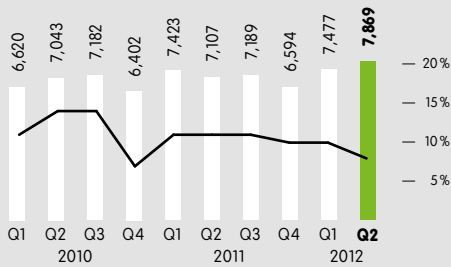


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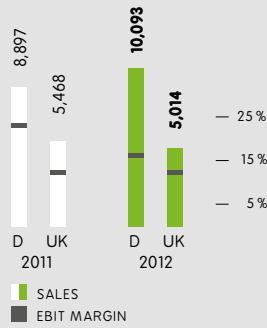


KEY FIGURES OF SYZYGY AG

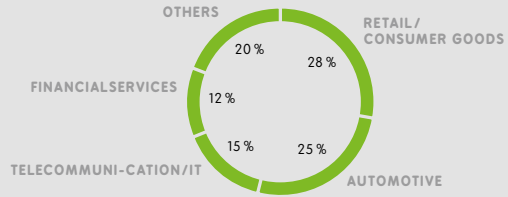
SALES AND EBIT MARGIN IN EUR'000



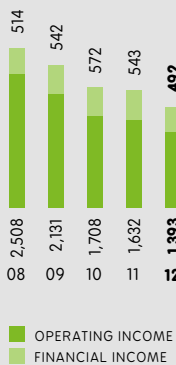
SALES AND EBIT MARGIN BY SEGMENTS H1 IN EUR'000



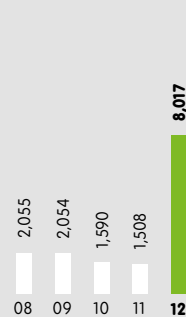
SALES ALLOCATION BY VERTICAL MARKETS



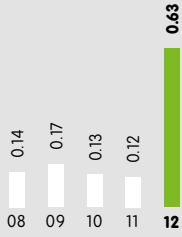
RATIO OF OPERATING INCOME TO FINANCIAL INCOME H1 IN EUR'000



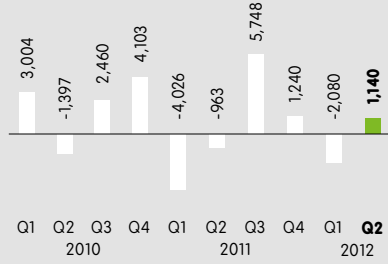
NET INCOME H1 IN EUR'000



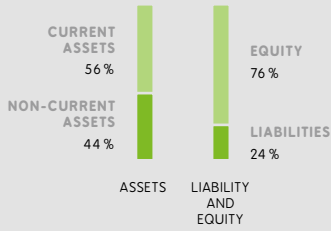
EARNINGS PER SHARE
H1 IN EUR



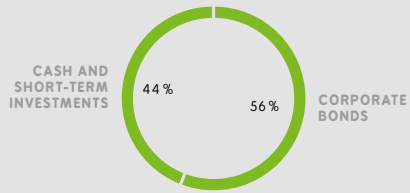
DEVELOPMENT OF OPERATING CASH FLOWS
IN EUR '000



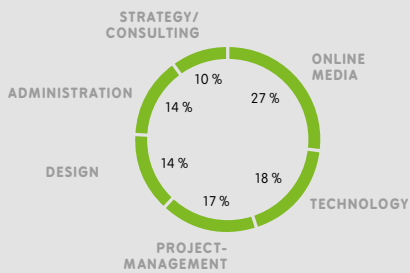
BALANCE SHEET STRUCTURE



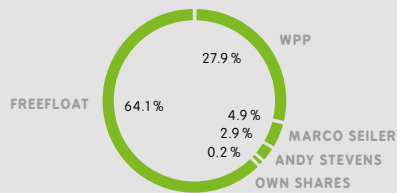
PORTFOLIO STRUCTURE OF CASH AND MARKETABLE SECURITIES



EMPLOYEES BY FUNCTION



SHAREHOLDER STRUCTURE



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BUSINESS DEVELOPMENT AND MANAGEMENT REPORT

	2ND QUARTER			JANUARY-JUNE		
	2012	2011	CHANGE	2012	2011	CHANGE
	EUR'000	EUR'000		EUR'000	EUR'000	
Sales	7,869	7,107	11%	15,346	14,530	6%
EBITDA	807	963	-16%	1,768	1,943	-9%
EBITDA margin	10%	14%	-4pp	12%	13%	-1pp
EBIT	611	811	-25%	1,393	1,632	-15%
EBIT margin	8%	11%	-3pp	9%	11%	-2pp
Financial income	262	251	4%	492	543	-9%
Net income	7,287	718	915%	8,017	1,508	432%
Earnings per share (EUR)	0.57	0.06	850%	0.63	0.12	425%
Employees (as per June 30)	290	270	7%	290	270	7%
Liquid assets	16,969	15,279	11%	16,969	15,279	11%
Operating cash flow	1,140	-963	n.a.	-940	-4,989	n.a.

GENERAL

The following Group Management Report provides information on the performance of the SYZYGY Group (hereinafter referred to as "SYZYGY" or the "Group"). The consolidated financial statements on which the Group Management Report is based have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial year corresponds to the calendar year.

BUSINESS ACTIVITIES AND STRUCTURE OF THE GROUP

SYZYGY is an international agency group for digital marketing with more than 300 employees. The Group consists of SYZYGY Aktiengesellschaft and its nine subsidiaries: SYZYGY Deutschland GmbH, SYZYGY UK Ltd, unique-digital GmbH, Unique Digital Marketing Ltd, the design studios Hi-ReSI London Ltd, Hi-ReSI New York Inc and Hi-ReSI Hamburg GmbH,

and Mediopoly Ltd. The Group also established the new company Hi-ReSI Berlin GmbH in January 2012, which commenced business operations in the second quarter of 2012. In addition, the Group has held a 26% stake in Polish design studio Ars Thanea s.k.a., Warsaw, since August 3, 2011. Rather than being fully consolidated, the company is taken into account in financial income, using the at equity method.

The operating units of the SYZYGY Group offer large international companies a comprehensive range of digital marketing services, from strategic consulting to project planning, concepts and design to technical realisation of websites, online campaigns, platforms and mobile applications. The company's services are complemented by Computer-Generated Imagery (CGI), search engine marketing and online media planning. SYZYGY thus enables its clients to use the (mobile) Internet both as

a powerful communications and sales medium and as a tool for extending and improving their interaction with customers, business partners and employees. The Group's business focus is on the automotive, telecommunications/IT and retail and consumer goods industries, as well as financial services.

ECONOMIC ENVIRONMENT

The ongoing ebb and flow of the European debt crisis has continued to put pressure on the global economy. Forecasts highlight the uncertainty surrounding the economy at both national and international level. The predictions of the different sources vary widely and are also subject to significant upward or downward revisions after just a few months.

Germany was the most successful of the major Eurozone economies during the first half of 2012. Gross domestic product (GDP) rose by 0.5 per cent in the first quarter, with economists estimating that growth then softened to 0.2 per cent in Q2. Exports were a key factor, along with rising consumer spending as Germans remained undaunted by the crisis.

In contrast, the British economy again failed to gather momentum. GDP dropped in the second quarter of 2012 for the third time in a row, thereby shrinking by almost 1 per cent over nine months. Despite an increase in exports, domestic demand remained low due to government austerity measures and cautious spending by consumers.

According to a study by the European Central Bank, in July 2012 Britain's GDP was 3.0 per cent lower than it would have been at this stage of a normal economic recovery.

ADVERTISING MARKET

Despite widespread economic uncertainty, the advertising market was set for growth.

In Germany, the gross advertising market performed well, growing by 2.0 per cent in the first half of 2012 according to Nielsen. As with the wider economy, however, the second quarter was significantly weaker, at just 0.5 per cent.

In the UK, the available statistics indicate a similar trend. Here, the increase in total advertising spend in the first quarter of 2012 was 1.1 per cent. For Q2, the experts at the Advertising Association/WARC assume a slight slackening of growth. Overall in 2012, growth is expected to come in at 2.5 per cent.

The tendency to invest advertising budgets increasingly in online channels continued uninterrupted in both countries during the reporting period.

SALES

The SYZGY Group increased its sales in the first half of 2012 by 6 per cent to EUR 15.3 million. Looking at the second quarter separately, growth reached double digits, climbing 11 per cent. This growth is largely down to the German design and technical realisation business. As well as successful business with existing clients, the high growth also reflects initial sales to new big-name clients.

The SYZGY Group generated the largest proportion of its sales (28%) from clients in the retail and consumer goods sector. The automotive sector was responsible for a quarter of sales, with business in the telecommunications/IT sector accounting for 15 per cent. Clients in the financial services sector contributed 12 per cent of sales. The remaining 20 per cent came from clients that cannot be assigned to any of these industries.

With a share of 56 per cent, the Group's ten largest clients accounted for just over half of sales. At year-end 2011, the equivalent figure was 59 per cent.

OPERATING EXPENSES AND DEPRECIATION

The cost of sales increased in line with sales revenues, rising to EUR 10.7 million (+9%) in the reporting period. Gross margin for the first six months of 2012 was 31 per cent.

Sales and marketing costs increased 13 per cent to a total of EUR 1.5 million. This disproportionate rise is primarily due to the new company Hi-ReSI Berlin, which led to start-up costs in the form of increased sales and marketing activity.

General administrative expenses remained at the previous year's level of EUR 1.9 million.

OPERATING INCOME AND EBIT MARGIN

Investment in the new Berlin office impacted operating income during the reporting period. Operating income totalled EUR 1.4 million, down 15 per cent compared with the first six months of 2011. As a result, the EBIT margin fell slightly to 9 per cent.

LIQUID FUNDS AND SECURITIES, FINANCIAL INCOME

Liquid funds and securities declined by 13 per cent to EUR 17.0 million compared with 31 December 2011. This can be attributed to a slightly negative operating cash flow and the payment of ordinary dividends amounting to EUR 2.6 million.

The annualised return on average available liquidity reserves in the 6-month period was 5.38 per cent, leading to financial income of EUR 0.5 million (-9%).

As at the balance sheet date, investments in securities had an average residual maturity of 8 years and comprised 44 per cent bank and overnight deposits and 56 per cent corporate bonds.

INCOME TAXES, NET INCOME, EARNINGS PER SHARE

Pre-tax income of EUR 1.9 million was generated in the reporting period, representing a drop of 13 per cent.

The significant increase in the Group's net income by 432 per cent to EUR 8.0 million was down to special circumstances in the second quarter, namely a successful appeal relating to impairment losses on foreign subsidiaries of EUR 25.4 million. The depreciation was included in the annual financial statements for 2001, but only recognised by the tax office in June 2012.

On this basis, SYZGY will receive a total of EUR 4.6 million in tax refunds in the 2012 financial year, half of which was remitted in June. Another partial payment of EUR 1.5 million was received in July.

In addition, SYZGY posted a loss carry-forward of EUR 10.1 million for corporate income tax, while for trade tax the relevant loss carry-forward was EUR 11.9 million. Deferred tax assets of around EUR 3.2 million must be recognised accordingly.

The advance tax payments in the reporting period amounted to EUR 0.8 million.

In total, these effects led to an increase in earnings per share of EUR 0.52. Earnings per share for the six-month period were thus EUR 0.63.

SEGMENT REPORTING

SYZGY AG uses geographical criteria to report segments and thus distinguishes between Germany and the UK. The two companies Mediopoly Ltd and Hi-ReSI New York were allocated to central functions due to their low total assets and limited impact on earnings and results of operations.

Sales revenues in the German and British segment showed diverging trends. The principal reason for this was the design and technical realisation business in the respective countries. While this performed very well in Germany due to the acquisition of new clients and strong business from existing clients, sales in the UK declined in this area. This was the result of budget cuts in the automotive sector, which were reflected in an 8 per cent decrease in sales to EUR 5.0 million. As a result, EBIT for the British companies fell 6 per cent to EUR 0.6 million.

The German segment was able to boost sales by 13 per cent to EUR 10.1 million. The formation costs for Hi-ReSI Berlin impacted on EBIT, though, resulting in a reduction of around 25 per cent year-on-year to EUR 1.6 million at the balance sheet date.

The German companies contributed 66 per cent to total sales, while the British agencies accounted for 33 per cent. The remaining 1 per cent came from central functions. Germany contributed 72 per cent of operating income, with the UK providing 28 per cent.

OPERATING CASH FLOW

Operating cash flow in the first quarter was EUR -2.1 million, rising to EUR 1.2 million in the second quarter to reach EUR -0.9 million as at 30 June 2012.

Considerable inflows were derived from the period net income of EUR 8.0 million and from received tax refunds amounting to EUR 2.6 million – as reflected in income taxes paid/received. Cash flow was reduced by tax pre-payments in the amount of EUR 0.8 million, as well as the EUR 5.7 million increase in accounts receivable due to the particular reporting date.

In the second half of the year, SYZGY expects receivables to be significantly reduced, leading to positive operating cash flow.

INVESTMENTS, RESEARCH AND DEVELOPMENT

In the first half of 2012, SYZYGY invested a total of EUR 0.5 million in intangible assets and fixed assets. This amount primarily includes purchases made in relation to the establishment of the new SYZYGY branch in Frankfurt. The hiring of new employees resulted in increased investment in software, hardware and other equipment for the Group's employees.

NET ASSETS AND BALANCE SHEET POSITION

Total assets of the SYZYGY Group rose by 13 per cent to EUR 61.2 million in the period under review.

The increase in non-current assets can be attributed to the deferred tax assets, which were reflected in tax loss carry-forwards of EUR 3.2 million in the second quarter.

In addition, goodwill increased by EUR 0.5 million due to currency effects.

Accounts receivable of EUR 14.3 million were significantly higher than at 31 December 2011 (+67%). This was timing-related both in regard to online marketing and to the design and technical realisation business.

In contrast, securities holdings were down 21 per cent to EUR 9.5 million.

On the liabilities side, the increase in total assets is primarily reflected in an increase in equity, which rose 17 per cent to EUR 46.7 million as a result of the tax effect. The equity ratio at the balance sheet date was 76 per cent, two percentage points higher than at year-end 2011.

EMPLOYEES

As at 30 June, the SYZYGY Group employed a total of 290 people, 21 people or 8 per cent up on 31 December 2011. The split according to function remained virtually unchanged. Around a quarter (27%) worked in online marketing, 18 per cent in technology, and 17 per cent in project management. 14 per cent of staff worked in design and likewise 14 per cent in administration, with 10 per cent employed in strategy consulting.

When considered by region, 188 people were employed by the five German companies and 96 in the UK. Six employees worked at Hi-ReSI New York. In addition, 35 people worked at the associated company Ars Thanea.

In addition to the full-time workers, on average over the six months 12 freelancers worked for the Group. Annualised sales per head averaged EUR 104,000.

OUTLOOK AND FORECAST

It remains difficult to predict how the Euro crisis will unfold and the extent of its impact on the global economy. Accordingly, it is almost impossible to make reliable predictions regarding the growth of the markets relevant to SYZGY.

So far, Germany has been able to withstand the crisis and again proved to be the strongest and most stable economy in the Eurozone in the first half of 2012. However, early indicators such as the ifo Business Climate Index and the ZEW barometer point to a downturn in the economy during the rest of the year.

Due to slowing economic growth, both the International Monetary Fund (IMF) and the German Institute for Economic Research (DIW) lowered their growth predictions for 2013, which stood at 1.4 per cent and 2.0 per cent respectively in July. Eurostat expects growth of 1.7 per cent.

The economic situation in the UK remains challenging. Despite some positive news on exports, where the focus is starting to switch away from the EU, most economists agree that no significant economic upturn can be expected at this time. The UK is too dependent on the financial sector and its trading partners in the struggling Eurozone. Strict austerity programmes are also stunting domestic demand. Growth predictions by 25 financial institutes average out at just 0.1 per cent for 2012 and 1.4 per cent for 2013. The IMF's predictions are almost identical, at just 0.2 per cent and 1.4 per cent respectively.

The slump in activity and the continuing uncertainty regarding the further development of the global economy will also be felt in the advertising sector. Media agency ZenithOptimedia is predicting a decline in spending on advertising of 1.1 per cent in the Eurozone, albeit with huge differences between the various countries. While cuts of up to 20 per cent are expected in Greece, Spain, Portugal and Italy, Zenith believes that spending in Germany will grow by 2.1 per cent. The German Advertising Association (ZAW) currently describes the situation in the advertising market as "volatile" and anticipates a year-on-year increase of just 1 per cent for 2012.

For the UK, the predictions vary. ZenithOptimedia believes that despite the difficult economic situation the British advertising market will grow by 3.5 per cent in 2012. However, that view is not shared by polling agency Markit. In its quarterly Bellwether Report, it concentrates instead on the risk of falling total spending if the willingness to invest continues to fall as rapidly as in the second quarter of 2012.

PERFORMANCE OF THE SYZYGY GROUP

Up to now, digital marketing has proven itself to be largely unaffected by the crisis. SYZYGY is therefore assuming that companies will continue to switch advertising budgets to the Internet or increase their current online advertising spend.

While the situation in Europe is marked by economic uncertainty, the SYZYGY Group made important investments to increase its attractiveness to blue chip companies and ensure its competitiveness.

The Group currently sees the main chances for organic and inorganic growth in Germany. In the UK, the situation remains difficult due to the struggling economy and the highly competitive market. In the current year, the emphasis here will therefore be on stabilising sales and earnings.

For 2012, the SYZYGY Group is aiming to achieve a significant increase in sales and expects to exceed the growth seen in 2011. The German segment is driving growth, as anticipated, but Hi-ReS! Berlin is not expected to make a significant contribution to the Group's sales performance in 2012.

Sales in the British segment will probably decrease.

Investment in expanding the Group will put pressure on the operating income of the German segment. Overall, SYZYGY expects to achieve EBIT at the previous year's level for both segments.

For 2013, SYZYGY expects a return to double-digit growth in both business segments, in terms of both sales and EBIT.

Hi-ReS! New York is expected to achieve double-digit sales growth and a positive operating result both in 2012 and in 2013.

For the whole year 2012, SYZYGY expects earnings per share of EUR 0.72.

Bad Homburg v.d.H., July 31, 2012

SYZYGY AG
The Management Board

CONSOLIDATED BALANCE SHEET

ASSETS	06/30/2012	06/30/2011	12/31/2011
	EUR'000	EUR'000	EUR'000
Non-current assets			
Goodwill	19,951	18,845	19,495
Fixed assets, net	2,743	1,593	2,565
Fixed asset investment	614	0	604
Other assets	532	460	511
Deferred tax assets	3,234	57	603
Total non-current assets	27,074	20,955	23,778
Current assets			
Cash and cash equivalents	7,504	1,886	7,533
Marketable securities	9,465	13,393	12,024
Accounts receivable, net	14,255	12,721	8,523
Prepaid expenses and other current assets	2,870	2,202	2,203
Total current assets	34,094	30,202	30,283
Total assets	61,168	51,157	54,061
EQUITY AND LIABILITIES	06/30/2012	06/30/2011	12/31/2011
	EUR'000	EUR'000	EUR'000
Equity			
Common stock*	12,828	12,828	12,828
Additional paid-in capital	20,207	20,207	20,207
Own shares	-116	-116	-116
Accumulated other comprehensive income	-1,567	-2,846	-2,900
Retained earnings	15,374	8,548	9,918
Total Equity	46,726	38,621	39,937
Non-current liabilities			
Long term liability	200	249	200
Deferred tax liabilities	57	55	57
Total non-current liabilities	257	304	257
Current liabilities			
Tax accruals and liabilities	1,018	1,335	785
Accrued expenses	3,544	1,417	2,170
Customer advances	2,488	3,156	2,052
Accounts payable	6,472	5,959	8,255
Other current liabilities	663	365	605
Total current liabilities	14,185	12,232	13,867
Total liabilities and equity	61,168	51,157	54,061

* Contingent capital EUR'000 1,200 (prior year: EUR'000 1,200).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2ND QUARTER			JANUARY-JUNE		
	2012	2011	CHANGE	2012	2011	CHANGE
	EUR'000	EUR'000		EUR'000	EUR'000	
Sales	7,869	7,107	11%	15,346	14,530	6%
Cost of revenues	-5,601	-4,799	17%	-10,656	-9,819	9%
Sales and marketing expenses	-716	-614	17%	-1,450	-1,284	13%
General and administrative expenses	-999	-940	6%	-1,947	-1,920	1%
Other operating income/expense, net	58	57	2%	100	125	-20%
Operating profit	611	811	-25%	1,393	1,632	-15%
Financial income, net	262	251	4%	492	543	-9%
Income before taxes	873	1,062	-18%	1,885	2,175	-13%
Income taxes	6,414	-344	n.a.	6,132	-667	n.a.
Net income	7,287	718	915%	8,017	1,508	432%
thereof income share to shareholders of SYZGY AG	7,287	718	915%	8,017	1,508	432%
Period net income	7,287	718	915%	8,017	1,508	432%
Currency translation adjustment	820	-269	n.a.	654	-764	n.a.
Net unrealized gains/losses on marketable securities	-398	-97	310%	679	25	2,616%
Other comprehensive income	422	-366	n.a.	1,333	-739	n.a.
Comprehensive income	7,709	352	2,090%	9,350	769	1,116%
Earnings per share from total operations (diluted and basic in EUR)	0.57	0.06	850%	0.63	0.12	425%

CONSOLIDATED STATEMENT OF CASH FLOWS

	06/30/2012	06/30/2011	12/31/2011
	EUR'000	EUR'000	EUR'000
Period net income	8,017	1,508	2,878
Adjustments to reconcile income from continuing operations to net cash provided by operating activities			
– Writedown of marketable securities	0	220	-213
– Depreciation on fixed assets	375	311	628
– Profit and loss on sale of securities	51	-195	-236
– Income tax income and expenses	-6,132	667	1,097
– Interest income and expenses	-543	-543	-1,090
– Income from fixed asset investments at equity	0	0	-62
– Other non-cash income and expenses	0	0	50
Changes in operating assets and liabilities:			
– Accounts receivable and other assets	-5,121	-2,033	2,169
– Customer advances	436	757	-347
– Accounts payable and other liabilities	-351	-3,959	-2,222
– received/paid income taxes	1,784	-2,206	-1,530
– received/paid interest	544	484	877
Cash flows provided by operating activities	-940	-4,989	1,999
Proceeds from sale of fixed assets	0	0	113
Changes in other non-current assets	0	27	-24
Investments in fixed assets	-553	-154	-1,495
Purchases of marketable securities	-8,207	-3,513	-5,135
Proceeds from sale of marketable securities	11,394	8,196	10,052
Acquisition of at equity companies	0	-776	-531
Acquisition of consolidated companies	0	0	-723
Cash flows used in investing activities	2,634	3,780	2,257
Dividend	-2,561	-2,561	-2,561
Cash flows from financing activities	-2,561	-2,561	-2,561
Total	-867	-3,770	1,695
Cash and cash equivalents at the beginning of the year	7,533	5,839	5,839
Exchange rate differences	838	-183	-1
Cash and cash equivalents at the end of the period	7,504	1,886	7,533

STATEMENT OF CHANGES IN EQUITY

	NUMBER OF SHARES (IN THOUSAND)	COMMON STOCK	ADDITIONAL PAID-IN CAPITAL	OWN SHARES	RETAINED EARNINGS	ACCUM. OTHER COMPREHENSIVE INCOME		TOTAL EQUITY
						FOREIGN EXCHANGE CURRENCY	UNREALISED GAINS AND LOSSES	
	Shares	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
January 01, 2011	12,828	12,828	20,207	-116	9,601	-2,067	-40	40,413
Comprehensive income					2,878	241	-1,034	2,085
Dividend					-2,561			-2,561
December 31, 2011	12,828	12,828	20,207	-116	9,918	-1,826	-1,074	39,937
January 01, 2012	12,828	12,828	20,207	-116	9,918	-1,826	-1,074	39,937
Comprehensive income					8,017	654	679	9,350
Dividend					-2,561			-2,561
June 30, 2012	12,828	12,828	20,207	-116	15,374	-1,172	-395	46,726

NOTES TO THE CONSOLIDATED QUARTERLY FINANCIAL STATEMENTS

ACCOUNTING

Pursuant to the provisions of section 37 y WpHG (German Securities Trading Act) in conjunction with section 37 w para. 2 WpHG, the financial report of SYZYGY AG for the first six months of 2012 comprises interim consolidated financial statements and an interim Group Management Report as well as the responsibility statement according to §297 (2) sentence 4, §315 (1) sentence 6 German Commercial Code (Handelsgesetzbuch – HGB). The unaudited interim consolidated financial statements were prepared in accordance with the requirements of International Financial Reporting Standards (IFRS) for interim financial reporting as applicable within the European Union. The interim financial statements were prepared in compliance with IAS 34. Accordingly, the company elected to produce a short-form report, compared with the consolidated financial statements as at December 31, 2011. The Management Report was prepared in accordance with the applicable requirements of the WpHG.

The same accounting and consolidation principles were applied as described in the notes to the financial statements in the 2011 annual report. Individual items in the balance sheet and consolidated statement of comprehensive income are likewise presented using the same valuation principles as described and applied in the annual report for 2011. The financial figures and associated information must therefore be read in conjunction with the annual report on the consolidated financial statements for 2011.

The interim consolidated financial statements have not been subject to an auditor's review, in accordance with section 37 w para. 5 WpHG.

BUSINESS ACTIVITIES OF THE SYZYGY GROUP

SYZYGY is a global agency group for digital marketing. SYZYGY AG acts as a management holding company by providing central services relating to strategy, planning, technology development, accounting, IT infrastructure and finance. SYZYGY AG also supports the subsidiaries in new business activities and generates sales from projects with third parties. As operating entities, the subsidiaries are responsible for providing consultancy and other services. With branches in Bad Homburg, Berlin, Frankfurt/Main, Hamburg, London and New York, the Group's subsidiaries offer large global companies an integrated portfolio of corporate Internet solutions, from strategic consulting to project planning, concepts, design and technical realisation. The company's services are complemented by Computer-Generated Imagery, search engine marketing and online media planning. SYZYGY thus enables its clients to use the (mobile) Internet both as a powerful communications and sales medium and as a tool for extending and improving their interaction with customers, business partners and employees. The Group's business focus is on the automotive, financial services, telecommunications/IT and retail and consumer goods.

SCOPE OF CONSOLIDATION AND PRINCIPLES

As at June 30, 2012, the following subsidiaries were included in the consolidated financial statements of SYZYGY AG and fully consolidated:

- [1] Hi-ReSI Berlin GmbH, Germany
- [2] Hi-ReSI Hamburg GmbH, Germany
- [3] Hi-ReSI London Ltd, UK
- [4] Hi-ReSI New York Inc, United States
- [5] Mediopoly Ltd, UK
- [6] SYZYGY Deutschland GmbH, Germany
- [7] SYZYGY UK Ltd, UK
- [8] uniquedigital GmbH, Germany
- [9] Unique Digital Marketing Ltd, UK

In addition to the fully consolidated subsidiaries, Ars Thanea s. k. a., Warsaw, Poland, is also included in SYZYGY's consolidated financial statements as a joint venture based on the at equity method.

Information on general consolidation principles is provided in the 2011 annual report from page 49 onwards.

DEFERRED TAXES

Please see page 58 of the 2011 annual report with regard to recognising deferred taxes. There was a significant increase in the deferred taxes recognised in the first half of 2012. This is due to tax loss carry-forwards at SYZYGY AG, which arose in connection with impairment losses.

In total, there is a loss carry-forward for SYZYGY AG of EUR 10.1 million for corporate income tax and a loss carry-forward of EUR 11.9 for trade tax. Applying the relevant tax rates results in deferred tax assets of EUR 3.2 million.

SEGMENT REPORTING

Application of IFRS 8 requires segment reporting in accordance with the Group's management approach. SYZYGY thus bases segment reporting on geographical criteria.

As the holding company, SYZYGY AG mainly delivers services to the operating units and therefore needs to be considered separately. Sales that SYZYGY AG generates with third parties are reported under the Germany segment, as is the pro rata operating income.

The Germany segment comprises SYZYGY Deutschland GmbH, unquedigital GmbH, Hi-ReSI Hamburg GmbH and Hi-ReSI Berlin GmbH. The UK segment consists of SYZYGY UK Ltd, Unique Digital Marketing Ltd and Hi-ReSI London Ltd. Hi-ReSI New York Inc and Mediopoly Ltd are included in central functions and consolidation since these companies are considered to be immaterial due to their low sales and total assets and cannot be allocated to either of the geographical segments.

The individual segments apply the same accounting principles as the consolidated entity.

The criteria used by SYZYGY AG to assess the performance of the segments include sales and operating income (EBIT). Transactions between segments, which are charged at market prices, were eliminated.

Segment assets are equivalent to total assets plus the goodwill attributable to the respective segment, less receivables attributable to companies in the same segment.

Segment investments comprise investments in intangible assets and fixed assets.

Segment liabilities correspond to total liabilities excluding equity, less liabilities attributable to companies in the same segment.

June 30, 2012 EUR'000	GERMANY	UK	CENTRAL FUNCTIONS AND CONSOLIDATION	TOTAL
Sales	10,093	5,014	239	15,346
Internal sales	1,026	31	-1,057	0
Operating income (EBIT)	1,575	603	-785	1,393
Financial income	31	4	457	492
Assets	15,645	22,433	23,090	61,168
of which goodwill	8,841	11,110	0	19,951
Investments	448	55	19	522
Depreciations and amortisation	266	102	7	375
Segment liabilities	13,318	11,005	-9,881	14,442

June 30, 2011 EUR'000	GERMANY	UK	CENTRAL FUNCTIONS AND CONSOLIDATION	TOTAL
Sales	8,897	5,468	165	14,530
Internal sales	381	245	-626	0
Operating income (EBIT)	2,107	642	-1,117	1,632
Financial income	27	4	512	543
Assets	20,192	17,865	13,099	51,157
of which goodwill	8,841	10,004	0	18,845
Investments	145	49	12	205
Depreciations and amortisation	204	102	6	311
Segment liabilities	8,878	5,058	-1,401	12,536

TREASURY STOCK

As at June 30, 2012, SYZGY held 25,000 treasury shares. SYZGY is authorised to resell or call in treasury shares or to offer treasury shares to third parties in the course of acquiring companies. Treasury shares do not entitle the Company to any dividend or voting rights. The extent of the share buyback is shown as a separate item to be deducted from equity.

DIRECTORS' DEALINGS

Transactions in shares in their own organisation by board members of listed companies are called directors' dealings. In the period under review, board members did not buy or sell any SYZGY shares.

Current holdings of shares and transactions carried out in the period under review are disclosed in the following tables:

Management Board: Shares

Number of shares	MARCO SEILER	FRANK WOLFRAM	ANDREW STEVENS	TOTAL
As at December 31, 2011	622,279	5,500	375,000	1,002,779
Purchases	0	0	0	0
Sales	0	0	0	0
As at June 30, 2012	622,279	5,500	375,000	1,002,779

Supervisory Board: Shares

Number of shares	MICHAEL MÄDEL	ADRIAAN RIETVELD	WILFRIED BEECK	TOTAL
As at December 31, 2011	0	10,000	120,000	130,000
Purchases	0	0	0	0
Sales	0	0	0	0
As at June 30, 2012	0	10,000	120,000	130,000

STOCK-BASED COMPENSATION

On May 29, 2009, the Company's shareholders approved an employee stock option plan which allows the Company to issue up to 1,200,000 stock options. The options can be exercised over a period of up to 5 years from the date of issue, with 40 per cent of the options not being exercisable until at least 2 years have elapsed and the remaining 60 per cent not until 3 years have elapsed.

On June 27, 2012, the Company issued 300,000 options at an exercise price of EUR 3.11, 240,000 of which to members of the Management Board and 60,000 to employees.

SHAREHOLDER STRUCTURE

As at June 30, 2012, the shareholders' structure was unchanged compared to December 31, 2011. The WPP Group continued to hold 27.9 per cent, Marco Seiler 4.9 per cent and Andrew Stevens 2.9 per cent of the shares. Since 0.2 per cent of the shares are held as treasury stock, the free float amounts to 64.1 per cent. As at the reporting date, the total number of shares is 12,828,450.

RESPONSIBILITY STATEMENT BY THE LEGAL REPRESENTATIVES IN ACCORDANCE WITH SECTION 37Y WPHG (GERMAN SECURITY TRADING ACT) I.C.W. SECTION 37W (2) NO. 3 WPHG

"To the best of our knowledge, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the interim management report of the group includes a fair review of the group's development and performance of its position, together with a description of the principal opportunities and risks associated with the expected development of the group in the remaining months of the financial year, in accordance with German proper accounting principles of interim consolidated reporting."

Bad Homburg v. d. H., July 31, 2012

SYZYG Y AG

The Management Board

FINANCIAL CALENDAR 2012

SMALL CAP CONFERENCE (SCC), FRANKFURT	/	AUGUST 27
CAPITAL MARKET CONFERENCE (ZKK), ZURICH	/	SEPTEMBER 26
INTERIM REPORT AS PER 09/30/2012	/	OCTOBER 31
GERMAN EQUITY FORUM, FRANKFURT	/	NOVEMBER 12-14
CAPITAL MARKET CONFERENCE (MKK), MUNICH	/	DECEMBER 5-6

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