

bet-at-home.com AG: gross betting and gaming revenue in the first half of 2018 at EUR 66.6 million – EBITDA of EUR 10.9 million by high investments in marketing

Group figures for the first half-year 2018 (1 January to 30 June 2018):

- gross betting and gaming revenue at EUR 66.6 million (H1 2017: EUR 76.8 million)
- EBITDA in H1 2018 at EUR 10.9 million – EUR 1.6 million thereof in Q2 2018
- liquid funds and short-term time deposits at EUR 61.6 million

During the Football World Cup 2018 in Russia, the listed online sports betting and online gaming provider once again focused its marketing efforts on successfully acquiring new customers in the first half of the financial year 2018 in order to continue its path of success and the growth momentum of the previous reporting periods.

Gross betting and gaming revenue impacted by declining revenue in Poland

Gross betting and gaming revenue was EUR 66.6 million in the first half of 2018, down 13.3% on the same period last year (H1 2017: EUR 76.8 million). The betting and gaming volume in the bet-at-home.com AG Group totaled EUR 1,504.3 million in the reporting period (H1 2017: EUR 1,688.6 million). The main reason for the decline in gross betting and gaming revenue has been blocking measures to exclude foreign betting and gaming operators in Poland since July 2017, which are considered as a violation of European legislation.

Betting fees and gaming levies in the first half of 2018, at EUR 9.9 million, were lower than in the same period of the previous year (H1 2017: EUR 10.1 million), also reflecting the decline in gross betting and gaming revenue. The VAT on electronic services within the European Union led to a negative impact on earnings of EUR 4.5 million in the first six months of the financial year 2018 (H1 2017: EUR 5.2 million).

Accordingly, net betting and gaming revenue amounted to EUR 52.2 million (H1 2017: EUR 61.5 million).

Strengthening of the popularity of the brand and development of the customer base

In the course of the Football World Cup in Russia from 14 June to 15 July, bet-at-home.com was increasingly present from May 2018 through international advertising campaigns in the form of TV spots, posters and online media as well as a comprehensive bonus campaigns throughout Europe. A major event of this magnitude has always been the ideal time for bet-at-home.com to sustainably increase the number of registered customers.

As a result, marketing expenses in the first half of 2018 are as planned at EUR 21.2 million (H1 2017: EUR 24.2 million), with the marketing focus being set at EUR 13.5 million in the second quarter of 2018 due to the major sporting event (Q2 2017: EUR 9.3 million). As at 30 June 2018, the bet-at-home.com AG Group had nearly 5.0 million registered customers (30 June 2017: 4.7 million).

Other operating expenses amounted to EUR 11.1 million in the first half of 2018, which was below the previous year's level (H1 2017: EUR 11.4 million).

Earnings development in the first half of 2018

With continued high investments in marketing during the Football World Cup 2018, an **EBITDA** of EUR 10.9 million was generated in the first half of 2018 (H1 2017: EUR 17.4 million). EBITDA in the second quarter of 2018 delivered a positive contribution to earnings of EUR 1.6 million despite the marketing focus during this period. The **EBIT** in the first six months of the financial year 2018 amounts to EUR 10.3 million, which is EUR 6.4 million below the reference value of the previous year (H1 2017: EUR 16.7 million). Earnings before taxes (**EBT**) therefore amounted to EUR 10.3 million in the first half of 2018 (H1 2017: EUR 17.2 million).

Stable asset and capital structure

Taking into account the equity-reducing distribution of a dividend in May 2018 in the amount of EUR 52.6 million – thus EUR 7.50 per share – the consolidated equity as of 30 June 2018 amounts to EUR 43.0 million (31 December 2017: EUR 89.3 million). This resulted in a consolidated equity ratio of 50.5% as of the reporting date (31 December 2017: 71.8%).

The bet-at-home.com AG Group also held liquid funds and short-term time deposits in the amount of EUR 61.6 million as of 30 June 2018 (31 December 2017: EUR 101.8 million).

Outlook for fiscal year 2018

From the current perspective, and assuming an unchanged regulatory and tax law environment, the Management Board expects gross betting and gaming revenue increasing to EUR 150 million in the 2018 fiscal year. Furthermore, the Management Board assumes EBITDA to reach a level between EUR 36 million and EUR 40 million in 2018.

About bet-at-home.com

The bet-at-home.com AG Group is active in the domain of online gaming and online sports betting. With 5.0 million registered customers throughout the world, the company (which is listed on the Frankfurt stock exchange) represents, together with its subsidiaries, one of Europe's most successful gaming providers. The varied options offered on www.bet-at-home.com include sports betting, poker, casino, games and virtual sports. bet-at-home.com has companies

in Germany, Austria, Malta and Gibraltar. The successful development of the company can be attributed to its 299 employees as at 30 June 2018. The Group holds various licences via its Maltese companies for online sports betting and gaming. The licences allow the company to organise and market online sports betting and online casinos. Since 2009, bet-at-home.com AG has been a part of the Betcltic Everest SAS Group, which is a leading French Group in the domain of online gaming and sports betting.

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