

Buy (old: Buy)

Price target: EUR 10.50 (old: EUR 10.50)

Price:	EUR 5.76	Next result:	Q3/9M 28.11.14
Bloomberg:	ERMK GR	Market cap:	EUR 94.2 m
Reuters:	ERMGK.DE	Enterprise Value:	EUR 73.8 m

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Push into festival business provides upside, chg. in est.

- Push into the festival business is seen to drive revenues and number of controlled tickets:** According to the recently published corporate news, DEAG announced to substantially boost its festival business (c. 8% of sales) by staging a selected number of highly attractive festival formats such as 'Der Ring' Festival (Germany, May 2015), 'Rockavaria' (Germany, May 2015), 'Rock in Vienna' (Germany, June 2015) as well as 'Rock the Ring' (Switzerland, 2015). Overall, these hot events looks set to achieve a **total ticketing volume of 350k and should generate total revenues of more than € 30m** (eH&A: € 17m incremental revenues given that already some of the formats have been staged by DEAG before). Further, it is also seen as a healthy step forward towards **increasing the number of directly controlled tickets** (currently: 3.8m expected to increase to a level of 4.4m in FY 15) once again highlighting DEAG's strong own content.
- Festival business should be margin accretive and further support the group's profitability:** While DEAG has been active in the festival industry already before, the new set up provides a quantum leap with regards to the purchasing cloud of new artists. Given that previously selected artists could only be staged for single festival gigs, the new series of attractive formats across the DACH region should enable the company to strongly leverage the existing roster of artists (e.g. Metallica, Kiss, Muse). On top of already **attractive face values of >€ 85/per ticket, this should additionally support profitability thanks to incremental ticketing revenues** (eH&A: c. 6% divisional EBIT margins vs. currently 4.5% group EBIT margin). While in a first step, tickets look set to be distributed mainly via Ticketmaster (eH&A: > 35% ticketing share) and other third party distribution partners, the overall ticketing volume should also provide a healthy base for the direct distribution of tickets (mid-term target: 40% distribution share).
- Action:** Hence, DEAG's push into the festival business provides upside to current estimates of c. 7-8% on FY 15E (€ 15m) and FY 16E on sales (€ 16m). Assuming some ramp-up costs for FY 15E the new business should already be margin accretive from FY 16E onwards (eH&A: 6% EBIT margin) which this is the reason why EBIT estimates are left unchanged for FY 15E but increased by 5% for FY 16E (€ 0.9m).

Overall the, recent newsflow should further support confidence in the increased business activity in another margin accretive niche market (eH&A: 8% of sales, 6% EBIT divisional margin). Most importantly, the healthy increase in directly controlled tickets is reassuring given the company's strategic approach to increasingly monetise its existing content through high margin ticketing sales. **BUY, PT € 10.50, based on FCFY '15E.**

Y/E 31.12 (EUR m)	2010	2011	2012	2013	2014E	2015E	2016E
Sales	125.8	128.3	155.7	165.5	195.7	223.1	235.4
Sales growth	8 %	2 %	21 %	6 %	18 %	14 %	5 %
EBITDA	10.0	8.4	8.6	8.9	14.3	17.3	21.2
EBIT	8.2	7.4	7.2	7.3	12.7	15.7	19.5
Net income	1.3	2.5	2.6	1.0	5.0	8.1	10.7
Net debt	-9.3	-15.1	-7.7	-0.7	-20.9	-25.1	-34.3
Net gearing	-84.0 %	-100.9 %	-72.0 %	-24.3 %	-68.9 %	-79.2 %	-89.3 %
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EPS pro forma	0.11	0.21	0.21	0.26	0.31	0.50	0.65
CPS	0.82	0.20	-0.25	0.03	0.42	0.53	0.81
DPS	0.00	0.04	0.08	0.12	0.16	0.19	0.24
Dividend yield	0.0 %	0.7 %	1.4 %	2.1 %	2.8 %	3.4 %	4.2 %
Gross profit margin	24.9 %	25.4 %	24.1 %	22.3 %	26.4 %	27.0 %	27.5 %
EBITDA margin	8.0 %	6.5 %	5.5 %	5.4 %	7.3 %	7.8 %	9.0 %
EBIT margin	6.5 %	5.8 %	4.6 %	4.4 %	6.5 %	7.0 %	8.3 %
ROCE	17.1 %	14.9 %	13.7 %	13.3 %	19.4 %	20.4 %	23.5 %
EV/sales	0.6	0.6	0.5	0.5	0.4	0.3	0.3
EV/EBITDA	7.1	8.7	8.3	9.4	5.2	4.0	2.8
EV/EBIT	8.7	9.8	9.8	11.5	5.8	4.4	3.1
PER	53.0	28.0	27.4	22.0	18.8	11.6	8.8
Adjusted FCF yield	7.3 %	8.7 %	7.6 %	7.3 %	10.1 %	15.0 %	22.7 %

Source: Company data, Hauck & Aufhäuser Close price as of: 06.11.2014



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 6.47 / 4.07

Price/Book Ratio: 2.0

Relative performance (SDAX):

3 months -0.5 %

6 months 6.1 %

12 months 30.6 %

Changes in estimates

		Sales	EBIT	EPS
2014	old:	195.7	12.7	0.31
	Δ	-	-	-
2015	old:	208.2	15.7	0.50
	Δ	7.2%	-	-
2016	old:	218.6	18.6	0.63
	Δ	7.7%	4.9%	4.2%

Key share data:

Number of shares: (in m pcs) 15.2

Authorised capital: (in € m) 0.0

Book value per share: (in €) 2.9

Ø trading volume: (12 months) 38,000

Major shareholders:

Free Float	44.5 %
Heliad Equity Partners	12.4 %
Allianz Global Investors	11.7 %
Plutus Holdings 2 Ltd.	10.4 %
Peter L.H. Schwenkow	7.6 %
Monolith Duitsland B.V.	7.4 %

Company description:

Leading European Live Entertainment provider with a broad basis of content in Rock/Pop, Classics, Family Entertainment and Middle of the Road.

Financials

Profit and loss (EUR m)	2010	2011	2012	2013	2014E	2015E	2016E
Sales	125.8	128.3	155.7	165.5	195.7	223.1	235.4
Sales growth	7.8 %	2.0 %	21.4 %	6.3 %	18.3 %	14.0 %	5.5 %
Cost of sales	94.5	95.7	118.2	128.6	144.1	162.9	170.6
Gross profit	31.3	32.6	37.5	36.9	51.7	60.2	64.7
Sales and marketing	13.2	15.8	20.1	19.4	26.1	29.9	30.0
General and administration	11.4	12.9	13.4	14.9	16.6	19.1	19.8
Research and development	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other operating income	3.2	4.4	3.9	6.1	4.5	5.1	5.4
Other operating expenses	1.7	0.9	0.7	1.4	0.8	0.7	0.9
Unusual or infrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	10.0	8.4	8.6	8.9	14.3	17.3	21.2
Depreciation	0.2	0.2	0.3	0.4	0.4	0.4	0.5
EBITA	9.8	8.1	8.3	8.5	13.9	16.9	20.7
Amortisation of goodwill	0.7	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.9	0.7	1.1	1.2	1.2	1.2	1.2
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	8.2	7.4	7.2	7.3	12.7	15.7	19.5
Interest income	0.1	0.1	0.2	0.2	0.1	0.2	0.2
Interest expenses	1.2	1.2	0.5	0.6	1.0	0.8	0.9
Other financial result	-0.2	-0.3	-1.1	-0.4	-0.3	-0.1	-0.1
Financial result	-1.3	-1.5	-1.4	-0.8	-1.2	-0.7	-0.9
Recurring pretax income from continuing operations	6.9	6.0	5.9	6.5	11.5	15.0	18.6
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	6.9	6.0	5.9	6.5	11.5	15.0	18.6
Taxes	2.5	1.5	1.1	1.7	3.2	4.2	5.2
Net income from continuing operations	4.4	4.4	4.8	4.7	8.3	10.8	13.4
Result from discontinued operations (net of tax)	0.0	0.0	0.0	2.6	0.0	0.0	0.0
Net income	4.4	4.4	4.8	2.2	8.3	10.8	13.4
Minority interest	3.0	1.9	2.2	1.2	3.3	2.7	2.7
Net income (net of minority interest)	1.3	2.5	2.6	1.0	5.0	8.1	10.7
Average number of shares	12.4	12.4	12.4	13.0	15.2	16.4	16.4
EPS reported	0.11	0.21	0.21	0.08	0.33	0.50	0.65

Profit and loss (common size)	2010	2011	2012	2013	2014E	2015E	2016E
Sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Cost of sales	75.1 %	74.6 %	75.9 %	77.7 %	73.6 %	73.0 %	72.5 %
Gross profit	24.9 %	25.4 %	24.1 %	22.3 %	26.4 %	27.0 %	27.5 %
Sales and marketing	10.5 %	12.3 %	12.9 %	11.7 %	13.3 %	13.4 %	12.7 %
General and administration	9.1 %	10.0 %	8.6 %	9.0 %	8.5 %	8.5 %	8.4 %
Research and development	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other operating income	2.5 %	3.4 %	2.5 %	3.7 %	2.3 %	2.3 %	2.3 %
Other operating expenses	1.3 %	0.7 %	0.5 %	0.9 %	0.4 %	0.3 %	0.4 %
Unusual or infrequent items	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBITDA	8.0 %	6.5 %	5.5 %	5.4 %	7.3 %	7.8 %	9.0 %
Depreciation	0.2 %	0.2 %	0.2 %	0.2 %	0.2 %	0.2 %	0.2 %
EBITA	7.8 %	6.3 %	5.3 %	5.1 %	7.1 %	7.6 %	8.8 %
Amortisation of goodwill	0.6 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	0.7 %	0.5 %	0.7 %	0.7 %	0.6 %	0.5 %	0.5 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBIT	6.5 %	5.8 %	4.6 %	4.4 %	6.5 %	7.0 %	8.3 %
Interest income	0.1 %	0.1 %	0.1 %	0.1 %	0.1 %	0.1 %	0.1 %
Interest expenses	1.0 %	1.0 %	0.3 %	0.3 %	0.5 %	0.4 %	0.4 %
Other financial result	-0.2 %	-0.3 %	-0.7 %	-0.3 %	-0.2 %	0.0 %	0.0 %
Financial result	-1.1 %	-1.1 %	-0.9 %	-0.5 %	-0.6 %	-0.3 %	-0.4 %
Recurring pretax income from continuing operations	5.5 %	4.7 %	3.8 %	3.9 %	5.9 %	6.7 %	7.9 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	5.5 %	4.7 %	3.8 %	3.9 %	5.9 %	6.7 %	7.9 %
Tax rate	36.6 %	25.7 %	18.6 %	26.6 %	28.0 %	28.0 %	28.0 %
Net income from continuing operations	3.5 %	3.5 %	3.1 %	2.9 %	4.2 %	4.8 %	5.7 %
Result from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	1.6 %	0.0 %	0.0 %	0.0 %
Net income	3.5 %	3.5 %	3.1 %	1.3 %	4.2 %	4.8 %	5.7 %
Minority interest	2.4 %	1.5 %	1.4 %	0.7 %	1.7 %	1.2 %	1.2 %
Net income (net of minority interest)	1.1 %	2.0 %	1.7 %	0.6 %	2.6 %	3.6 %	4.5 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2010	2011	2012	2013	2014E	2015E	2016E
Intangible assets	24.2	25.0	24.7	27.0	26.0	25.0	24.0
Property, plant and equipment	9.0	9.2	10.7	11.5	11.9	12.1	12.3
Financial assets	1.0	2.6	1.7	1.5	1.5	1.5	1.5
FIXED ASSETS	34.2	36.8	37.1	40.0	39.3	38.6	37.8
Inventories	7.7	12.8	13.6	11.9	16.3	18.6	19.6
Accounts receivable	7.5	7.0	10.0	8.8	12.9	15.3	16.1
Other current assets	3.8	4.1	6.0	6.5	6.5	6.5	6.5
Liquid assets	31.8	35.7	31.6	22.9	43.7	49.5	59.3
Deferred taxes	0.0	0.0	0.5	0.4	0.0	0.0	0.0
Deferred charges and prepaid expenses	0.0	2.3	0.2	0.2	0.0	0.0	0.0
CURRENT ASSETS	50.9	61.9	61.9	50.7	79.4	89.9	101.5
TOTAL ASSETS	85.1	98.7	99.0	90.8	118.7	128.5	139.3
SHAREHOLDERS EQUITY	22.2	24.5	26.4	26.1	47.5	48.6	54.1
MINORITY INTEREST	4.7	5.6	5.4	4.0	7.2	9.9	12.6
Long-term debt	10.6	8.7	9.0	10.4	4.8	4.8	4.8
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions	8.9	9.6	10.2	8.9	9.1	9.3	9.5
Non-current liabilities	19.4	18.4	19.3	19.3	13.9	14.1	14.3
short-term liabilities to banks	2.6	2.3	3.6	6.2	6.2	6.2	6.2
Accounts payable	9.4	9.5	11.3	5.6	11.8	13.4	14.0
Advance payments received on orders	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred taxes	2.0	2.0	2.0	2.4	2.4	2.4	2.4
Deferred income	24.8	36.5	31.0	27.2	29.7	33.9	35.7
Current liabilities	38.8	50.3	47.9	41.4	50.1	55.8	58.3
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	85.1	98.7	99.0	90.8	118.7	128.5	139.3

Balance sheet (common size)	2010	2011	2012	2013	2014E	2015E	2016E
Intangible assets	28.4 %	25.3 %	24.9 %	29.8 %	21.9 %	19.5 %	17.2 %
Property, plant and equipment	10.6 %	9.3 %	10.8 %	12.7 %	10.0 %	9.4 %	8.9 %
Financial assets	1.2 %	2.6 %	1.7 %	1.6 %	1.2 %	1.1 %	1.1 %
FIXED ASSETS	40.2 %	37.3 %	37.5 %	44.1 %	33.1 %	30.0 %	27.1 %
Inventories	9.1 %	12.9 %	13.7 %	13.2 %	13.7 %	14.5 %	14.1 %
Accounts receivable	8.9 %	7.1 %	10.1 %	9.7 %	10.8 %	11.9 %	11.6 %
Other current assets	4.4 %	4.2 %	6.1 %	7.1 %	5.4 %	5.0 %	4.6 %
Liquid assets	37.4 %	36.2 %	31.9 %	25.3 %	36.8 %	38.6 %	42.6 %
Deferred taxes	0.0 %	0.0 %	0.5 %	0.4 %	0.0 %	0.0 %	0.0 %
Deferred charges and prepaid expenses	0.0 %	2.3 %	0.2 %	0.3 %	0.0 %	0.0 %	0.0 %
CURRENT ASSETS	59.8 %	62.7 %	62.5 %	55.9 %	66.9 %	70.0 %	72.9 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	26.1 %	24.8 %	26.6 %	28.8 %	40.0 %	37.9 %	38.8 %
MINORITY INTEREST	5.5 %	5.6 %	5.5 %	4.4 %	6.1 %	7.7 %	9.1 %
Long-term debt	12.4 %	8.9 %	9.1 %	11.4 %	4.1 %	3.7 %	3.5 %
Provisions for pensions and similar obligations	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other provisions	10.4 %	9.8 %	10.4 %	9.8 %	7.7 %	7.2 %	6.8 %
Non-current liabilities	22.8 %	18.6 %	19.4 %	21.3 %	11.7 %	11.0 %	10.2 %
short-term liabilities to banks	3.1 %	2.3 %	3.6 %	6.8 %	5.2 %	4.8 %	4.5 %
Accounts payable	11.1 %	9.7 %	11.4 %	6.2 %	10.0 %	10.4 %	10.1 %
Advance payments received on orders	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other liabilities (incl. from lease and rental contracts)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Deferred taxes	2.3 %	2.0 %	2.0 %	2.6 %	2.0 %	1.9 %	1.7 %
Deferred income	29.1 %	37.0 %	31.4 %	29.9 %	25.0 %	26.4 %	25.6 %
Current liabilities	45.6 %	51.0 %	48.4 %	45.6 %	42.2 %	43.5 %	41.9 %
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

Source: Company data, Hauck & Aufhäuser

Cash flow statement (EUR m)	2010	2011	2012	2013	2014E	2015E	2016E
Net profit/loss	4.4	4.4	4.8	2.2	8.3	10.8	13.4
Depreciation of fixed assets (incl. leases)	0.2	0.2	0.3	0.4	0.4	0.4	0.5
Amortisation of goodwill	0.7	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.9	0.7	1.1	1.2	1.2	1.2	1.2
Others	3.3	6.8	-6.6	0.0	0.0	0.0	0.0
Cash flow from operations before changes in w/c	9.5	12.1	-0.5	3.8	9.8	12.4	15.1
Increase/decrease in inventory	0.8	-8.6	-0.8	1.6	-4.4	-2.3	-1.0
Increase/decrease in accounts receivable	0.0	0.0	-3.0	1.2	-4.1	-2.4	-0.8
Increase/decrease in accounts payable	0.0	0.0	1.8	-5.7	6.2	1.5	0.6
Increase/decrease in other working capital positions	0.0	-0.7	0.0	0.0	0.0	0.0	0.0
Increase/decrease in working capital	0.8	-9.2	-2.0	-2.9	-2.2	-3.1	-1.2
Cash flow from operating activities	10.3	2.9	-2.5	0.9	7.6	9.3	13.9
CAPEX	0.3	0.4	0.6	0.7	0.9	0.9	0.9
Payments for acquisitions	0.0	0.0	0.0	5.4	0.0	0.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	1.0	0.1	0.0	0.0	0.0	0.0	0.0
Cash flow from investing activities	0.7	-0.4	-0.6	-6.1	-0.9	-0.9	-0.9
Cash flow before financing	11.0	2.6	-3.1	-5.3	6.7	8.4	13.0
Increase/decrease in debt position	-0.8	-1.3	1.6	4.0	-5.6	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	4.0	13.4	0.0	0.0
Dividends paid	1.5	1.9	0.5	1.0	1.6	2.4	3.2
Others	-3.1	0.0	-2.8	0.0	0.0	0.0	0.0
Effects of exchange rate changes on cash	2.8	1.8	0.7	0.0	0.0	0.0	0.0
Cash flow from financing activities	-5.5	-3.2	-1.7	7.0	6.2	-2.4	-3.2
Increase/decrease in liquid assets	8.3	1.2	-4.1	1.8	13.0	6.0	9.8
Liquid assets at end of period	31.8	33.0	28.9	30.6	43.6	49.5	59.3

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2010	2011	2012	2013	2014E	2015E	2016E
P&L growth analysis							
Sales growth	7.8 %	2.0 %	21.4 %	6.3 %	18.3 %	14.0 %	5.5 %
EBITDA growth	56.3 %	-16.5 %	2.5 %	3.9 %	60.1 %	21.5 %	22.3 %
EBIT growth	70.2 %	-9.4 %	-2.7 %	1.0 %	73.4 %	23.8 %	24.5 %
EPS growth	183.4 %	89.0 %	2.5 %	-64.3 %	337.7 %	50.5 %	32.2 %
Efficiency							
Total operating costs / sales	18.3 %	19.6 %	19.5 %	17.9 %	19.9 %	20.0 %	19.2 %
Sales per employee	638.0	621.0	674.3	607.8	642.2	655.1	631.4
EBITDA per employee	50.8	40.5	37.1	32.7	46.8	50.9	56.9
Balance sheet analysis							
Avg. working capital / sales	4.4 %	6.3 %	7.2 %	8.3 %	8.3 %	8.5 %	9.0 %
Inventory turnover (sales/inventory)	16.3	10.0	11.5	13.9	12.0	12.0	12.0
Trade debtors in days of sales	21.9	19.9	19.9	19.9	24.0	25.0	25.0
A/P turnover [(A/P*365)/sales]	36.4	36.4	35.0	15.9	30.0	30.0	30.0
Cash conversion cycle (days)	15.3	32.2	30.3	37.4	35.3	36.7	37.0
Cash flow analysis							
Free cash flow	10.0	2.5	-3.1	0.2	6.7	8.4	13.0
Free cash flow/sales	8.0 %	1.9 %	-2.0 %	0.1 %	3.4 %	3.8 %	5.5 %
FCF / net profit	746.1 %	98.3 %	-117.4 %	15.3 %	134.7 %	103.6 %	121.2 %
Capex / depre	15.3 %	45.6 %	44.8 %	43.8 %	56.6 %	54.7 %	53.9 %
Capex / maintenance capex	96.4 %	96.9 %	66.7 %	140.0 %	100.0 %	100.0 %	100.0 %
Capex / sales	0.2 %	0.3 %	0.4 %	0.4 %	0.5 %	0.4 %	0.4 %
Security							
Net debt	-9.3	-15.1	-7.7	-0.7	-20.9	-25.1	-34.3
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net debt / equity	-0.4	-0.6	-0.3	0.0	-0.4	-0.5	-0.6
Interest cover	6.8	6.0	14.1	13.1	12.7	18.6	20.8
Dividend payout ratio	0.0 %	19.5 %	38.0 %	159.6 %	48.6 %	39.3 %	37.0 %
Asset utilisation							
Capital employed turnover	2.6	2.5	2.8	3.0	2.6	2.8	2.7
Operating assets turnover	8.5	6.6	6.8	6.2	6.7	6.8	6.9
Plant turnover	13.9	14.0	14.5	14.3	16.5	18.4	19.1
Inventory turnover (sales/inventory)	16.3	10.0	11.5	13.9	12.0	12.0	12.0
Returns							
ROCE	17.1 %	14.9 %	13.7 %	13.3 %	19.4 %	20.4 %	23.5 %
ROE	6.1 %	10.4 %	9.9 %	3.7 %	10.6 %	16.6 %	19.8 %
Other							
Interest paid / avg. debt	8.8 %	10.3 %	4.3 %	3.8 %	7.2 %	7.7 %	8.5 %
No. employees (average)	197	207	231	272	305	341	373
Number of shares	12.4	12.4	12.4	13.0	15.2	16.4	16.4
DPS	0.0	0.0	0.1	0.1	0.2	0.2	0.2
EPS reported	0.11	0.21	0.21	0.08	0.33	0.50	0.65
Valuation ratios							
P/BV	3.2	2.9	2.7	3.0	2.0	1.9	1.7
EV/sales	0.6	0.6	0.5	0.5	0.4	0.3	0.3
EV/EBITDA	7.1	8.7	8.3	9.4	5.2	4.0	2.8
EV/EBITA	7.3	9.0	8.6	9.9	5.3	4.1	2.9
EV/EBIT	8.7	9.8	9.8	11.5	5.8	4.4	3.1
EV/FCF	7.1	29.2	-23.2	561.2	10.9	8.2	4.6
Adjusted FCF yield	7.3 %	8.7 %	7.6 %	7.3 %	10.1 %	15.0 %	22.7 %
Dividend yield	0.0 %	0.7 %	1.4 %	2.1 %	2.8 %	3.4 %	4.2 %

Source: Company data, Hauck & Aufhäuser

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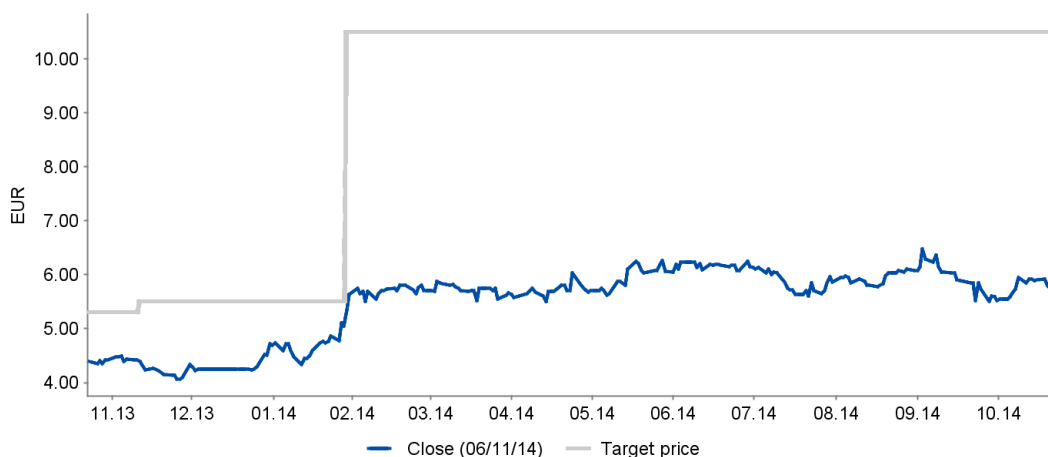
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Company	Disclosure
DEAG Deutsche Entertainment AG	2, 3, 5

Historical target price and rating changes for DEAG Deutsche Entertainment AG in the last 12 months

**Price and Rating History
DEAG Deutsche Entertainment AG as of 07/11/14**

Initiation coverage
04-December-09



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