



Corporate News

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DEAG approves bond to finance further growth

- Public Offer in Germany and Luxembourg for bonds of up to EUR 25 million
- Coupon range for pricing from 5.25 to 6.00 %
- Subscription period expected from 22 October 2018 to 26 October 2018
- Proceeds will be used to finance internal and external growth

Berlin, October 11, 2018 - DEAG Deutsche Entertainment Aktiengesellschaft ("DEAG"), Berlin, listed in the Prime Standard, intends to issue a corporate bond valued at up to EUR 25 million (ISIN DE000A2NBF25). The prospectus required for the issuance was approved today by the Luxembourg Financial Supervisory Authority Commission de Surveillance du Secteur Financier ("CSSF") and will be forwarded to the German Federal Financial Supervisory Authority ("BaFin") as notification. The prospectus will be published on DEAG's Investor Relations website. Issuance will be conducted by IKB Deutsche Industriebank AG.

DEAG intends to continue to grow in the future and to benefit from high-margin and high-turnover projects in all areas. In particular, the Arts+Exhibitions, Family-Entertainment and Ticketing divisions offer above-average, highly profitable growth potential. Accordingly, the proceeds from the bond will be used to finance DEAG's growth in its core markets while simultaneously optimizing its financing structure.

Prof. Peter Schwenkow, CEO and founder of DEAG: "In recent years, we have successfully developed DEAG strategically around our core business as a concert organizer. As a diversified entertainment service provider with 40 years of industry experience, we are now organising around 4,000 events a year with over 800 artists. In our business divisions Rock/Pop, Classics & Jazz, Family-Entertainment and Arts+Exhibitions, we offer first-class events and sell over five million tickets annually. Our international artists and shows include Ed Sheeran, Kiss and Disney on Ice. We can also market these top events in our fifth ticketing business division with our own MyTicket platform."

This diversified market positioning with a clear focus on profitable programmes has confirmed the company's position in the light of the latest sales and earnings developments. In the first half of 2018, the DEAG Group recorded a 34.2% increase in sales to EUR 118.0 million following EUR 87.9 million the previous year. Earnings before interest and taxes (EBIT) amounted to EUR 8.1 million* compared to EUR 2.2 million in the previous year.

* EBIT (earnings before interest and taxes) is calculated as stated in DEAG's consolidated financial statements for financial year 2017 (see DEAG's 2017 Annual Report, p. 37, available at www.deag.de).

The bearer bonds with a nominal value of EUR 1,000.00 each will be publicly offered in Germany and Luxembourg and can be subscribed for during the offer period from 22 October 2018 to 26 October 2018 (2:00 pm (CET)) using the subscription functionality "DirectPlace" with Deutsche Börse AG, with early closing possible in the event of oversubscription. The bond will also be offered as part of an international private placement to qualified investors who can subscribe directly with IKB Deutsche Industriebank AG. The annual fixed interest rate of the bonds will be in the interest margin between 5.25 and 6.00 % on the basis of the subscription orders as part of a bookbuilding procedure and announced in a price fixing notice. The bonds are planned to be included in trading on the Open Market of Deutsche Börse AG (Freiverkehr der Frankfurter Wertpapierbörse).

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This publication does not constitute an offer to sell or invitation to buy or subscribe to securities. The offer is made exclusively through and on the basis of a securities prospectus to be published and to be deposited with the German Financial Supervisory Authority (BaFin). The securities prospectus is the only document that contains the information for investors necessary in accordance with the statutory provisions. The securities prospectus will be published on the website of DEAG under www.deag.de in the Investor Relations section and can be obtained free of charge during the usual business hours at the issuer (Potsdamer Straße 58, 10785 Berlin). The complete offer for subscription will probably be published in the Federal Gazette Bundesanzeiger on 22 October, 2018.

DEAG Deutsche Entertainment Aktiengesellschaft | Potsdamer Straße 58 | 10785 Berlin

fon +49-30-810 75-0 | fax +49-30-810 75-519 | info@deag.de | www.deag.de

Sitz Berlin | Amtsgericht Charlottenburg | HRB Nr. 69474 | St.-Nr: 29/225/03674 | USt-ID: DE193569522

Bankverbindung: Commerzbank AG | BIC: COBADEFFXXX | IBAN: DE73 1004 0000 0209 5800 00

Vorstand: Prof. Peter L. H. Schwenkow (Vorsitzender), Christian Diekmann, Detlef Kornett, Ralph Quellmalz | Vorsitzender des Aufsichtsrats: Wolf-D. Gramatke

This document contains forward-looking statements. These statements are based on the current views, expectations, assumptions and information of the management of the Company. Forward-looking statements should not be construed as a promise of future results and developments and involve known and unknown risks and uncertainties. Various factors could cause actual future results, performance or events to differ materially from those described in these statements, and neither the Company nor any other person accepts any responsibility for the accuracy of the opinions expressed in this document or the underlying assumptions. The Company does not assume any obligations to update any forward-looking statements.

About DEAG

DEAG Deutsche Entertainment Aktiengesellschaft (DEAG) is a leading entertainment service company and a provider of Live Entertainment in Europe with subsidiaries in its core markets. DEAG produces and profitably organises a broad range of live entertainment events and concerts. As a Live Entertainment service company with an integrated business model DEAG has extensive expertise in the organisation, marketing and holding of events, as well as in ticket sales via its own ticketing platform 'MyTicket' for its own and third-party content. The highly scalable business model of MyTicket strengthens DEAG on its way to increasing profitability. DEAG promotes around 4,000 concerts and events a year and currently sells more than 5 million tickets, of which a steadily increasing share is sold via its high-turnover ticketing platform MyTicket.

Founded in Berlin in 1978 and listed since 1998, DEAG's core businesses include Rock/Pop, Classics & Jazz, Family Entertainment and Arts+Exhibitions. The Family-Entertainment and Arts+Exhibitions divisions in particular are of great importance to the further development of DEAG's own content. With its strong partner network, DEAG is excellently positioned in the market as an internationally active Live Entertainment service company.

DEAG shares (ISIN: DE000A0Z23G6 | WKN: A0Z23G | ERMK) are listed in the Prime Standard of the Frankfurt Stock Exchange, the quality segment of Deutsche Börse.

IR contact

cometis AG

Claudius Krause

Phone: +49-611-20585528

email: deag@cometis.de

DEAG Deutsche Entertainment Aktiengesellschaft | Potsdamer Straße 58 | 10785 Berlin

fon +49-30-810 75-0 | fax +49-30-810 75-519 | info@deag.de | www.deag.de

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