



## ***Semi-Annual Financial Statements 2016***

*as of 30 June 2016\**

## Highlights of the first half of 2016

25 January 2016

### **UMT AG announces a strategic partnership with GTD Group**

UMT AG announces a strategic partnership with the Spanish GTD Group.

Both companies aim to offer their customers an even broader portfolio of individual high-tech and mobile payment solutions, loyalty programs and IT consulting services.

27 January 2016

### **UMT management acquires another 100,000 shares in UMT**

UMT AG's management acquired another 100,000 shares in UMT on the stock market.

All together, management purchased 350,000 shares in UMT in December 2015 and January 2016.

27 April 2016

### **PAYBACK launches new app with a bundled functions, featuring UMT mobile payment technology**

PAYBACK, the leading bonus program, launched the new PAYBACK app in June 2016, along with its partners. The successful and completely redeveloped PAYBACK app for the first time combines mobile coupon activation with mobile point collection and payment. UMT United Mobility Technology AG's mobile payment technology makes up a very important part of the new PAYBACK app.

29 April 2016

### **UMT AG presents audited data for 2015 and forecast for 2016**

UMT AG finished Financial Year 2015 with significant revenue and earnings growth. Revenues almost tripled and earnings after depreciation and amortization and before interest and taxes (EBIT) were up over 500 percent in 2015.

UMT Group is confident about Financial Year 2016 and expects double-digit revenue and earnings growth.

13 June 2016

### **UMT AG successfully increases share capital**

UMT AG successfully implemented the share capital increase which was adopted on 24 May 2016.

In the course of a private placement, 1,588,805 new shares were placed with institutional investors in Germany and abroad at an issue price of EUR 1.25 per share, with subscription rights excluded. The company received gross proceeds from the issuance of around EUR 2.0 million.

24 June 2016

### **2016 annual general meeting of UMT AG**

The 2016 annual meeting of UMT United Mobility Technology AG was held on 24 June 2016 in the conference room of Bayerische Börse AG in Munich.

The Management Board informed shareholders and guests about the positive course of business in 2015 and answered their questions. Around 48 percent of UMT AG's share capital was represented at the shareholder meeting. The shareholders voted to approve the actions of the Management and Supervisory Boards and resolved all agenda items by a large majority.

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## 2016 Interim Management Report

### 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 Group offers its customers services and solutions on an international basis, particularly for mobile and electronic payment systems and in data analytics. These services and solutions are based on the Group's own mobile payment and loyalty platform, which is made available primarily as a white label solution within the framework of a licensing arrangement, as well as in the form of a "mobile wallet." UMT also offers consulting services all along the value chain with regard to the subjects of mobile payment and loyalty for B2B customers for sales promotion purposes. These offerings distinguish UMT AG as one of the leading technological providers in the German mobile payment market.

#### Subsidiaries and holdings:

UMT holds interests in UMS United Mobile Services GmbH (UMS) in Munich and iPAYst LLC, which is based in Riga, Latvia. Another subsidiary is Mobile Payment System Espana S.L. in Barcelona. Istanbul-based UMT Turkey Mobil A.S., SEKS – Serial Entrepreneurship Knowledge Society S.L. in Barcelona and delinski GmbH in Vienna are also among UMT Group's holdings.



## Economic Report

### Macroeconomic and industry-specific framework conditions

The German economy continued to grow at a solid and steady rate in the first half of 2016. According to data from the Federal Statistical Office (Destatis), Germany's gross domestic product (GDP) in the second quarter of 2016 was 0.4 percent higher than in the first quarter of 2016. GDP growth in the first quarter of 2016 was a strong 0.7 percent. Exports in particular made a positive contribution to economic growth relative to the year before, but consumer and government spending also boosted growth. Current forecasts expect the German economy to grow by 1.7 percent this year. The impact of the vote by the British public to leave the European Union will not make itself felt until next year. In its spring 2016 outlook, the European Commission stated that it expects GDP growth of 1.6 percent for the Eurozone, and 1.8 percent for the European Union as a whole. The weakening economies of key trading partners are also having the effect of moderating growth.

The smart phone market continues to grow at a strong pace. According to a forecast by the communications technology company Ericsson, 6.3 billion smart phones will be in users' hands by the year 2021. Given that total global volume in 2015 amounted to 3.4 billion devices, this represents an average growth rate of more than 10 percent a year. Experts estimate that mobile data traffic over smartphones will grow at an even faster pace over this period, by around 50 percent a year.

With new applications such as mobile payment, 5<sup>th</sup>-generation (5G) wireless technology is likely to post stronger growth than 4G, with LTE. The market for mobile payment is also growing at a very fast pace. According to a recent study by Visa Europe, the number of contactless transactions in Europe between 1 May 2015 and 30 April 2016 was 3.0 billion, nearly three times as high as in the same period of the year before. The number of terminals for contactless payment was up 23.0 percent from the year before, to 3.2 million, and mobile payment should be available throughout Europe by the year 2020.

According to a recent study by the consulting firm PricewaterhouseCoopers (PwC), about 30 percent of Germans are already taking advantage of the opportunity to make cashless payments using a mobile device. That number is up 5.0 percent over the year before.

The macroeconomic and industry-specific conditions continue to provide a promising market environment for UMT's business model which is characterized by dynamic growth.

In establishing its mobile payment and loyalty platform as the market standard, UMT Group will benefit significantly from the growing number of users of mobile payment internationally and the increasing proliferation of mobile devices. UMT's own full-service platform completely meets the individual requirements of retailers and partners and is capable of creating lasting added value in the B2B and B2C segments, and above all a lasting increase in revenues.

## Course of business

The first half of 2016 was characterized by intensive technical improvements on the product level and the operational implementation of current projects. The company also focused on acquiring new projects the strategic expansion of its investment portfolio.

The principal focus of day-to-day operations was on the joint project with PAYBACK GmbH and implementation of the mobile payment function within the new PAYBACK app. PAYBACK, Germany's leading bonus program and largest multi-channel marketing platform, launched its new shopping app in June 2016, which for the first time combines mobile coupon activation, mobile point collection and mobile payment. Among the first retailers to accept the new app was the drugstore chain dm.

It was followed in July by real markets, a hypermarket chain, and partners like Aral, GALERIA Kaufhof and Alnatura have been equipped for the app since September. 10 million customers are already using the PAYBACK app's mobile services for their shopping. As a result, UMT has become one of the leading providers of mobile payment technology in Germany.

At the start of the year, UMT formed a cooperation with another well-known international partner, GTD Group. GTD's extensive experience and reputation in the aviation and aerospace industry and in the maritime and port engineering sectors are expected to accelerate the international positioning of the UMT platform in the B2B segment.

The object of this joint strategic partnership is to offer customers an even broader portfolio of individual high-tech mobile payment solutions, loyalty programs and IT consulting services.

With the formation of its own subsidiary in North America, announced in early July 2016, UMT laid the groundwork for an expansion of its global presence, as it moves to further extend its mobile payment and loyalty platform, which has already been successfully launched in Germany, as a white label solution within a licensing model. In taking this step, UMT was responding to the strong demand as well as meeting the expectations of the capital market participants and potential key accounts, primarily international financial institutions.

Total performance improved by 14 percent in the first half of 2016, with gross earnings of TEUR 1,251 and revenues of TEUR 1,031, which were largely attributable to the white label business, i.e. to UMT's core business. UMT reported a net income of TEUR 987 for the first half of 2016.

## Financial, earnings and liquidity position

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 2015, prepared in accordance with the German Commercial Code, and UMT's internal reporting for the period from 1 January 2016 to 30 June 2016.

UMT generally publishes all data in EUR thousands (TEUR). Due to rounding, it may be that individual figures do not add up exactly to the sums indicated and that the numbers and percentages shown do not precisely reflect the absolute values to which they relate.

### Earnings position

Major changes in the earnings position of UMT United Mobility Technology AG in the first half of 2016 compared to the corresponding period from the year before:

UMT managed to close the first half of 2016 with a net income of TEUR 987 (year before: TEUR 605). Total performance improved considerably, with a 14 percent improvement in gross earnings, to TEUR 1,251 (year before: TEUR 1,050). This is largely based on revenues, in the amount of TEUR 1,031 (year before: TEUR 1.050).

Personnel expenses (TEUR 99) increased over the previous year (TEUR 81). Depreciation, amortization and write-offs increased slightly over the year before, to TEUR 4.0 (year before: TEUR 2.8). Other operating expenses decreased by TEUR 197, from TEUR 554 to TEUR 357.

Interest income amounted to TEUR 266 in the first half of 2016 (year before: TEUR 204), resulting from shareholder loans by UMT to UMS. This was offset by interest expenses for shareholder loans in the amount of TEUR 65 (year before: TEUR 58).

### Liquidity and financial position

Major changes in the financial position of UMT United Mobility Technology AG in the first half of 2016:

UMT's equity ratio rose by 0.4% over 31 December 2015, from 86.9% to 87.4%. In absolute figures, shareholders' equity increased by TEUR 3,075 to TEUR 19,157 (31 December 2015: TEUR 16,082). This was largely attributable to the net income of TEUR 987 for the first half of the year and the increase of the capital stock due to the issuance of TEUR 1,588 in new shares in the second quarter of 2016.

A major portion of UMT's total assets is attributable to the shareholding in UMS (TEUR 9,399) with 42.9% of total assets (31 December 2015: 50.8%) and accounts receivable from the loan to UMS, with 38.3% (TEUR 8,408; 31 December 2015: 35.6% or TEUR 6,595). As of the reporting date, 30 June 2016, UMS therefore accounted for 81.2% of UMT's total assets (31 December 2015: 86.4%).

The debt ratio as of 30 June 2016 was 12.6% (31 December 2015: 13.0%) with debt amounting to TEUR 2,762 (31 December 2015: TEUR 2,397). UMT's total capital rose by TEUR 3,429, from TEUR 18,501 on 31 December 2015 to TEUR 21,930. The company was furnished with sufficient financial resources as of 31 December 2014. The company had sufficient liquidity as of 30 June 2016. Liquid funds amounted to TEUR 2,021 as of 30 June 2016 (31 December 2015: TEUR 1,717).

## **Financial and non-financial performance indicators**

### **Financial performance indicators**

In the first half of 2016, the company reported a return on equity of 5.1% (year before: 3.9%) with TEUR 987 in net income (year before: TEUR 605).

### **Non-financial performance indicators**

#### **Personnel**

UMT has one employee aside from the Management Board.

#### **Innovation, research and development**

Innovations and new mobile technologies are a key building block of the company's strategic development. UMT Group provides its customers with innovative and flexibly individualized solutions all along the mobile payment and loyalty value chain, as well as in smart data. The focus in this regard is on optimizing and improving the basic technology within UMT's platform, with a particular focus on the white label area. A large portion of the investments will be used for UMS. The use of new technologies ensures that resources will be utilized efficiently and effectively in a highly dynamic market environment.

## **Forecast, opportunities and risks report**

The future of retail lies in mobile payment. According to a recent study of PwC, a considerable percentage of consumers are already using smart phones as a shopping tool. 35 percent of respondents confirm that they shop on their phones at least once a month. This number has increased by 11 percent in the past four years. A representative survey commissioned by the digital association Bitkom demonstrates that almost one half of Germans (46 percent) can picture themselves using cashless payment almost exclusively in the future, in nearly all everyday situations. A year ago, about one third of respondents gave this answer (36 percent). According to PwC, 75 percent of consumers will use their smart phones for purchases by the year 2020, at least for current product categories.

Since consumers are increasingly combining online and offline channels for their shopping needs, it is becoming increasingly important for retailers to optimally integrate all shopping channels in order to generate correspondingly high revenue and separate themselves from the competition. Integrated loyalty programs are extremely important in this regard. According to the PwC study, 90 percent of consumers already take part in customer loyalty programs, but most companies are still not exploiting the full potential of these programs.

The focus for the remainder of Financial Year 2016 will continue to be on seamless integration of the technology platform into existing infrastructure using a licensing model in such a way as to meet the individual requirements of retail customers.



Aside from potential implementation of UMT's own mobile payment technology into existing applications, customers will also have the option of creating a "mobile wallet" which is customized to meet their specific requirements. Activities will continue to center on continuous and sustained investments in expanding the product portfolio, with the object of extending the value chain in UMT's core business. The company's mobile payment and loyalty platform, its potential for very rapid market entry and its high technical penetration in retail provide clear competitive advantages.

Expanding the investment portfolio all along the sales process plays a key role for UMT. The focus will be on investing in companies all along the value chain which can use its mobile payment solutions and therefore offer added value for the UMT mobile payment and loyalty platform.

Due to the fact that talks and negotiations with prospective new customers are highly advanced, the company expects steady growth in incoming orders.

Taking full advantage of available opportunities continues to be the basis of UMT's operations within the context of value-based management. Opportunities are identified, assessed and seized in order to exploit trends and ensure future earnings growth. Financial risks, and particularly the secured capitalization of UMT, are a key aspect. The cash capital increase executed in the second quarter of 2016, with subscription rights excluded, secured adequate liquidity for UMT's future business alignment. The gross issue proceeds were around EUR 2.0 million.

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 is not placed in jeopardy, independent of individual capital measures.

Investment risk is limited to the subsidiaries in Germany, Spain and Latvia, which are largely financed with equity alone. This also applies for the minority holdings in Austria, Turkey, Spain and the US.

The general statements on the subject of "Risks and Opportunities" which were made in the annual financial statements for 31 December 2015 remain valid. Reference is made in this regard to the presentation in UMT's "2015 financial statements," available on the company's website at the following address: [www.umat.ag](http://www.umat.ag).

Munich, 30 September 2016

Dr. Albert Wahl  
Management Board



**Dr. Albert Wahl**  
Management Board

## 2016 Interim Financial Statements

### Balance sheet

as of 30 June 2016

UMT United Mobility Technology AG, Munich

Assets / in EUR		30 June 2016	31 Dec 2015
<b>A.</b>	<b>Fixed assets</b>		
I.	Property plant and equipment		
1.	Land, leasehold rights and buildings, including buildings on unowned land	1.00	1.00
2.	Other assets, fixtures, fittings and equipment	20,185.31	17,243.00
		20,186.31	17,244.00
II.	Financial assets		
1.	Shares in affiliated companies	9,412,846.00	9,412,846.00
2.	Investments	659,630.74	632,130.74
3.	Non-marketable securities	997,880.00	0.00
		11,070,356.74	10,044,976.74
		11,090,543.05	10,062,220.74
<b>B.</b>	<b>Current assets</b>		
I.	Accounts receivable and other assets		
1.	Trade receivables	266,680.28	4,145.34
2.	Accounts receivable from affiliated companies	8,408,352.19	6,594,740.72
3.	Accounts receivable from Group companies	17,226.94	15,531.62
4.	Other assets	122,282.52	82,938.00
		8,814,541.93	6,697,355.68
II.	Cash on hand, Bundesbank balances, cash in banks	2,021,234.84	1,717,263.92
		10,835,776.77	8,414,619.60
<b>C.</b>	<b>Deferred charges and prepaid expenses</b>	3,968.25	23,831.67
		21,930,288.07	18,500,672.01

Liabilities / in EUR		30 June 2016	31 Dec 2015
<b>A.</b>	<b>Shareholders' equity</b>		
I.	Subscribed capital		
1.	Subscribed capital	17,476,856.00	15,888,051.00
2.	Minus par value of own shares	-75,922.00	-154,314.00
		17,400,934.00	15,733,737.00
II.	Capital reserve	2,252,809.05	1,855,607.80
III.	Earnings reserves	650,944.92	628,181.12
IV.	Retained loss		
1.	Loss carry-forward	-2,135,084.09	-3,085,600.40
2.	Net income	987,310.67	950,516.31
		1,755,980.55	348,704.83
		19,156,914.55	16,082,441.83
<b>B.</b>	<b>Provisions and accrued liabilities</b>		
	Other provisions and accrued liabilities	11,000.00	21,000.00
<b>C.</b>	<b>Accounts payable</b>		
1.	Accounts payable to banks; thereof with residual term of less than one year: EUR 1,130.78 (EUR 0.00)	1,130.78	0.00
2.	Trade payables; thereof with residual term of less than one year: EUR 148,796.83 (EUR 163,539.12)	148,796.83	148,085.92
3.	Accounts payable to affiliated companies; thereof with residual term of less than one year: EUR 637,402.26 (EUR 449,059.54)	637,402.26	557,298.05
4.	Accounts payable to Group companies; thereof with residual term of less than one year: EUR 1,803,888.09 (EUR 1,614,192.22)	1,803,888.09	1,478,417.73
5.	Other accounts payable; thereof to shareholders: EUR 144,000.00 (EUR 0.00); thereof for taxes: EUR 9,070.64 (EUR 3,751.79); thereof for social security: EUR 584.92 (EUR 1,155.97); thereof with residual term of less than one year: EUR 171,155.56 (EUR 14,787.76)	171,155.56	213,428.48
		2,762,373.52	2,397,230.18
		21,930,288.07	18,500,672.01

## Income statement

for the half-year from 1 January to 30 June 2016  
UMT United Mobility Technology AG, Munich

in EUR		2016	Year before
1.	Revenues	1,030,625.00	1,050,000.01
2.	Other operating income	220,580.17	47,454.31
3.	Cost of materials		
	Cost of purchased services	0.94	0.00
4.	Gross earnings	1,251,206.11	1,097,454.32
5.	Personnel expenses		
a.	Wages and salaries	-91,794.58	-75,224.85
b.	Social security contributions and pension expenses	-6,785.21	-5,428.02
		1,152,626.32	1,016,801.45
6.	Depreciation on intangible assets and property, plant and equipment	-3,959.47	-2,768.05
7.	Other operating expenses	-356,642.97	-554,076.61
8.	Other interest and similar income	265,985.80	203,513.22
9.	Interest and similar expenses	-65,343.84	-58,442.22
10.	Net income from ordinary activities	992,665.84	605,027.79
11.	Taxes on income	-1.17	181.75
12.	Other taxes	-5,354.00	0.00
13.	Net income	987,310.67	605,209.54

## Notes as of 30 June 2016

### General disclosures

The interim financial statements for 30 June 2016 were prepared based on the classification, recognition and measurement rules of the German Commercial Code (*Handelsgesetzbuch*) and the supplementary provisions of the German Corporation Act (*Aktiengesetz*). Figures from the year before refer to 30 June 2015.

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 in the year 2015 as well as in the year 2016.

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 year before.

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.

Fixed assets are only disclosed if they are permanently dedicated to serve the business operation. Expenses for the formation of the company and for the procurement of shareholders' equity are not recognized. Provisions and accrued liabilities were only formed in accordance with § 249 of the Commercial Code and deferred charges and prepaid expenses and deferred income in accordance with the provision in § 250 of the Commercial Code.

### 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 measurement.



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 recognized if realized prior to the reporting date. Expenses and income of the financial year have been recognized independently of the payment date.

Individual items were measured as follows:

- The undeveloped land disclosed under the item "Land, leasehold rights and buildings" has been measured at 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 production cost. Depreciation is performed using the typical 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 recognized at cost or fair value, whichever is lower.

- Accounts receivable and other assets are generally recognized at face value. Identifiable individual risks have been taken into account through individual allowances.
- Provisions and accrued liabilities are recognized at the necessary settlement amount in accordance with a prudent commercial assessment. They take into account all identifiable risks and contingent liabilities.
- Liabilities are recognized at the settlement amount.

## Notes to individual balance sheet items

The measurement of the investment in UMT United Mobile Services GmbH (UMS GmbH), Munich, was retained. The future value of this investment will largely depend on the ability of UMG GmbH to successfully market its mobile payment and loyalty platform to key accounts. Based on forecasts prepared by UMS GmbH, a business valuation was performed using the DCF method which (further) justifies the measurement of this investment. Based on the forecasts of UMS GmbH, revenues are expected to increase slightly in 2016 and significantly in the year beginning in 2017, with the company expected to report positive net income in 2016 and an EBIT margin of over 30 percent starting in 2017.

The composition of the shares held in other companies is shown in the table below.

	Stake, in %	Equity on 31 December 2015, in TEUR		2015 earnings, in TEUR
UMS United Mobile Services GmbH, Munich	100.00	-5,443		-1,867
UMT Turkey Mobile Anonim Sirketi, Istanbul	26.00	-229		-108
Mobile Payment System Espana S.L., Barcelona	68.00	65		-184
iPAYst LLC, Riga	100.00	-2		-3
Delinski GmbH, Vienna	22.50	130		126

With regard to the disclosure of the equity and 2015 earnings for UMS GmbH, it should be noted that the latter has until now refrained from recognizing its developments as intangible assets but intends to do so in the future. This will likely have a positive impact on equity and 2016 earnings.

Accounts receivable from affiliated companies relate to a loan to UMS 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 ability of UMS GmbH to successfully market its mobile payment solutions to key accounts and to implement its plans in this regard.

Other assets amounted to TEUR 122 (year before: TEUR 314) and largely consist of prepaid travel expenses.

The capital stock consists of 17,476,856 bearer shares with a par value of EUR 1.00 each.

As of 31 December 2015, the capital stock consisted of 15,888,051 bearer shares with a par value of EUR 1.00 each.

Based on the authorization issued by the shareholders at the annual general meeting of 5 June 2014, the capital stock was increased by EUR 1,098,501.00, to EUR 15,888,051.00.

The new capital stock, in the amount of EUR 17,476,856.00, was entered into the Commercial Register on 29 June 2016.

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

At the annual general 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;
- insofar as the capital increase in return for non-cash contributions occurs for the purpose of acquiring companies, parts of companies or investments in companies or other assets;

- insofar as a third party which is not a bank 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.

In addition, the Management Board of the company was authorized at the annual general 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 2016, there was no distributable shareholders' equity. Moreover, based on the shares held by the company itself as of 31 December, there was a dividend freeze in the amount of EUR 807,608.07 (year before: EUR 866,691.04; reduction of earnings reserves based on acquisition of own shares).

In the financial year, the company acquired 40,722 of its own shares (acquisition, statement of shareholders' equity: acquisition of own shares), whereby EUR 40,722 was deducted from the capital stock and the earnings reserves were reduced by EUR 15,548.34.

119,114 own shares were sold for EUR 157,426.14 in sale proceeds (statement of shareholders' equity: issue of shares), of which EUR 119,114.00 was entered into the capital stock and EUR 38,312.14 into the company's earnings reserves. The proceeds were used to invest in current projects, strengthen the capital base and for employee retention. As of 30 June 2016, the company held 75,922 of its own shares (year before: 347,841).

Advance payments received in the year before, in the amount of TEUR 100, related to an account payable to affiliated companies.

Accounts payable to other Group companies, in the amount of TEUR 1,804 (year before: TEUR 1,614), include TEUR 24 in trade payables (year before: TEUR 0).

In the year before, accounts payable to other Group Companies included a purchase price repayment obligation in the amount of TEUR 200 which was secured through the transfer of securities in the form of 286,000 of the company's own shares. The transfer has since been cancelled.

Other accounts payable include TEUR 9 in accounts payable for taxes and duties (year before: TEUR 4).

All accounts payable have a residual term of less than one year.

Except for the states of affairs listed below, no other material financial obligations and no guarantees existed in the terms of § 251 of the Commercial Code: assurance of accounts payable to SWM Treuhand AG through assignment of assets of UMS GmbH by way of security.



## Notes to individual income statement items

Of other interest and similar income, TEUR 266 (year before: TEUR 204) resulted from interest from affiliated companies.

## 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.

## Cash flow statement:

According to the cash flow statement, cash and cash equivalents as of 30 June 2016 consist entirely of cash in banks, the amount of which conforms to the balance sheet item "cash on hand, Bundesbank balances, cash in banks and checks."

Payments made for investments in financial assets relate to the investments in UMT Turkey Mobil Anonim Sirketi, Mobile Payment System Espana S.L. and iPAYst LLC.

## Disclosures about corporate officers:

### Management Board

As of 18 December 2009, Dr. Albert Wahl, born on 27 July 1960 (CEO of UMT United Mobility Technology AG), was appointed as Management Board member with powers of sole representation.

## Supervisory Board

Composition of the Supervisory Board as of 5 June 2014:

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

The total remuneration of the Supervisory Board amounted to TEUR 8 in Financial Year 2016.

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

Munich, 30 September 2016

**Dr. Albert Wahl**  
Management Board

# **2016 Semi-Annual Financial Statements**

as of 30 June 2016

**UMT United Mobility Technology AG**

Brienner Straße 7  
80333 Munich  
Germany

