



Interim Financial Statements
for 30 June 2015

UMT United Mobility Technology AG
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Foundations of the Company

Business Model

As a publicly traded parent corporation, UMT United Mobility Technology AG (UMT) supports innovative enterprises in a highly entrepreneurial, implementation-oriented approach. It focuses on the early identification of innovative business ideas which are then developed so that, at the appropriate time, an initial public offering can be made, or a sale to other companies. UMT engages itself primarily in the area of big data and in the development of mobile technology solutions for sales promotion, with a focus on national and international sales, as well as on standardization of the company's own mobile payment and loyalty platform. UMT AG also offers consulting services all along the value chain with regard to the subjects of mobile payment and loyalty for B2B customers. These offerings distinguish UMT AG as one of the leading technological providers in the German mobile payment market.

Subsidiaries and holdings:

UMT holds shares particularly in UMS United Mobile Services GmbH (UMS), in Munich, and in Riga-based iPAYst LLC. Another subsidiary is Mobile Payment System Espana S.L. in Barcelona. As of April 2014, UMT also holds shares in Vienna-based delinski GmbH. UMT Turkey Mobil Anonim Sirketi in Istanbul has been a member of UMT Group since the start of this year.

Research and Development

Development activities in the first half of 2015 were largely conducted by UMS, above all within the whole mobile payment and loyalty platform. The focus of these activities was on optimizing and extending the basic technology within the payment platform, with a particular focus on the white label area.

Economic Report: Macroeconomic and Industry Conditions

The German economy continues to post positive growth. According to the Federal Statistical Office, the Gross Domestic Product (GDP) in the second quarter of 2015 was 0.4 percent higher than in the first quarter of 2015. The first quarter of 2015 also saw moderate GDP growth, 0.3 percent. According to current forecasts, Germany's GDP will grow by 1.8 percent in 2015 over the year before. The European Commission, in its May 2015 outlook, also expects 1.5 percent GDP growth in the Euro zone. The Commission expects 1.8 percent growth in 2015 for the European Union.

The smartphone market continues to post strong growth. According to current forecasts, 6.1 billion smartphones will be in users' hands by 2020 worldwide. The demand for mobile payment services is growing steadily as well. In Europe, the number of contactless transactions doubled last year, while sales more than tripled. The growth in contactless payment and online sales has paved the way for the new generation of mobile payment technologies. According to a recent study commissioned by Visa Europe from the market research firm Populus, the total volume of the German mobile payment market is expected to grow to more than 1.7 billion Euros per week in the year 2020.

The macroeconomic and industry conditions continues to offer a highly dynamic and promising market environment for UMT, given its business alignment. The growing number of consumers using digital payment methods and the increasing dissemination of mobile terminal devices provide a solid foundation for the future positioning of UMT's mobile payment and loyalty platform. Because of its ability to meet all the mobile payment and loyalty requirements of its individual dealers, UMT continues to create sustained added value in the B2B and B2C segments alike.

Course of Business

The first half of 2015 was characterized by intensive technical improvements on the product level and operational implementation of new and ongoing projects.

The focus of day-to-day operations was on the joint project with PAYBACK. PAYBACK, Germany's leading bonus program and largest multi-channel marketing platform, will be launching its own mobile payment solution in 2016 for its 27 million customers, which will allow customers to collect points and pay through the app at a single stroke. The mobile payment application was developed based on UMT technology. Already, 7 million customers are using the app's mobile services for their shopping, and the payment process is another plus. With massive technological penetration of the German retail market, UMT is strengthening its position enormously and functioning as one of the leading providers of mobile payment technology in Germany.

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Another focus in the first half of the year was on the deliberate strategic expansion of the company's international investment portfolio. At the start of the year, UMT acquired a total of 26 percent of shares in UMT Turkey Mobil Anonim Sirketi, with registered office in Istanbul. This subsidiary has overseen the launch of the mobile payment and loyalty platform in Turkey and continues to work to increase acceptance of the platform and to forge additional strategic relationships and partnerships aside from the projects which are already underway. Given that Turkey is regarded as one of the fastest-growing markets in the world for electronic payments and e-commerce, UMT will continue to take advantage of this market's great potential via the investment in UMT Turkey Mobil Anonim Sirketi and through its joint venture with Ketchup, a leading marketing agency.

At the start of the second quarter of 2015, the investment portfolio was expanded again, this time in the direction of Spain. To this end, UMT announced a strategic partnership with Banco de Sabadell, S.A., the fourth-largest banking group in Spain, and Mobile Payment System España S.L., UMT's Spanish subsidiary, for mobile payment in the Spanish market. This collaboration agreement marks yet another milestone for the strategic European launch of the mobile payment platform. With more than 6.2 million customers and 2,320 branches, Banco de Sabadell, S.A. offers a very strong distribution platform.

In June of this year, another strategic partnership was formed through UMT's Spanish subsidiary with the Spanish big data analytics company SEKS – Serial Entrepreneurship Knowledge Society S.L., for the joint analysis and strategic use of big data. For the time being, UMT Group has acquired a minority stake, with the option of acquiring majority ownership in the long run, for the strategic analysis and exploitation of data on consumer habits and the "lifestyle" needs of consumers. Analyzing this data will allow UMT to generate additional revenues and offer its wholesale and retail customers yet another innovative product component all along the sales process. The subject of "big data" and the associated benefits are of utmost importance for most companies and are viewed as the most important factor in gaining an advantage over the competition. Due to the resulting quantity of data, UMT has added a data analytics unit to its value chain, alongside its white labeling and consulting units. In addition, a separate application for smartphone and tablet users, called "living eXperience," will be offered as part of the relationship with SEKS – Serial Entrepreneurship Knowledge Society S.L.. This app combines social networking and mobile payment, while also functioning as a tool allowing users to access information directly on the mobile terminal device, including trends and personalized offers. The UMT technology platform will be established as the mobile payment solution for this app.

Situation

The basis for the presentation of the earnings, liquidity and financial situation as well as for the ratios is the audited annual financial statements as of 31 December 2014, prepared in accordance with the German Commercial Code, and the internal reports of UMT United Mobility Technology AG for the period from 1 January 2015 to 30 June 2015. In general, UMT publishes all figures in thousands of Euros (TEUR).

Due to the use of rounding, it is possible that some figures will not add up exactly to the indicated sum and that the figures and percentages shown will not precisely reflect the absolute values to which they refer.

Earnings Situation

Major changes in the earnings situation of UMT United Mobility Technology AG in the first half of 2015 compared to the corresponding period from the previous year:

UMT managed to close the year with net income of TEUR 605 (previous year: TEUR 206). The reason was essentially revenues, in the amount of TEUR 1,050 (previous year: 0). Personnel expenses (TEUR 81) increased over the previous year (TEUR 79). Depreciation, amortization and write-offs increased somewhat over the year before, to TEUR 3 (2014: TEUR 1). Other operating expenses increased by a total of TEUR 386, from TEUR 168 to TEUR 554.

The main individual item in this regard was legal and consulting costs, which amounted to TEUR 147 (previous year: TEUR 105). Interest income amounted to TEUR 204 (previous year: TEUR 71), resulting from the shareholder loan by UMT to UMS. This was offset by interest expenses for the shareholder loan in the amount of TEUR 58 (previous year: TEUR 55).

Financial and Liquidity Situation

Major changes in the financial situation of UMT United Mobility Technology AG in the first half of 2015:

The equity ratio of UMT rose by 1.2% over 31 December 2014, from 85.1% to 86.3%. In absolute figures, shareholders' equity increased by TEUR 1,927 to TEUR 15,507 (31 December 2014: TEUR 13,580). This was essentially attributable to the first-half earnings of TEUR 605, the increase of the capital stock based on the cash capital increase in the amount of TEUR 1,099 and to contributions to the capital reserve made in this context in the amount of TEUR 275.

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A major portion of the total assets of UMT continues to be attributable to the investment in UMS (TEUR 9,399) with 52.3% of total assets (31 December 2014: 58.9%) and accounts receivable from UMS, with 31.4% (TEUR 5,650; 31 December 2014: 26.2% or TEUR 4,175). UMS thus has a total weighting in the total assets of UMT of 83.7% (31 December 2014: 85.1%). The investment in Turkey was added in the first half of 2015, for a total of TEUR 33.

The debt ratio amounted to 13.7% (31 December 2014: 14.9%) with borrowings of TEUR 2,458 (31 December 2014: TEUR 2,375). UMT's total capital rose from TEUR 15,955 by TEUR 2,010 to TEUR 17,965. The company was furnished with sufficient financial resources as of 30 June 2015. Liquid funds amounted to TEUR 1,133 as of 30 June 2015 (31 December 2014: TEUR 1,331).

Financial and non-financial performance indicators

Financial performance indicators

In the first half of 2015, the company earned EBIT of TEUR 460 (previous year: after adjusting for non-recurring income: TEUR -105).

In total, the return on equity amounted to 3.9% (previous year: 1.9%). Return on equity before interest and taxes was 3.7% (previous year: 2%).

Non-financial performance

Indicators Employees

UMT has one additional employee aside from the Management Board.

Innovations

Innovations and the company's new technologies are a key building block of strategic development. A large part of the invested funds will be used to develop new and improve existing products, primarily for UMS. The use of new technologies ensures that resources are utilized efficiently and effectively in a highly dynamic market environment.

Forecast, Opportunities and Risks

The business of UMS is conducted by the UMT Management Board. The Management Board ensures routine reporting and close supervision of UMT's business activities and the key investment in UMS. The Management Board exercises control over the shareholdings through routine accounting reports and continuous monitoring of liquidity. Liquidity requirements are routinely coordinated with capital providers.

UMT's operations are largely centred on the investment in UMS. Its continued existence continues to be largely dependent on the performance of this wholly-owned subsidiary. UMT's successful course of business in the first half of the year is a positive indicator, setting the trend for the remainder of Financial Year 2015. UMT offers its customers solutions which are secure, highly scalable and cost-efficient through standardization. All major mobile operating systems (iOS, Android, Windows, etc.) and technologies are supported with the desired business logic, e.g. QR codes, NFC and Bluetooth. The company also offers consulting services with conceptual support for individualized sales promotion solutions in the mobile payment and loyalty spheres. The ability to enter a market very quickly, high technological penetration in the retail market and highly efficient development processes are clear competitive advantages for UMT.

For the remainder of Financial Year 2015, UMT United Mobility Technology AG will be focusing on operational implementation of new and existing orders, as well as on continuing the international expansion and distribution of its mobile payment and loyalty platform as the technology standard with the aid of additional multipliers, primarily as a white label solution.

Another milestone is the relationship with Kuffler. With more than 40 restaurants in Germany, Kuffler consistently ranks second among "full-service" restaurants in the annual industry rankings published by the "food service" industry journal. The iPAYst mobile payment app will be available to the approximately 80,000 visitors to the Kufflers Weinzelt wine tent at this year's Oktoberfest festival in Munich as a mobile payment solution.

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In addition, UMT United Mobility Technology AG will extend its investment portfolio all along the distribution process. In doing so, it will continue to target companies along the value chain which can use its mobile payment solutions and therefore offer added value for the UMT mobile payment and loyalty platform.

The general statements on the subject of "Risks and Opportunities" which were made in the annual financial statements for 31 December 2014 remain valid. Reference is made in this regard to the presentation in UMT's "2014 financial statements," available on the company's website at the following address: <http://www.umt.ag/en/investor-relations/financial-reporting>.

Taking full advantage of available opportunities continues to be the basis of UMT's operations within the context of value-based management. Critical developments and evident risks are identified at a very early stage in order to ensure lasting long-term success. In the same way, opportunities are identified, assessed and seized in order to exploit trends and ensure future earnings growth. The company will continue to have to adapt to market requirements with regard to changes in financial technology in order to remain competitive and attractive in the long run.

Investment risk is limited only by the subsidiaries in Spain and Latvia, which are largely backed with equity. This also applies for the minority stake in delinski GmbH in Vienna and in UMT Turkey Mobil Anonim Sirketi in Istanbul, as well as further planned shareholdings and cooperations.

Financial risks, and particularly the secured capitalization of UMT, are a key aspect. Through the capital increase from authorized capital which took place in the first half of 2015, with subscription rights excluded, the company was able to secure enough liquidity for its future business alignment. The company's plans continue to be formulated in such a way that expected costs are only triggered insofar as sufficient financing is available. In this way, it is ensured that the continued existence of the company in every phase is not placed in jeopardy, independent of individual capital measures.

The Management Board expects the promising course of business to continue in the second half of 2015.

Munich, 31. August 2015

Dr. Albert Wahl
Management Board

Income Statement
from 1 January 2015 to 30 June 2015 of
UMT United Mobility Technology AG, 80333 Munich

	Financial Year	Previous Year
	EUR	EUR
1. Gross earnings	1,097,454.32	437,941.81
2. Personnel expenses		
a) Wages and salaries	75,224.85	73,800.00
b) Social security, pension and other benefits	5,428.02	4,838.78
	<hr/>	<hr/>
	80,652.87	78,638.78
3. Depreciation, amortization and write-offs		
a) on intangible assets, plant, property and equipment	2,768.05	1,122.97
4. Other operating expenses	554,076.61	168,308.69
5. Other interest and similar income	203,513.22	71,270.63
6. Interest and similar expenses	<hr/> 58,442.22	<hr/> 55,000.00
7. Result from ordinary operations	605,027.79	206,142.00
8. Taxes on income	<hr/> 181.75	<hr/> 8.33
9. Net income	<hr/> 605,209.54	<hr/> 206,133.67

I. General Information

The interim financial statements were prepared based on the classification, accounting and valuation provisions in the German Commercial Code (Handelsgesetzbuch; HGB) and the supplementary provisions of the German Corporation Act (Aktiengesetz; AktG). Figures from the previous year refer to 31 December 2014 for the balance sheet and to 30 June 2014 for the income statement.

Applying the definition of the size-related classes in accordance with § 267 of the Commercial Code, the company is a small corporation pursuant to § 267(1) of the Commercial Code.

Size-related simplification options for the preparation (§§ 276 and 288 of the Commercial Code) of the annual financial statements were used in part.

Classification Principles

The classification of the balance sheet and income statement did not change compared to the previous year.

The classification of the income statement was undertaken in accordance with the cost summary method in accordance with § 275(2) of the Commercial Code.

Accounting Methods

The interim financial statements contain all assets, debts, deferred charges and prepaid expenses, deferred income, expenses and income, unless stipulated otherwise by law. The asset items have not been netted with liability items, expenses have not been netted with income, leasehold rights have not been netted with charges on property.

The fixed and current assets, shareholders' equity, liabilities, deferred charges and prepaid expenses and deferred income were disclosed separately in the balance sheet and have been sufficiently itemized.

Only fixed assets are disclosed which are permanently dedicated to serve the business operations. Expenses for the formation of the company and for the procurement of shareholders' equity were not included in the balance sheet. Provisions and accrued liabilities were only set up in accordance with § 249 of the Commercial Code and deferred charges and prepaid expenses and deferred income in accordance with the provision in § 250 thereof.

Valuation Methods

The values of the opening balance sheet of the financial year conform to those of the closing balance sheet of the preceding financial year. The going concern was assumed in the valuation. The assets and liabilities were measured individually. A cautious valuation has been made; all foreseeable risks and losses that arose prior to the reporting date have been taken into account, even if these first became known between the reporting date and the preparation of the interim financial statements. Profit has only been taken into account if realized prior to the reporting date. Expenses and income of the financial year have been taken into account independently of the payment dates.

Individual items were measured as follows:

- The undeveloped land disclosed under the item "Land, leasehold rights and buildings" has been measured at the acquisition cost or at fair value and is not depreciable.
- Plant, property and equipment has been measured at the acquisition costs plus ancillary acquisition costs less acquisition price reductions or at the production costs. Normal depreciation is undertaken assuming the standard useful life at the maximum permissible tax rates or, due to a persistent reduction in value, at fair value, if lower.
- A collective item has been set up for low-value items in accordance with § 6(2a) of the Income Tax Act. One-fifth (1/5) of this item is written off each year.
- Financial assets are recorded at acquisition costs or fair value, whichever is lower.
- Inventories are recorded at the acquisition or production costs or the lower stock exchange or market prices.
- Accounts receivable and other assets have in principle been recorded at the nominal amount. Identifiable individual risks have been taken into account through individual allowances.
- Provisions and accrued liabilities are recorded at the amounts necessary for their fulfilment in accordance with a prudent commercial assessment. They take into account all identifiable risks and contingent liabilities.
- Liabilities have been disclosed at the amount necessary for their fulfilment

II. Notes to the Individual Balance Sheet Items

The extraordinary depreciation undertaken in 2012 on the shareholding in I-Mall GmbH was retained.

The composition of the shareholdings in affiliated companies and subsidiaries can be derived from the following overview

	Shareholding	Shareholders' equity as of 31.12.2014	Result 2014
	%	TEUR	TEUR
UMS United Mobile Services GmbH, Munich (affiliated company)	100.00	- 3.576	- 2.223
Mobile Payment System Espana S.L., Barcelona (investment)	68.00	75	-92
iPAYst LLC, Riga (affiliated company)	100.00	1	-2
delinski GmbH, Wien (investment)	22.50	195	-41
UMT Turkey Mobil Anonim Sirketi (investment)	26.00	-	-

The future value of the shares indicated above (not including delinski GmbH, Vienna) largely depends on the performance of the mobile payment and loyalty platform in the coming years.

The real estate recognized under inventories in the previous year was sold in the year 2014.

Accounts receivable from affiliated companies related to a loan to UMS United Mobile Services GmbH, including deferred interest, TEUR 1,400 of which has been subordinated. The future value of accounts receivable from affiliated companies largely depends on the performance of the mobile payment and loyalty platform in the coming years.

Other assets amounted to TEUR 314 (previous year: TEUR 216). The capital stock consists of 15,888,051 bearer shares with a par value of EUR 1.00 each. As of 31 December 2014, the capital stock consisted of 14,789,550 bearer shares with a par value of EUR 1.00 each.

The maximum authorized capital of EUR 6,573,491.00 approved by the shareholders in general meeting on 5 June 2014 was cancelled in the general meeting of 12 June 2015.

At the general shareholders' meeting on 12 June 2015, the Management Board was authorized to increase the capital stock, with the approval of the Supervisory Board, within five years from the entry in the Commercial Register of the modification of the Articles of Association, through the issue of new shares one or more times in return for cash and/or non-cash contributions, though up to a total maximum amount of EUR 7,394,775.00, by issuing up to 7,394,775 new shares in return for cash and/or non-cash contributions, while excluding the subscription rights of the shareholders

- to avert fractional amounts;
- in the event of a capital increase in return for cash contributions, if the issue amount of the new shares for which subscription rights excluded is not significantly below the stock exchange price of the shares already listed in the stock exchange and if the shares which are issued with subscription rights excluded do not exceed a total of 10% of the capital stock, both at the time this authorization takes effect and at the time the authorization is exercised; shares which are issued or sold with subscription rights excluded in direct or indirect application of § 186(3), Sentence 4 of the Corporation Act count towards the limit of 10% of the capital stock. Accordingly, the sale of own shares counts towards the limit of 10% of the capital stock if the sale is made with subscription rights excluded based on an authorization to sell own shares which is valid at the time the authorized capital takes effect;
- insofar as the capital increase in return for non-cash contributions occurs to acquire enterprises, divisions of an enterprise, shareholdings in enterprises or other assets;
- insofar as a third party which is not a credit institution subscribes the new shares, and it is ensured that the shareholders will be granted an indirect subscription right;
or
- if the capital increase lies in the well comprehended interests of the company. No use has been made of the authorization so far.

No use has been made of the authorization thus far.

In addition, the Management Board of the company was authorized at the general shareholders' meeting of 5 June 2014 to launch stock option programs for the company's employees prior to 31 May 2019 and to confer options to up to 1,300,000 shares in the company with a term of up to ten years.

Such a stock option plan has yet to be adopted by the company's Supervisory Board.

As of 30 June 2015, there was no distributable shareholders' equity. Moreover, based on the own shares held by the company, there was a dividend freeze in the amount of EUR 866,691.04 (reduction of earnings reserves based on acquisition of own shares).

In the financial year, the company acquired 41,264 of its own shares (acquisition, statement of shareholders' equity: acquisition of own shares), whereby EUR 41,264.00 was deducted from the capital stock and the earnings reserves were reduced by EUR 9,895.54. As of 30 June 2015, the company had 347,841 own shares (previous year: 306,577).

Liabilities to other Group companies amounted to TEUR 1,614 (previous year: TEUR 1,893).

Liabilities due to other Group Companies included liabilities of TEUR 200 (previous year: TEUR 200) from a purchase price repayment obligation in connection with the sale of the easement on the property in Leipzig/Wiederitzsch. The liability was secured through the conveyance of securities in the form of 286,000 of the company's own shares. This risk of actual recourse is deemed to be very improbable, because the liability has already been reduced compared to what it was in the past and is it moreover planned to repay the full amount of the liability.

Other liabilities include tax liabilities in the amount of TEUR 4 (previous year: TEUR 16).

All liabilities have a residual term of up to one year.

Except for the states of affairs listed below, no other material financial obligations and no liability relations existed in the terms of § 251 of the Commercial Code: assurance of liabilities due to SWM Treuhand AG through assignment of assets of UMS United Mobility Services GmbH by way of security, assurance of liabilities due to other Group companies through conveyance of 286,000 own shares by way of security.

III. Notes to Individual Income Statement Items

Of the other interest and similar income, TEUR 204 (year before: TEUR 71) resulted from interest from affiliated companies.

IV. Other Disclosures

Consolidated Financial Statements

The company is exempt in accordance with § 293 of the Commercial Code from the obligation to prepare consolidated financial statements.

Disclosures about Corporate Officers

Management Board

As of 18 December 2009, Dr. Albert Wahl, born on 27 July 1960, was appointed as Management Board member with powers of sole representation.

Supervisory Board

Composition of the Supervisory Board since 5 June 2014:

- Chairman: Walter Raizner, independent business consultant;
- Vice Chairman: Roderich Schaetze, independent lawyer, public accountant and independent auditor;
- Member: Markus Wenner, Managing Partner at GCI Management Consulting GmbH.

The total remuneration of the Supervisory Board amounted to TEUR 35 in Financial Year 2015.

In the reporting period, UMT United Mobility Technology AG employed one person in the terms of § 285(1) No. 7.

Munich, 31 August 2015

Dr. Albert Wahl
Management Board