financial periods

The following newly published financial reporting requirements endorsed by the EU will be effective for future financial statements and have not been adopted early by the Company.

- Amendments to IAS 1 – Presentation of Items of Other Comprehensive Income

This amendment changes the presentation of other comprehensive income in the statement of comprehensive income. The items of other comprehensive income that will be reclassified subsequently to profit or loss ("recycling") in the future are to be presented separately of the items of other comprehensive income that will never be reclassified. If the items are reported gross, i.e. without netting with effects from deferred taxes, deferred taxes are now no longer to be in shown one lump sum, but assigned to the two groups of items.

This change is to be adopted for the first time in financial years beginning on or after 1 July 2012.

The Company is currently assuming that the new standards will have no significant influence on the presentation of the results and financial position.

- IAS 19 – Employee Benefits (revised 2011)

In addition to extensive disclosure requirements for employee benefits, the following changes are arising in particular from the revised standard:

Currently, there are several options as to how unexpected changes in pension obligations, the so-called actuarial gains and losses, may be presented in financial statements: (a) as a profit or loss in the profit and loss account, (b) in other comprehensive income (OCI), or (c) a delay is recognised using the so-called corridor method. With the revised IAS 19, this selection of options will be abolished for a more transparent and comparable presentation, so that in the future only an immediate and complete recognition in other comprehensive income is allowed. In addition, past service cost is now to be recognised directly in profit or loss in the year of its accrual.

Moreover, currently at the beginning of the accounting period, the expected return on plan assets is determined based on management's expectations regarding the performance of the investment portfolio. With the application of IAS 19 (revised 2011), only a typifying return on plan assets in the amount of the discount rate for pension obligations at the beginning of the period is allowed.

The expected amount of administrative costs of the plan assets was previously included in interest income. According to the amendments, administrative costs of the plan assets as part of the re-evaluation component should be recognised in other comprehensive income, while other administrative expenses when incurred are attributable to the operating profit.

This change is to be adopted for the first time in financial years beginning on or after 1 January 2013.

The Company is currently assuming that the new standards will have no significant influence on the presentation of the results and financial position.

- Amendments to IAS 27 – Separate Financial Statements

As part of the adoption of IFRS 10 – Consolidated Financial Statements, the regulations for the control principle and the requirements relating to the preparation of consolidated financial statements are outsourced from IAS 27 and finally treated in IFRS 10 (see above under IFRS 10). As a result, IAS 27 in future only contains the rules for the accounting of subsidiaries, joint ventures and associates in the IFRS financial statements.

This change is to be adopted for the first time in financial years beginning on or after 1 January 2014.

The Company is currently assuming that the new standards will have no significant influence on the presentation of the results and financial position.

- Amendments to IAS 28 – Investments in Associates and Joint Ventures

As part of the adoption of IFRS 11 – Joint Arrangements, some adjustments to IAS 28 have also been made. As before, IAS 28 regulates the application of the equity method. However, the scope of the adoption of IFRS 11 is considerably increased, not only because future investments in associated companies but also in joint ventures (see IFRS 11) must be valued using the equity method. The application of proportionate consolidation for joint ventures is therefore omitted.

In the future, potential voting rights and other derivative financial instruments in assessing whether an entity has significant influence are taken into account.

Another change relates to the implementation of IFRS 5, when only a part of a unit is determined in an associate or a joint venture for sale. IFRS 5 is applied partially, when only a portion or part of an investment in an associated company (or in a joint venture) meets the criterion "held for sale".

This change is to be adopted for the first time in financial years beginning on or after 1 January 2014.

The Company is currently assuming that the new standards will have no significant influence on the presentation of the results and financial position.

- Amendments to IAS 32 and IFRS 7 – Offsetting Financial Assets and Financial Liabilities

This supplement to IAS 32 clarifies the conditions for offsetting financial instruments. In addition, the importance of the current legal right to set-off is explained and it is clarified which procedures can be viewed with gross settlement as net settlement within the meaning of the standard. Along with these clarifications, the provisions regarding the notes to IFRS 7 have been extended.

This change of IAS 32 is to be adopted for the first time in financial years beginning on or after 1 January 2014.

This change of IFRS 7 is to be adopted for the first time in financial years beginning on or after 1 January 2013.

The Company is currently assuming that the new standards will have no significant influence on the presentation of the results and financial position.

- IFRS 10 – Consolidated Financial Statements

With this standard, the concept of control is comprehensively re-defined. If a company dominates another company, the parent company has to consolidate the subsidiary. Under the new approach, control exists if the potential parent company holds the power of decision on the basis of voting rights or other rights over the potential subsidiary, participates in the positive or negative variable returns from the subsidiary, and may affect these returns through its power of decision.

This new standard may affect the scope of consolidation, i.a. regarding special-purpose vehicles.

The new standard is to be adopted for the first time in financial years beginning on or after 1 January 2014. If for an investment the qualification as a subsidiary is determined differently between IAS 27 / SIC-12 and IFRS 10, IFRS 10 applies retrospectively. Early adoption is only permitted simultaneously with IFRS 11 and IFRS 12, and with IAS 27 and IAS 28 as amended in 2011.

The Company is currently assuming that the new standards will have no significant influence on the presentation of the results and financial position.

- IFRS 11 – Joint Arrangements

IFRS 11 redefines accounting for jointly controlled activities (Joint Arrangements). The new approach distinguishes between a communal activity (Joint Operation) or a joint venture (JV). A joint operation takes place when the jointly controlling parties have immediate rights to the assets and obligations for the liabilities. The individual rights and liabilities are recognised proportionately in the consolidated financial statements. In a joint venture, the joint dominant parties, however, have rights in the net assets income. This right is represented by the equity method in the consolidated financial statements, so the right to vote for pro-rata inclusion in the consolidated financial statements is now redundant.

This new standard is to be adopted for the first time in financial years beginning on or after 1 January 2014. For the transition from, for example, the proportionate consolidation to the equity method, specific transitional rules exist. Early adoption is only permitted simultaneously with IFRS 10 and IFRS 12, and with IAS 27 and IAS 28 as amended in 2011.

The Company is currently assuming that the new standards will have no significant influence on the presentation of the results and financial position.

- IFRS 12 – Disclosure of Interests in Other Entities

This standard requires disclosures in relation to shares in other companies. The required disclosures are significantly larger compared to the previous disclosures following IAS 27, IAS 28 and IAS 31.

This new standard is to be adopted for the first time in financial years beginning on or after 1 January 2014.

The Company is currently assuming that the new standards will have no significant influence on the presentation of the results and financial position.

- IFRS 13 – Fair Value Measurement

With this standard, the fair-value measurement in IFRS financial statements shall be uniformly regulated. In the future, all fair-value measurements required by other standards are to follow the uniform requirements of IFRS 13, only IAS 17 and IFRS 2 will continue to have their own regulations.

The fair value according to IFRS 13 is defined as the exit price, i.e. as the price that would be generated by the sale of an asset or the price that would be paid to transfer a liability. A hierarchical system comprising three levels, as it is currently used in the fair-value assessment of financial assets, is being introduced in order to determine the different levels of dependency of observable market prices. This new assessment tool may yield different fair values than those accounted for by current regulations.

This new standard is to be adopted for the first time in financial years beginning on or after 1 January 2013.

The Company is currently assuming that the new standards will have no significant influence on the presentation of the results and financial position.

- IFRIC 20 – Stripping Costs in the Production Phase of a Surface Mine

This interpretation shall standardise the accounting of stripping costs in the mining industry. If, as expected, the further use of mining waste will realise revenue, the associated stripping costs shall be accounted for as inventory in accordance with IAS 2. Moreover, an intangible asset is created which is to be activated jointly with the asset of mining when access to additional natural resources has been facilitated and the requirements defined in the interpretation have been met. This asset is to be amortised over the expected useful life.

IFRIC 20 is to be adopted for the first time in financial years beginning on or after 1 January 2013.

The Company is currently assuming that the new standards will have no influence on the presentation of the results and financial position.

3.3. PRINCIPLES OF CONSOLIDATION

The financial statements of the individual companies have been prepared for inclusion in the consolidated financial statements in accordance with the local accounting provisions and subsequently transferred in accordance with uniform IFRS accounting policies.

With reference to the consolidated group, please see item 2 of these notes: "Consolidated group and shareholdings".

In consolidation, capital is consolidated using the purchase method by offsetting the cost of the equity investment against the revalued equity of the consolidated subsidiaries at the so-called acquisition date (the date that control is achieved). The recognisable assets, liabilities and contingent liabilities of the subsidiaries are carried at their full fair value. Asset differences arising upon first-time consolidation (goodwill) are capitalised and, in line with the rules of IFRS 3 in conjunction with IAS 36, tested for impairment annually. The obligation to perform an impairment test if there is evidence of impairment also remains. The purchase price allocation (PPA) for the shares acquired during the previous financial year in net-m privatbank 1891 AG has been completed within this financial year.

Intragroup profits, sales, expenses and income and all receivables and liabilities between the consolidated companies are eliminated.

Companies that net mobile AG cannot control but over which it can exercise a significant influence are included in the consolidated financial statements using the equity method (associates).

Companies that net mobile AG cannot control and over which it cannot exercise a significant influence and that are not joint ventures are included in the consolidated financial statements as described in 3.4.1. If the fair value cannot be reliably determined in subsequent measurement or if it appears reasonable on grounds of materiality and economy, such interests can also be carried at their initial carrying amount in subsequent measurement (cost or fair value, possibly including additional costs of acquisition).

The annual financial statements of subsidiaries prepared in foreign currency are translated on the basis of the concept of functional currency in line with IAS 21 using the modified closing rate method. The following main exchange rates were used:

	31 Dec. 2012 Closing rate	31 Dec. 2012 Average price	31 Dec. 2011 Closing rate	31 Dec. 2011 Average price
GBP / EUR	0.81737	0.8111	0.83783	0.86821
CHF / EUR	1.20733	1.2051	1.21675	1.23358

As all the companies included in the consolidated financial statements operate independently in organisational, economic and financial respects, the functional currency is the same as the respective national currency of each company. For the sake of simplicity, therefore, assets and liabilities are translated at the closing rate, equity items at historical rates and expenses and income at the annual average rate in the consolidated financial statements. The resulting translation differences are recognised in other comprehensive income.

In the financial statements of the individual Group companies, receivables and liabilities in foreign currency are translated using the current closing rates as at the end of the reporting period, any unrealised exchange rate gains or losses arising are taken to profit or loss.

3.4. ACCOUNTING POLICIES

With the exception of the balance sheet items specified below, these consolidated financial statements have been prepared on the basis of historical cost. The fair-value measurement is used in part for the items "Intangible assets", "Goodwill", "Financial assets" and "Pension provisions". Please read the disclosures on these items below for information on the composition.

3.4.1. Assets

Purchased **intangible assets** are recognised at cost. If their useful lives are limited, the intangible assets are amortised on a straight-line basis over their estimated economic useful lives. For one licence acquired in 2010, a consumption-based amortisation is applied. The useful life is usually between three and ten years. Deviating from this, purchased user software is amortised over three years. If a different time limit has been contractually agreed with regard to term of use (between one and ten years), this term is used to calculate amortisation.

Intangible assets include internally developed software. Development costs for these internally generated intangible assets are capitalised at cost if it is possible to clearly allocate them to an expense group and both the technical feasibility and future utility of the newly developed products are ensured (IAS 38). It must also be likely that the development activity will lead to future cash inflows. The costs include the costs directly attributable to the development process. Depreciation is recognised on the basis of the planned technical useful lives of the products. The maximum useful life is five years. Work in progress and unfinished projects are tested for impairment at the end of the reporting period if there is evidence that they may have become impaired.

In accordance with IAS 38, research expenses cannot be recognised as assets and are thus directly recognised as expenses in profit or loss for the respective period.

Intangible assets are tested for impairment if there is evidence that they have become impaired.

The assets with indefinite useful lives (customer relationships with Universal and licences for rights of use to SMS, MMS and voice and other codes) have been assigned mainly to the "Payment & Interactive and "Digital Enabling" cash-generating units (see following remarks in connection with goodwill). The useful life is indefinite as the agreements concluded have no set term and a long-term cooperation, the end of which is not foreseeable, is assumed. If there is evidence of impairment, individual assets will also be tested for impairment in line with the principle of individual measurement. If the recoverable amount cannot be calculated at an individual level, the impairment test is continued at the level of the previously named cash-generating unit. In the event of a subsequent increase in value, the impairment loss will be reversed up to the maximum amount of the amortised cost where permitted.

net mobile AG does not use the revaluation method for intangible assets.

Goodwill is not amortised. Instead, it is subject to impairment testing in line with IAS 36. This is carried out annually or if there is any indication of a reduction in value.

The total carrying amount of goodwill of kEUR 30,962 (previous year: kEUR 31,101) includes goodwill of kEUR 8,945 (unchanged from previous year) for net mobile AG arising from its spinning off for reestablishment in May 2003. In line with IDW RS HFA 2, the option was used to account for this as under the IFRS 3 separate reporting entity approach, identifying hidden reserves and charges and recognising goodwill. Shares in net mobile AG were provided as the purchase price for the transaction. The purchase price was calculated assuming a payment by an investor for shares in net mobile AG in the context of its being spun off. Unchanged to the previous year, this item also includes goodwill from the acquisition of First Telecom GmbH (kEUR 1,916) and the goodwill from the acquisition of net mobile Verwaltungs AG (kEUR 4,230). It also includes the goodwill arising from the acquisition in 2011 of net-m privatbank 1891 AG with the amount of kEUR 15,871. In the previous year, kEUR 16,010, resulting from the preliminary purchase price allocation (PPA) of net-m privatbank 1891 AG were shown in this position.

The following cash-generating units (CGU) were used to test goodwill for impairment:

- "Payment & Interactive", assigned goodwill of kEUR 18,852
- "Digital Enabeling", assigned goodwill of kEUR 7,211
- "Voice", assigned goodwill of kEUR 1,580
- "Online & TV", assigned goodwill of kEUR 3,318

The business of net-m privatbank 1891 AG has been included in the CGU Interactive.

The following cash-generating units (CGU) were used to test goodwill for impairment in the previous year:

- "Payment & Interactive", assigned goodwill of kEUR 18,991
- "Digital Enabling", assigned goodwill of kEUR 7,211
- "Voice", assigned goodwill of kEUR 4,899

The impairment test checks whether the realisable value of the respective cash-generating unit or group of cash-generating units covers the carrying amount including goodwill. The recoverable amount is calculated on the basis of the value in use as the net realisable value cannot be determined due to the lack of a representative stock market price. The measurement is performed using the discounted cash flow method. This requires the calculation of the present value of the cash flow from two planning phases. The detailed planning phase covers the 2013 and 2014 financial years and is based on past experience as well as business development projections. This is followed by perpetual annuity. Unchanged from the previous year, a growth premium of 1 % is added. The discounting rate used for the 2012 financial year was 9.6 %. A rate of 7.0 % was used in the previous year.

The recoverable value in use exceeds the carrying amount of the respective CGUs as follows:

CGU in %	
Payment & interactive	56.07
Digital enabling	62.38
Voice	52.52
Online & tV	12.64
Total	**45.34**

In the previous year, the recoverable value in use exceeded the carrying amount of the respective CGUs as follows:

CGU in %	
Payment & interactive	11.07
Digital enabling	51.36
Voice	11.91
Total	**23.06**

Sensitivity analysis for the cash-generating units:

Change in net realisable value in EUR	CGU Payment & Interactive	WACC +1%	 Actual	 -1%
Growth factor	+1%	47,118,586	55,086,355	65,526,185
	Actual	42,420,900	48,936,293	57,219,097
	-1%	38,607,901	44,064,830	50,839,409

Change in net realisable value in EUR	CGU Digital Enabling	WACC +1%	 Actual	 -1%
Growth factor	+1%	40,354,344	46,541,529	54,623,700
	Actual	36,758,638	41,834,145	48,265,285
	-1%	33,840,090	38,105,427	43,382,139

Change in net realisable value in EUR	CGU Voice	WACC +1%	 Actual	 -1%
Growth factor	+1%	9,163,236	10,813,263	12,977,394
	Actual	8,185,939	9,533,816	11,249,204
	-1%	7,392,690	8,520,367	9,921,986

Change in net realisable value in EUR	CGU Online & TV	WACC +1%	 Actual	 -1%
Growth factor	+1%	38,638,344	43,902,226	50,758,033
	Actual	35,621,457	39,952,613	45,423,163
	-1%	33,172,722	36,824,126	41,326,083

The sensitivity analysis for the previous year was as follows:

Change in net realisable value in EUR	CGU Payment & Interactive	WACC +1%	 Actual	 -1%
Growth factor	+1%	81,558,032	95,370,278	115,868,243
	Actual	72,039,908	82,044,903	95,880,181
	-1%	59,349,075	65,388,185	73,036,682

Change in net realisable value in EUR	CGU Digital Enabling	WACC +1%	 Actual	 -1%
Growth factor	+1%	50,264,903	59,714,964	73,782,236
	Actual	43,687,953	50,507,234	59,970,642
	-1%	34,918,687	38,997,573	44,185,964

Change in net realisable value in EUR	CGU Voice	WACC +1%	 Actual	 -1%
Growth factor	+1%	17,273,539	20,475,076	25,235,901
	Actual	15,052,984	17,366,298	20,572,734
	-1%	12,092,243	13,480,326	15,243,400

The sensitivity analysis showed that the changes considered would not result in any of the cash-generating units falling short of their carrying amounts. Even the changing parameters would not, therefore, result in any further impairment requirement. A change of one percentage point is an appropriate deviation as this reflects a realistic range of fluctuation.

Please see item 5 of these notes for segment reporting.

Property, plant and equipment are measured at cost less depreciation and, if appropriate, write-downs. This is based on the following useful lives applied uniformly throughout the Group:

in years	
Buildings and leasehold improvements	5
Technical equipment and machinery	5 - 10
Operating and office equipment	1 - 13

Property, plant and equipment are tested for impairment if there is evidence that they have become impaired.

net mobile AG does not use the revaluation method for property, plant and equipment.

A **financial instrument** is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments recognised as financial assets on the one hand or financial liabilities on the other are reported separately.

Financial instruments are initially recognised at fair value. With regard to subsequent measurement, the financial instruments are classified in one of the valuation categories specified in IAS 39. Transaction costs that can be directly allocated to the acquisition or issue are taken into account in ascertaining the carrying amount if the financial instruments are not valued at fair value through profit and loss. Spot transactions involving financial assets are recognised at their value on the relevant trade date.

Non-current financial assets include, in particular, shares in companies that do not form part of the consolidated financial statements either through the application of consolidation or proportionate consolidation or using the equity method as well as securities and other financial investments and receivables from financial services.

First-time recognition of non-current financial assets is at their value on the respective trade date.

Shares in companies that are not included in the consolidated financial statements through the application of either consolidation or proportionate consolidation or using the equity method, are recognised in line with the provisions of IAS 39. These are assigned to the available-for-sale category. The financial instruments assigned to this category are valued on initial recognition at fair value, with non-realised profits or losses recognised in equity in the reserves for financial assets designated as available for sale. If objective indications of impairment exist, these are taken into account through profit and loss. Upon disposal of financial assets, valuation gains and losses included in equity are recognised at fair value through profit and loss. If it is not possible to ascertain the fair value of non-listed financial instruments sufficiently reliably on the basis of market prices, the financial instruments are recognised at amortised cost.

Furthermore, as a result of the consolidation of net-m privatbank 1891 AG, non-current financial assets contain receivables from financial services. These are to be classified as "loans and receivables" rather than as current trade receivables. These receivables are valued on addition at fair value and subsequently at amortised cost using the effective interest method, whereby transaction costs that can be directly allocated to the acquisition are taken account of in the carrying amount. Any evidence of impairment is taken into account.

Shares and financial investments are measured at fair value or, where this cannot be reasonably determined, at amortised cost.

Derivatives, which are also included in non-current financial assets, are assigned to the "financial assets at fair value through profit and loss" category and measured at fair value in profit or loss.

The fair value is defined as the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, independent and willing parties in an arm's length transaction (other than in a forced or emergency sale) at the current time.

Management estimates are required to calculate fair value. The areas for which management decisions are required to a significant extent are identified, documented and reported to senior management as part of measurement controls and the monthly reporting cycle. The staff responsible for model validation and measurement deal mainly with issues of subjectivity and estimates.

Management estimates are only required to a limited extent in the calculation of the fair value of financial instruments for which prices are listed on an active market. Similarly, limited subjective appraisal or estimates are required for financial instruments measured using standard industry models for which all input parameters are listed on active markets.

The degree of subjective appraisal or estimates by management increases for financial instruments measured using special, complex models and for which some or all of the input parameters cannot be observed. The selection and application of appropriate parameters, assumptions and modelling techniques require management assessment. In particular, if data originates from unusual market transactions, extrapolation and interpolation methods must be applied. Furthermore, if no market data is available, the parameters are determined by examining other relevant sources of information such as historical data, fundamental analysis of key transaction data and information from similar transactions. Appropriate adjustments are then made to reflect the actual financial instrument being measured and current market conditions. If different measurement models result in a range of different potential fair values for a financial instrument, management must decide which of these estimated values within the range best reflects the fair value. Furthermore, certain value adjustments may require management estimates to ensure the calculation of the fair value.

At the end of each reporting period, it is determined whether there is objective evidence of **impairment of a financial asset**. A financial asset is considered impaired and an impairment loss is considered to have arisen if

- there is objective evidence of an impairment as the result of a loss event that occurred after the initial recognition of the financial instrument and before the end of the reporting period (loss event)

- the loss event influenced the estimated future cash flows of the financial asset

- the amount cannot be reliably estimated.

The amount of the impairment in **loans und receivables** is the difference between the carrying amount of the asset and the present value of the anticipated future cash flows, discounted by the original real interest rate of the financial asset. The impairment is recorded through profit and loss. If the amount of the impairment loss decreases in one of the subsequent reporting periods and if this reduction can be objectively ascribed to an event occurring after the impairment, the previously recognised impairment is reversed through profit and loss. These changes are recognised in sales / cost of sales in the consolidated statement of comprehensive income.

If the value of an **available-for-sale financial asset** is impaired, the amount previously recognised in the balance sheet is recognised in the income statement as the difference between cost and current fair value, less any impairment losses previously recognised in respect of financial asset. Reversals for equity instruments designated as available for sale are recognised in equity. Reversals in the value of borrowing instruments are recognised through profit and loss if the increase in fair value of the instrument can be objectively related to an event occurring after the impairment was recognised in profit and loss. These changes are recognised in sales / cost of sales in the consolidated statement of comprehensive income.

In order to avoid measurement inconsistencies, the fair-value option is used. It is used for financial instruments and liabilities, for example bonds, whose management and performance measurement is carried out on a fair-value basis.

Deferred tax assets are recognised in line with the provisions of IAS 12. Temporary or quasi-permanent measurement differences between the tax-carrying amounts of the Group companies and the IFRS-consolidated financial statements are measured using the current valid tax rates or those that have been committed to. Deferred tax assets are also recognised on loss carryforwards. However, the German loss carryforwards of the Group companies that arose prior to the acquisition were completely lost as a result of the acquisition of net mobile AG by the NTT DOCOMO Group. Accordingly, deferred taxes are no longer recognised for these loss carryforwards. The deferred tax assets on German loss carryforwards therefore relate solely to losses incurred since the acquisition. On the basis of current case law, it can be assumed that the tax loss carryforwards of net-m privatbank 1891 AG will not be lost despite the takeover. The relevant deferred taxes have been recognised and, insofar as they relate to the period before inclusion in the consolidated financial statements, taken account of in the calculation of goodwill and the minority interests. Consequently, only the deferred taxes that relate to the period following first-time consolidation have been recognised in the consolidated statement of comprehensive income.

Deferred taxes that result from temporary differences in the IFRS and tax-carrying amounts, are calculated using the balance sheet deferral method and reported separately. Deferred tax assets may include tax reduction claims arising from the expected future use of existing tax loss carryforwards for which realisation is likely. Deferred taxes are calculated on the basis of tax rates that apply or have been announced at the end of the reporting period in which the realisation of the deferred tax assets and liabilities is expected.

The **inventories** of kEUR 1,446 (previous year: kEUR 145) mainly include down payments made (kEUR 1,141, previous year: kEUR 0). The rest is related to so-called publication content. This refers to content and rights sold via the partner platforms operated. Inventories are measured at the lower of cost or recoverable net selling price at the end of the reporting period. A write-down of kEUR 896 was recognised as an expense in the previous financial year for content with poorer earnings prospects than originally assumed. No further write-downs were undertaken or impairment losses reversed in the current financial year. Also, no inventories were pledged. The utilisation of inventories reduced results by kEUR 296 (previous year: kEUR 107).

In line with IAS 39, **trade receivables** are designated as "Loans and receivables" and are measured on addition at fair value and subsequently using the effective interest method. Write-downs are recognised by item if there are indications of impairment. General write-downs based on past experience are recognised for immaterial receivables that have not been written down by item but for which there is still a statistical risk of default.

Current other financial assets essentially include other financial receivables from non-consolidated affiliated companies and third parties, bank receivables with a term of between three months and one year and other fixed-interest securities, and are designated as "available for sale". The financial instruments assigned to this category are valued on initial recognition at fair value, with non-realised profits or losses recognised in equity in the reserves for financial assets designated as available for sale.

Other **non-financial current assets** essentially include accrual assets and receivables from the tax authorities for other taxes. The forecast reimbursements based on the applicable laws and tax rates have been reported as current tax assets. Here too, they are measured at fair value.

Income tax receivables relate mainly to the corporate income tax credit of net-m privatbank 1891 AG and have also been measured at fair value.

Cash includes in particular deposits at banks and cash in hand. Bank balances have an original term of up to three months. They are measured at cost. Accounts in foreign currency are measured at the closing rate.

The **assets to be disposed** shown in the previous year's financial statement have been disposed completely during the reporting period. They were reported separately in the previous year's balance sheet and instead of being depreciated are valued at the lower of carrying amount and fair value less costs to sell.

3.4.2. Equity and liabilities

Non-current financial liabilities relate mainly to banks. They are measured at fair value or cost on addition and subsequently using the effective interest method at amortised cost. This item includes only those portions of liabilities not repayable within twelve months. In the previous year, the non-current portion of trade payables and liabilities was shown here. In this reporting period, the whole amount of that liability has to be classified as current. The portion of liabilities repayable within twelve months is included in current trade payables or other financial liabilities.

Pension provisions recognised for defined-benefit plans are measured using the actuarial projected unit credit method. The corridor method is not utilised. Actuarial gains and losses are since this financial year no longer recognised in profit or loss but in the other comprehensive income (OCI). For materiality reasons, the previous year's figures have not been restated. Pension provisions and plan assets are reported net to the extent that such offsettable plan assets exist. In the financial year, this netting resulted in a deficit in pension obligations at two subsidiaries, which is reported under pension provisions. At only one of these companies, corresponding plan assets were available.

Current **provisions** include current external obligations caused by past events if a future outflow of resources is likely and the amount of the obligation can be reliably estimated. They are recognised in the amount of the best estimate. This is the amount that an entity would rationally pay to settle the obligation at the end of the reporting period or to transfer it to a third party at that time.

In line with IAS 39, **trade payables** are measured at fair value or cost as they arise and subsequently using the effective interest method at amortised cost. Accruals are also reported in this item and measured in line with trade payables.

The measurement of **current liabilities to banks and other financial liabilities** is in line with IAS 39. These liabilities are recognised at fair value as they arise and subsequently using the effective interest method at amortised cost.

Other current financial liabilities relate to liabilities from accruals. The IFRS do not include a separate standard for the accrual basis of accounting. The need for this is derived from various standards and the framework.

Tax liabilities are included in the accruals under other financial liabilities and relate mainly to other taxes.

3.4.3. Consolidated statement of comprehensive income

End customers are billed on the basis of individual services. **Sales and income** are recognised if the service was rendered or the rights transferred, the amount of the sales or income can be reliably determined and the economic benefit is likely to flow to the Group. Sales are recognised at the value of the consideration received. Specifically, sales are recognised as described below.

Sales in the area of landline telephony, service number and voice applications, called **"Voice"** area, include sales from connecting and leasing landline numbers within the Company network and associated or related services. The net mobile AG group considers the services provided to end customers, payment for which is collected by the carriers, and the income from related services to be sales.

The **"Payment & Interactive"** area includes sales from value-added services that are generated by sending content, information, services or applications in the form of text or picture messages, as well as the provision of financial services, against payment. The technical connection to the customers is via telecommunication companies. The content of the text and picture messages is essentially purchased from content providers. The net mobile Group considers the amounts billed to carriers as sales. Sales from "Messaging" primarily result from the sending of text messages. The sales are generated from the reselling of the service purchased by the carriers at wholesale prices. The financial services sales relate to the banking business of net-m privatbank 1891 AG and fall entirely within this segment. They include sales from loans, realised using the effective interest method, sales from the billing of payment transaction services, factoring, commissions and proceeds from the reversals of receivables.

Sales in the **"Digital Enabling"** segment result from the sale of mobile content and rights. net mobile AG purchases its exploitation rights either for a flat fee or as part of a revenue share model and resells these to its customers. The sales here consist of the proceeds plus any separately invoiced rights or licences (e. g. GEMA fees).

The sales achieved in the **"Online & TV"** segment result from two different divisions. The core business of the TV division is marketing own products on TV partners. The realised revenues result primarily from classic DRTV advertising and sponsorship for the SMS & Voice products in the B2B2C area. This means that advertisements are placed in TV stations to sell products to the end customer. net mobile AG takes over the planning, management and control of the relevant TV campaigns. Moreover, also the role of a media agency is taken. Partners and customers of the net mobile group are given the opportunity to produce commercials and also receive appropriate advertising time on the stations. The sales achieved here result from a corresponding fee or agency commission. The second division is online and mobile. Here the revenues primarily result from B2B2C business. This means that net mobile AG offers its customers – especially webmasters and marketing networks – a variety of portals in various content categories to optimally monetise their marketing measures. In this context, net mobile AG offers its customers a full managed service, based on a platform providing the possibility of content and portal management, traffic optimisation, as well as optimised performance analysis and billing processes.

In the context of cooperation deals and outsourcing solutions, net mobile AG also operates as a **full provider** and sells its own services and its partners' services as a complete service under its own name. The sales from this business are the full amount invoiced to the customer including the service rendered by the cooperation partner. In some of these contractual structures, net mobile AG assumes all opportunities and risks relating to the marketing of value-added services (e.g. the credit risk of customers). For this reason, sales are reported gross, i.e. without deducting the service fees to be paid to partners. Where third-party services are included in these deals, they increase the cost of sales of net mobile AG. These services are reported **mainly in the "Digital Enabling" segment**.

Cost of sales are recognised in profit or loss when the sales are generated. In addition to the "Cost of materials" (e.g. content costs and service charges), the cost of sales primarily includes the bonuses for the marketing partners and resellers plus the carriers' collection costs and interest and commission expenses relating to the provision of financial services.

Selling costs and general administration cost are recognised in profit or loss at the time they are incurred.

Research and development costs: Research costs are recognised in profit or loss. Expenses for the development of new products and procedures, which includes significant improvements to and the enhancement of existing products and software developments, are recognised as expenses if the requirements for capitalisation under IAS 38 are not met.

Interest income and expenses includes interest expense on liabilities owed and interest income from securities and cash and cash equivalents. It also comprises the interest component of defined-benefit pension plans and similar obligations. The commercial banking business of net-m privatbank 1891 AG constitutes an exception to this rule. Here, the interest income and interest expenses relating to financial services are reported in sales / cost of sales.

All expenses and income from financial transactions not included in net interest income, e.g. expenses from the accrual of provisions for other risks, is reported in **other financial result**.

3.4.4. Earnings per share

Earnings per share is calculated on the basis of the weighted average number of shares outstanding, including potential shares outstanding for diluted earnings per share.

3.5. CONSOLIDATED CASH FLOW STATEMENT

The cash flow statement reports investments as a cash flow from investing activities only if they lead to a direct outflow of cash. In some cases, however, investments have been acquired with the result that a corresponding rise in liabilities has initially been recognised and not an outflow of cash. Accordingly, these transactions are not shown in the consolidated cash flow statement.

3.6. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Regarding the individual equity components, please see the consolidated balance sheet. These components must be shown separately either in the consolidated balance sheet or in the notes to the consolidated financial statements.

3.7. CHANGES IN THE CONSOLIDATED GROUP

Additions

As of 31 October 2011 (acquisition date), net mobile AG increased its shareholding in Bankverein Werther Aktiengesellschaft, Bielefeld (now net-m privatbank 1891 AG), Germany, from 9.99 % to 93.13 %, and has directly held the majority interest in net-m privatbank 1891 AG shares since that date. As of the acquisition date, the 9.99 % holding was recognised in the last year at a fair value of kEUR 743. The resulting revaluation surplus in equity of kEUR 619 was released due to the acquisition of the majority shares as of 31 October 2011 and recognised in profit and loss. Following the majority acquisition of the bank, net-m privatbank 1891 AG has been fully consolidated in previous year's financial statements of net mobile AG for the first time. The acquisition costs amounted to kEUR 23,973, of which the amount of kEUR 18,127 was paid in 2011. The remaining acquisition costs refer to shares already acquired in previous years. During this financial year, net mobile was continuously acquiring additional shares of net-m privatbank 1891 AG at the stock exchange. At an extraordinary general meeting on 21 November 2012, at which time net mobile AG already held 95.16 % of the shares, it was decided to transfer the remaining 191,922 shares of the minority shareholders to net mobile AG against an appropriate cash compensation. The purchase price was set at EUR 6.49 per share, i. e. a total of kEUR 1,246. The complete assignment was made only after the balance sheet date. net-m privatbank 1891 AG was already fully consolidated in 2011, it is merely a purchase.

During financial year 2012, net-m privatbank 1891 AG's main operating activities comprised the expansion and further development of the two principal business areas Cards & Payment and Strategic Partnerships. The acquisition was made in order to utilise these services within the Group.

Main balance sheet items of net-m privatbank 1891 AG
(final purchase price allocation)

31 Oct. 2011 in kEUR	Carrying amounts before initial consolidation	Final purchase price allocation	Carrying amounts after initial consolidation
Non-current assets	**5,699**	**−135**	**5,564**
Property, plant and equipment	32	0	32
Intangible assets	291	0	291
Other non-current assets	5,376	−135	5,241
Current assets	**40,538**	**1,142**	**41,680**
Other current assets (financial)	10,980	200	11,180
Other current assets (non-financial)	35	0	35
Income tax receivables	94	0	94
Deferred tax assets	0	942	942
Cash and cash equivalents	29,429	0	29,429
Non-current assets held for sale and discontinued business divisions	**24,900**	**3,500**	**28,400**
Non-current liabilities	7,194	200	7,394
Current liabilities	**25,126**	**0**	**25,126**
Liabilities designated for sale	35,317	0	35,317
Shareholding in net-m privatbank 1891 AG (in %)			93.13 %
Fair value of net assets at the date of acquisition			7,809
Goodwill			15,871

The preliminary PPA resulted in the following main balance sheet items of net-m privatbank 1891 AG

31 Oct. 2011 in kEUR	Carrying amounts before initial consolidation	Provisional purchase price allocation	Carrying amounts after initial consolidation
Non-current assets	5,699	0	5,699
Property, plant and equipment	32	0	32
Intangible assets	291	0	291
Other non-current assets	5,376	0	5,376
Current assets	40,538	963	41,501
Other current assets (financial)	10,980	0	10,980
Other current assets (non-financial)	35	0	35
Income tax receivables	94	0	94
Deferred tax assets	0	963	963
Cash and cash equivalents	29,429	0	29,429
Non-current assets held for sale and discontinued business divisions	24,900	3,500	28,400
Non-current liabilities	7,194	0	7,194
Current liabilities	25,126	0	25,126
Liabilities designated for sale	35,317	0	35,317
Shareholding in net-m privatbank 1891 AG (in %)			93.13 %
Fair value of net assets at the date of acquisition			7,963
Goodwill			16,010

Goodwill derives mainly from utilisation of the principal business areas “Cards & Payment” and “Strategic Partnerships”. It is assumed that the tax-related goodwill will be kEUR 13,353. In accordance with IFRS 3.19, minority interests of kEUR 536 were calculated at the time of acquisition using the full goodwill method.

During the 2012 financial year, net-m privatbank 1891 AG generated sales of kEUR 2,529 and a loss of kEUR 858.

4. DISCLOSURES ON THE INDIVIDUAL ITEMS OF THE CONSOLIDATED BALANCE SHEET AND CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

4.1. ASSETS

The breakdown of non-current assets and changes during the 2012 financial year are presented in the consolidated statement of changes in non-current assets.

(1) The additions to **property, plant and equipment** mainly relate to the acquisition of technical equipment and additional office and operating equipment, such as hardware.

(2) The additions to **intangible assets** of kEUR 17,457 (previous year: kEUR 7,165) result from:

- purchased marketing rights and licences (kEUR 9,267, previous year: kEUR 2,961) necessary for the further development of the Group's platforms,
- internally generated software (kEUR 6,584, previous year: kEUR 3,871) and
- purchased software (kEUR 1,606, previous year: kEUR 624). In addition there has been a rebooking from the prepayments and construction in progress of kEUR 1,265 (previous year: kEUR 0).

The policy practised in previous years of not recognising amortisation for one specific exclusive right (Universal) on account of the transition to an indefinite useful life as the result of a contract amendment was not adhered to in the prior financial year. An impairment test conducted in accordance with IAS 36, which states that such a test is to be carried out annually or where there are indications of impairment, revealed that an impairment was necessary in the previous year. As at 31 December 2012, the exclusive right had a carrying amount of kEUR 0 (previous year: kEUR 0) as no future income is anticipated from this right.

kEUR 3,092 (previous year: kEUR 5,701) of the carrying amount for marketing rights and licences relates to a contract with an international content provider. This was for the acquisition of the brand licence and exclusive international distribution rights. The term of this contract is 38 months and the remaining term is twelve months. It is subject to usage-based amortisation over its useful life.

The licences for the rights to the SMS, MMS, voice and other codes are not limited in terms of time. The total amount of intangible assets with an indefinite useful life is kEUR 1,264 (previous year: kEUR 1,177). These assets are tested for impairment annually.

Restricted titles only exist to the extent that the exclusive rights can be used but not transferred.

Development expenses of kEUR 6,584 (previous year: kEUR 3,871) were capitalised for internally generated software. Depreciation for internally generated software in the current financial year amounted to kEUR 2,667 (previous year: kEUR 2,047). The carrying amount is kEUR 11,003 (previous year: kEUR 7,086). The overview below shows the breakdown of **development costs** for the financial year:

Platform in kEUR	2012	2011
Billing	140	82
maxmedia	3,853	1,607
net mobile minick / net mobile Schweiz	739	1,027
Transport	1,280	818
Tom (GOLDkiwi)	244	0
Voice	328	337
	6,584	**3,871**

The carrying amounts of the individual platforms are as follows:

Platform in kEUR	31 Dec. 2012	31 Dec. 2011
Billing	276	225
maxmedia	5,394	2,224
net mobile minick / net mobile Schweiz	2,100	2,307
Transport	2,232	1,555
Tom (GOLDkiwi)	233	0
Voice	768	775
	11,003	**7,086**

Impairments were not recognised (previous year: kEUR 5,501) during the financial year.

(3) The **goodwill** that arose in the spin-off of net mobile AG or from the acquisition of subsidiaries was not impaired in the year under review. See 3.4.1. for information on the assumptions used in impairment testing.

(4) The fair value of **financial instruments**, namely kEUR 442 (previous year: kEUR 426) for equity investments and kEUR 9,045 (previous year: kEUR 7,502) for other non-current **financial assets**, therefore kEUR 9,487 (previous year: kEUR 7,928) in total, represents the maximum market risk of these balance sheet items.

The carrying amounts of the financial instruments recognised in line with IAS 39 and their measurement in the previous year were as follows:

in EUR	Cost	Carrying amount
Financial assets carried using the equity method	75,439.51	0.00
Equity investments (available for sale)	758,243.33	442,338.68
- of which measured at fair value	0.00	0.00
- of which measured at cost	758,243.33	442,338.68
Other non-current financial assets (available for sale)	6,999,568.75	6,999,568.75
Other non-current financial assets (loans and receivables and derivatives at fair value through profit and loss)	2,551,890.78	2,045,780.04
- of which measured at fair value	0.00	0.00
- of which measured at cost	2,551,890.78	2,045,780.04
	10,385,142.37	9,487,687.47

The carrying amounts of the financial instruments recognised in line with IAS 39 and their measurement in the previous year were as follows:

in EUR	Cost	Carrying amount
Financial assets carried using the equity method	75,439.51	0.00
Equity investments (available for sale)	742,263.33	426,358.68
- of which measured at fair value	0.00	0.00
- of which measured at cost	742,263.33	426,358.68
Other non-current financial assets (available for sale)	7,451,658.18	7,451,658.18
Other non-current financial assets (loans and receivables and derivatives at fair value through profit and loss)	298,252.61	50,000.00
- of which measured at fair value	0.00	0.00
- of which measured at cost	298,252.61	50,000.00
	8,567,613.63	7,928,016.86

The hierarchy for non-current financial assets measured at fair value is as follows:

Level 1: Quoted market prices (unadjusted) from active markets for identical financial instruments

Level 2: Model valuation using observed direct and indirect input parameters

Level 3: Model valuation using unobserved input parameters

in EUR	Level 1	Level 2	Level 3	Total
31 December 2012				
Available-for-sale financial instruments	0.00	0.00	0.00	0.00
Derivative financial instruments	0.00	0.00	0.00	0.00
Loans and receivables	0.00	6,999,568.75	0.00	6,999,568.75
31 December 2011				
Available-for-sale financial instruments	0.00	0.00	0.00	0.00
Derivative financial instruments	0.00	0.00	0.00	0.00
Loans and receivables	0.00	7,451,658.18	0.00	7,451,658.18

The equity investments in 8 Elements Ltd and Dadango Inc. in the amount of kEUR 147 (previous year: kEUR 147) are classified as non-current financial assets available for sale. There is currently no active market for these equity investments. Thus, no information can be given on the fair value of these financial instruments as this cannot be reliably determined. Given the lack of market prices, these investments are carried at amortised cost. There are no plans to dispose of these equity investments at the current time.

In addition, the interests in GAD eG Münster, FIDUCIA Mailing Services eG, IT Förder- und Beteiligungs eG, Lloyd Fonds Britische Kapital Leben and, since this financial year, in Traxpay are also classified in the "available for sale" category in the amount of kEUR 101 (previous year: kEUR 85). There is currently no active market for these interests. Thus, no information can be given on the fair value of these financial instruments as this cannot be reliably determined. Given the lack of market prices, these interests are carried at cost. There are no plans to dispose of these interests at the current time.

The non-current financial assets include loans to other investees and investors (in the "Loans and receivables" category) of kEUR 1,346 (previous year: kEUR 50) and loans to third parties of kEUR 700 (previous year: kEUR 0).

The fair value of the receivables from financial services with fixed interest rates are calculated on the basis of discounted future cash flows. The discount rate is based on comparable current interest rates. To the extent that the receivables from financial services carry variable interest rates, for the sake of simplification it is assumed that fair value corresponds to the carrying value, as the agreed interest rates correspond closely to the interest rates achievable in the marketplace.

The category "Other non-current assets" shows kEUR 7,000 (previous year: kEUR 7,452), due to net-m privatbank 1891 AG. These consist mainly of loans and receivables that do not qualify as trade receivables.

As a result of the ongoing loss situation, the only associated company has an at-equity value of zero as at 31 December 2012 (previous year: kEUR 0). The current year's result of this company amounts to kEUR 83. It has incurred cumulative losses of kEUR 502 to date. Thus, a pro-rata profit for the current financial year of kEUR 41 and a cumulative loss of kEUR 246 relates to the reporting company. Due to the ongoing loss situation, a non-current loan to the company was written down with the result that the loans to this company are now 100 % written down.

For risk reporting, see the Group management report.

(5) The result before current and deferred **income taxes** is kEUR –745 for the 2012 financial year and kEUR –13,981 for 2011.

The income taxes consist of:

in kEUR	2012	2011
Deferred tax expense (PY: income), Germany	-125	4,236
Deferred tax expense, outside Germany	-69	-469
Current tax expenses, Germany	-21	-12
Current tax expenses, outside Germany	-3	-276
	-218	**3,479**

The deferred tax expense results mainly from the profits made by the Group companies and the associated decrease in loss carryforwards that will lead to future tax reductions. Deferred tax assets on tax loss carryforwards were capitalised based on the expectation of sufficient taxable profits in future. As only 50 % utilisation of loss carryforwards is anticipated for net mobile Schweiz AG and net mobile UK Ltd based on forecasts, only 50 % of loss carryforwards were included in the basis of assessment for the calculation of deferred tax assets. Only 71 % utilisation of loss carryforwards is anticipated for net-m privatbank 1891 based on forecasts, so only 71 % of loss carryforwards were included in the basis of assessment for the calculation of deferred tax assets. No utilisation of tax loss carryforwards is anticipated for the foreseeable future at GOLDkiwi Media S.A., net mobile Verwaltungs AG and net mobile Minick Spain SLU on account of the negative planning situation. Hence, no loss carryforwards were included for these companies in the calculation of deferred tax assets. If included, the excluded loss carryforwards would have resulted, in part due to exchange rate changes, in deferred tax assets of kEUR 261 (previous year: kEUR 2,472).

The deferred taxes on temporary differences have developed as follows:

in kEUR	2012
Deferred taxes on temporary differences, 31 Dec. 2011	394
Deferred taxes on temporary differences, 31 Dec. 2012	332
Change	62
Composed of:	
Tax expense according to income statement in 2012	- 218
Plus expenditure on current taxes in 2012	24
Plus deferred tax decrease for loss carryforwards in 2012	132
Other write-downs and adjustments in 2012	221
Other comprehensive income in 2012	- 68
Revaluation surplus in 2012	- 44
Other in 2012	15
	62

For the previous year, the deferred taxes on temporary differences have developed as follows:

in kEUR	2011
Deferred taxes on temporary differences, 31 Dec. 2010	1,737
Deferred taxes on temporary differences, 31 Dec. 2011	394
Change	1,343
Composed of:	
Tax income according to income statement in 2011	3,479
Plus expenditure on current taxes in 2011	288
Less deferred tax income for loss carryforwards in 2011	- 3,442
Deferred taxes on temporary differences from first-time consolidation net-m privatbank 1891 AG in 2011	947
Other write-downs and adjustments in 2011	86
Revaluation surplus in 2011	- 1
Other in 2011	- 14
	1,343

The tax loss carryforwards break down as follows:

	Loss carryforward	Of which not included
net mobile AG	10,391,223.75 EUR	0.00 EUR
SN Telecom GmbH	188,385.27 EUR	0.00 EUR
GOLDkiwi Media SA	1,089,399.73 EUR	1,089,399.73 EUR
First Telecom GmbH	144,247.03 EUR	0.00 EUR
First Communication GmbH	0.00 EUR	0.00 EUR
net-m privatbank 1891 AG	8,160,348.77 EUR	5,759,074.88 EUR
net mobile Verwaltungs AG	3,589,190.09 CHF	3,589,190.09 CHF
net mobile Schweiz AG	1,185,155.49 CHF	592,577.75 CHF
net mobile UK Ltd	1,990,413.71 GBP	995,206.86 GBP
net mobile Minick Spain SLU	1,011,256.98 EUR	1,011,256.98 EUR

In Switzerland, tax loss carryforwards expire after seven years. The loss carryforwards of net mobile Verwaltungs AG stem entirely from 2008 and would therefore lapse in 2015 if not previously utilised. At a tax rate of 25 %, the deferred taxes on these loss carryforwards would amount to kCHF 897 or kEUR 743 had they not been 100 % written off. In the case of net mobile Schweiz AG, the losses stem entirely from 2011 and therefore lapse at the end of 2018 if not utilised. The corresponding deferred taxes amount to kCHF 296 or kEUR 245, of which 50 %, i.e. kEUR 123, has been written off.

For the previous year, the tax loss carryforwards were as follows:

	Loss carryforward	Of which not included
net mobile AG	9,564,929.85 EUR	0 EUR
SN Telecom GmbH	410,440.65 EUR	410,440.65 EUR
GOLDkiwi Media SA	245,738.07 EUR	245,738.07 EUR
First Telecom GmbH	316,696.35 EUR	0 EUR
First Communication GmbH	78,886.56 EUR	0 EUR
net-m privatbank 1891 AG	7,850,075.59 EUR	4,450,216.12 EUR
net mobile Verwaltungs AG	3,595,775.21 CHF	3,595,775.21 CHF
net mobile Schweiz AG	1,712,044.91 CHF	856,022.46 CHF
net mobile UK Ltd	2,073,855.07 GBP	1,036,927.54 GBP
net mobile Minick Spain SLU	748,292.97 EUR	748,292.97 EUR

95.0 % of the profit distributed by a corporation is tax-free for the shareholder. For all other profits, the company is subject to a corporate income tax rate of 15.0 % plus the solidarity surcharge of 5.5 % on the tax liability. This results in a combined tax rate of 15.82 %.

net mobile AG is also subject to trade tax, which is no longer deducted from the calculation of corporation tax profit on account of the 2008 tax reform. The effective trade tax rate is therefore 15.575 %. The combined income tax rate is therefore unchanged at 31.4 %.

The table below shows the main differences between the expected tax expense from corporate income tax plus the solidarity surcharge and trade tax for 2012 and 2011 and the current tax expense.

in kEUR	31 Dec. 2012	31 Dec. 2011
Consolidated net income (+) / loss (-) before taxes	- 745	- 13,981
Group tax rate	31.4 %	31.4 %
Expected tax income	234	4,390
Effect from tax-free income	- 16	785
Effect of first-time recognition of deferred taxes on loss carryforwards	0	48
Effect from prior-period tax assets	- 58	0
Deviations from different tax rates	- 19	- 119
Payment of tax arrears from previous years	- 8	- 286
Change in write-downs on deferred tax assets on loss carryforwards	- 130	- 1,253
Other write-downs and adjustments	- 221	- 86
Current tax expense (PY: income)	**- 218**	**3,479**

The following amounts were reported in the consolidated balance sheet prior to offsetting deferred tax assets and deferred tax liabilities in the amount of kEUR 1,935 (previous year: kEUR 1,903):

in kEUR	31 Dec. 2012	31 Dec. 2011
Deferred tax assets:		
from deductible temporary differences	1,603	1,509
from tax loss carryforwards	4,501	4,633
	6,104	**6,142**
Deferred tax liabilities:		
from taxable temporary differences	1,935	1,903

Deferred tax assets and liabilities arise from the following items:

in kEUR	31 Dec. 2012	31 Dec. 2011
Deferred tax assets:		
Intangible assets	1,446	1,688
Other assets	157	0
Loss carryforwards	8,105	7,644
Subtotal	9,708	9,332
Write-downs	- 3,604	- 3,190
Subtotal	6,104	6,142
Offset against deferred tax liabilities	- 1,935	- 1,903
	4,169	**4,239**
Deferred tax liabilities:		
Intangible assets	1,935	1,955
Pension obligations	0	- 52
Subtotal	1,935	1,903
Offset against deferred tax assets	- 1,935	- 1,903
	0	0
Deferred taxes (net)	**4,169**	**4,239**

The net mobile Group reports a surplus of deferred tax assets over deferred tax liabilities, even though it made a loss in the current financial year. Deferred tax liabilities were generated solely by net mobile AG. Based on planning for subsequent years, it can be assumed that in this company as well as in the entire net mobile Group sufficient profits will be generated for these deferred tax assets to be realised.

(6) The **inventories** in the amount of kEUR 1,446 (previous year: kEUR 145) relate to down-payments made (kEUR 1,141, previous year: kEUR 0) and prepaid ring tones, download rights and merchandise-like assets (kEUR 305 (previous year: kEUR 145).

(7) **Trade receivables** can be broken down as follows:

in kEUR	31 Dec. 2012 Carrying amount	31 Dec. 2012 Fair value	31 Dec. 2011 Carrying amount	31 Dec. 2011 Fair value
Gross receivables from third parties	33,650	33,650	28,334	28,334
Specific write-downs	- 1,575	- 1,575	- 1,373	- 1,373
Lump sum individual reserves	- 109	- 109	- 106	- 106
	31,966	**31,966**	**26,855**	**26,855**

Due to the short term involved, it is assumed that the carrying amount and fair value of trade receivables are the same.

Please see item (23) for information on the composition of the write-downs recognised in the consolidated statement of comprehensive income.

The receivables all have a term of less than one year and are therefore considered current. Under the unlikely assumption that all parties owing receivables become insolvent, there is a risk of default of kEUR 31,966 (previous year: kEUR 26,855) as no collateral has been provided.

On the basis of the generally anticipated rates of default, there are risks in the amount of the write-downs reported above.

If these receivables are not offset by corresponding liabilities or there are other reasons that make the default of the receivables appear remote, specific write-downs have been recognised on these receivables at 100 % of the net amount. The write-downs for net-m privatbank 1891 AG were deducted directly from the corresponding receivables. In the case of all the other companies, the amounts are shown separately.

(8) The items **other current financial and non-financial assets** have a combined amount of kEUR 15,033 (previous year: kEUR 12,556). kEUR 14,157 (previous year: kEUR 11,104) of this relates to financial assets and kEUR 876 (previous year: kEUR 1,452) to non-financial assets.

Current financial assets mainly include receivables from customers of net-m privatbank 1891 AG's financial services business in the amount of kEUR 11,507 (previous year: kEUR 11,720).

The non-financial assets include receivables from the tax authorities of kEUR 391 (previous year: kEUR 282), kEUR 182 (previous year: kEUR 0) in unsold contents acquired from a distributor, and prepaid expenses of kEUR 303 (previous year: kEUR 1,170).

No collateral was received in either financial or non-financial assets.

(9) Claims arising from corporate income tax credit under section 37 KStG total kEUR 80 as at 31 December 2012 (previous year: kEUR 94). These are reported under **income tax receivables**.

(10) **Cash** of kEUR 30,827 (previous year: kEUR 25,162) are primarily composed of current bank account balances, deposits at central banks and cash with a term of up to three months.

(11) The **assets to be disposed** shown in the previous year were measured at cost. They included intangible assets (kEUR 604), inventories (kEUR 246) and other non-financial assets (kEUR 105). Of this, kEUR 918 were disposed in the current financial year and the unsold assets were again reclassified as fixed assets.

4.2. EQUITY AND LIABILITIES

(12) **Equity**

Authorised Capital 2010

By way of resolution by the Annual General Meeting of 27 May 2010 (document number Z 1299/2010 of the notary Dr. Norbert Zimmermann, Düsseldorf), the Executive Board was authorised, with the approval of the Supervisory Board, to increase the share capital against cash or non-cash contributions once or in partial amounts by a total of up to EUR 4,233,454 by issuing up to EUR 4,233,454 new no-par-value shares until 26 May 2015 (Authorised Capital 2010).

On 26 September 2011, the Executive Board, with the approval of the Supervisory Board, resolved to make use of the above authorisation. Through the issue of 3,763,068 bearer shares, the Company's equity was increased by EUR 3,763,068.00 to EUR 12,229,978. This capital increase was conducted within the framework of a rights issue.

The issue amount of the new shares was fixed at EUR 1.00 per new share. The new shares have carried an entitlement to a share in the profits since 1 January 2011. The new shares were offered to shareholders by means of a direct rights issue. The subscription price was EUR 7.10 per new share.

By way of resolution by the Annual General Meeting of 9 July 2012 (document number Z 1756/2012 of the notary Dr. Norbert Zimmermann, Düsseldorf), the Authorised Capital 2010 was repealed with effect from the date of registration of the new Authorised Capital in the commercial register.

Authorised Capital 2012

By way of resolution by the Annual General Meeting of 9 July 2012 (document number Z 1756 / 2012 of the notary Dr. Norbert Zimmermann, Düsseldorf), the Executive Board was authorised, with the approval of the Supervisory Board, to increase the share capital against cash or non-cash contributions once or in partial amounts by a total of up to EUR 6,114,989.00 by issuing up to 6,114,989 new no-par-value shares until 8 July 2017 (Authorised Capital 2012).

On 30 November 2012, the Executive Board, with the approval of the Supervisory Board, resolved to make use of the above authorisation. Through the issue of 218,229 bearer shares, the Company's equity was increased by EUR 218,229.00 to EUR 12,448,207. This capital increase was conducted within the framework of a rights issue.

The issue amount of the new shares was fixed at EUR 1.00 per new share. The new shares have carried an entitlement to a share in the profits since 1 January 2013, since the implementation of the capital increase was only registered in the commercial register in 2013. The new shares were offered to shareholders by means of a direct rights issue. The subscription price was EUR 7.79 per new share.

Following the implementation of this capital increase, authorisation remains under the resolution of the Annual General Meeting of 9 July 2012, to increase capital by EUR 5,896,760.00 or 5,896,760 shares.

For the Authorised Capital 2012 of EUR 5,896,760.00 or 5,896,760 shares remaining after the implementation of the capital increase, the Executive Board is entitled, with the approval of the Supervisory Board, to disapply shareholders' pre-emption rights,

- insofar as it is required to equalise fractional amounts;

- if the capital increase is against cash and the total pro-rata amount of share capital relating to new shares for which pre-emption rights are disapplied does not exceed EUR 1,222,977 or 10 % (if lower) of the Company's share capital at the time the new shares are issued and the issue amount of the new shares is not significantly less than the market price for shares of the same class and features at the time the issue amount is conclusively determined by the Executive Board in accordance with sections 203 (1) and (2), 186 (3) sentence 4 of the Aktiengesetz (AktG – German Stock Corporation Act); the authorisation volume is reduced by the pro-rata amount of share capital relating to shares issued or sold since 9 May 2012 with pre-emption rights disapplied under direct or mutatis mutandis application of section 186 (3) sentence 4 AktG;

- if the shares are issued against non-cash contributions for the purpose of acquiring companies, interests in companies or parts of companies;

- for the purpose of floating the Company's shares on German or foreign stock exchanges on which the Company's shares have not previously been listed;

- for the purpose of issue to strategic partners;

- to exercise the conversion options or pre-emption rights of bearers of warrants, convertible bonds or convertible participation rights issued or to be issued by the Company or one of its subsidiaries;

- for payment of consultancy services;

- for issue to lenders in lieu of interest payments in cash or in addition to such, particularly within the framework of mezzanine financing packages;

- for the purpose of repaying loans or other liabilities.

The Executive Board is authorised, with the approval of the Supervisory Board, to determine the further details of the capital increase and its implementation. The Supervisory Board is authorised to adjust the wording of the Articles of Association to correspond with the respective use of the Authorised Capital.

Authorisation to issue a convertible bond

By way of resolution of the Annual General Meeting of 27 March 2007 (document number Z882 / 2007 of the notary Dr. Norbert Zimmermann, Düsseldorf) the Executive Board was authorised, with the approval of the Supervisory Board, to issue convertible and warrant bonds (bonds) with a total nominal amount of up to EUR 25,000,000 with a term of not more than ten years on one or several occasions until 26 March 2012 and to grant the bearers or creditors of convertible and warrant bonds conversion rights or warrants to new bearer shares of the Company with a pro-rata amount of share capital of up to EUR 2,818,143 in line with the terms and conditions of the convertible and warrant bonds to be specified in more detail. This authorisation has not been utilised.

By way of resolution of the Annual General Meeting of 9 July 2012 (document number Z 1756 / 2012 of the notary Dr. Norbert Zimmermann, Düsseldorf) the Executive Board was authorised, with the approval of the Supervisory Board, to issue convertible bonds, bonds with warrants, income bonds and / or participation rights or a combination thereof in one or several (bonds) with a total nominal amount of up to EUR 100,000,000 with a term of not more than ten years on one or several occasions until 8 July 2017 and to grant the bearers or creditors of convertible and warrant bonds (owner) conversion rights or warrants to new bearer shares of the Company with a pro-rata amount of share capital of up to EUR 6,114,989 in line with the terms and conditions of the convertible and warrant bonds to be specified in more detail. The bonds and the conversion or option rights or obligations may be issued with or without a limited term.

Previous year's Contingent Capital

By way of resolution of the Annual General Meeting of 9 July 2012 (document number Z 1756 / 2012 of the notary Dr. Norbert Zimmermann, Düsseldorf) the Contingent Capital III and the Contingent Capital 2007 have been revoked. There have been no other Contingent Capitals from previous years.

Contingent Capital 2012

The share capital has been contingently increased by up to EUR 6,114,989 by issuing up to 6,114,989 new no-par-value bearer shares in the Company (Contingent Capital 2012). The conditional capital increase serves to grant shares upon the exercise of conversion or option rights or the fulfilment of conversion or option obligations to the holders due to the authorisation granted by the Annual General Meeting of 9 July 2012 issued convertible bonds, bonds with warrants, income bonds and / or participation rights or a combination of these instruments (bonds).

The issue of new shares is determined pursuant to the above authorisation conversion or option price. The Contingent Capital increase will only be implemented to the extent that the holders of bonds on net mobile AG or its direct or indirect majority-owned companies pursuant to the resolution of the Annual General Meeting of 9 July 2012 until 8 July 2017 issued or guaranteed to make use of their conversion or option rights or conversion or option obligations are fulfilled under such bonds, and provided no other forms of performance are used. The new shares issued upon exercise of conversion or option rights or fulfillment of conversion or option obligation carry dividend rights from the beginning of the fiscal year in which they are issued.

The Executive Board was authorised, with the approval of the Supervisory Board, to determine the implementation of the conditional capital increase. The Supervisory Board was authorised to amend the Articles of Association in accordance with the use of Contingent Capital and after all conversion or option periods.

Treasury shares

By way of resolution of the Annual General Meeting of 27 May 2010 (document number Z 1299 / 2010 of the notary Dr. Norbert Zimmermann, Düsseldorf), the Executive Board was authorised to acquire treasury shares in the Company up to a limit of 10 % of the existing share capital at the time of the resolution. The shares acquired on the basis of this resolution and other shares in the Company previously acquired by the Company and still held by it must not exceed 10 % of the share capital at any time. The authorisation is valid until 26 May 2015.

Type and number of shares

On 31 December 2012, the share capital of net mobile AG was distributed across 12,229,978 fully paid-in no-par-value shares.

During financial year 2012, the authorisation to increase share capital was utilised under a resolution of the Executive Board and Supervisory Board of 30 November 2012. The Company's equity was increased by EUR 218,229.00 through the issue of 218,229 bearer shares. This capital increase was conducted within the framework of a rights issue. Following the implementation of this capital increase, authorisation remains, under the resolution of the Annual General Meeting of 9 July 2012, to increase capital by a further EUR 5,896,760.00 or 5,896,760 shares. Since the capital increase was only registered in the commercial register on February 1, 2013, at the balance sheet date the previous share capital is shown. The amount of increase is shown under current other financial liabilities until the registration.

The amount of equity described as the capital reserves is not the capital reserves as defined under German commercial law. Rather, it also contains the cumulative gains and losses of the Group in addition to the premiums from the issue of shares, capital reserves from the issue of conversion rights (difference from the issue amount of the convertible bonds and the estimated issue amount of a similar bond without conversion rights) and other contributions to equity by partners.

Within the context of the capital increase implemented during the financial year, new shares were issued to shareholders at an issue amount of EUR 1.00 per new share. The subscription price was EUR 7.79 per new share.

Foreign currency and revaluation reserve

On the one hand, the currency translation reserve includes differences from the translation of the annual financial statements of subsidiaries whose functional currency is not the functional currency of the Group. It also reports currency gains and losses arising in connection with the elimination of intragroup balances if such gains / losses are treated within equity under IAS 21.

In 2010, a revaluation surplus is recognised in equity for measurement differences due to the fair-value measurement of non-current financial assets classified as available for sale in line with IAS 39. The new deferred tax liabilities arising from the remeasurement reduced the reserve accordingly. Because these non-current financial assets were to be reclassified during the previous financial year through the purchase of further shares in affiliated companies, the revaluation surplus was reversed through profit and loss. In the 2012 financial year, actuarial gains and losses in connection with pension obligations are recognised in the revaluation reserve.

The number of shares outstanding in the 2012 financial year was 12,229,978. After recognising the described capital increase, the number was increased to 12,448,207.

Profit distribution

net mobile AG did not distribute dividends in the past financial year.

Consolidated statement of changes in equity

Further details on the development of equity, including in particular the offsetting of currency differences against equity in the financial year, are given in the separate consolidated statement of changes in equity.

(13) **Non-current financial liabilities** of the previous year included, in particular, the non-current portion of a liability arising from an exclusive contract with a content partner of the Group (kEUR 3,340). The contract has a total period of 38 months. Since the contract period ends at 31 December 2013, the whole liability has been classified as current.

The maturities of these prior-year liabilities, translated on the basis of the closing rate, are as follows:

Maturity in kEUR	
1st quarter 2012:	2,017
2nd quarter 2012:	735
3rd quarter 2012:	721
4th quarter 2012:	707
1st quarter 2013:	694
2nd quarter 2013:	681
3rd quarter 2013:	668
4th quarter 2013:	655
1st quarter 2014:	643
	7,521

Non-current liabilities to banks amount to kEUR 972 (previous year: kEUR 1,231) and result only from net-m privatbank 1891 AG. They have a remaining term of between one and five years.

There are also non-current liabilities relating to financial services in the amount of kEUR 4,651 (previous year: kEUR 9,016).

(14) The accrued **pension provisions** resulting from individual commitments were offset against the associated plan assets. The deficit is reported as a pension provision. Please read the information above regarding the recognition of plan assets. Pension obligations are calculated and measured in line with IAS 19.54. Actuarial gains and losses are since this financial year no longer recognised in profit or loss but in the other comprehensive income. For materiality reasons, the previous year's figures have not been restated. Plan assets are carried at fair value and include securities. The pension obligation was determined by way of actuarial reports by Allianz Lebensversicherungs-AG (net mobile minick GmbH) and Mercer Deutschland GmbH (net-m privatbank 1891 AG). The following parameters were used by net mobile minick GmbH:

in %	
Discount rate	3.6
Pension trend	1.0
Salary increase rate	0.0
Career trend	0.0
Fluctuation	1.0 - 7.0
Social security trend	1.5
Inflation	0.0
Assessment ceiling trend	1.5

The figures for the previous year were calculated on the basis of the following parameters:

in %	
Discount rate	4.45
Pension trend	1.0
Salary increase rate	0.0
Career trend	0.0
Fluctuation	1.0 - 7.0
Social security trend	1.5
Inflation	0.0
Assessment ceiling trend	1.5

The pension obligations and plan assets developed as follows in the current financial year (w / o net-m privatbank 1891 AG):

in kEUR	Pension obligations	Plan assets	Surplus (+) / deficit (-)
Balance as at 30 Sept. 2010	**199**	**178**	**- 21**
Pension expense	1	0	- 1
Current interest expense	2	0	- 2
Expected return on plan assets	0	2	2
Contributions paid	0	3	3
Expected balance as at 31 Dec. 2010	202	183	- 19
Actuarial gains /losses	0	0	0
Balance as at 31 Dec. 2010	**202**	**183**	**- 19**
Pension expense	5	0	- 5
Current interest expense	9	0	- 9
Expected return on plan assets	0	9	9
Contributions paid	0	15	15
Expected balance as at 31 Dec. 2011	216	207	- 9
Actuarial gains / losses	3	4	1
Balance as at 31 Dec. 2011	**219**	**211**	**- 8**
Pension expense	4	0	- 4
Current interest expense	10	0	- 10
Expected return on plan assets	0	15	15
Expected balance as at 31 Dec. 2012	233	226	- 7
Actuarial gains / losses	70	19	- 51
Balance as at 31 Dec. 2012	**303**	**245**	**- 58**

The changes in the pension obligation and plan assets are recognised in the income statement under staff costs, which are included pro rata in cost of sales, selling expenses, research and development costs and general administrative expenses.

The pension obligations of net-m privatbank 1891 AG were based on individually agreed pension commitments for three former or retired members of the board. They were determined by way of an actuarial report by Mercer Deutschland GmbH. The parameters salary increase rate, career trend, fluctuation and social security trend have been weighted at 0.00 %. This is in the light of the specific composition of the group of beneficiaries, consisting of two retired persons and one person with vested entitlement who has left the company.

The following parameters were used for 31 December 2012:

in %	
Discount rate	3.60
Pension trend	2.00
Inflation	0.00

Previous year's figures were calculated on the basis of the following parameters:

in %	
Discount rate	5.13
Pension trend	2.00
Inflation	0.00

The pension obligations developed as follows in the current financial year:

in kEUR	Pension obligations
Balance as at 1 Nov. 2011	**908**
Pension expense	13
Current interest expense	46
Contributions paid	- 53
Balance as at 30 Dec. 2011	**914**
Current interest expense	46
Contributions paid	- 50
Actuarial gains / losses	174
Balance as at 30 Dec. 2012	**1,084**

The changes in the pension obligation are recognised in the income statement under staff costs, which are included pro rata in cost of sales, selling expenses and general administrative expenses. The actuarial gains / losses are recognised within other comprehensive income.

(15) The **provisions** relate mainly to a commitment from a lawsuit. As in the case of the actual occurrence of the obligation there is the possibility of recourse to suppliers, the identical amount is recognised as a current other financial asset.

(16) The **trade payables** are all due within one year. This item includes accruals of kEUR 3,815 (previous year: kEUR 3,824).

The table below shows the development of all short-term **deferrals**:

in kEUR	Balance at 1 Jan. 2012	Utilisation	Reversal	Adjustment for change in consolidated group	Addition / currency adjustments	Balance at 31 Nov. 2012
Staff-related deferrals						
Commission / bonuses	876	813	55	0	569	577
Holiday obligations	208	178	18	0	134	146
Employers' liability insurance association	40	28	12	0	38	38
Other staff costs	178	16	7	0	63	218
Total accruals in other current liabilities (financial)	1,302	1,035	92	0	804	979
Other deferrals						
Legal and pro-fessional fees	420	414	6	0	665	665
Supervisory Board remuneration	14	9	5	0	10	10
Miscellaneous other deferrals	3,390	3,016	374	0	3,140	3,140
Total deferrals in trade payables	3,824	3,439	385	0	3,815	3,815
Total deferrals	5,126	4,474	477	0	4,619	4,794

Miscellaneous other deferrals of kEUR 3,140 (previous year: kEUR 3,390) consist of subsequent invoices in the cost of goods sold in the amount of kEUR 2,856 (previous year: kEUR 2,580). Subsequent costs are non-received invoices for sales that were already settled in the period under review.

(17) **Current liabilities to banks** of kEUR 28,245 (previous year: kEUR 7,534) include current loan liabilities of kEUR 22,500 (previous year: kEUR 2,100) repayable within twelve months and current account liabilities.

(18) The **current other financial liabilities** of kEUR 36,079 (previous year: kEUR 25,769) include liabilities from staff obligations and liabilities to employees, social security liabilities and wage tax liabilities in the amount of kEUR 804 (previous year: kEUR 859). This item also includes income tax liabilities of kEUR 1,048 (previous year: kEUR 872) and accruals of kEUR 979 (previous year: kEUR 1,302). The development of all short-term deferrals is shown in the table under (16). Also included are kEUR 31,327 (previous year: kEUR 22,736) of other current financial liabilities relating to the banking business, such as liabilities to bank customers in the amount of kEUR 31,311 (previous year: kEUR 22,263). Furthermore, the not yet registered capital in the amount of kEUR 1,700, of which kEUR 218 relate to the share capital and kEUR 1,482 relate to the capital reserve, is reported.

4.3. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In order to achieve greater transparency in the general development of costs, the Executive Board resolved the following:

- Bad debt allowances for current assets as well as other expenses shall be shown isolated from the rest of the consolidated statement of comprehensive income. This type of presentation provides additional information which goes beyond the IFRS minimum reporting requirements; it is shown for the current financial year, as it has been done in previous years. Moreover, the result is also shown in connection with write-downs. On the one hand, this result includes losses on receivables and additions to specific and global write-downs while, on the other, it also includes cash receipts from receivables previously written off and income from the reduction of specific and global write-downs. Write-downs on current assets are also recognised here. Other expenses include IT rental and leasing expenses.

- net mobile AG is currently in an investment-intensive growth phase. As a result, there is a high level of write-downs on tangible and intangible assets. In order to increase transparency, these items are also reported in isolation in the consolidated statement of comprehensive income.

Without these adjustments, the consolidated statement of comprehensive income (without development of other comprehensive income) would look as follows:

in EUR	2012	2011
Sales	**124,764,335.14**	**106,648,072.20**
of which banking business	2,529,198.79	601,163.81
Cost of sales	**-109,845,133.24**	**-101,558,029.46**
of which banking business	-1,523,824.32	-292,648.24
Gross margin	**14,919,201.90**	**5,090,042.74**
Selling expenses	-5,469,818.82	-5,939,322.77
Research and development costs	-7,489,296.03	-4,637,681.83
General administration costs	-1,857,606.83	-7,119,641.23
EBIT	**102,480.22**	**-12,606,603.09**
Interest revenue	50,111.21	193,659.47
Interest expenses	-839,722.76	-795,534.82
Financial expenses	-60,918.51	-776,788.47
Result from associated companies	3,527.67	4,766.40
Financial result	**-847,002.39**	**-1,373,897.42**
Consolidated net loss before income taxes	**-744,522.17**	**-13,980,500.51**
Income taxes	-217,867.28	3,479,290.59
Consolidated net loss before minority interests	**-962,389.45**	**-10,501,209.92**
Minority interests	41,549.79	0.00
Consolidated net loss	**-920,839.66**	**-10,501,209.92**

The following notes relate to the extended consolidated statement of comprehensive income.

(19) **Sales** can be divided economically and by segment into the following units or segments:

- "Digital Enabling"
- "Payment & Interactive"
- "Voice"
- "Online & TV"

Sales break down by region as follows:

Period in %	Domestic	Rest of EU	Rest of world not inc. EU
2012 FY	86	8	6
2011 FY	90	6	4

Please see segment reporting for a detailed breakdown of sales by product.

Sales include kEUR 2,529 (previous year: kEUR 601) and cost of sales kEUR 1,524 (previous year: kEUR 261) relating to the banking business.

(20) **Selling expenses** break down as follows:

in kEUR	2012	2011
Staff costs	2,596	2,589
Marketing and trade fairs	579	422
Travel expenses	169	240
Costs of premises	134	81
Telecommunication / iT expenses	62	123
Consultancy / audit expenses	3	40
Other selling expenses	1,484	1,793
	5,027	**5,288**

(21) In the past financial year, **research costs and (non-capitalisable) development costs** of kEUR 6,883 (previous year: kEUR 4,129) were incurred. They mainly relate to the ongoing development of existing systems and increasing the redundancy of systems. They break down as follows:

in kEUR	2012	2011
Staff costs	5,005	4,001
Costs of premises	324	187
Telecommunication / iT expenses	316	247
Travel expenses	104	113
Other research and development costs	7,718	3,452
Capitalised development costs	- 6,584	- 3,871
	6,883	**4,129**

(22) **General administrative expenses** break down as follows:

in kEUR	2012	2011
Staff costs	1,213	4,232
Consultancy / audit expenses	1,124	1,536
Costs of premises	264	559
Telecommunication / iT expenses	193	146
Other administrative expenses / income (-)	- 1,087	- 134
	1,707	**6,339**

(23) The **write-downs** recognised in the amount of kEUR 447 (previous year: kEUR 1,952) break down as follows:

in kEUR	2012	2011
Write-downs of trade receivables	224	1,036
Write-downs of inventories	0	896
Write-downs of receivables relating to the banking business	223	20
	447	**1,952**

(24) Previous year's **income from financial assets measured through profit and loss** related to income from the remeasurement taken on the shares of net-m privatbank 1891 AG for the period prior to first-time consolidation.

(25) **Depreciation** does not include any impairments of non-current assets (previous year: kEUR 5,501).

(26) **Other expenses** essentially include IT rental and leasing expenses shown separately for reasons of clarity.

(27) **Net interest result** breaks down as follows:

in kEUR	2012	2011
Interest revenue	50	194
Interest expenses	- 840	- 796
	- 790	**- 602**

(28) **Net financial income** breaks down as follows:

in kEUR	2012	2011
Financial income	0	0
Financial expenses	- 61	- 777
	- 61	**- 777**

The foreign currency gains and losses included here of kEUR - 56 (previous year: kEUR - 470) also include differences from the elimination of intercompany profits due solely to consolidation.

(29) **Results from associated companies** relate to dividend earnings.

(30) Please see item (5) for information on **income taxes**.

(31) **Earnings per share** are calculated by dividing the consolidated net profit by the weighted average number of shares outstanding. The Company holds no treasury shares.

Currently and in the financial year as a whole, no convertible bonds or other instruments were issued that could result in shares in net mobile AG in future. As there are therefore no potential ordinary shares, diluted earnings per share are equal to basic earnings per share.

Please see 4.2 Note 12 "Authorised Capital 2012" and the increase of share capital by 6,114,989 shares without nominal value, registered in January 2013, which would have a material impact on earnings per share.

5. SEGMENT REPORTING

The Group's reporting is for the first time divided into four segments. The existing three segments were extended by the new segment "Online & TV". The net mobile Group has defined its reporting segments by breaking them down according to product groups in conjunction with sales channels.

Segment reporting by business area is as follows:

Payment & Interactive (P & I) segment

In the "Payment & Interactive" segment, net mobile has positioned itself as a product provider, offering a complete range of payment solutions and, to a lesser extent, content distribution solutions. The product range is oriented towards consumer marketing companies, marketing agencies, manufacturers of branded goods and other business clients. Since 2011, the Group's banking activities were allocated to this sector following the takeover of net-m privatbank 1891 AG.

In the "Payment & Interactive" segment, one customer is responsible for a share of more than 10 % of total segment shares.

The biggest customer accounts for 17.4 % (previous year: 21.4 %) of total segment sales.

Digital Enabling (DE) segment

In the "Digital Enabling" segment, net mobile AG operates as an end-to-end provider for carriers, content owners and digital content operators in Germany and abroad, offering complex solutions based on its internally developed maxmedia platform with optional content aggregation and rights management.

In the "Digital Enabling" segment, three customers are each responsible for a share of more than 10 % of total segment sales.

Customer 1 accounts for 38.7 % (previous year: 36.0 %) of total segment sales.

Customer 2 accounts for 30.0 % (previous year: 27.8 %) of total segment sales.

Customer 3 accounts for 12.5 % (previous year: 7.7 %) of total segment sales.

Voice segment

In the Voice segment, net mobile AG provides alternative marketing opportunities for unsold advertising time. The products are offered as full-service solutions (combined product and marketing concepts). net-m also markets products utilising industrial property rights. net mobile AG is currently planning to initiate activities in the area of licensing and merchandising products.

In the "Voice" segment, one customer is responsible for a share of more than 8 % of total segment sales.

Customer 1 accounts for 9.8 % (previous year: 8.6 %) of total segment sales.

Online & TV segment

In the "Online & TV" segment, firstly reported in the current financial year, net mobile AG offers the selling of products via Internet and television advertising. The realised revenues result primarily from traditional advertising of digital goods and services in the area B2B2C.

In the "Online & TV" segment, two customers are each responsible for a share of more than 9 % of total segment sales.

Customer 1 accounts for 13.0 % of total segment sales.

Customer 2 accounts for 9.5 % of total segment sales.

Segment earnings consist of segment income less segment expenses and correspond to EBIT.

Segment performance was as follows:

Segment breakdown

31 Dec. 2012 in kEUR	P & I	DE	Voice	Online & TV	Other	Group
Gross sales (external)	73,555	21,729	19,347	10,133		124,764
Sales (internal)						
Segment operating results from continuing operations						
D & A and leasing	2,053	6,887	382	328		9,650
of which unscheduled						
EBITDA	95	6,912	202	2,543		9,752
EBITDA margin	0.1 %	31.8 %	1.0 %	25.1 %		7.8 %
Interest income / income from investments					54	54
Interest expenses / write-downs and expenses from currency translation					- 901	- 901
Tax results	- 85	- 84	- 38	- 11		- 218

31 Dec. 2012 in kEUR	P & I	DE	Voice	Online & TV	Other	Group
Group results	- 2,043	- 59	- 219	2,206	- 847	- 962
Intangible assets and PPE	8,589	18,885	3,427	1,731		32,632
Goodwill	18,852	7,212	1,580	3,318		30,962
Non-current financial assets and deferred tax assets	7,451	2,954	2,134	1,118		13,657
Total assets by segment	70,733	58,892	14,476	12,503		156,604
Current liabilities	10,534	61,298	21,132	1,907		94,871
Non-current liabilities	6,706	59	0	0		6,765
Group liabilities	17,240	61,356	21,132	1,908		101,636
Investments	6,394	12,789	1,071	1,885		22,139

31 Dec. 2012 in kEUR	P & I	DE	Voice	Other	Group
Gross sales (external)	74,059	16,169	16,420		106,648
Sales (internal)					
Segment operating results from continuing operations					
D & A and leasing	2,962	9,984	1,596	0	14,542
of which unscheduled		5,501		0	5,501
EBITDA	3,419	-1,231	-252	0	1,936
EBITDA margin	4.6 %	-7.6 %	-1.5 %		1.8 %
Interest income / income from investments	0	0	0	198	198
Interest expenses / write-downs and expenses from currency translation	0	-590		-982	-1,572
Tax results	-144	3,522	580	-479	3,479
Group results	314	-8,284	-1,268	-1,264	-10,502
Intangible assets and PPE	6,057	14,026	2,072		22,155
Goodwill	18,991	7,212	4,898		31,101
Non-current financial assets and deferred tax assets	1,387	10,780	0		12,167
Total assets by segment	92,204	32,018	6,970		131,192
Current liabilities	44,058	8,638	7,688		60,384
Non-current liabilities	12,451	1,511	547		14,509
Group liabilities	56,508	10,149	8,235		74,892
Investments	29,247	3,255	503		33,005

The shares in H2O, which are carried at equity, are reported in the Digital Enabling segment.

6. OTHER DISCLOSURES

6.1. EXECUTIVE BODIES

Executive Board

Theodor Niehues, Business Mathematics Graduate, Chairman of the Executive Board

Kai Markus Kulas, Graduate Economist, member of the Executive Board for the "Digital Enabling"

Dieter Plassmann, Electrical Engineering Graduate, member of the Executive Board for Technology

Frank Hartmann, Banker, member of the Executive Board for Finance

Edgar Schnorpfeil, Telecommunications Engineering Graduate, member of the Executive Board for the "Payment & Banking"

The remuneration of the Executive Board amounted to kEUR 961 in the financial year (previous year: kEUR 1,464), plus the promise of variable remuneration of kEUR 445 (previous year kEUR 255) in connection with the achievement of annual targets. Of this, kEUR 27 (previous year: kEUR 33) is for services after termination of the working relationship. The remainder of the remuneration is due in the short term.

Supervisory Board

Hajime Kii, Deputy Manager of the Global Business division of NTT DOCOMO INC., Tokyo, Japan, Chairman

Hiroyuki Sato, Executive Director Business Development in the Global Business division of NTT DOCOMO INC., Tokyo, Japan, Deputy Chairman

Other mandates:

- Managing Director of DOCOMO Deutschland GmbH, Düsseldorf

Alexander Straub, businessman, London, GB (since 14 May 2013)

Other mandates:

- Managing Director of truphone Ltd, London, GB
- Managing Director of Empora Group Ltd, London, GB
- Managing Director of Empora Ltd, London, GB
- Managing Director of Straub Ventures Ltd, London, GB

According to the Articles of Association, the members of the Supervisory Board are entitled to total remuneration of kEUR 35 for the 2012 financial year. If this remuneration and possibly the remuneration for the previous year has not yet been paid as at the end of the reporting period, appropriate provisions have been recognised. Supervisory Board members Hajime Kii and Hiroyuki Sato waived their Supervisory Board remuneration.

The Supervisory Board members were reimbursed expenses incurred by them of kEUR 3 (previous year: kEUR 2).

6.2. EMPLOYEES

In the past financial year, the average number of employees was 253 (previous year: 197). Employee numbers were as follows on 31 December 2012:

	31 Dec. 2012	31 Dec. 2011
Employees (not incl. members of the Executive Board, trainees, students)	257	214

They are assigned to the following areas:

	31 Dec. 2012	31 Dec. 2011
Research and development	96	75
Products and services	90	69
Sales	40	39
General administration	31	31
	257	**214**

6.3. FURTHER DISCLOSURES

Cost of materials:

in kEUR	2012	2011
Cost of purchased services	94,930	89,126

Staff costs:

in kEUR	2012	2011
Wages and salaries	16,430	12,487
Social security contributions and expenses for pensions	2,500	1,790
- of which pension expenses (defined-contribution pension expenses)	2,436	1,734
	18,930	**14,277**

The **write-downs** recognised in the financial statements break down as follows:

in kEUR	31 Dec. 2012	31 Dec. 2011
Reduction in earnings in connection with write-downs	447	1,952
- of which write-downs on banking receivables	223	20
- of which write-downs on current assets	0	896
Amortisation of intangible assets	8,302	8,071
Write-downs on intangible assets	0	5,501
Depreciation of property, plant and equipment	721	561
	9,470	**16,085**

The **fee for the auditor** of the consolidated and separate financial statements (KPMG AG Wirtschaftsprüfungsgesellschaft and its affiliates) is kEUR 474 (previous year: kEUR 297). This fee relates solely to year-end audit services.

Contingent liabilities are as follows:

- Refunds of kEUR 680 are still being claimed, as in the previous year, from First Telecom GmbH in proceedings pending from the previous year. It is considered highly likely that First Telecom GmbH will not face any payment obligation. First Telecom GmbH would in turn be able to claim a refund from its supplier if this obligation arises.

Other financial obligations predominantly relate to rental agreements and operating leases.

The beneficial ownership of leases remains with the lessor if the lessor bears the opportunities and risks related to the leased asset. The Group's obligation arising from non-cancellable operating leases relates to leases for the vehicle fleet. No purchase options or escalation clauses have been agreed. Expenses from operating leases recognised in profit or loss amounted to kEUR 627 for the current financial year (previous year: kEUR 410). Specifically, the figures for future obligations from operating leases and rental agreements for office space are as follows:

in kEUR	2013	2014	2015	2016	2017
Leases	227	145	0	0	0
Rental agreements	1,296	1,294	1,224	1,041	985
	1,523	**1,439**	**1,224**	**1,041**	**985**

For the previous year, these obligations were as follows:

in kEUR	2012	2013	2014	2015	2016
Leases	529	406	317	185	185
Rental agreements	746	365	365	329	146
	1,275	**771**	**682**	**514**	**331**

There are no **obligations arising from deposit protection under civil law**. The customers of net-m privatbank 1891 AG have been duly informed. There is portfolio protection for the deposits in existence prior to the cancellation of the deposit protection as of 31 March 2012.

6.4. RELATED-PARTY DISCLOSURES

net mobile AG conducted the following transactions with related parties:

Expenses of kEUR 8 (previous year: kEUR 23) arose from commissioning a company (sole trader) of the wife of a member of the Executive Board. As at the reporting date, there are no liabilities in this regard.

In addition, the preparation of ongoing accounts and financial statements has been assumed for the parent company, DOCOMO Deutschland GmbH, until 31 October 2012. As at the balance sheet date, there were outstanding receivables relating to this of kEUR 12 (previous year: kEUR 4). The total volume in the financial year was kEUR 105 (previous year: kEUR 11).

Sales of kEUR 2,011 (previous year: kEUR 1,576) were generated with NTT DOCOMO INC., Tokyo, Japan, in the financial year. These sales arose from the sale and disposal of manga content and the performance of services. net mobile AG also achieved other operating income of kEUR 401 (previous year: kEUR 335) from charging on personnel costs. The outstanding balance of receivables from NTT DOCOMO INC. is kEUR 648 (previous year: kEUR 403).

Interest income of kEUR 26 (previous year: kEUR 26) was generated from loans issued to the associate H2O Entertainment GmbH. The loan values amount to kEUR 1,126 (previous year: kEUR 480) as at the end of the reporting period. The increase is related to a new loan agreement for an asset sale between net mobile AG and H2O Entertainment GmbH in the amount of kEUR 646, which equals the book value of the loan (previous year: kEUR 0). In addition, there are also current account receivables in the amount of kEUR 84 (previous year: kEUR 52).

All business transactions with related parties have been calculated and charged at arm's length.

6.5. CAPITAL MANAGEMENT

The net mobile Group performs capital management both Group-wide and at a regional level. The objective of the allocation of financial resources in general and capital in particular is to support profitable business areas that have the biggest positive effect on the Group's profitability and shareholder value. Therefore, regular budget and liquidity planning is performed for the individual locations and segments.

This is the basis on which the Group's capital strategy, approved by the Executive Board, is developed. It is the Group's aim to have solid capitalisation at all times. Capital supply and demand are monitored at all times and adjusted if necessary to meet capital requirements in line with various considerations.

The allocation of capital, the stipulation of the Group's financing plan and similar resources issues are discussed by the Executive Board.

Regional capital plans that cover the capital requirements of the Group's branch offices and subsidiaries are prepared annually and approved by the Executive Board. Where applicable, legal requirements are also taken into consideration in the development, implementation and review of the Group's capital and liquidity.

The capital management of the net mobile Group serves the following objectives:

- compliance with the statutory minimum capital requirements at Group level and in all Group companies of the regulatory group;
- providing a sufficient buffer to ensure that all Group companies can operate at any time;
- strategic allocation of core capital to segments and Group divisions in order to exploit growth opportunities.

The capital increase implemented in the current financial year increased the share capital of the net mobile Group from EUR 12,229,978 to EUR 12,448,207 by way of a cash capital increase. Given the high equity ratio and sufficient cash resources, further capital increases are neither planned nor considered necessary by the Executive Board at the current time. Since the capital increase was only registered in the commercial register on 1 February 2013, at the balance sheet date the previous share capital is shown. The amount of increase is shown under current other financial liabilities until the registration.

In line with section 92 (1) AktG, we are required to convene an extraordinary general meeting immediately in the event of a loss of half of the share capital. In particular, capital management therefore includes the monitoring of the equity of net mobile AG as calculated in line with HGB provisions. The share capital is not only fully paid in, it is additionally backed by reserves. Taking into account the reserves and cumulative profits, the relevant equity in the single-entity HGB financial statements of net mobile AG amounts to around EUR 42.1 million (previous year: EUR 44.3 million).

Taking into account the reserves and the profit for the period, consolidated equity calculated in line with IFRS as at 31 December 2012 amounts to EUR 56.3 million (previous year: EUR 56.3 million), of which EUR 0.5 million (previous year: EUR 0.7 million) relates to non-controlling interests. Given the forecast improvement in earnings from operating activities, the equity position of the net mobile Group can be expected to improve significantly.

An improvement in operating earnings is expected to enable the cash flow of the net mobile Group to develop positively on an ongoing basis. As a result, the Group's equity resources will also increase, giving rise to the possibility of dividend payments to our shareholders in the medium term.

The subsidiary net-m privatbank 1891 AG is subject to the regulatory provisions of the KWG (German Banking Act) and Solvabilitätsverordnung (German Solvency Regulation) and its liable capital / own funds need to be calculated in accordance with these requirements. The liable capital and own funds of net-m privatbank 1891 AG under section 10 KWG are made up as follows:

in kEUR	31 Dec. 2012 before adoption of annual financial	31 Dec. 2011 after adoption of annual financial	31 Dec. 2010 after adoption of annual financial
Core capital			
Paid-in share capital	10,141	7,556	5,957
Capital reserves	5,221	4,844	4,610
less:			
Net accumulated losses	5,630	5,629	6,499
Intangible assets	248	248	329
	9,484	6,523	3,739
Supplementary capital			
Free additional reserves under sec. 340f HGB	–	–	–
Liable capital	9,484	6,523	3,739
Own funds	9,484	6,523	3,739

As at the reporting date, net-m privatbank 1891 AG is subject to the following equity requirements:

in kEUR	31 Dec. 2012	31 Dec. 2011	31 Dec. 2010
Capital charge for counterparty risks	1,520	1,525	2,368
Operational risks	509	509	351
Sum of capital charges	**2,029**	**2,034**	**2,719**
Total equity	9,484	6,523	3,739
Total equity ratio	**37.39 %**	**25.67 %**	**11.00 %**

At 37.39 % on 31 December 2012 and 25.67 % on 31 December 2011, net-m privatbank 1891 AG's total equity ratio is well above the required minimum of 8.00 %.

net-m privatbank 1891 AG sees the risk tolerance analysis as a dynamic control tool with which to regulate and strategically orient its operations. The risk tolerance analysis takes into account counterparty risks, market price risks, liquidity risks and operational risks. The risk management approach is characterised by the strategic focus on more operational risk service-oriented business. Nevertheless, the counterparty risk is still a significant risk to the bank. In the reporting year, as every year, the risk management systems were consistently refined and adapted to the latest developments in the business sectors. Particular attention was paid to the image of the risks of new business areas. As part of our risk management process, credit, market, operational and liquidity risks as major risk types are analysed. Liquidity risks are monitored in net-m privatbank 1891 AG in the risk-bearing capacity and the regulatory liquidity ratio. Additionally, in the assessment of operational risk (risk of harm and risk to earnings) risks of the new business areas are considered.

According to the risk manual of net-m privatbank 1891 AG, the risks are calculated for two different scenarios:

- The "normal case" scenario, which can occur each year and is of key relevance to the income statement.
- The "problem case" scenario, which on the basis of the stress scenarios presents the actual ICAAP analysis.

Risk tolerance for both scenarios was assured in 2012. As at 31 December 2012, utilisation of the total risk limit was 24.50 % (previous year: 10.50 %) for the normal case scenario and 46.10 % (previous year: 57.30 %) for the problem case scenario.

6.6. FINANCIAL RISKS

Management of financial risks

Within the context of its ordinary operations, net mobile AG is exposed to credit risks, liquidity risks and various market price risks that could significantly influence its results or financial position. The Company's policy is to eliminate or limit the risks of operations and the market price risks arising from the resulting financing requirements as far as possible. This entails the performance of regular risk analyses, which are used as a basis for decision-making by the management. Overall risk management is the responsibility of the Executive Board.

The carrying amount of financial instruments, not including collateral or other agreements reducing the risk of default, is the equivalent for the maximum risk of default exposure at the end of the reporting period. Please see item (4) below for an exact breakdown of financial instruments.

The concentration risk is limited by investment guidelines in addition to being monitored on an ongoing basis. It is also relatively low overall. The risks of any investment are examined carefully before proceeding. An investment only goes ahead if the Executive Board considers the identified risks acceptable.

The specific risks in connection with financial instruments and their management are detailed below.

Credit risks

The value of receivables and other financial assets can be impaired if transaction partners do not pay or otherwise meet their obligations. The maximum risk of default is equal to the total amount of the financial assets.

in kEUR	Maximum default position 31 Dec. 2012	Maximum default position 31 Dec. 2011
Cash and cash equivalents	30,827	25,162
Banking receivables	11,878	9,506
Trade receivables	31,966	26,855
Other receivables and assets	2,279	1,598
Non-current loans and receivables	7,000	7,452

Country risks from Group loans are observed at all times, analysed methodically and managed centrally.

Liquid funds: Liquid funds include cash. When investing cash and cash equivalents, the financial institutions and issuers are carefully selected and diversified across set limits. The limits and their degree of utilisation are reviewed on an ongoing basis. Within the context of investment selection, an impeccable credit risk is presupposed and to a certain extent minimum ratings are defined.

Receivables from the credit business: These financial assets relate to the banking operations of the net mobile AG subsidiary net-m privatbank 1891 AG. They are reported under current financial assets. The resulting credit risks are monitored and managed on the basis of defined standards, guidelines and processes. The credit risk is considered in the case of both the standard credit business, the factoring business and the invoice- and instalment business. The factoring business as well as the invoice- and instalment business are summarised by the net-m privatbank 1891 AG in one risk area. The risks resulting from this business line are managed separately and in accordance with the development they constitute areas of growing importance.

Credit risk is monitored on the basis of the portfolios subject to credit risk, which apart from the receivables from the credit business also include irrevocable credit commitments. As at 31 December 2012, the irrevocable credit commitments wamounted to kEUR 0, as in the previous year.

net-m privatbank 1891 AG has a credit strategy which in conjunction with the regulations regarding credit business processes, rating procedures, reporting and monitoring of credit business, constitutes the bank's credit risk handbook and therefore establishes a framework for the management of credit risks. The limitation of concentration risk is achieved primarily through the setting of limits for individual customers. As at 31 December 2012, the credit position of the ten largest customers represented 43.6 % (previous year: 42.9 %) of the portfolio. This business and the associated risks are managed on the basis of risk / return considerations.

Within the context of its credit operations (old business), net-m privatbank 1891 AG receives collateral. The acceptance and measurement of the collateral are subject to clear criteria and limits. The collateral is measured on the basis of long-term recoverable value that can be assumed to be realisable with reasonable assurance.

Loan collateral normally takes the form of sureties, guarantees, cash deposits with other banks, assigned or pledged life insurance policies or cash deposits with net-m privatbank 1891 AG.

With regard to the assessment of default risk, borrowers are evaluated on the basis of a rating system. In connection with investments, in addition to internal assessment, external information available from rating agencies is used. The rating results and collateral play a key role in the lending decision.

Early identification of the counterparty risk is primarily ensured by monitoring the customer's payment history. The small, manageable size of the credit portfolio and the short information and decision channels allow borrowers to be considered on an individual case basis in the local business. In addition, the credit portfolio is analysed within the framework of the quarterly credit reports and, where necessary, further measures are taken. Conspicuous loans are monitored separately or subjected to intensive management.

The calculation of counterparty risk is managed by an analysis of our loan portfolio on the basis of expected and unexpected losses or with PD sets (probability of default). The management of credit risk at the overall portfolio level is supported by a variety of analyses. Receivables from factoring or instalment- / invoice purchase are valued, externally supplied PD sets.

Commitments are written down if there are objective indications that the amounts owing cannot be collected in accordance with the terms of the contract. In particular, objective indications are provided by the payment behaviour of the customer. Should the need for a write-down be identified, measures will be taken to either restructure or wind up the commitment.

Trade receivables: Assets that are neither impaired nor overdue are classified as having retained their full value. General interest rate risks and risks of default are reflected by a global write-down.

Receivables older than one year have been written down in full except where there are clear indications that they have retained their value. These write-downs amount to kEUR 1,575 (previous year: kEUR 1,373) and relate in full to trade receivables.

The past-due analysis of trade receivables is as follows:

31 Dec. 2012 in kEUR	Not due	Overdue by up to 90 days	Overdue by up to 180 days	Overdue by up to 270 days	Overdue by more than 270 days	Total
Trade receivables	18,893	9,422	312	15	5,008	33,650
Write-downs						-1,684
						31,966

31 Dec. 2011 in kEUR	Not due	Overdue by up to 90 days	Overdue by up to 180 days	Overdue by up to 270 days	Overdue by more than 270 days	Total
Trade receivables	17,679	7,406	-1,999	597	4,652	28,335
Write-downs						-1,480
						26,855

There are no further past-due other financial assets.

Liquidity risks

Liquidity risk, i.e. the risk of not being able to meet current or future payment obligations on account of the insufficient availability of cash and cash equivalents, is managed centrally at net mobile AG. To ensure solvency at all times, cash and cash equivalents are kept available to meet all planned payment obligations throughout the Group as they mature. These lie both in operating cash flows and changes in short-term financial liabilities. Furthermore, a reserve is held for unplanned reductions in income or additional expenses. This is based on historical summaries, adjusted to take into account changes in the business structure. Variance analyses are also performed. The liquidity reserve, which covers a negative deviation from planned cash flows with a set probability, is calculated from this. The amount of this reserve is regularly reviewed and adjusted in line with current circumstances as required. Liquidity is mainly held in the form of call money and term money investments. In addition, the Group also has available bank credit lines in 2012 in the amount of EUR 32 million (previous year: EUR 12 million). All the financial liabilities have a term of less than one year.

The subsidiary net-m privatbank 1891 AG monitors its liquidity situation on an ongoing basis. The primary cause of liquidity risks are changes in customer behaviour, which can lead to unexpected outflows. Inflows and outflows of funds are therefore monitored regularly. The liquidity risk is primarily due to the dependence on funding opportunities in the market and the need for monitoring maturity-congruent refinancing. Based on the comparison of cash inflows and outflows, the sustainable solvency of the Bank is (lower limit according to the liquidity regulation: 1.0) characterised by a liquidity ratio. As at the balance sheet date, this ratio was 6.3. Liquidity was ensured at all times. To further analyse and quantify the liquidity risks, a weekly liquidity reporting focuses on preview values derived from the planning stage, and adjusts them as needed. Free funds are invested primarily in liquid tradable financial instruments and bank deposits. Investments are diversified in order to limit risk. As at the reporting date, net-m privatbank 1891 AG has kEUR 27,619 (previous year: kEUR 23,713) in cash and cash equivalents, made up of kEUR 17,452 (previous year: kEUR 12,372) in deposits with central banks, kEUR 10,167 (previous year: kEUR 5,721) in bank receivables on call, kEUR 0 (previous year: kEUR 3,611) in cash in hand and kEUR 0 (previous year: kEUR 2,009) in bank receivables with a term of up to three months.

Market risks

Market risk resides in the fact that the fair value or future cash flows of a financial instrument fluctuates owing to changes in market prices. Market risk includes currency risk, interest rate risk and other price risk.

We use market information and additional analysis data to manage our risks.

We refine our risk assessment and reporting methods on an ongoing basis; this includes regularly reviewing the underlying assumptions and parameters used.

Currency risks

As the net mobile Group performs some of its business outside the euro nations, currency fluctuations can have a material influence on earnings. Currency risks from financial instruments exist with regard to receivables, liabilities and cash and cash equivalents not denominated in the functional currency of a company. Currency risk is particularly significant for Swiss francs, the US dollar and the Japanese yen. Currency risks are systematically tracked, analysed and managed centrally. Currency risks are not currently hedged through the use of currency forwards, derivatives, hedge accounting, etc.

Interest rate risks

Interest rate risks mainly apply to financial assets. The interest rate risk is analysed centrally and managed by the Finance division. In connection with the banking operations of net-m privatbank 1891 AG, interest rate risk derives in particular from maturity transformation. Here, risks develop with rises and changes in direction in the yield curve. The measured risks are compared against the defined risk limit and managed and monitored accordingly. The interest rate risk is calculated on the basis of dynamic interest rate elasticity taking into consideration a range of interest scenarios. Scenarios based on different interest rate developments are calculated in order to assess and quantify the interest rate risk. In addition, the interest rate risk is also measured in terms of present value, using the banking regulatory authority's interest rate shock parameters. The interest rate shock scenario is calculated on a monthly cycle. Interest rate risk is measured quarterly.

As at 31 December 2012, an interest rate shock of 200 basis points would increase present value by kEUR 42, with an interest rate risk coefficient of 0.45. In the event of an interest rate shock of – 200 basis points, the negative change in present value would be kEUR 12, with an interest rate risk coefficient of – 0.13.

6.7. EVENTS AFTER THE REPORTING PERIOD

The capital increase declared and paid in in December 2012 was entered in the commercial register in 2013. In addition, the squeeze-out at the subsidiary net-m privatbank 1891 AG was registered in the commercial register in 2013. As of April 2013, the net mobile Group is included in the global cash management system of the NTT DOCOMO Group.

7. RELEASE

The Executive Board of net mobile AG approved the consolidated financial statements for submission to the Supervisory Board on 17 May 2013.

Düsseldorf, 17 May 2013

Theodor Niehues

Frank Hartmann

Dieter Plassmann

Edgar Schnorpfeil

Kai Markus Kulas

GLOSSARY

Applications
Applications software; software that performs a useful function for the user.

Billing
Business process extending in telecommunications from the receipt of usage data to the issuing of an invoice.

Billing and collection agreement
Contract between service provider and invoicing service relating to the billing and collection (without remaindering, claims handling and receivables management) of third-party services.

Call-by-call
Case-by-case selection of an operator in telephony; possibility of using a different telephony provider by dialling a prefix.

Carrier
Operator of telephone networks.

Chat
Electronic communication in real time.

Content
Information material in the form of text, images, audio, video, etc.

Content aggregation
The gathering of web content from different sources.

Content distribution
Diffusion / delivery of content.

Content management
The bringing together of processes and the corresponding tools in digital form, enabling the simple organisation, sorting and structuring of all information / content.

Content partner
A provider who supplies content for onward use.

Full-service provider
Provider of a comprehensive range of services.

Hardware
Mechanical and electronic equipment of a system.

Interactive
Allowing for two-way interaction.

IP rights
Intellectual property rights in the commercial field typically include patents, utility models, protected designs and trademarks. The term also covers copyright.

maxmedia
Group-owned platform for the marketing and distribution of multimedia content.

Messaging
The sending of messages.

MMS
Multimedia Messaging Service; telecommunications service for the sending of multimedia messages.

OECD
Organisation for Economic Co-operation and Development. An international organisation with 33 member states recognising an obligation to promote democracy and the market economy.

Outsourcing
The contracting out of company functions and tasks to a third party.

Payment provider
Provider of a payment processing service whereby the system provider manages and processes payments as a service.

Reselling
Onward distribution / sale.

Revenue share models
Distribution of commission, whereby profit is divided among the participants.

SMS
Short Message Service; telecommunications service for the sending of text messages.

Voice
Voice-based communication.

VIDEO

AUDITORS' REPORT

We have audited the consolidated financial statements prepared by net mobile AG, Düsseldorf, comprising the consolidated balance sheet, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated cash flow statement and the notes to the consolidated financial statements, together with the group management report for the business period from 1 January to 31 December 2012. The preparation of the consolidated financial statements and the group management report in accordance with IFRS, as adopted by the EU, and the additional requirements of German commercial law pursuant to section 315a (3) HGB (Handelsgesetzbuch "German Commercial Code") are the responsibility of the parent company's management. Our responsibility is to express an opinion on the consolidated financial statements and on the group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with section 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer ("Institute of Public Auditors in Germany") (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements and group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements comply with IFRS, as adopted by the EU, and the additional requirements of German commercial law pursuant to section 315a (3) HGB (Handelsgesetzbuch "German Commercial Code") and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these requirements. The group management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the group's position and suitably presents the opportunities and risks of future development.

Without qualifying our opinion, we refer to the explanations included in the management report. In section C of this report it is stated that if the financial support of the NTT DOCOMO Group will not be provided in the future and no sufficient funds will be available from banks or intercompany loans or similar actions, net mobile AG's ability to continue as a going concern is impaired due to illiquidity.

Düsseldorf, 29 May 2013

KPMG AG
Wirtschaftsprüfungsgesellschaft

Kuntz	Nölgen
German Public Auditor	German Public Auditor

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