

Jubii Europe N.V.

Interim report
for the six months ended June 30, 2014

Key Figures (unaudited)

		Six months ended June 30, 2014	Six months ended June 30, 2013	Change in %
EBITDA ¹	in KEUR	(1,001)	(265)	278
EBIT ¹	in KEUR	(1,001)	(265)	278
Net profit/(loss)	in KEUR	(957)	(235)	307
Shares (total outstanding) ²	number	312,300,000	312,300,000	0
Earnings per share (diluted and undiluted)	in EUR	0.00	0.00	0

		Six months ended June 30, 2014	Year ended December 31, 2013	Change In %
Cash, cash equivalents and other investments	in mln EUR	18.3	19.2	(5)
Cash ratio (Cash, cash equivalents and other investments/total liabilities)	number	7.2	8.1	(12)
Shareholders' equity	in mln EUR	16.2	17.2	(6)
Equity ratio (Shareholders' equity/total assets)	in percent	86.4	87.9	(2)
Total assets	in mln EUR	18.8	19.5	(4)
Employees ³	number	1,5	1,5	(0)

¹ EBITDA is Earnings Before Interest, Taxes, Depreciation, Amortization and Impairment, EBIT is Earnings Before Interest and Taxes.

² Including Treasury shares.

³ Employee figures are presented on full time equivalent basis.

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Report to the shareholders

This report to the shareholders should be read in conjunction with the (consolidated) financial statements and notes thereto. This report contains certain forward-looking statements and information relating to Jubii Europe based on the beliefs of Jubii Europe as well as assumptions made by and information currently available to Jubii Europe. When used in this document, words such as “anticipate”, “believe”, “estimate”, “expect”, “intend”, “plan” and “project” and similar expressions, as they relate to Jubii Europe or its management, are intended to identify forward-looking statements. These statements, which reflect Jubii Europe’s current views with respect to future events, are not guarantees of future performance and involve risks and uncertainties that are difficult to predict. Further, certain forward-looking statements are based upon assumptions as to future events that may not prove to be accurate. Investors are cautioned that forward-looking statements contained in this section involve both risk and uncertainty. Several important factors cause actual results to differ materially from those anticipated by these statements.

1 Message from the CEO

Dear Shareholders,

In the first six months of 2014 Jubii Europe N.V. continued to move forward with the liquidation process. The companies remaining are Jubii Europe N.V., the German subsidiary Jubii Europe GmbH and the Swedish subsidiary Yarps Network Services AB.

For those two remaining subsidiaries, Yarps Network Services AB and Jubii Europe GmbH, a formal application for liquidation has been filed. Apart from the legal requirements, the finalization of the liquidation of Jubii Europe GmbH has to take into consideration its contractual obligation in connection with the sale of united domains AG. Furthermore, the liquidation of Yarps Network Services AB cannot be finalized until the legal dispute with TeliaSonera is concluded. The proceedings are progressing; however, they are behind the originally envisaged schedule. At this stage it cannot be said when a judgment in the first instance can be expected. Jubii Europe N.V. can immediately be liquidated after these two remaining subsidiaries are closed down.

In the first six month the Company realized a net loss of KEUR 957 which is mainly attributable to the legal dispute with TeliaSonera.

Dr. Fred Wilsdorf
Chief Executive Officer

2 Economic Development

Result analysis

EBITDA

During the first six months of 2014, the EBITDA amounted to kEUR (1.001) compared to kEUR (265) for the same period in 2013.

In the first six months of this year general and administration expenses amounted to kEUR (1,001) compared to kEUR (582) for the same period in 2013. In the first half year 2014 kEUR 714 of these expenses relates to the legal and consulting fees for the lawsuit against Telia Sonera in Sweden (kEUR 261 in the same period of 2013).

Financial Result

The net finance income amounted to kEUR 44 generated during the first six months of 2014 compared to kEUR 30 for the comparable period in 2013.

Net Result

This result in a net loss before tax of kEUR (957) for the six months ending June 30, 2014 compared to kEUR (235) for the same period in the prior year; the net result in the first half of 2013 included other income of kEUR 317 due to release of provisions.

The earnings per share for the first six months of 2014 is EUR 0.00 compared to EUR 0.00 for the first six months of 2013.

Balance Sheet Analysis

Total assets decreased from EUR 19.5 million as of December 31, 2013 to EUR 18.8 million as of June 30, 2014. Cash, cash equivalents and other investments decreased to EUR 18.3 million as of June 30, 2014 compared to EUR 19.2 million as of December 31, 2013. This decrease reflects mainly the cash used in operating activities. Total liabilities as of June 30, 2014 increased to EUR 2.6 million compared to EUR 2.4 million as of December 31, 2013.

The above yields a cash ratio of 7.2 (cash, cash equivalents and other investments divided by total liabilities).

Cash Flow Analysis

The consolidated cash flow statements comprise of movements in cash and cash equivalents with an original maturity below three months. Other investments are classified as short term (original maturity 3-12 months) in the balance sheet.

3 Share Information

In the first six months of 2014 the Jubii Europe Share price remained relatively stable. The top share price of EUR 0.075 was reached on May 5, 2014. The lowest quotation of EUR 0.057 was reached on several days during the period under review.

Annual Shareholders Meeting

The Annual General Meeting of Jubii Europe took place in Amsterdam on May 22, 2014. 74.44 percent of the 311,576,344 ordinary voting shares were represented at this meeting.

The Annual General Meeting approved the 2013 annual financial statements. KPMG Accountants N.V., Amstelveen, was appointed as auditors for the 2014 financial year. Further the company was authorized to repurchase shares (anticipatory resolution) and extended its current financial year by amending its Articles of Association.

Capital Stock

The company's capital stock consists of AA, AB and B shares, each with a par value of EUR 0.01. The average and absolute number of issued and outstanding shares, including 723,656 treasury shares with a nominal value of EUR 7,236.56 totalled 312,300,000. The number of voting shares outstanding therefore amounts to 311,576,344 as of June 30, 2012. The treasury shares were the result of both issuance and acquisition in the context of an indemnification from Spray Ventures in 2002.

Shareholder Structure

	Number of shares as of June 30, 2014	% of voting rights	% of shares	Number of shares as of December 31, 2013	% of voting rights	% of shares
Telefónica SA	100,000,000	32.1%	32.0%	100,000,000	32.1%	32.0%
Reinhard Mohn GmbH / G+J Digital Products GmbH*/ Jahr VVG mbH& Co. KG	62,270,000	20.0%	19.9%	62,270,000	20.0%	19.9%
Christoph Mohn Internet Holding GmbH	37,730,000	12.1%	12.1%	37,730,000	12.1%	12.1%
JUBII Europe N.V. (treasury shares)	723,656	0.0%	0.2%	723,656	0.0%	0.2%
Free float	111,576,344	35.8%	35.8%	111,576,344	35.8%	35.8%
Total	312,300,000	100.0%	100.0%	312,300,000	100.0%	100.0%

* G+J Digital GmbH was renamed to G+J Digital Products GmbH in 2014

4 Employees

During the six months period under review, the number of full time equivalents employees was 1.5 (the same as of December 31, 2013).

The remaining employees are ensuring the proper liquidation process of Jubii Europe.

5 Risks and Uncertainties

In our annual report 2013 we have extensively described certain risk categories and risk factors which could have a material adverse effect on our financial position and results. Those risk categories and risk factors are deemed incorporated and repeated in this report by reference. Additional risks are not known to us, or currently believed not to be material, could later turn out to have a material impact on our business objectives, income, assets, liquidity or capital resources.

6 Outlook

Jubii Europe will continue the liquidation process; however, a detailed time schedule for the completion of this process cannot be provided at present. This is mainly due to the proceedings against TeliaSonera.

Haarlem, the Netherlands
August 14, 2014

The Management Board
Jubii Europe N.V.

Responsibilities in respect of the financial statements and half-year report

The Management Board is responsible for preparing the financial statements and the half-year report in accordance with applicable Dutch law and the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

The Management Board is required to prepare financial statements for each financial year as well as interim reports, which give a true and fair view of the state of affairs, of the profit or loss and of the respective companies included in the consolidation. It is further responsible for maintaining proper accounting records, for safeguarding assets, and for taking reasonable steps to prevent and detect fraud and other irregularities. The Management Board is also responsible for selecting suitable accounting policies and applying them on a consistent basis, making judgments and estimates that are prudent and reasonable. Applicable accounting standards have been followed and Jubii Europe N.V.'s financial statements are prepared using accounting policies which comply with IFRS.

As required by section 5:25c(2)(c) of the Dutch Financial Supervision Act (Wet op het Financieel Toezicht) and on the basis of the foregoing the Management Board has confirmed that to its knowledge:

- the financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of Jubii Europe N.V. and the undertakings included in the consolidation taken as a whole.
- the half-year report includes a fair view of the position at the balance sheet date, the development and performance of the business during the financial year of Jubii Europe N.V. and undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that Jubii Europe N.V. faces.

Management Board

Dr. Fred Wilsdorf, CEO

Jubii Europe N.V.

Unaudited Condensed Consolidated Interim Financial Statements

for the period ended June 30, 2014

Jubii Europe N.V. Unaudited Condensed Consolidated Interim Statements of Financial Position

In thousand Euro	Notes	June 30, 2014	December 31, 2013
ASSETS			
Cash and cash equivalents*	2	1,011	7,189
Other investments*	2	17,280	11,976
Accounts receivable and other receivables		81	81
Current tax assets		277	104
Prepaid expenses and other current assets		129	184
Total current assets		18,778	19,534
Total assets		18,778	19,534
SHAREHOLDERS' EQUITY AND LIABILITIES			
Share capital		3,123	3,123
Share premium		1,482,092	1,482,092
Treasury shares		(2,052)	(2,052)
Translation reserve		25	18
Accumulated deficit		(1,466,010)	(1,466,159)
Unappropriated result		(957)	(149)
Total shareholders' equity attributable to owners of the Company		16,221	17,171
Accounts payable		690	404
Provision	3	1,586	1,586
Other short-term liabilities		281	373
Total current liabilities		2,557	2,363
Total liabilities		2,557	2,363
Total shareholders' equity and liabilities		18,778	19,534

The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements

* The shift between „Cash and cash equivalents” and „Other investments” mainly reflects increased money investments with a maturity between 3 - 12 month due to the declining interest level.

Jubii Europe N.V. Unaudited Condensed Consolidated Interim Statements of Comprehensive Income

In thousand Euro (except share data)	Notes	Six months ended June 30, 2014	Six months ended June 30, 2013	Three months ended June 30, 2014	Three months ended June 30, 2013
Total revenues		0	0	0	0
Gross profit/(loss)		0	0	0	0
General and administration	6	(1,001)	(582)	(591)	(72)
Other operating income/(expenses)		0	317	0	0
Total operating income/(expenses)		(1,001)	(265)	(591)	(72)
Profit/(loss) from operations		(1,001)	(265)	(591)	(72)
Finance income		44	30	16	17
Net finance income		44	30	16	17
Profit/(loss) before tax		(957)	(235)	(575)	(55)
Income tax benefit		0	0	0	0
Net profit/(loss) for the period attributable to owners of the Company		(957)	(235)	(575)	(55)
Other comprehensive income					
Items that are or may be reclassified to profit or loss:					
Foreign currency translation differences from foreign operations		0	(1)	0	0
Other comprehensive income for the period, net of income tax		0	(1)	0	0
Total comprehensive income/(loss) for the period attributable to owners of the company		(957)	(236)	(575)	(55)
Basic/diluted profit/(loss) per share (Euro) - continued operation		0.00	0.00	0.00	0.00
Basic/diluted profit per share (Euro)		0.00	0.00	0.00	0.00
Weighted average number of shares outstanding		311,576,344	311,576,344	311,576,344	311,576,344

The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements

Jubii Europe N.V. Unaudited Condensed Consolidated Interim Statements of Cash Flows

In thousand Euro	Notes	Six months ended June 30, 2014	Six months ended June 30, 2013
Cash flows from operating activities			
Profit/(loss) before tax		(957)	(235)
Adjustments for:			
Net finance income and expense		(44)	(31)
Change in accounts receivable		0	45
Change in prepaid expenses and other current assets		(118)	(24)
Change in prepaid expenses and other non-current assets		0	(6)
Change in accounts payable		286	39
Change in current liabilities		(92)	(254)
Interest received		44	31
Income tax paid			0
Net cash used in operating activities		(881)	(435)
Cash flows from investing activities			
(Increase) / decrease in short term deposits	2	(5,304)	1,000
Net cash used in investing activities		(5,304)	1,000
Cash flows from financing activities			
Share Premium repayment		0	(7,478)
Net cash provided / (used) in financing activities		0	(7,478)
Effect of exchange rate changes on cash and cash equivalents		7	0
Change in cash and cash equivalents		(6,178)	(6,913)
Cash and cash equivalents, beginning of the period		7,189	10,814
Cash and cash equivalents, end of the period		1,011	3,901

The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements

JUBII Europe N.V. Unaudited Condensed Consolidated Interim Statements of Shareholders' Equity

In thousand Euro (except share data)	Class AA shares		Class AB shares		Class B shares		Share premium	Legal reserve	Treasury shares		Translation reserve
	No. of shares	EUR	No. of shares	EUR	No. of shares	EUR	EUR	EUR	No. of shares	EUR	EUR
Balance as of December 31, 2012	62,000,000	620	62,000,000	620	188,300,000	1,883	1,489,570	0	(723,656)	(2,052)	24
Appropriation of the result of previous year											
Translation loss											1
Net loss											
Total comprehensive income											1
Distribution to shareholders							(7,478)				
Balance as of June 30, 2013	62,000,000	620	62,000,000	620	188,300,000	1,883	1,482,092	0	(723,656)	(2,052)	25
Translation loss											(7)
Net profit for the year											
Total comprehensive income											(7)
Balance as of December 31, 2013	62,000,000	620	62,000,000	620	188,300,000	1,883	1,482,092	0	(723,656)	(2,052)	18
Appropriation of the result of previous year											
Translation loss											7
Net loss											
Total comprehensive income											7
Balance as of June 30, 2014	62,000,000	620	62,000,000	620	188,300,000	1,883	1,482,092	0	(723,656)	(2,052)	25

In thousand Euro (except share data)	Accumulated deficit	Unappropriated result	Total
	EUR	EUR	EUR
Balance as of December 31, 2012	(1,466,852)	693	24,506
Appropriation of the result of previous year	693	(693)	0
Translation loss			1
Net loss		(235)	(235)
Total comprehensive income		(235)	(234)
Distribution to shareholders			(7,478)
Balance as of June 30, 2013	(1,466,159)	(235)	16,794
Translation loss			(7)
Net profit for the year		384	384
Total comprehensive income		384	377
Balance as of December 31, 2013	(1,466,159)	149	17,171
Appropriation of the result of previous year	149	(149)	0
Translation Loss			7
Net Loss		(957)	(957)
Total comprehensive income		(957)	(950)
Balance as of June 30, 2013	(1,466,010)	(957)	16,221

The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

1. Significant accounting policies
2. Cash, cash equivalents and other investments
3. Provisions
4. Related party transactions
5. Commitments and Contingencies
6. Other operating expenses

1. Significant accounting policies

a) The Company

Jubii Europe N.V. (“Jubii Europe” or the “Company” / ISIN NL0000233195 / formerly “LYCOS Europe N.V.”) is a former operator of an international network of websites being wound up. The Company commenced operations in the year 1997 and the entities existing before 2000 were reorganized as subsidiaries of Jubii Europe N.V. in January 2000. The registered office of the Company is in Haarlem, the Netherlands (Jubii Europe N.V., Fonteinlaan 7, 2012 JG Haarlem, the Netherlands). The company announced its liquidation in November 2008 and immediately started the shutdown process.

The condensed consolidated interim financial statements of the Company comprise the Company and its subsidiaries (together referred to as the “Group”).

b) Accounting policies

These unaudited condensed consolidated interim financial statements are prepared in accordance with IAS 34 “Interim Financial Reporting”. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the Jubii Europe consolidated financial statements for the year ended December 31, 2013. Jubii Europe’s consolidated financial statements are prepared in accordance with International Financial Reporting Standards and its interpretations as adopted by Article 4 of Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of July 19, 2002 on the application of international accounting standards (Official Journal EC L 243 p.1) (“IFRS”).

The preparation of unaudited condensed consolidated interim financial statements in conformity with IFRS requires the management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The accounting policies used in the preparation of the unaudited condensed consolidated interim financial statements are consistent with those used in the consolidated financial statements for the year ended December 31, 2013.

The company further has to apply IFRS 8 “operating segments” as of January 1, 2009. Since the company is currently in the process of discontinuing its operations and to liquidate its assets, a segment reporting does not exist any longer. Furthermore since February 2009 all operations and services were stopped.

2. Cash, cash equivalents and other investments

Cash consist of bank balances and deposits, cash equivalents consist of short-term deposits with an original and remaining maturity below than three months. Other investments are classified as short term (original maturity 3-12 months) in the balance sheet.

3. Provisions

In thousand Euro	Provision
Balance at January 1, 2014	1.586
Provisions released during the year 2014	0
Balance at June 30, 2014	1.586

The provision mainly consists of liabilities and exposures related to the wind up process.

4. Related party transactions

The Company engages in some related party transactions with Bertelsmann SE & Co. KGaA and their subsidiaries. These transactions are booked on separate accounts and are generally settled within thirty days of the relevant transaction. The billing rates are set at rates, which are arms-length.

5. Contingencies and commitments

Any contingencies or commitments have been provided for in the provision when appropriate.

Litigation

From time to time, the Company is subject to legal proceedings and claims in the ordinary course of business.

The Swedish subsidiary of Jubii Europe, Yarps Network Services AB, is conducting a lawsuit against the Swedish telecommunication services company, Telia Sonera, for abuse of dominant position in relation to the internet access business previously offered in Sweden. In another lawsuit by the Swedish Competition Authority based on similar facts, a fine was imposed on TeliaSonera by the Stockholm District Court in the amount of 144 million SEK. TeliaSonera appealed the fine before the appellate Market Court. In 2013 the Market Court found that TeliaSonera had abused its dominant position through margin squeeze; however for a shorter period of time and the fine was lowered to 35 million SEK.

Jubii's subsidiary will pursue its claim against TeliaSonera; the proceedings are ongoing, but they have been delayed and therefore it cannot be said at this point in time when a judgment in the first instance can be expected. Although the fact pattern of the Market Court decision is similar, the impact of that judgment on the lawsuit of Jubii's subsidiary, which is currently claiming damages of approx. MEUR 43 plus interest, cannot conclusively be assessed and there can be no assurance that it would prevail in court proceedings and obtain a money verdict in its favour.

6. Operating income/expenses

Operating expenses comprise of:

In thousand Euro	Six months ended June 30, 2014		
	Ordinary expenses	Other	Total
General and administration	(1,001)	0	(1,001)
Total	(1,001)	0	(1,001)

In thousand Euro	Six months ended June 30, 2013		
	Ordinary expenses	Other	Total
General and administration	(582)	0	(582)
Other income	0	317	317
Total	(582)	317	(265)

A large part of the expenses in 2014 (kEUR 714) and in 2013 (kEUR 261) relates to the legal and consulting fees for the lawsuit against Telia Sonera in Sweden. Other income in the first half of 2013 relates to the release of provision.

Haarlem, the Netherlands
August 14, 2014

The Management Board
Jubii Europe N.V.

Quarterly Financial Information (unaudited)

In thousand Euro (except per share data)	Quarter ended March 31, 2010	Quarter ended June 30, 2010	Quarter ended September 30, 2010	Quarter ended December 31, 2010
Revenues	(3)	0	1	0
EBITDA ¹	630	(407)	1,524	(175)
EBIT ¹	626	(408)	1,524	(176)
Net profit	275	(181)	1,249	732
Net profit / (net loss) per share basic and diluted in Euro	0.00	0.00	0.00	0.00

In thousand Euro (except per share data)	Quarter ended March 31, 2011	Quarter ended June 30, 2011	Quarter ended September 30, 2011	Quarter ended December 31, 2011
Revenues	0	0	0	0
EBITDA ¹	(281)	310	(354)	896
EBIT ¹	(281)	310	(354)	895
Net profit	(249)	403	(215)	1,020
Net profit / (net loss) per share basic and diluted in Euro	0.00	0.00	0.00	0.00

In thousand Euro (except per share data)	Quarter ended March 31, 2012	Quarter ended June 30, 2012	Quarter ended September 30, 2012	Quarter ended December 31, 2012
Revenues	0	0	0	0
EBITDA ¹	(402)	(266)	322	802
EBIT ¹	(402)	(266)	322	802
Net profit	(311)	(194)	371	827
Net profit / (net loss) per share basic and diluted in Euro	0.00	0.00	0.00	0.00

In thousand Euro (except per share data)	Quarter ended March 31, 2013	Quarter ended June 30, 2013	Quarter ended September 30, 2013	Quarter ended December 31, 2013
Revenues	0	0	0	0
EBITDA ¹	(193)	(72)	(307)	650
EBIT ¹	(193)	(72)	(307)	650
Net profit	(180)	(55)	(287)	671
Net profit / (net loss) per share basic and diluted in Euro	0.00	0.00	0.00	0.00

In thousand Euro (except per share data)	Quarter ended March 31, 2014	Quarter ended June 30, 2014	Quarter ended September 30, 2014	Quarter ended December 31, 2014
Revenues	0	0		
EBITDA ¹	(410)	(591)		
EBIT ¹	(410)	(591)		
Net profit	(382)	(575)		
Net profit / (net loss) per share basic and diluted in Euro	0.00	0.00		

¹ EBITDA is Earnings Before Interest, Taxes, Depreciation, Amortization and Impairment, EBIT is Earnings Before Interest and Taxes.

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