

Press release

Report on the first quarter of 2012

Tipp24 SE: Successful start to the new fiscal year

- **EBIT up 3.5 percent in first quarter to EUR 12.0 million**
- **Resumption of business on German market**
- **Plans to spin off German business as Lotto24 AG**

(Hamburg, 7 May 2012) Tipp24 got off to a successful start in its fiscal year 2012. The company enjoyed further growth with an increase in consolidated revenue of 5.7 percent in the first quarter to EUR 35.4 (prior year: 33.5) million. Earnings before interest and taxes (EBIT) improved by 3.5 percent to EUR 12.0 (11.6) million. Consolidated net profit rose by 15.5 percent to EUR 8.7 (7.6) million. The EBIT margin reached 34.0 percent, compared to 34.7 percent in the same period last year. In the period under review, Tipp24 raised earnings per share from continued operations from EUR 0.99 to EUR 1.08.

The Abroad segment once again made the strongest contribution to business with revenue of EUR 35.9 (34.1) million in the first quarter. Segment EBIT grew strongly to EUR 15.3 (13.6) million.

Revenue in the German segment totalled EUR 0.1 (0.2) million in the first three months. The EBIT result of the German segment amounting to EUR -3.1 (-1.6) million was dominated by expenditure in connection with the planned spin-off of the company's operations in Germany. In late February 2012, Tipp24 Deutschland GmbH (a subsidiary of Tipp24 SE) resumed online lottery brokerage in Schleswig-Holstein and Saxony-Anhalt. Due to the prevailing regulatory situation, however, business on the German market is still highly restricted.

Relaunch on the German market despite ongoing legal uncertainties

After the German federal state of Schleswig-Holstein reopened the market for online lottery brokerage in early 2012 with its new gaming legislation, Tipp24 decided to re-enter the German market via its subsidiary Tipp24 Deutschland GmbH (in future Lotto24 AG). The service launched in February via the website www.lotto24.de currently targets only those customers who are residents of Schleswig-Holstein or Saxony-Anhalt. In Schleswig-Holstein, there is a legislative basis for business, while in Saxony-Anhalt Tipp24 SE successfully fought in court to gain unrestricted permission for its online lottery brokerage.

However, there are still considerable regulatory uncertainties for the German market. In its statement on 20 March 2012, the European Commission criticized – among other things – the large number of permits for online lottery brokerage required by the planned Revised State Treaty on Games of Chance of the other 15 federal states. Nevertheless, the Minister Presidents of the 15 states adopted the disputed State Treaty in late March and will put the legislation to a vote in their respective state parliaments with the aim of enforcing it as of 1 July 2012.

Dr Hans Cornehl, CEO of Tipp24 SE, states: "Even though the European Commission's criticism leads us to believe that the Revised State Treaty on Games of Chance will continue to be contested, we will continue to prepare the launch of our German business via the future Lotto24 AG. We expect that a continued legal connection between Lotto24 AG and Tipp24 may

jeopardize the necessary permit application processes in the various states. On 20 April, we therefore decided to spin off Lotto24 AG from Tipp24 and form an independent listed company.”

Planned spin-off of Lotto24 AG

As announced in April, the Executive Board and Supervisory Board will propose to the Annual General Meeting of Tipp24 SE to distribute shares in Lotto24 AG to all shareholders in a 1-to-1 ratio in the form of a dividend in kind. Each shareholder of Tipp24 SE will thus additionally receive a Lotto24 share (“old shares”) for each Tipp24 share. The Annual General Meeting will vote on the distribution of a dividend in kind on 22 June 2012.

In connection with the planned distribution of a dividend in kind and initial listing of Lotto24 AG shares, Lotto24 AG is also to receive sufficient funds to guarantee operations should there be delays to the further liberalization of the German market. In order to meet these liquidity needs, Lotto24 AG plans to conduct a capital increase for cash by means of a public offer of shares (“new shares”) to all shareholders of Tipp24 SE. An initial listing of the old and new shares in Lotto24 AG in the Prime Standard segment of the Frankfurt Stock Exchange is planned for early July 2012. Tipp24 published further details on the planned spin-off of Lotto24 AG in a press release on 20 April 2012.

Lotto24 AG will focus on brokering state lotteries in Germany. After the planned spin-off of its German operations, Tipp24 SE will focus on the expansion of its foreign business. In particular, the company intends to establish a new international business division with Internet services for lottery companies.

Guidance for 2012 confirmed

For the current fiscal year, Tipp24 SE still expects to reach an EBIT result of at least EUR 35 million on revenue of at least EUR 130 million. This forecast includes consideration of uncertainties regarding negative statistical fluctuations amounting to EUR 10 million. In view of the planned spin-off of Lotto24 AG, no expenses have been taken into account for the re-establishment of German operations.

The complete quarterly report is published on the website of Tipp24 SE in the Investor Relations section: <https://www.tipp24-se.de/>.

Quarter comparison: Q1 2012/2011

in EUR thsd.	Q1 / 2012	Q1 / 2011
Revenue	35,437	33,527
- Germany	142	171
- Abroad	35,865	34,103
EBIT	12,048	11,640
- Germany	-3,072	-1,579
- Abroad	15,316	13,604
Net profit	8,726	7,555

About Tipp24 SE: Tipp24 SE (formerly Tipp24 AG) was founded in September 1999 and holds equity interests in a number of companies in Spain, Italy and the UK, which enable participation in lottery-based games via the Internet, especially via the websites www.ventura24.es, www.giochi24.it, www.mylotto24.co.uk and www.tipp24.com. From its foundation to the end of 2008, Tipp24 SE brokered tickets worth over 1.5 billion euros to the state lottery companies – in the latter years over 330 million euros annually. Following its successful IPO in 2005 (Prime Standard), the company was admitted to the SDAX index in June 2009 and has been trading as a European public limited company since December 2009.

Press contact:

Tipp24 SE
 Isabelle Prchlik
 Corporate Communications Manager
 Tel.: +49 40 32 55 33-661
 E-mail: presse@tipp24.de
 Internet: www.tipp24-se.de