



DEAG Deutsche Entertainment Aktiengesellschaft

Group Interim Report as at June 30, 2015



## Table of contents

1. Foreword by the CEO	2
2. DEAG on the capital market	3
3. Interim Group Management Report	4 - 7
4. Interim financial statements as at June 30, 2015	8 - 13
Consolidated balance sheet (IFRS)	8
Consolidated statement of comprehensive income	9
Shortened consolidated statement of cash flow	10
Development of the consolidated equity	11
Selected explanatory information	12 - 13

## Imprint

## 1. Foreword by the CEO

Dear Madam or Sir,  
Esteemed Shareholders,

DEAG has reached major strategic milestones during the current fiscal year.

Our focus is placed on a rapid development of our own digital distribution platform MyTicket, in order to integrate the high profitability of the distribution business promptly and significantly into our value-adding activities. This will considerably improve the scalability of the business model of DEAG. Rapidly growing market presence, strong marketing partners, an exclusive and good product as well as a growing ticketing volume are the corresponding success drivers.

The recently published participation of the media houses Axel Springer and ProSiebenSat.1 in MyTicket with 20% each was a first successful step on this way. Apart from additional media expert knowledge, MyTicket benefits from a particularly large marketing mix from print ads via Internet marketing to TV commercials, which will secure a decisive competitive edge for it. We have been closely and trustfully cooperating with the two partners for a long time, so that this joint venture was a reasonable next step for the intensification of the collaboration.

In order to ensure that our product portfolio develops on a high level and that the ticket volume is steadily increasing, we pursue a growth strategy which is oriented towards useful organic and external business extensions. During the last years we have, for instance, expanded our activities in the fields of Family Entertainment and Open Air and Festival events, developed an own business in Austria and acquired stakes in successful companies in Germany and the United Kingdom. Investments in the core business are necessary in order to further improve the result potential of distribution and strengthen our international market presence.

In connection with the expansion of the Open Air and Festival areas investments were this year higher than expected. However, I anticipate that they will pay off in the short term and will already make positive contributions to our results next year.

Another major milestone is the completion of the disposal of the Jahrhunderthalle arena and the plots of land to be developed in Frankfurt. Their contribution to a joint venture with a professional national real estate investor is an important step which ensures an optimum realization of the real property and will involve earnings in a double digit million euro range for our company during the coming years.

Dear Shareholders,

on the German market we have been facing this year a partly highly competitive environment. In connection with the investments in the Festival segment we assert high claims which are positively assessed in legal terms, of which we assume that we can realize them in the short term. Our accordingly adjusted EBIT is significantly above prior year, whilst our sales revenues have risen by 23%.

This illustrates that we consistently implement our strategy which has been successful for many years with good progress. I would like to thank you for your trust, and I am pleased to see that you accompany us on our way as shareholders.

Sincerely yours

Prof. Peter L.H. Schwenkow

## 2. DEAG on the capital market

During the first half-year the capital markets remained under the influence of an unchanged loose monetary policy on the one hand and increasing uncertainties during the quarter due to the debt issue in Greece, on the other. As a result, the German stock index DAX climbed to new all-time highs and exceeded temporarily even 12,000 points in March. However, the key index dropped during the second quarter. On balance, the DAX improved during the first half-year 2015 by 11.6% to 10,945 points. The mid-cap index SFAX gained 19.4% and reached 8,578 points.

The DEAG share, which rose during by disproportionately high 40.6% and 63.7% during the two previous years, fell during the first half-year 2015 by 21.8% to EUR 5.49 at the end of the half-year. However, at the beginning of the second half-year the share increased again and recorded in mid-August a significantly higher price of EUR 6.78 EUR. On the last trading day of 2014 the DEAG share was quoted at EUR 7.02. After price gains at the beginning of the year, the share reached its peak during the first half-year on February 26 with EUR 8.08. The low was recorded on June 15 at EUR 5.25.

The average daily trading volume of the DEAG share recorded a positive development. With 30,959 traded shares at all stock exchanges, the trading volume rose significantly versus the prior year period with 23,472 shares. Most of the shares were again traded via the electronic trading system Xetra, with 88%. During the first half-year 2014 this value was slightly lower at 86%. VEM Aktienbank continued to act as a Designated Sponsor and ensured binding bid and offer prices on Xetra, a narrow price margin and hence a high liquidity for the DEAG share.

The ordinary General Meeting of DEAG Deutsche Entertainment AG took place in Berlin on June 25, 2015. All agenda items were adopted with a large majority. The proposed amendment to the Bylaws was approved 100 percent. It included the extension of the object of DEAG by adding the distribution and marketing of tickets.

The two banks Hauck & Aufhäuser and DZ Bank believe that the DEAG share has a significant price potential. The two renowned companies regularly prepare research studies about the business development and perspective of DEAG. They continue to issue buy recommendations, with DZ Bank seeing the target price at EUR 8.25 per share, whilst Hauck & Aufhäuser believes that the share is capable of reaching EUR 10.50.

DEAG communicates regularly and intensively with institutional investors, analysts, private investors as well as the financial and business press about the developments and perspectives of the company. During the first half-year 2015 several road shows took place in Germany and abroad. Moreover, DEAG presented its business model to the financial community during the spring conference in Frankfurt am Main. The active media work of the past months resulted, amongst other things, in a positive assessment of the growth perspectives of DEAG and, more particularly, the growth segment ticketing, in the media.

The DEAG share is listed in the Prime Standard of the Frankfurt Stock Exchange, the quality segment of Deutsche Börse AG. DEAG engages in an open and transparent capital market communication and informs promptly about major corporate events, which are then published as ad hoc disclosure or as press release. The Investor Relations Section of the company, [www.deag.de/ir](http://www.deag.de/ir), provides interested investors with a comprehensive overview of the current development of DEAG. In the event of further questions, qualified contact partners are available on the phone (+49-69-9055055-2) or by email ([deag@edicto.de](mailto:deag@edicto.de)).

### **3. Interim Group Management Report**

#### **3.1. Earnings position**

DEAG Deutsche Entertainment AG was able to significantly increase its sales revenues during the first half-year compared to the prior year period by 23 percent to EUR 118.8 million (prior year: EUR 96.7 million). EUR 15.7 million of the growth in sales revenues were accounted for by the second quarter of the reporting period. The growth has primarily an organic origin and is attributable, more particularly, to the expansion of the Open Air activities.

The non-adjusted EBIT amounts to EUR -8.5 million, taking into account the disposal success in connection with the proportional sale of the shares in Jahrhunderthalle Kultur and the real property. This includes the contribution for the expansion of the Open Air activities which may not be capitalized, without taking into account the recourse claims against the former contracting partner and an insurance company. According to the assessment of the lawyers entrusted with the assertion of the claims, the probability of a successful realization of the different claims is very good and ranges between 75 und 80 percent. The adjusted EBIT, therefore, amounts to EUR 5.5 million versus EUR 5.2 million during the comparable period.

The financial result is positive and has slightly improved versus the first half-year 2014 by EUR 0.2 million.

The Group tax expenses amount to EUR 0.5 million; this takes already into account the impact of the Jahrhunderthalle transaction in terms of income tax.

The adjusted earnings after taxes and minorities amount on a Group level to EUR 3.0 million and are hence almost unchanged versus prior year. Without taking into account the recourse claims, the Group result amounts to EUR -9.3 million.

#### **3.2. Assets position**

The balance sheet total decreased versus December 31, 2014 by EUR 5.0 million or 3.4% to EUR 141.0 million.

On the assets side there has been an increase due to deferrals in Other current assets (EUR + 9.9 million) as well as the Receivables from the Jahrhunderthalle transaction recognized at equity (EUR +7.3 million). The Liquid assets dropped on the one hand following the disbursements required in connection with the expansion of the Open Air activities and on the other hand due to advance payments for future events which are staged essentially until the end of the fiscal year. The balance sheet item Advance payments rose accordingly by EUR 8.8 million to EUR 31.9 million.

On the liabilities side, there has been an increase in Accounts payable (EUR +7.8 million) as well as Provisions (EUR + 15.8 million) due to the reporting date. The Sales revenue deferrals amount to EUR 38.2 million and are hence on the prior year level. Whereas Current liabilities to banks increased to EUR 16.2 million – mainly due to projects -, the redemption of non-current bank liabilities from previous acquisitions was made on schedule.

Equity after the shares of other shareholders amounted at the end of the reporting period to EUR 35.4 million (December 31, 2014: EUR 44.3 million). The equity ratio hence amounts to 25% (December 31, 2014: 30%). The adjusted equity amounts to EUR 47.7 million; this corresponds to an equity ratio of 33.9%.

### 3.3. Financial position

The Cash flow before changes in net current assets of the first half-year 2015 amounted to EUR -6.0 million (prior year: EUR 8.6 million) whereby the Other provisions of EUR 15.4 million increased due to the reporting date. The non-cash changes concern essentially the deferral of the disposal success in connection with the Jahrhunderthalle transaction.

After a change in the Working capital of EUR -29.0 million (prior year EUR -6.7 million), the outflow of funds from continuing operations amounts to EUR 34.8 million (prior year: inflow of funds of EUR 1.9 million). The change in Working capital in the amount of EUR 29.0 million consists of higher advance payments for future events versus December 31, 2014 (EUR -8.2 million) and reduced deferred sales revenues (EUR -26.4 million) on the one hand and higher accounts payable (EUR + 7.9 million), on the other hand.

The outflow of funds from investment activities amounts to EUR 1.4 million (prior year: inflow of funds of EUR 0.2 million).

The inflow of funds from financing activities in the amount of EUR 8.4 million (prior year: inflow of funds of EUR 8.7 million) includes essentially the use of existing financing commitments.

Overall, these major changes resulted in a decrease in Liquid assets by EUR 27.8 million to EUR 27.2 million.

### 3.4. Development of the segments

DEAG continues to report in an unchanged segment structure. The latter reflects the strategic orientation of the Group in an accurate and transparent manner:

In the segment Live Touring (“travelling business”) the tour business is reported. This includes activities of the companies DEAG Classics (Berlin), DEAG Concerts (Berlin), KBK Konzert- u. Künstleragentur (Berlin), Manfred Hertlein Veranstaltungen GmbH (Würzburg), Wizard Promotions Konzertagentur (Frankfurt a.M.), Grünland Family Entertainment (Berlin), Raymond Gubbay (London, United Kingdom), the sub-Group Kilimanjaro (London, United Kingdom) as well as The Classical Company (Zurich, Switzerland).

In the segment Entertainment Services (“stationary business”) the regional business as well as the entire services business are reported. This includes the activities of the AIO Group (Glattpark, Switzerland), Global Concerts (Munich), Jahrhunderthalle Kultur until June 30, 2015 (Frankfurt am Main), Concert Concept (Berlin), Grandezza Entertainment (Berlin), River Concerts and Elbklassik (both Hamburg), handwerker promotion e. gmbh (Unna), Blue Moon Entertainment GmbH (Vienna, Austria), mytic myticket (Frankfurt a.M.) as well as DEAG Music (Berlin) as music publishing house/label.

We would like to explain the development of the segments as follows:

#### **Live Touring:**

With EUR 78.9 million, sales revenues in the Live Touring Segment were significantly above the prior year level. The around 22% increase in sales revenues concerns essentially Rock/Pop. This includes the sales revenues of the Festival Rock im Revier.

The adjusted EBIT has increases versus prior year by EUR 1.0 million and now amounts to EUR 5.5 million. This includes the claims in connection with the implementation of the Festival Rock im Revier against a contracting partner and an insurance company. Without the recourse claims the EBIT amounts in the Segment Live Touring to EUR - 8,5 million.

Moreover, the shows by Andreas Gabalier, the Musikantenstadl and the classical music tour by David Garrett contributed again to the positive development in sales revenues and result in the fields of Middle-of-the-Road Music/German Hit Songs as well as Classical Music. Family Entertainment was

boosted during the first half-year by the first-time staging of the “Disney on Ice” series of events and rounded off by shows such as “Night of the Jumps” and the Roncalli Tour “Salto Vitale”.

### Entertainment Services:

With sales revenues of EUR 70.1 million, which are above the prior year level, an EBIT of EUR 2.9 million on prior year level was generated.

Apart from sales revenues and contributions by events with, amongst others, the Rock legends AC/DC or the classical music highlight on the Munich Königsplatz “Summit Meeting of Stars” with artists such as Anna Netrebko and Jonas Kaufmann, this includes the disposal success in connection with the sale of part of the shares in Jahrhunderthalle Kultur and the real property itself.

In EUR million	01.01.2015 to 06.30.2015	01.01.2014 to 06.30.2014	Variation in absolute terms
<b>Live Touring</b>			
Sales revenues	78.9	65.6	13.3
(adjusted) EBIT	5.5	4.5	1.0
<b>Entertainment Services</b>			
Sales revenues	70.1	42.3	27.8
EBIT	2.9	3.0	-0.1

### 3.5. Human Resources

The Group headcount amounted on a semi-annual average to 187 employees versus 179 on December 31, 2014. DEAG employed 29 people (December 31, 2014: 27) on a semi-annual average.

### 3.6. Declaration of conformity

The Executive Board and the Supervisory Board of DEAG made the declaration of conformity concerning the recommendations of the Government Commission German Corporate Governance Code on December 11, 2014. The full wording is published on the website of the company ([www.deag.de/ir](http://www.deag.de/ir)), where it is made permanently accessible for shareholders.

### 3.7. Supplementary report

On August 18, 2015 DEAG entered into an agreement with Axel Springer SE (Axel Springer) and Starwatch Entertainment GmbH (Starwatch) about their investment in mytic myticket AG (Myticket), the ticket distribution system of the DEAG Group for tickets in German-speaking countries. The two media partners participate by way of a capital increase with a stake of 20% each in the share capital of Myticket and provide, moreover, media services in the form of TV spots (Starwatch) and print and/or Internet advertising formats (Axel Springer).

On August 31, 2015 the contracts concerning the disposal of 51% of the shares in Jahrhunderthalle Kultur GmbH (Frankfurt a.M.) and the Jahrhunderthalle arena itself plus the 71,072 m<sup>2</sup> plot of land were notarized. The execution of the contracts is based on a Binding Letter of Intent signed on June 29/30, 2015.

From the Executive Board’s point of view no other material events took place between July 1, 2015 and the date of this report.

### **3.8. Report on opportunities and risks**

The German Financial Reporting Enforcement Panel (DPR) conducts an examination in accordance with § 342b para. 2 sentence 3 no. 2 HGB (German Commercial Code) at the company and examines the consolidated financial statements for the fiscal year ending on December 31, 2014. The reason for the examination is based on doubts concerning the complete accounting of expenses for anticipated losses in connection with the Rock Festivals and the associated reporting about risks involved in the probable development.

As for the rest, we refer to the statements in the risk report of the management report and Group management report 2014 (pages 18-23).

### **3.9. Outlook report**

Since the investments in the field of Open Air activities were higher than expected, the Executive Board anticipates that the results forecast for 2015 cannot be achieved if the above-mentioned claims cannot be enforced despite a positive assessment by the lawyers during the reporting year.

### **3.10. Forward-looking statements**

In addition to past results, this interim Group management report also includes forward looking statements. These statements possibly deviate from the actual developments occurring.

Berlin, August 31, 2015

DEAG Deutsche Entertainment AG

The Executive Board

Prof. Peter L. H. Schwenkow

Christian Diekmann

Detlef Kornett



**CONSOLIDATED BALANCE SHEET (IFRS)**

	Interim Report	Annual Report	Interim Report
	2015	2014	2014
	as at	as at	as at
<b>Assets</b>	<b>30.06.2015</b>	<b>31.12.2014</b>	<b>30.06.2014</b>
	<u>in EUR '000</u>	<u>in EUR '000</u>	<u>in EUR '000</u>
<b>Current assets</b>			
Liquid funds	27.238	54.064	33.935
Trade receivables	11.453	12.924	13.436
Down Payments	31.888	23.070	26.654
Income tax receivables	1.660	1.700	1.279
Inventories	142	146	101
Other current assets	15.812	5.941	6.068
<b>Current assets</b>	<b>88.193</b>	<b>97.845</b>	<b>81.473</b>
Goodwill	22.957	22.955	23.677
Other intangible assets	10.267	10.238	11.758
Tangible fixed assets	933	2.675	2.464 *
Investment properties	7.940	8.350	8.350 *
Investments	164	153	758
According to the equity method accounted financial assets	9.967	2.701	51
Loans to associated companies	-	-	39
Down Payments	242	483	-
Other long-term assets	238	262	473
Deferred tax assets	76	349	241
<b>Long-term assets</b>	<b>52.784</b>	<b>48.166</b>	<b>47.811</b>
<b>Total assets</b>	<b>140.977</b>	<b>146.011</b>	<b>129.284</b>
	Interim Report	Annual Report	Interim Report
	2015	2014	2014
	as at	as at	as at
<b>Liabilities and equity</b>	<b>30.06.2014</b>	<b>31.12.2014</b>	<b>30.06.2014</b>
	<u>in EUR '000</u>	<u>in EUR '000</u>	<u>in EUR '000</u>
Bank loans payable	16.249	6.792	5.764
Trade accounts payable	16.941	9.138	11.212
Accruals	20.532	4.769	11.400
Sales accruals and deferrals	38.202	64.556	38.814
Income tax liabilities	1.361	1.432	1.422
Other current liabilities	7.484	9.542	6.508
<b>Current liabilities</b>	<b>100.769</b>	<b>96.229</b>	<b>75.120</b>
Accruals	359	454	859
Bank loans payable	1.388	1.600	4.844
Other long-term liabilities	1.027	963	279
Deferred taxes	2.057	2.483	3.304 *
<b>Long-term liabilities</b>	<b>4.831</b>	<b>5.500</b>	<b>9.286</b>
Share capital	16.352	16.352	16.352
Capital reserve	39.646	39.646	39.642
Revaluation surplus	-	298	298 *
Accumulated deficit	-27.466	-18.443	-16.475 *
Accumulated other income / loss	972	591	-118
<b>Equity attributable to DEAG shareholders</b>	<b>29.504</b>	<b>38.444</b>	<b>39.699</b>
Equity attributable to non-controlling interest	5.873	5.838	5.179
<b>Equity</b>	<b>35.377</b>	<b>44.282</b>	<b>44.878</b>
<b>Total liabilities and equity</b>	<b>140.977</b>	<b>146.011</b>	<b>129.284</b>

\* Adjustment according to IAS 8 (Tz. 1, Annual Report 2014)

**CONSOLIDATED STATEMENT OF INCOME**

	Interim Report II/2015	Interim Report II/2014	6 Month Report	6 Month Report
	01.04.2015 30.06.2015	01.04.2014 30.06.2014	01.01.2015 30.06.2015	01.01.2014 30.06.2014
	in EUR '000	in EUR '000	in EUR '000	in EUR '000
Sales	79.822	64.086	118.785	96.658
Cost of revenues	-86.206	-52.270	-116.179	-77.365
<b>Gross profit</b>	<b>-6.384</b>	<b>11.816</b>	<b>2.606</b>	<b>19.293</b>
Distribution costs	-6.530	-5.179	-10.739	-9.173
Administration costs	-5.369	-3.856	-8.493	-6.569
Other operating income / expenses	7.933	888	8.109	1.599
<b>Operating result before depreciation (EBITDA)</b>	<b>-10.350</b>	<b>3.669</b>	<b>-8.517</b>	<b>5.150</b>
Amortisation of goodwill	0	0		
Scheduled depreciation	0	0		
<b>Operating result (EBIT)</b>	<b>-10.350</b>	<b>3.669</b>	<b>-8.517</b>	<b>5.150</b>
Interest income and expenses	-129	30	-187	-36
Result from investments and participations	1	1	1	1
Income shares in companies accounted for using the equity method	-19	-99	198	-125
<b>Financial result</b>	<b>-147</b>	<b>-68</b>	<b>12</b>	<b>-160</b>
<b>Result before taxes</b>	<b>-10.497</b>	<b>3.601</b>	<b>-8.505</b>	<b>4.990</b>
Income taxes	-39	-756	-518	-1.127
<b>Group result after taxes</b>	<b>-10.536</b>	<b>2.845</b>	<b>-9.023</b>	<b>3.863</b>
thereof attributable to non-controlling interest	-226	723	252	772
<b>thereof attributable to DEAG shareholders (Group Result)</b>	<b>-10.310</b>	<b>2.122</b>	<b>-9.275</b>	<b>3.091</b>
Earnings per Share in EUR (undiluted/diluted)				
from continued operations	-0,63	0,15	-0,57	0,22
Average no. of shares outstanding (undiluted/diluted)	16.352.719	14.535.750	16.352.719	14.081.508

	II/2015	II/2014	01.01.-30.06.15	01.01.-30.06.14
<b>Consolidated Statement of Comprehensive Income</b>	in EUR '000	in EUR '000	in EUR '000	in EUR '000
<b>Group result after taxes</b>	<b>-10.536</b>	<b>2.845</b>	<b>-9.023</b>	<b>3.863</b>
<b>Other result</b>				
(+/-) Differences from exchange rates (independent foreign units)	925	107	974	156
(+/-) Deferred taxes on the other total result	-	-	-	-
Other result after tax	925	107	974	156
<b>Total result</b>	<b>-9.611</b>	<b>2.952</b>	<b>-8.049</b>	<b>4.019</b>
	524	757	74	594
	-9.640	1.908	-8.643	2.905

## SHORTENED CONSOLIDATED STATEMENT OF CASH FLOW

	Interim Report	Interim Report
	01.01.2015 -30.06.2015	01.01.2014 -30.06.2014
	<u>in EUR '000</u>	<u>in EUR '000</u>
<b>Result from continued operations</b>	<b>-9.023</b>	<b>3.863</b>
Depreciation and amortisation	870	640
Change in accruals	15.368	3.783
Changes not affecting payments	-13.097	141
Deferred taxes (net)	98	25
Result from valuation of affiliated companies	-198	125
<b>Cash flow</b>	<b>-5.982</b>	<b>8.577</b>
Net interest income	187	36
Change in working capital	-29.035	-6.691
<b>Net cash from operating activities (total)</b>	<b>-34.830</b>	<b>1.922</b>
<b>Net cash from investment activities from continued operations</b>	<b>-1.417</b>	<b>235</b>
<b>Net cash from financial activities (total)</b>	<b>8.410</b>	<b>8.678</b>
<b>equivalents</b>	<b>-27.837</b>	<b>10.835</b>
Effects of exchange rates	1.011	157
<b>Cash and cash equivalents at beginning of Period</b>	<b>54.064</b>	<b>22.943</b>
<b>Cash and cash equivalents at end of period</b>	<b>27.238</b>	<b>33.935</b>

## DEVELOPMENT OF THE CONSOLIDATED EQUITY

### Changes in equity

	Balance as at	Changes	Balance as at
	31.12.2013	01.01.2014- 30.06.2014	30.06.2014
	<u>in EUR '000</u>	<u>in EUR '000</u>	<u>in EUR '000</u>
Share capital	13.627	2.725	16.352
Capital reserve	29.826	9.816	39.642
Revaluation surplus	298 *	-	298
Accumulated deficit	- 17.827 *	1.352	- 16.475
Accumulated other income / loss	- 274	156	- 118
<b>Equity attributable to DEAG shareholders</b>	<b>25.650</b>	<b>14.049</b>	<b>39.699</b>
Equity attributable to non-controlling interest	3.973	1.206	5.179
<b>Equity</b>	<b><u>29.623</u></b>	<b><u>15.255</u></b>	<b><u>44.878</u></b>

### Changes in equity

	Balance as at	Changes	Balance as at
	31.12.2014	01.01.2015- 30.06.2015	30.06.2015
	<u>in EUR '000</u>	<u>in EUR '000</u>	<u>in EUR '000</u>
Share capital	16.352	-	16.352
Capital reserve	39.646	-	39.646
Revaluation surplus	298	- 298	-
Accumulated deficit	- 18.443	- 9.023	- 27.466
Accumulated other income / loss	591	381	972
<b>Equity attributable to DEAG shareholders</b>	<b>38.444</b>	<b>- 8.940</b>	<b>29.504</b>
Equity attributable to non-controlling interest	5.838	35	5.873
<b>Equity</b>	<b><u>44.282</u></b>	<b><u>- 8.905</u></b>	<b><u>35.377</u></b>

## **Selected explanatory information**

### **Explanations in accordance with IAS 34**

These interim financial statements, consisting of the consolidated balance sheet, the consolidated statement of comprehensive income, the consolidated condensed statement of cash flow, the development of the consolidated equity as well as selected explanatory information have been prepared in conformity with IAS 34 and the applicable provisions of WpHG (German Securities Trading Act).

The interim consolidated financial statements as at June 30, 2015 do not contain all data and information as presented in the complete annual financial statements. It is recommended to read the interim financial statements together with the consolidated financial statements as at December 31, 2014.

The generally accepted accounting principles, consolidation, currency exchange and accounting and valuation applied in the consolidated financial statements as at December 31, 2014 were maintained without any changes. We refer to the consolidated notes in the Annual Report 2014 (pages 30-39).

The report is not audited.

### **Changes in respect of the scope of consolidation**

DEAG as the parent company includes those companies into the interim consolidated financial statements which meet the control concept. Companies which were set up, acquired or sold during the first half-year were included from the date of foundation, acquisition or until the date of sale.

During the reporting period the following changes occurred in respect of the scope of consolidation:

With the conclusion of a Binding Letter of Intent on June 29/30, 2015 DEAG lost control over Jahrhunderthalle Kultur (Frankfurt a.M.) and the Jahrhunderthalle arena itself plus the 71,072 m<sup>2</sup> plot of land. For that reason, the income from the change in the scope of consolidation is already recorded in this interim report. The transaction is based on a valuation of EUR 14 million. The sold stake amounts to 51%. The contracts were notarized on August 31, 2015, whereby the buyer was already entitled from June 30, 2015 onwards to refuse consent to transactions resulting in liabilities of more than EUR 10,000 for the company and the real property.

The full report on the transaction will be published in the consolidated interim financial statements for the third quarter 2015.

### **Other information**

The Annual Meeting adopted the following resolutions on June 25, 2015:

The balance sheet profit of DEAG Deutsche Entertainment Aktiengesellschaft in the amount of EUR 4,494,545.89 is carried forward onto new account.

The members of the Executive Board and of the Supervisory Board are granted discharge for fiscal 2014.

RBS RoeverBroennerSusat GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Hamburg, was appointed as auditor and Group auditor for fiscal 2015.

Other explanatory notes required by IAS 34.15ff are not relevant, of subordinate significance or there have not been any material changes since December 31, 2014.

### **Declaration by the Executive Board**

We hereby state that, to the best of our knowledge and in accordance with the applicable reporting principles for interim reporting, the interim consolidated financial statements give a true and fair view of the assets, financial and earnings position of the Group and that the interim Group management report includes a fair review of the development, performance and position of the Group, together with a description of the main opportunities and risks associated with the expected development of the Group during the remaining fiscal year.

### **Timing and release for publication**

The Executive Board of DEAG (registered office: Potsdamer Strasse 58 in 10785 Berlin) approved these interim consolidated financial statements and the interim Group management report on August 31, 2015.

Berlin, August 31, 2015

DEAG Deutsche Entertainment AG

The Executive Board

Prof. Peter L. H. Schwenkow

Christian Diekmann

Detlef Kornett

## IMPRINT

### **Editing and Coordination**

DEAG Deutsche Entertainment Aktiengesellschaft  
edicto GmbH

### **Further information** for analysts and investors:

Investor Relations: [deag@edicto.de](mailto:deag@edicto.de)

The Annual Report and current information on DEAG are posted on the internet at <http://www.deag.de/ir>

edicto GmbH  
Eschersheimer Landstraße 42-44, 60322 Frankfurt/Main, Germany  
Telephone: +49 69 90 55 055-0  
Telefax: +49 69 90 55 055-77  
[www.edicto.de](http://www.edicto.de)

### **DEAG Deutsche Entertainment Aktiengesellschaft**

Potsdamer Straße 58, 10785 Berlin, Germany  
Telephone: +49 30 810 75-0  
Telefax: +49 30 810 75-5 19  
[info@deag.de](mailto:info@deag.de)  
[www.deag.de](http://www.deag.de)