INTERIM REPORT FIRST HALF 2016

YOC AG

yoc MOBILE ADVERTISING

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Letter to the Shareholders

Dear Shareholders,

YOC AG has been among the pioneers of mobile advertising, going "mobile first" since 2001. Although our market environment has changed, the distinct trend towards higher mobile advertising budgets is clearly on the rise. We - and our industry - have always been driven by the vision to target users and to interact with them on their "electronic companion" anytime and anywhere, using creative customised and profile-based solutions.

YOC Group increased their total revenue by around 21 % to EUR 5.3 million in the first half of 2016 (H1/2015: EUR 4.4 million). We are pleased with the accelerated growth during Q2 2016, when we achieved to increase revenue by 29 % year-on-year to around EUR 3.0 million. Sales continued to be mainly driven by the subsidiaries in Germany and Austria. In addition, by now our Spanish subsidiary also contributes considerably to this development with a 106 % revenue increase in the first half of 2016.

Solely our British subsidiary's contribution to revenue is still not satisfactory. We counter this fact, among others, through the reappointment of the management and other key positions and by systematically introducing programmatic products. We expect the branch office to stabilise in the second half of 2016.

YOC Group recorded improved operating results before depreciation and amortisation (EBITDA) of kEUR -716 in the first half of 2016 (H1/2015: kEUR -869). Adjusted for special gains in the previous year, the EBITDA improved by kEUR 338 or 32 %. The chosen path of investing in innovative products for mobile advertising leads us ahead: The gross profit margin in the first half of 2016 increased to 35.0 % (H1/2015: 33.1 %).

Owing to the growth in revenue, improved gross profit margin along with a stable cost structure, the EBITDA in the second quarter of 2016 improved significantly to kEUR -276 (Q2/2015: kEUR -513).

We are facing a steady increase in demand for advertising campaigns via programmatic platforms. The automated delivery of mobile advertising campaigns is an inevitable development which YOC Group is prepared for with its products in the programmatic sales channel, e.g. through the establishment of private marketplaces in all locations. Our positioning as a product based provider of mobile advertising leads to a strategically more sustainable market position.

In order to further develop our product portfolio, to internationalise our activities and to strengthen equity, the company in April 2016 realised a capital increase with about EUR 0.5 million in gross issue proceeds. On top of this, we achieved to agree on accompanying debt financing in the amount of EUR 0.5 million, leading to an inflow of altogether EUR 1.0 million in liquid resources to YOC AG.

Dear valued Shareholders, for the financial year 2016 we expect around 20 % growth in sales revenue, with the cost structure remaining stable, leading to improved operating earnings as compared to the previous year. We sincerely thank you for the trust you have placed in us. We are looking forward to continuing our cooperation in future.

Kind regards,

Dirk Kraus Michael Kruse

Management Board YOC AG

YOC at a Glance

Mobile Advertising (in kEUR)	H1/2016	H1/2015	Change	Change in %
Revenue and earnings				
Total revenue	5.256	4.358	898	21
Middle and Eastern Europe[1]	3.652	2.718	934	34
Rest Of Europe[2]	1.604	1.640	-36	-2
Total output	5.569	4.994	575	12
EBITDA	-716	-869	153	18
EBITDA margin (in%)	-13	-17	n/a	n/a
Earnings after tax	-987	-1.046	59	6
Earnings per share (diluted in EUR)	-0,30	-0,34	0,04	12
Earnings per share (basic in EUR)	-0,30	-0,34	0,04	12
Employees				
Average number of employees[3]	52	53	-1	-2
Number of employees at end of March	52	53	-1	-2
Total revenue per emplyoee (in kEUR)	101	82	19	23
Total output per employee (in kEUR)	107	94	13	14
Financial position and liquidity				
Total assets	4.406	3.868[4]	538	14
Cash flow from operative activities	-731	-1.505	774	51

1) D-A-CH and Poland

2) Spain and United Kingdom

3) Based on permanent employees

4) at 31/12/2015

Where rounded figures are used, differences may occur due to commercial rounding

Interim Consolidated Management Report

(unaudited)

Business development of YOC Group as of H1 2016

Key figures

In the first half of 2016, YOC Group recorded kEUR 5,256 in total revenue (H1/2015: kEUR 4,358), a 20.6 % increase year-on-year.

Pushing forward with product innovations promising higher gross margins, the gross profit margin increased to 35.0 % as compared to the previous year's reporting period (H1/2015: 33.1 %). This development substantiates the company's repositioning as a product based provider in mobile advertising and constitutes an important component of the sustained positive business development.

Operating earnings before depreciation/amortisation in the first six months of financial year 2016 improved by kEUR 153 to kEUR -716 (H1/2015: kEUR -869). With the previous year's result adjusted for one-time gains from derecognising time-barred liabilities in the amount of kEUR 145 (H1/2016: kEUR 46), from charging on costs in the amount of kEUR 45 (H1/2016: kEUR 1) to the former subsidiary belboon GmbH, which had been sold in 2014, along with the sale of non-operating fixed assets in the amount of kEUR 49 (H1/2016: kEUR 7), the adjusted EBITDA improved by kEUR 338 (+32 %).

The operating cash flow came to kEUR -731 (H1/2015: kEUR -1,505).

Range of services

YOC is one of the leading independent premium mobile advertising providers in Europe, building on a longstanding expertise since 2001 in this business sector. With an available coverage of several billion ad impressions per month, we reach around 100 million mobile web users worldwide. YOC cooperates with more than 400 well-selected international premium publishers including Shazam, The Telegraph, krone.at, Tagesspiegel and Eurosport who trust in YOC's product, technology and marketing expertise based on long-standing successful partnerships. Through exclusive business partnerships with marketing partners and advertising clients, new successful products and scaled in-house technologies, YOC has become an innovative provider of mobile advertising.

Our focus is on the strategic expansion of our position as a specialist for Mobile Advertising in the core markets of Great Britain, Germany, Austria and Spain as well as – since February 2016 – Poland.

Premium monetising for publishers

For app and mobile web publishers from all branches, YOC offers direct access to all relevant media agencies, trading desks and direct customers. In combination with state-of-the-art advertising technologies, we rely on integral monetising strategies for our media partners and thus ensure a sustainable growth of their outreach and advertising income generated by YOC.

YOC Mediation facilitates a high but steady utilisation and attractive cost-per-mille above market average for our publishers.

YOC Hub is a reporting and analysis tool developed in-house specifically for our publishers. Our media partners are hence equipped to analyse and manage YOC's marketing activities at a glance.

Mobile premium advertising for advertisers

Our advertisers benefit from exclusive advertising opportunities with premium publishers. On top of this, the award-winning ad formats developed by YOC in-house offer a strong creative branding effect. YOC Mystery Ad won the Cannes Lion Gold Award in the Mobile category in 2012 and has since been further tailored to the needs of our advertising clients. In financial year 2015, we developed YOC Understitial Ad, a new creative and convertible ad format which is the first to improve the user-friendliness of large-format advertising. By combining pictures, videos or HTML5 content (e.g. interactive elements), YOC Understitial Ad encourages mobile web users to actively engage with a brand or a product without being intrusive. Another example of the new, interactive generation of YOC advertising formats is YOC Inline Video Ad which is currently being introduced into the market. Like YOC Understitial Ad, YOC Inline Video Ad can be accounted for by view ability, the latest accounting standard of the digital media branch.

Within the constantly growing mobile targeting market segment (e.g. audience targeting, re-engagement, cross device tracking), YOC offers advertisers an ideal choice of targeting technologies and data in order to reach their envisaged target group in the most effective way.

Mobile programmatic advertising

The increasingly important programmatic media trade is a crucial part of YOC's corporate vision, being used ever more frequently to reach the campaign goals of advertisers and to open up additional sources of revenue for publishers.

With its trading desk products, YOC reaches a significant range of mobile web users via efficient demand-side-platforms (DSP) for its advertising clients. Our full-service approach makes YOC a reliable partner, offering solid and high-quality campaigns also in this sector.

A special component of YOC's programmatic monetising is the setting up and optimising of exclusive private marketplaces (PMP). These are marketplaces on which premium publishers offer their advertising spaces only to a selected group of advertisers who independently fill the advertising spaces by means of programmatic trading.

These advertising spaces are then traded in real time. Thanks to the automated ad delivery and predefined conditions, this practice offers the efficient execution of campaign bookings with full transparency on the included inventory.

Mobile performance marketing

YOC continuously expanded its portfolio and the beginning of 2016 has extended its field of business from branding advertising to performance advertising. In this area, YOC accumulates a multitude of efficient inventory sources – from direct publishers to international performance networks – in order to successfully realise mobile advertising campaigns with performance-based settlement for national and international advertising clients such as Deutsche Bahn, Trainline, L'Oréal, vente-privée, Scout24 Group, UCWeb Inc., Amazon etc. For the increasingly significant mobile trade, YOC offers individual mobile performance products in order to win new app users or to optimise an existing user base of an app and to strengthen customer loyalty via the app. Depending on the client's objective, the number of paying customers is increased or inactive users are reactivated.

Development of net assets, financial position and results of operation

Results of operation

Revenue trend and overall performance

In the first six months of financial year 2016, YOC Group recognised kEUR 5,256 in total revenues (H1/2015: kEUR 4,358), a 20.6 % increase year-on-year.

The company's total output came to kEUR 5,569 (H1/2015: kEUR 4,994).

Other operating earnings in this period came to kEUR 223 kEUR, 275 below previous year's figure (H1/2015: kEUR 498). This is mainly due to gains from derecognising time-barred liabilities amounting to kEUR 145 (H1/2016: kEUR 46), from charging on costs in the amount of kEUR 45 (H1/2016: kEUR 1) to the former subsidiary belboon GmbH, which had been sold in 2014, and the sale of non-operating fixed assets in the amount of kEUR 49 (H1/2016: kEUR 7).

Gross income

Material expenses show a relatively low increase of 17.1 % to kEUR 3,416 as compared to the development of revenues (H1/2015: 2.917 TEUR).

As a consequence, the gross profit margin rose from 33.1 % in H1/2015 to 35.0 % in the first half of 2016.

Personnel expenses and personnel development

In the first six months of financial year 2016, the average number of employees was 52 (H1/2015: 53 employees). Personnel expenses were slightly below previous year's at kEUR 1,925 (H1/2015: kEUR1,972).

The revenue per employee increased by 23.0 % year-on-year to kEUR 101 (H1/2015: kEUR 82).

Other operating expenses

Other operating expenses came to kEUR 943, slightly below the previous year's level (H1/2015: kEUR 975).

Other operating expenses in relation to the total output slightly improved from 19.5 % to 16.9 %.

EBITDA

The operating result of YOC Group before depreciation and amortisation in the first six months of financial year 2016 improved by kEUR 153 to kEUR -716 (H1/2015: kEUR -869).

When, in addition, adjusting the previous year's result for one-time gains from derecognising time-barred liabilities in the amount of kEUR 145 (H1/2016: kEUR 46), from charging on costs in the amount of kEUR 45 (H1/2016: kEUR 1) to the former subsidiary belboon GmbH, which had been sold in 2014, and from the sale of non-operating fixed assets amounting to kEUR 49 (H1/2016: kEUR 7), the adjusted EBITDA appears improved by kEUR 338.

Post-tax profit or loss

Earnings after tax increased by kEUR 183 year-on-year to kEUR -987 (H1/2015: kEUR -1,170).

Financial position and net assets

As of 30 June 2016, cash and cash equivalents of YOC Group amounted to kEUR 985.

The operating cash flow in the reporting period came to kEUR -731 (H1/2015: kEUR -1,505).

Cash flow from investing activities came to kEUR -127 in the first six months of financial year 2016 (H1/2015: kEUR -107).

Altogether, kEUR 87 were invested in internal development in connection with the advancement of technological platforms and new products.

Opportunities, risks and outlook

Chances and risks

Being a service provider with an international focus, YOC Group is active in a dynamic market which naturally brings about certain corporate and branch-specific as well as financial risks. Main risks include market and competition risks, technological risks, liability risks, personnel risks, planning risks, organisational as well as financial and treasury risks. These risks are influenced by our own business activities as well as external factors.

YOC Group has taken measures to detect such possible risks in time and to reduce them. To this end, an adequate risk management system has been developed which records and evaluates risks by means of a company-wide risk inventory at regular intervals and, if necessary, constantly monitors them.

YOC Group's risk policies which have been set by the Management Board remain unchanged and are a vital part of the corporate policy, in line with the pursuit of sustainable growth, growth in company value and securing the company's existence in the long-term. For this purpose, necessary risks are consciously taken, while taking into account the risk-return-ratio, in order to make use of market opportunities and to exhaust the success potential inherent in them.

By means of anticipatory risk control as part of the internal control system, risks and opportunities can be detected and evaluated at an early stage so that a timely and appropriate response is possible, and efficient management can be guaranteed for the company's success. The measures that are to be taken in line with risk control are being implemented in the respective operating units.

Outlook

Due to our positioning in the market tailored to the requirements of the branch along with the expansion of mobile performance advertising services, constant growth is to be expected in the medium term. The positive economic conditions support this prognosis.

The transformation of the company to a premium mobile programmatic provider elevates the company to a whole new product level and will, with the expected development, lead to a strengthened market position. The expansion of this product field is expected to bring about increased gross margins while at the same time pushing independence from larger co-operations.

A prerequisite for this is the development of the international branches according to plan. Investment in innovative technologies and products as well as the automation of internal procedures are part of the corporate strategy to strengthen and support the development which is underway.

Following a 20.6 % increase in turnover year-on-year in the first half of 2016, the Management Board is paying special attention to stabilising or repositioning the company's business activities in Great Britain. Due to the unsatisfying development in this market, we pushed forward with reorganising the British company, which was finalised by replacing key executive positions and adopting a strategy adjusted to British market conditions. Expectations for the second half of the year are optimistic.

In the German, Austrian and Spanish markets, the targets set for the first half of 2016 were either met or exceeded.

In the ongoing first half of 2016, a further significant increase in revenue year-on-year by likely up to 20 % has already become apparent.

Altogether, YOC Group expects a significant growth in sales revenue of around 20 % for the financial year 2016, with the cost structure remaining stable as compared to the previous year, leading to improved operating results.

The Management Board still expects a negative overall operating cash flow for financial year 2016, but aims at a point of break-even in the medium term.

Interim Consolidated Financial Statements

(unaudited)

Consolidated Statement of Comprehensive Income

Consolidated Income Statement (in EUR)	Q2/2016	Q2/2015 (adjusted) [1]
Revenue	2.986.855	2.319.553
Own work capitalised	41.008	62.633
Other operating income	72.414	135.963
Total output	**3.100.277**	**2.518.149**
Expenses for goods and services	1.926.617	1.520.200
Personnel expenses	948.030	975.483
Other operating expenses	501.991	535.031
EBITDA	**-276.361**	**-512.565**
Depreciation and amortisation expenses	85.757	54.912
Impairments	16.838	0
EBIT	**-378.956**	**-567.477**
Financial income	0	443
Financial expenses	11.986	3.194
Financial result	**-11.986**	**-2.751**
EBT	**-390.942**	**-570.228**
Income taxes	40.581	46.474
Net income continuing operations	**-431.523**	**-616.702**
Net income discontinued operations	0	-63.991
Net income	**-431.523**	**-680.693**
Earnings per share		
Earnings per share basic	-0,13	-0,22
Earnings per share diluted	-0,13	-0,22
Earnings per share continuing operations		
Earnings per share basic	-0,13	-0,20
Earnings per share diluted	-0,13	-0,20

Consolidated statement of comprehensive income (in EUR)	Q2/2016	Q2/2015
Net income	**-431.523**	**-680.693**
Net other comprehensive income to be reclassified through profit or loss in subsequent periods		
Unrealised gains/losses from foreign currency translation	50.987	-70.997
Total other comprehensive income	**50.987**	**-70.997**
Total comprehensive income	**-380.536**	**-751.690**

[1] As of 31 December 2015, the continued business without the deconsolidated company YOC France SAS

› The figures are not subject to an auditor´s review.
Minor calculation differences may occur due to commercial rounding of individual items and percentage values.

Interim Consolidated Financial Statements

(unaudited)

Consolidated Statement of Comprehensive Income

Consolidated Income Statement (in EUR)	H1/2016	H1/2015 (adjusted) [1]
Revenue	5.256.405	4.358.035
Own work capitalised	89.655	137.775
Other operating income	222.990	498.243
Total output	5.569.049	4.994.053
Expenses for goods and services	3.416.273	2.916.768
Personnel expenses	1.925.494	1.971.750
Other operating expenses	943.462	974.874
EBITDA	-716.179	-869.339
Depreciation and amortisation expenses	170.126	113.560
Impairments	33.676	0
EBIT	-919.982	-982.899
Financial income	0	542
Financial expenses	18.711	3.194
Financial result	-18.711	-2.652
EBT	-938.693	-985.551
Income taxes	48.200	60.739
Net income continuing operations	-986.893	-1.046.290
Net income discontinued operations	0	-123.732
Net income	-986.893	-1.170.022
Earnings per share		
Earnings per share basic	-0,30	-0,38
Earnings per share diluted	-0,30	-0,38
Earnings per share continuing operations		
Earnings per share basic	-0,30	-0,34
Earnings per share diluted	-0,30	-0,34

Consolidated statement of comprehensive income (in EUR)	H1/2016	H1/2015
Net income	-986.893	-1.170.022
Net other comprehensive income to be reclassified through profit or loss in subsequent periods		
Unrealised gains/losses from foreign currency translation	111.353	-188.892
Total other comprehensive income	111.353	-188.892
Total comprehensive income	-875.540	-1.358.914

[1] As of 31 December 2015, the continued business without the deconsolidated company YOC France SAS

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Interim Consolidated Financial Statements

(unaudited)

Consolidated Statement of Financial Position

in EUR	30/06/2016	31/12/2015
ASSETS		
Non-current assets	599.211	674.364
Property, plant and equipment	66.305	76.804
Intangible assets	531.316	595.561
Deferred tax assets	1.590	1.998
Current assets	3.806.750	3.193.505
Trade receivables	2.403.248	1.992.832
Other receivables	418.556	330.686
Cash and cash equivalents	984.946	869.986
Total assets	4.405.960	3.867.869
EQUITY AND LIABILITIES		
Equity	-2.918.027	-2.514.712
Subscribed capital	3.292.978	3.112.473
Additional paid in capital	20.672.228	20.380.508
Retained earnings	-26.693.409	-25.706.515
Other comprehensive income from currency translation differences	-139.505	-250.858
Own shares	-50.319	-50.319
Non-current liabilities	776.285	556.886
Provisions	96.285	76.886
Other financial liabilities	680.000	480.000
Current liabilities	6.547.702	5.825.695
Prepayments received	32.064	49.411
Trade payables	2.712.351	1.790.458
Other liabilities	601.434	687.020
Other financial liabilities	2.083.924	3.250.131
Tax liabilities	14.998	48.675
Provisions	1.102.931	0
Total equity and liabilities	4.405.960	3.867.869

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Interim Consolidated Financial Statements
(unaudited)

Consolidated Statement of Cash Flows

in EUR	6M/2016	6M/2015 (adjusted) [1]
Net income continuing operations	**-986.893**	**-1.046.290**
Net income discontinued operations	**0**	**-123.732**
Depreciation and Amortisation	203.802	114.034
Taxes recognised in the income statement	48.200	60.739
Interest recognised in the income statement	18.711	2.652
Other non-cash income and expenses	109.753	14.380
Cash-Earnings	**-606.427**	**-978.217**
Result from disposal of assets	-400	-51.430
Changes in receivables and other receivables	-498.287	-386.666
Changes in liabilities, prepayments and other liabilities	-701.298	-930.696
Changes in provisions	1.122.330	843.305
Interest received	0	-542
Interest paid	-13.537	0
Income taxes paid	-33.000	-406
Cash flow from operating activities	**-730.619**	**-1.504.652**
Purchase of property, plant and equipment	-26.792	-11.012
Outflow from development costs	-105.886	-175.073
Disposal of assets	6.032	78.630
Cash flow from investing activities	**-126.646**	**-107.456**
Inflows from capital increases	499.999	800.015
Transaction costs related to issuance of new shares	-27.774	-27.814
Repayment of liabilities under finance lease	0	0
Repayment of bank loans	0	0
Issuance of loans	500.000	300.000
Cash flow from financing activities	**972.225**	**1.072.201**
Net increase / decrease	**114.959**	**-539.907**
Cash and cash equivalents at the beginning of the period	**869.986**	**1.203.724**
Cash and cash equivalents at the end of the period	**984.945**	**663.817**

[1] As of 31 December 2015, the continued business without the deconsolidated company YOC France SAS

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Interim Consolidated Financial Statements

(unaudited)

Consolidated Statement of Changes in Equity

in EUR	Subscribed capital	Additional paid in capital	Retained earnings	Other comprehensive income from currency translation differences	Own shares	Total
as of 01/01/2015	2.858.500	19.902.539	-24.220.215	-140.755	-50.319	-1.650.250
Net income			-1.170.022			-1.170.022
Currency translation differences				-188.892		-188.892
Comprehensive income	0	0	-1.170.022	-188.892	0	-1.358.914
Issuance of subscribed capital	253.973	546.042				800.015
Stock option programme		-23.095	21.366			-1.729
Transaction costs including tax benefits		-27.814				-27.814
as of 30/06/2015	3.112.473	20.397.672	-25.368.871	-329.647	-50.319	-2.238.692
as of 01/01/2016	3.112.473	20.380.508	-25.706.515	-250.858	-50.319	-2.514.712
Net income			-986.893			-986.893
Currency translation differences				111.353		111.353
Comprehensive income	0	0	-986.893	111.353	0	-875.540
Issuance of subscribed capital	180.505	319.494				499.999
Stock option programme						0
Transaction costs including tax benefits		-27.774				-27.774
as of 30/06/2016	3.292.978	20.672.228	-26.693.408	-139.505	-50.319	-2.918.027

» No shares are held by non-controlling shareholders

› The figures are not subject to an auditor´s review.
Minor calculation differences may occur due to commercial rounding of individual items and percentage values.

Notes to the financial statements

1. General information

YOC AG, with headquarters at Greifswalder Str. 212, Berlin, Germany, is an international provider of Mobile Advertising.

YOC AG is listed in the Prime Standard of the Frankfurt Stock Exchange under the identification number WKN 593273 / ISIN DE 0005932735.

2. Principles for the preparation of the financial statements, accounting and valuation methods

Principles for the preparation of the financial statements

YOC AG's interim report as of 30 June 2016 was prepared in compliance with the German Securities Trading Act (WpHG). The interim consolidated financial statements were prepared as condensed financial statements pursuant to IAS 34 and comply with Section 315a of the German Commercial Code (HGB) in accordance with the rules of the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) as adopted by the European Union and valid on the reporting date as well as the interpretations of the IFRS Interpretations Committee (IFRS IC) approved by the IASB.

The condensed and unaudited interim consolidated financial statements of YOC AG do not contain all the information and disclosures necessary for the preparation of complete financial statements at the end of the financial year. It is therefore to be recommended to read the interim report along with the Annual Report 2015.

Accounting and valuation measures

In the first six months of 2016, all standards that have been mandatory since 01 January 2016 have been applied:

- *Amendments to IAS 27 – Equity Methods in Separate Financial Statements* hold no case of application for YOC AG. The Amendments are to be applied for the first time for financial years beginning on or after 01 January 2016.

- *Amendments to IAS 16 and IAS 41 – Bearer Plants* hold no case of application for YOC AG. The Amendments are to be applied for the first time for financial years beginning on or after 01 January 2016.

- *Amendments to IAS 16 and IAS 38 - Clarification of Acceptable Methods of Depreciation and Amortisation* have no impact on the financial statements of YOC AG. The Amendments are to be applied for the first time for financial years beginning on or after 01 January 2016.

- *Improvements to IFRS (2010-2012)*
The Improvements are a collective standard dealing with changes in various IFRS. The Improvements are to be applied for the first time for financial years beginning on or after 01 February 2015. They have no effect on YOC AG.

- *Improvements to IFRS (2012-2014)*
The Improvements are a collective standard dealing with changes in various IFRS. The Improvements are to be applied for the first time for financial years beginning on or after 01 January 2016. They have no effect on YOC AG.

- *Amendments to IAS 19 – Employee Contributions*
The Amendments are to be applied for the first time for financial years beginning on or after 01 February 2015. The Amendments regulate how contributions of employees or third parties to benefit plans should be attributed to periods of service. They have no impact on the financial statements of YOC AG.

- *Amendments to IFRS 11 – Acquisition of an interest in a joint operation* hold no case of application for YOC AG. The Amendments are to be applied for the first time for financial years beginning on or after 01 January 2016.

- *Amendments to IAS 1 – Presentation of Financial Statements* hold no case of application for YOC AG. The Amendments are to be applied for the first time for financial years beginning on or after 01 January 2016.

In summary, no accounting standards that are to be applied for the first time in financial year 2016 have any effect on the presentation of net assets, financial position or results of operation in the consolidated interim financial statements.

Impact of future accounting and valuation measures

The following table shows new and revised standards which are not yet mandatory in financial year 2016 or which have not yet been adopted by the EU in the endorsement process:

Title	Temporal Scope	Endorsed by EU?	Application for YOC?	Impact on financial statements expected?
IFRS 9 - Financial instruments	01/01/2018	no	under examination	under examination
IFRS 15 - Revenue from contracts with customers	01/01/2017	no	yes	under examination
IFRS 16 - Leases	01/01/2019	no	yes	under examination
IFRS 14 - Regulatory deferral accounts	01/01/2016	no	no	n/a
Amendment of IFRS 10, IFRS 12 and IAS 28 - Investment entities: Applying the consolidation exception	01/01/2016	no	no	n/a
Amendment of IFRS 10 and IAS 28 - Sales or contributions of assets between an investor and its associate / joint venture	indefinitely postponed	no	no	n/a
Amendment of IAS 12 - Recognition of deferred tax assets for unrealised losses	01/01/2017	no	under examination	under examination
Amendment of IAS 7 - Disclosure Initiative: liabilities reconciliation arising from financing activities	01/01/2017	no	under examination	under examination

On 24 July 2014, the IASB published the final standard IFRS 9 Financial Instruments (IFRS 9 [2014]) which contains the results of all stages of the IFRS 9 project and replaces both IAS 39 Financial Instruments: Recognition and Measurement and all earlier versions of IFRS 9 Financial Instruments. The standard contains new provisions on classification and measurement, on impairment and hedge accounting. IFRS 9 is to be applied for the first time for the financial year beginning on or after 01 January 2018. The standard has not yet been adopted by the EU.

The implications of these new regulations are being analysed by the group. The present status of analysis does not allow for a statement on probable implications of the amended regulations for net assets, financial position and results of operation.

IFRS 15 was published in May 2014 but has not yet been adopted by the EU. It is to be applied for the first time for the financial year beginning on or after 01 January 2018. An early application of the standard is permitted. The standard is to be applied retrospectively. It introduces a new model to recognise revenue in five analytical steps which shall be applied to all revenues from contracts with customers. The core principle of the standard is that a company shall recognise sales revenue at the time of transfer of goods or services to customers in the amount of the return which the company may expect in exchange for the transfer of these goods or services.
The basic principles in IFRS 15 offer a structured approach to evaluate and recognise revenue. The standard is to be applied in all kinds of companies across all branches and thus replaces all other existing regulations regarding revenue recognition (IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15

Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers and SIC 31 Revenue – Barter Transactions Involving Advertising Services). Application of the new standard requires more valuations and arbitrary decisions as compared to the standards that currently apply for revenue recognition, as the amount of revenue to be recognised is determined by the amount of the return which the company may expect in exchange for the transfer of goods or services. Particular challenges may arise especially in the case that a return is variable.

The implications of these new regulations are being analysed by the group. The present status of analysis does not allow for a statement on the probable implications of the amended regulations for net assets, financial position and results of operation.

IFRS 16 regulates the recognition, measurement, presentation and disclosure requirements of leases. The standard provides a single lessee accounting model. This means that the lessee needs to recognise all assets and liabilities from leases in the balance sheet unless the lease term is 12 months or less or the underlying asset has a low value (in each case optional). The lessor continues to classify leases as finance lease or operating lease. The accounting model for lessors is not substantially different from that in IAS 17 Leases. IFRS 16 was published in January 2016 and is to be applied for the first time for financial years beginning on or after 01 January 2019.

The implications of these new regulations are being analysed by the group. The present status of analysis does not allow for a statement on the probable implications of the amended regulations for net assets, financial position and results of operation.

3. Notes to key developments in the Statement of Financial Position and the Statement of Comprehensive Income

Other disclosures regarding financial instruments

The following table shows the carrying amounts and fair values of the financial assets and liabilities recognised in the interim financial statements as well as their classification according to IAS 39 and their level within the fair value hierarchy:

30/06/2016 (in kEUR)	Carrying amount	Fair Value	Measurement category IAS 39[1)]	Fair value hierarchy
Financial assets				
Cash and cash equivalents	985	985	LaR	n/a
Trade receivables	2.403	2.403	LaR	n/a
Other assets	419	419	LaR	n/a
Financial liabilities				
Fixed rate borrowing	800	800	FLAC	n/a
Trade payables	2.712	2.712	FLAC	n/a
Other financial liabilities	2.264	2.264	FLAC	n/a

31/12/2015 (in kEUR)	Carrying amount	Fair Value	Measurement category IAS 39[1)]	Fair value hierarchy
Financial assets				
Cash and cash equivalents	870	870	LaR	n/a
Trade receivables	1.993	1.993	LaR	n/a
Other assets	331	331	LaR	n/a
Financial liabilities				
Fixed rate borrowing	300	300	FLAC	n/a
Trade payables	1.790	1.790	FLAC	n/a
Other financial liabilities	3.430	3.430	FLAC	n/a

1) AfS: available for sale financial assets
LaR: loans and receivables
FLAC: other financial liabilities measured at amortised cost.

The carrying amounts of cash and cash equivalents, trade and other receivables, other current assets and other current financial liabilities nearly match their fair value, mainly due to their short maturities.

In accordance with the principle of materiality, the fair value of these current items is equated with their book value.

Sales revenue

The group's revenues increased by 20.6 % year-on-year to kEUR 5,256 (H1/2015: kEUR 4,358).

Gross income

Material expenses show a relatively low increase of 17.1 % to kEUR 3,416 as compared to the development of revenue (H1/2015: kEUR 2,917). The gross profit margin thus increased from 33.1 % to 35.0 %.

Other operating income

Other operating income decreased by kEUR 275 to kEUR 223 as compared to the first half of 2015 (-55.2 %).

In the previous year, the company recorded one-time effects from the sale of non-operating fixed assets in the amount of kEUR 49 (H1/2016: kEUR 7), from charging on costs in the amount of kEUR 45 (H1/2016: kEUR 1) to the former subsidiary belboon GmbH, which had been sold in 2014, and derecognising time-barred liabilities amounting to kEUR 145 (H1/2016: kEUR 46).

Operating earnings before income tax, depreciation and amortisation (EBITDA)

Taking into account the effects mentioned above, the EBITDA came to a total kEUR -716 (H1/2015: kEUR -869).

Adjusted for one-time effects in other operating income from the previous year, this means the EBITDA improved by kEUR 338 (+32.2 %).

4. Segment reporting

Segment reporting is based on the internal management structure. The Group is therefore made up of the following reportable business segments:

1. Middle and Eastern Europe (before: D-A-CH)
2. Rest of Europe

For the formation of the abovementioned reportable business segments, the segments of Germany and Austria (including Switzerland), and since Q1 2016 Poland, have been assigned to the Middle and Eastern Europe segment (before: D-A-CH), while the UK and Spain have been assigned to the Rest of Europe segment, as they show similar economic characteristics and are comparable in terms of their products, range of services, customers, processes and marketing methods. In the previous year, France was still included in the Rest of Europe segment, but has been excluded with the deconsolidation of YOC France SAS as of 31 December 2015.

Due to adjustments of internal reporting structures the presentation of the segment reporting was modified at the beginning of financial year 2016. The previous year's figures have been adjusted accordingly. The following table shows the results of the individual segments. In accordance with the internal reporting structure, EBITDA is used as the measure of earnings:

Segment reporting (in kEUR)	Middle and Eastern Europe	Rest of Europe	Corporate functions	Consolidation	YOC Group
01.01.2016 - 30.06.2016					
External revenue	3.652	1.604	0	0	5.256
Internal revenue	92	113	0	-205	0
Total revenue	**3.745**	**1.717**	**0**	**-205**	**5.256**
Own work capitalised	0	0	90	0	90
Other operating income	219	13	386	-395	223
Total output	**3.963**	**1.731**	**476**	**-601**	**5.569**
Costs of goods sold	2.471	1.185	0	-240	3.416
Personnel expenses	728	474	724	0	1.925
Other operating expenses	445	406	432	-339	943
EBITDA	**320**	**-334**	**-680**	**-22**	**-716**
01.01.2015 - 30.06.2015 (adjusted)					
External revenue	2.718	1.640	0	0	4.358
Internal revenue	72	6	0	-78	0
Total revenue	**2.790**	**1.646**	**0**	**-78**	**4.358**
Own work capitalised	0	0	138	0	138
Other operating income	101	20	591	-214	498
Total output	**2.891**	**1.667**	**729**	**-293**	**4.994**
Costs of goods sold	1.846	1.173	0	-102	2.917
Personnel expenses	544	538	889	0	1.972
Other operating expenses	250	306	609	-189	975
EBITDA	**251**	**-351**	**-769**	**-1**	**-869**

Sales revenue is calculated based on the revenue generated by the subsidiaries in the respective countries. Internal sales between the segments are treated as obligations which are passed on without a surcharge. Internal sales within a segment are eliminated accordingly.

Corporate functions include income and expenses that occur in the parent company and are not directly attributable to any business segment.

The operating result of the Middle and Eastern Europe region improved due to the 34 % revenue increase to kEUR 3,652 in the current year (previous year: kEUR 2,718) as well as rigorous savings on the side of expenses in the Middle Europe region. Due to start-up losses in the mobile performance marketing unit as well as the Polish branch office, the operating result saw a moderate overall increase by kEUR 69 to kEUR 320 (previous year: kEUR 251).

In the Rest of Europe region, the Spanish subsidiary achieved significant revenue growth year-on-year. The British subsidiary is working to position itself in the market, though it has not yet been able to stabilize revenues after reappointing the management and key executive staff. Sales revenue in this segment remained roughly at the same level as in the previous year at kEUR 1,604 (previous year: kEUR 1,640). Altogether, the Rest of Europe region's EBITDA stood at kEUR -334 (previous year: kEUR -351).

EBITDA is reconciled to net income as follows:

Reconciliation (in kEUR)	H1/2016	H1/2015
EBITDA	-716	-869
Depreciation and amortisation	-204	-114
Financial result	-19	-3
Net income before taxes	-939	-986
Taxes	-48	-61
Net income from discontinued operations	0	-124
Net income	-987	-1.170

As of 30 June 2016, trade and other receivables in Middle and Eastern Europe came to kEUR 1,338 (30 June 2015: kEUR 1,017) and in the Rest of Europe region to kEUR 1,065 (30 June 2015: kEUR 963).

5. Cash flow statement

As of 30 June 2016, cash and cash equivalents of YOC Group amounted to kEUR 985.

The operating cash flow in the reporting period came to kEUR -731 (H1/2015: kEUR -1,505).

Cash flow from investing activities came to kEUR -127 in the first six months of financial year 2016 (H1/2015: kEUR -107).

Altogether, kEUR 87 were invested in internal development in connection with the advancement of technological platforms and new products.

6. Guarantees, contingent liabilities and similar obligations

As in the annual consolidated statements from 31 December 2015, no guarantees, contingent liabilities and similar obligations exist.

7. Related party disclosures

No significant business transactions were performed with related companies or persons during the period under review.

8. Events after the interim reporting period

As of the publication date of the interim report, no significant events occurred after 30 June 2016.

YOC Locations

Financial Calendar

18th November 2016

Interim Report Third Quarter 2016

7th-8th December 2016

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