

bet-at-home.com AG: Earnings increase in 1st half of 2014 – positive contribution to earnings in Q2

Company figures for the first half of 2014 (January 1 to June 30, 2014)

- Earnings before taxes increased by EUR 1.9 million to EUR 9.3 million (1st half year 2013: EUR 7.4 million)
- Gross gaming revenue increased by 27.9% to EUR 53.1 million (1st half year 2013: EUR 41.5 million)
- Higher marketing expense due to international advertising campaigns during the Football World Cup in Brazil
- Stable assets structure – cash, cash equivalents and securities at EUR 33.4 million

In the first half of 2014, the listed online sports betting and online gaming provider continued on its success path and used the Football World Cup in Brazil for increasing its brand awareness along with simultaneous business success.

Above-average earnings growth

Due to the positive growth in gross gaming revenue as well as the continuing reduction in other expenses, earnings of the bet-at-home.com AG Group increased significantly year-over-year despite the higher advertising expense as a result of the Football World Cup 2014. EBITDA of EUR 8.8 million was thus realized in the 1st half of 2014 – an increase of EUR 1.6 million year-over-year (1st half year 2013: EUR 7.3 million). EBIT also increased by EUR 1.5 million to EUR 8.5 million (1st half year 2013: EUR 6.9 million) due to the positive developments in the reporting period.

Despite higher marketing expenses due to the Football World Cup 2014, a highly satisfactory contribution to earnings was realized in the 2nd quarter of 2014 between April and June. Therefore, the bet-at-home.com AG Group realized an EBITDA of EUR 0.8 million and earnings before taxes (EBT) of EUR 1.0 million in the second quarter of 2014.

Due to the investment of the high level of cash and cash equivalents as well as the granting of short-term loans at arm's length conditions to the majority owners of bet-at-home.com AG, the Group financial result doubled to EUR 0.8 million (1st half year 2013: EUR 0.4 million).

Earnings before taxes (EBT) in the 1st half of 2014 therefore amounted to EUR 9.3 million, representing an increase of EUR 1.9 million year-over-year (1st half year 2013: EUR 7.4 million).

Stable revenue development

Gross betting and gaming revenue amounted to EUR 53.1 million in the 1st half of 2014 and is thus 27.9% above the figure for the same period in 2013 (1st half year 2013: EUR 41.5 million). As the most important key figure in the e-gaming market, gross betting and gaming revenue represents the difference between the stakes played and customer winnings.

The gaming volume of bet-at-home.com AG amounted to a total of EUR 1,077.8 million in the first half of 2014 (1st half year 2013: EUR 909.7 million) and was thus 18.5% higher year-over-year.

Betting fees and gambling levies in the 1st half of 2014, combined with the increase in gross betting and gaming revenue, were above the level of the same period of the previous year with EUR 6.4 million (1st half year 2013: EUR 5.5 million). As a result, net gaming revenue also increased to EUR 46.7 million (1st half year 2013: EUR 36.0 million).

Significant expansion of the customer base due to international advertising campaigns for the Football World Cup 2014

In the 1st half of 2014, bet-at-home.com was present in large parts of Europe with international, cross-media advertising campaigns during the Football World Cup 2014 in Brazil. On the whole, the advertising expense amounted to EUR 24.6 million in the 1st half of 2014 and is therefore 48.0% higher year-over-year (1st half year 2013: EUR 16.6 million).

As of the reporting date, June 30, 2014, the bet-at-home.com AG Group has more than 3.8 million registered customers (1st half year 2013: 3.4 million).

The ongoing efficiency increases can also be clearly seen in other operating expenses. With expenses in the amount of EUR 6.4 million, the operating expense in the 1st half of 2014 was 2.9% below that of the previous year (1st half year 2013: EUR 6.6 million) despite a higher gaming volume due to the World Cup.

Stable asset and capital structure

Due to the recent high contributions to earnings during the current business period, and after paying a dividend of EUR 0.8 in the 2nd quarter of 2014, group equity amounts to a total of EUR 47.9 million as of June 30, 2014 (June 30, 2013: EUR 34.9 million).

In addition, the bet-at-home.com AG Group has cash, cash equivalents and securities in the amount of EUR 33.4 million as of June 30, 2014 (June 30, 2013: EUR 25.8 million). Furthermore, EUR 32.0 million in short-term loans to the main shareholder was recognized as of June 30, 2014. These loans were granted at arm's length conditions and jointly and severally collateralized by the owners of the majority shareholder.

Key figures (in EUR thousand)

	1 st HY 2013	1 st HY 2014	Change
Gross betting and gaming revenue	41,494	53,065	+27.9%
Marketing expense	16,622	24,596	+48.0%
Earnings before taxes (EBT)	7,392	9,265	+25.3%
Employees (as of the reporting date)	243	262	+7.8%

About bet-at-home.com

The bet-at-home.com AG Group operates in the fields of online gaming and online sports betting. With 3.8 million registered customers, the company, which is listed on the Frankfurt Stock Exchange, is, together with its subsidiaries, one of the most successful gaming providers in Europe. The varied options offered on www.bet-at-home.com include sports betting, poker, casinos and games. bet-at-home.com has companies in Germany, Austria, Malta and Gibraltar. As of 30.06.2014, 262 employees contribute to the successful development of the Group. Via its Maltese companies, the Group holds licenses for online sports betting and gaming. The licenses entitle the company to organize and market online sports betting and online casinos respectively. Since 2009, bet-at-home.com AG has been a member of the Betclix Everest SAS Group, which is a leading French group operating in the online gaming and sports betting industry.

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