Interim Results for the six months ended 30 June 2014
London Stock Exchange Symbol: PLUS
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Plus500 has developed and operates an online trading platform for retail customers to trade Contracts For Difference (CFDs) in more than 50 countries.

Proprietary technology platform is user friendly, robust, scalable and easily accessible to new customers.

Customer acquisition via online marketing.

Plus500 in numbers:

- #1 Rated on mobile app stores
- >50 Countries
- 31 Languages
- $106.2m Revenues H1 2014
- +138% Growth in Revenues H1 14/ H1 13
- 68% H1 2014 EBITDA Margin
- $72m EBITDA H1 14
- +213% Growth in EPS H1 14/ H1 13
- 50% Dividend policy
Results Summary

- H1 2014 Active Customers* increased 35% to 67,232 (H1 2013: 49,752)
- H1 2014 New Customers** increased 33% to 32,673 (H1 2013: 24,626)
- Ongoing strengthening in Plus500’s market position with further expansion in Europe
- Significant increase in smartphone and tablet users accessing Plus500’s trading platform
- Expansion into Australia continues to gather very positive momentum
- Board remains confident of continued growth in 2014 and beyond

*Active Customers: Customers who made at least one real money trade during the period.
** New Customers: Customers depositing for the first time ever during the period.
Products

CFD products

2,100 CFD products

Platform and Devices

Supporting 31 languages in more than 50 countries

Trading Platform

Retail customers only

<table>
<thead>
<tr>
<th>Most Popular</th>
<th>Shares</th>
<th>Commodities</th>
<th>Indices</th>
<th>Forex</th>
<th>ETFs</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK 100</td>
<td>6018.00</td>
<td>Buy</td>
<td>6018.50</td>
<td>Short</td>
<td>-0.63%</td>
</tr>
<tr>
<td>Perseus</td>
<td>0.52</td>
<td>Buy</td>
<td>0.50</td>
<td>Short</td>
<td>-25.37%</td>
</tr>
<tr>
<td>GBP/USD</td>
<td>1.5457</td>
<td>Buy</td>
<td>1.5453</td>
<td>Sell</td>
<td>0.14%</td>
</tr>
<tr>
<td>USD/JPY</td>
<td>97.50</td>
<td>Buy</td>
<td>97.48</td>
<td>Sell</td>
<td>-0.24%</td>
</tr>
<tr>
<td>Bitcoin / USD</td>
<td>105.27</td>
<td>Buy</td>
<td>103.84</td>
<td>Sell</td>
<td>1.53%</td>
</tr>
<tr>
<td>Tesla Motors</td>
<td>101.65</td>
<td>Buy</td>
<td>101.45</td>
<td>Short</td>
<td>2.75%</td>
</tr>
<tr>
<td>Apple</td>
<td>402.46</td>
<td>Buy</td>
<td>401.36</td>
<td>Short</td>
<td>-2.67%</td>
</tr>
<tr>
<td>Kazakhmys</td>
<td>234.83</td>
<td>Buy</td>
<td>232.98</td>
<td>Short</td>
<td>-13.77%</td>
</tr>
</tbody>
</table>
Business model

Revenue Split

- **Dealing Spreads**
  Difference between the buy price and the sell price of a CFD

- **Overnight Premiums**
  Charges on open customer positions held overnight

- **Market Positions**
  Gains (offset by losses) on customers’ trading positions, acting as principal

Revenues FY 2013

- **Spreads**
  74%

- **Premium**
  23%

- **Market**
  3%

International Footprint

- **Plus500 UK**
  FCA UK-regulated subsidiary

- **Plus500 Ltd.**
  Israel Headquarters

- **Plus500 AU**
  Australian regulated subsidiary (ASIC)

Trade Time

- Median trade time is 1 hour

Quality of Earnings

- 93% of revenues from regulated markets
Proprietary technology, developed in-house: key differentiator and flexible advantage
Marketing infrastructure: online is key

Online advertising

Using our proprietary automated marketing platform ensures that spending is efficient with a demonstrable return on investment

The “Marketing Machine”

- Focus is online
- Measurable
- Learns from experience
- Flexible spending
- Context specific advertising
- Defined ROI from spend
- Accumulated knowledge is a barrier to entry and competitive advantage

Total marketing investment in $m

Source: Google
Marketing infrastructure: affiliates and offline

A large international affiliates programme
Over 5,000 active affiliates who advertise Plus500
Paid on success only
Easy-to-access and use affiliates’ portal of marketing collateral
Fully automated online analysis and reward platform
Localised marketing tools for affiliates
Attractive revenue proposition for affiliates

Offline
Increased activity offline to build the Plus500 brand
IPO enhanced brand awareness
Continue with targeted campaigns
The Plus500 brand

United Kingdom

Italy

Germany

* Data from Google Trends web searches, June 2010 – June 2014
Mobile as a key growth driver

Number of Signups by Device

Revenues by Device

1Q11 2Q11 3Q11 4Q11 1Q12 2Q12 3Q12 4Q12 1Q13 2Q13 3Q13 4Q13 1Q14 2Q14

Windows Web IPhone iPad Android AndroidTablet

Windows Web IPhone iPad Android AndroidTablet
Financial risk management is key to the business

**Market Risk**

- Spread of customers acts as a natural risk-mitigation:
  - No dominant customers

- Real-time monitoring of exposure limits by:
  - Individual clients
  - Individual instruments
  - Total Group exposure

- When limits are reached, no further trades accepted

- Hedging undertaken if market movement breach the limits

**Credit Risk**

- Automated real-time close-out policy to minimise unfunded customer losses

**Surplus Capital**

- Plus500 continues to maintain significant reserves post-IPO

Risk Management Advisory

- **pwc**
- **CPA audit**
- **Deloitte**

Regulators

- **FCA**
- **ASIC**

Segregated Customer Accounts held by

- **BARCLAYS**
- **CommonwealthBank**
Regulation and compliance

**Plus500 Ltd**  
*Israel Headquarters*

**Plus500 UK Ltd**  
*FCA Registered*

**Plus500 AU Pty Ltd**  
*Australian (ASIC) Regulated*

- All EEA customers facilitated via “passporting mechanism”
- Periodic FCA visits, no issues outstanding

**Client Take-On**

- FCA / ASIC rules set out client take-on requirements
- Customers must self-certify their understanding of the risks
- All marketing carries appropriate risk warnings
- KYC / AML process fully compliant and in line with peers
  - Risk based approach in line with regulations
### Key Financial Indicators – Income Statement ($ ,000):

<table>
<thead>
<tr>
<th></th>
<th>Six months ended June 30</th>
<th>FY 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
<td>2013</td>
</tr>
<tr>
<td>Trading income (net)</td>
<td>106,242</td>
<td>44,673</td>
</tr>
<tr>
<td><strong>1H14/1H13 growth</strong></td>
<td><strong>138%</strong></td>
<td></td>
</tr>
<tr>
<td>Selling and marketing expenses</td>
<td>30,702</td>
<td>21,195</td>
</tr>
<tr>
<td>Administrative and general expenses</td>
<td>3,583</td>
<td>1,617</td>
</tr>
<tr>
<td><strong>Income from operations</strong></td>
<td>71,957</td>
<td>21,861</td>
</tr>
<tr>
<td><strong>1H14/1H13 growth</strong></td>
<td><strong>229%</strong></td>
<td></td>
</tr>
<tr>
<td>Financing expenses/ (income) -net</td>
<td>(1,179)</td>
<td>1,348</td>
</tr>
<tr>
<td>Tax expense</td>
<td>19,373</td>
<td>5,121</td>
</tr>
<tr>
<td><strong>Profit attributable to owner of the parent</strong></td>
<td>53,763</td>
<td>15,392</td>
</tr>
<tr>
<td><strong>1H14/1H13 growth</strong></td>
<td><strong>249%</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Earning per share ($)</strong></td>
<td>0.47</td>
<td>0.15</td>
</tr>
</tbody>
</table>

First half of 2014 - best performance yet
Our client base continues to grow fast

- Australia and Asia are among our fastest growing markets
- We remain the top rated app in our field (August 2014)
- Significant growth in H1 2014 in all KPIs

**Number of Active Accounts**

<table>
<thead>
<tr>
<th></th>
<th>1H13</th>
<th>1H14</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>49,752</td>
<td>67,232</td>
</tr>
</tbody>
</table>

+35%

**Number of New Accounts**

<table>
<thead>
<tr>
<th></th>
<th>1H13</th>
<th>1H14</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>24,626</td>
<td>32,673</td>
</tr>
</tbody>
</table>

+33%

<table>
<thead>
<tr>
<th></th>
<th>Twelve months ended December 31</th>
<th>Growth FY13/FY12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active Accounts</td>
<td>85,795</td>
<td>47%</td>
</tr>
<tr>
<td>New Accounts</td>
<td>56,819</td>
<td>53%</td>
</tr>
</tbody>
</table>

New Accounts: Number of customers depositing for the first time ever
Active Accounts: Number of customers who made at least one real money trade during the period
Further significant growth expected in ARPU in H1 2014 due to improved branding and retention initiatives
Expect to increase marketing ROI such that AUAC will not increase faster than ARPU
## Key Financial Indicators – Balance Sheet:

<table>
<thead>
<tr>
<th></th>
<th>Six months ended June 30</th>
<th>FY 2013</th>
<th>1H14/1H13 Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
<td>2013</td>
<td></td>
</tr>
<tr>
<td>Current Assets</td>
<td>119,509</td>
<td>36,682</td>
<td>88,739</td>
</tr>
<tr>
<td>Non Current Assets</td>
<td>1,086</td>
<td>626</td>
<td>1,354</td>
</tr>
<tr>
<td>Total Assets</td>
<td>120,595</td>
<td>37,308</td>
<td>90,093</td>
</tr>
<tr>
<td>Liabilities</td>
<td>31,825</td>
<td>18,737</td>
<td>22,079</td>
</tr>
<tr>
<td>Equity</td>
<td>88,770</td>
<td>18,571</td>
<td>68,014</td>
</tr>
</tbody>
</table>
Growing cash balances

Key Financial Indicators – Cash Flow:

<table>
<thead>
<tr>
<th></th>
<th>Six months ended June 30</th>
<th>1H14/1H13</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
<td>2013</td>
<td></td>
</tr>
<tr>
<td>Operating activities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash generated from operations</td>
<td>74,026</td>
<td>19,346</td>
<td>283%</td>
</tr>
<tr>
<td>Income tax paid - net</td>
<td>(11,117)</td>
<td>(3,607)</td>
<td>208%</td>
</tr>
<tr>
<td><strong>Net cash provided by operating activities</strong></td>
<td><strong>62,909</strong></td>
<td><strong>15,739</strong></td>
<td><strong>300%</strong></td>
</tr>
<tr>
<td>Net cash used in investing activities</td>
<td>-83</td>
<td>-45</td>
<td>84%</td>
</tr>
<tr>
<td>Financing activities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividend Paid</td>
<td>-33,007</td>
<td>-4,874</td>
<td></td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>-</td>
<td>-578</td>
<td></td>
</tr>
<tr>
<td><strong>Net cash used in financing activities</strong></td>
<td><strong>-33,007</strong></td>
<td><strong>-5,452</strong></td>
<td><strong>505%</strong></td>
</tr>
<tr>
<td>Exchange gain on cash and cash equivalents</td>
<td>1,252</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>Cash and Cash Equivalents, End of Period</strong></td>
<td><strong>115,179</strong></td>
<td><strong>32,728</strong></td>
<td><strong>252%</strong></td>
</tr>
</tbody>
</table>
Business Overview

Financial Overview

Outlook
Outlook

- H1 2014 showed strong growth compared to H1 2013
- New features and trading instruments
- Continued optimisation of marketing ROI
- The Board remain committed to a 50% payout dividend policy
- Additional special dividends where capital needs allow
- Windows phone app on track
- Expansion into new geographies
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