



Buy (old: Buy)

Price target: EUR 5.00 (old: EUR 5.00)

Price:	EUR 3.28	Next result:	AGM: 27.06.18
Bloomberg:	ERMK@GR	Market cap:	EUR 60.3 m
Reuters:	ERMGK.DE	Enterprise Value:	EUR 45.2 m

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Decent start into the year in a seasonally soft Q1

While Wednesday's Q1 results reveal the inherent seasonality of the live entertainment business, **the decent start into the year puts DEAG on track to reach its FY targets** with at least 20% sales and 40% earnings growth.

In fact, Q1 is a seasonally soft quarter with disproportionately low contributions (only 12% of sales in FY 17, eH&A 13% in FY 18E). Still, **DEAG managed to improve both its Q1 top line** (+40% yoy to € 27m) **and its operating profitability** (+44% to € 0.34m) reflecting some estimated € 6m contribution from last year's acquired FMG and 10% yoy organic growth as well as improved distribution costs (-6% yoy to € 2.7m).

Positively, also **DEAG's deferred revenues which serve as a proxy for the business activities in the coming quarters increased substantially by c. 48% to € 71m**. Coupled with management's confirmation to have already sold > 2.7m tickets for future events (eH&A thereof > 80% for FY 18), this should hint towards a **well-filled pipeline with strong demand for the next months**. This holds especially true considering that Q2 is seen to provide a meaningful push thanks to high-volume concert formats such as the already sold-out Ed Sheeran UK tour while Q4 is seasonally the strongest quarter with disproportionate earnings contributions stemming from the profitable Christmas-related events.

With all that, **we remain confident that DEAG should be able to achieve this year's targets** (at least 20% yoy sales growth and at least 40% yoy EBIT growth) based on:

- **UK expansion.** Next to the incremental contributions from FMG, the UK business is set to benefit from an expansion of the profitable Christmas events and the sold-out Ed Sheeran UK tour.
- **Profitable growth in GER and CH.** On top of the announced roll-out of the profitable Christmas Garden events into 3-4 further German cities this year, DEAG looks set to expand several Family Entertainment formats into Switzerland.
- **Strengthened ticketing.** Supported by the integration of FMG (500k tickets) and the Christmas Garden expansion (c. 90% of tickets sold via own platform), we expect profit contributions from overall ticketing in excess of € 1m in FY 18E.

With all that, **DEAG has set the stage for a successful FY 18** as we expect EBIT to grow by some 60% yoy to € 8m in FY 18E.

Reiterate **BUY** with a **PT of € 5.00** (FCFY 2019E).



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 3.27 / 2.34
Price/Book Ratio: 8.2
Relative performance (SDAX):
3 months 18.0 %
6 months 2.9 %
12 months 20.3 %

Changes in estimates

		Sales	EBIT	EPS
2018	old:	205.2	8.1	0.17
	Δ	-	-	-
2019	old:	223.5	11.7	0.27
	Δ	-	-	-
2020	old:	232.5	13.9	0.34
	Δ	-	-	-

Key share data:

Number of shares: (in m pcs) 18.4
Authorised capital: (in € m) 0.0
Book value per share: (in €) 0.4
Ø trading volume: (12 months) 38,000

Major shareholders:

Free Float	52.8 %
Plutus Holdings 2 Ltd.	10.4 %
Allianz Global Investors	10.0 %
Apeiron Investment Group	6.7 %
Quaero Capital	5.4 %
Moritz Schwenkow	2.7 %

Company description:

Leading European live entertainment provider with a broad basis of content in rock/pop, classics, family entertainment and middle-of-the-road music.

Y/E 31.12 (EUR m)	2014	2015	2016	2017	2018E	2019E	2020E
Sales	172.2	200.4	179.5	159.8	205.2	223.5	232.5
Sales growth	4 %	16 %	-10 %	-11 %	28 %	9 %	4 %
EBITDA	8.6	-24.5	5.2	6.5	10.6	14.2	16.4
EBIT	5.3	-26.2	3.7	5.1	8.1	11.7	13.9
Net income	1.0	-29.8	-3.6	-2.3	3.0	4.9	6.2
Net debt	-33.6	-6.4	-2.4	-14.9	-15.2	-19.7	-25.0
Net gearing	-111.2 %	-63.1 %	-40.1 %	-199.0 %	-205.8 %	-330.7 %	-284.4 %
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EPS pro forma	0.15	-1.73	0.02	0.04	0.17	0.27	0.34
CPS	1.56	-2.53	-0.40	0.82	-0.07	0.15	0.21
DPS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend yield	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Gross profit margin	21.5 %	7.0 %	17.2 %	18.4 %	20.5 %	21.5 %	23.5 %
EBITDA margin	5.0 %	-12.2 %	2.9 %	4.1 %	5.1 %	6.4 %	7.1 %
EBIT margin	3.1 %	-13.1 %	2.1 %	3.2 %	4.0 %	5.2 %	6.0 %
ROCE	9.4 %	-48.8 %	8.0 %	10.6 %	16.8 %	23.3 %	25.7 %
EV/sales	0.1	0.2	0.3	0.3	0.2	0.2	0.2
EV/EBITDA	1.3	-1.9	9.9	6.9	4.3	2.9	2.1
EV/EBIT	2.0	-1.8	13.8	9.0	5.6	3.5	2.5
PER	21.9	-1.9	161.1	79.6	19.8	12.2	9.7
Adjusted FCF yield	31.4 %	-66.0 %	6.4 %	18.4 %	19.2 %	16.3 %	23.0 %

Source: Company data, Hauck & Aufhäuser Close price as of: 30.05.2018

Financials

Profit and loss (EUR m)	2014	2015	2016	2017	2018E	2019E	2020E
Sales	172.2	200.4	179.5	159.8	205.2	223.5	232.5
Sales growth	4.1 %	16.3 %	-10.4 %	-11.0 %	28.4 %	8.9 %	4.0 %
Cost of sales	135.3	186.3	148.7	130.5	163.2	175.5	177.9
Gross profit	37.0	14.1	30.8	29.3	42.1	48.1	54.6
Sales and marketing	21.2	24.5	20.7	13.1	18.9	20.6	21.4
General and administration	14.2	15.7	13.6	12.6	16.0	17.0	17.7
Research and development	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other operating income	5.3	9.5	8.1	2.6	3.1	3.4	3.5
Other operating expenses	1.5	9.6	0.8	1.2	1.6	1.8	1.8
Unusual or infrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	8.6	-24.5	5.2	6.5	10.6	14.2	16.4
Depreciation	3.2	1.7	1.4	1.5	1.5	1.6	1.7
EBITA	5.3	-26.2	3.7	5.1	9.0	12.6	14.7
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.9	0.9	0.8
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT (inc revaluation net)	5.3	-26.2	3.7	5.1	8.1	11.7	13.9
Interest income	0.2	0.0	0.0	0.0	0.2	0.2	0.3
Interest expenses	0.5	0.9	1.0	1.2	1.3	1.3	1.3
Other financial result	-1.5	0.0	-0.5	-0.9	0.0	0.0	0.0
Financial result	-1.7	-0.9	-1.5	-2.1	-1.1	-1.1	-1.1
Recurring pretax income from continuing operations	3.6	-27.2	2.2	2.9	7.0	10.6	12.9
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	3.6	-27.2	2.2	2.9	7.0	10.6	12.9
Taxes	0.0	0.2	0.5	0.6	1.5	2.8	3.3
Net income from continuing operations	3.6	-27.4	1.7	2.3	5.4	7.8	9.5
Result from discontinued operations (net of tax)	1.3	1.6	3.9	3.0	0.0	0.0	0.0
Net income	2.2	-29.0	-2.2	-0.7	5.4	7.8	9.5
Minority interest	1.2	0.9	1.4	1.6	2.4	2.9	3.3
Net profit (reported)	1.0	-29.8	-3.6	-2.3	3.0	4.9	6.2
Average number of shares	15.2	16.4	16.4	17.6	18.4	18.4	18.4
EPS reported	0.07	-1.83	-0.22	-0.13	0.17	0.27	0.34

Profit and loss (common size)	2014	2015	2016	2017	2018E	2019E	2020E
Sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Cost of sales	78.5 %	93.0 %	82.8 %	81.6 %	79.5 %	78.5 %	76.5 %
Gross profit	21.5 %	7.0 %	17.2 %	18.4 %	20.5 %	21.5 %	23.5 %
Sales and marketing	12.3 %	12.3 %	11.5 %	8.2 %	9.2 %	9.2 %	9.2 %
General and administration	8.3 %	7.8 %	7.6 %	7.9 %	7.8 %	7.6 %	7.6 %
Research and development	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other operating income	3.1 %	4.7 %	4.5 %	1.6 %	1.5 %	1.5 %	1.5 %
Other operating expenses	0.8 %	4.8 %	0.5 %	0.7 %	0.8 %	0.8 %	0.8 %
Unusual or infrequent items	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBITDA	5.0 %	-12.2 %	2.9 %	4.1 %	5.1 %	6.4 %	7.1 %
Depreciation	1.9 %	0.9 %	0.8 %	0.9 %	0.8 %	0.7 %	0.7 %
EBITA	3.1 %	-13.1 %	2.1 %	3.2 %	4.4 %	5.6 %	6.3 %
Amortisation of goodwill	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	0.0 %	0.0 %	0.0 %	0.0 %	0.4 %	0.4 %	0.3 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBIT (inc revaluation net)	3.1 %	-13.1 %	2.1 %	3.2 %	4.0 %	5.2 %	6.0 %
Interest income	0.1 %	0.0 %	0.0 %	0.0 %	0.1 %	0.1 %	0.1 %
Interest expenses	0.3 %	0.5 %	0.6 %	0.7 %	0.7 %	0.6 %	0.6 %
Other financial result	-0.9 %	0.0 %	-0.3 %	-0.6 %	0.0 %	0.0 %	0.0 %
Financial result	-1.0 %	-0.5 %	-0.8 %	-1.3 %	-0.6 %	-0.5 %	-0.5 %
Recurring pretax income from continuing operations	2.1 %	-13.6 %	1.2 %	1.8 %	3.4 %	4.7 %	5.5 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	2.1 %	-13.6 %	1.2 %	1.8 %	3.4 %	4.7 %	5.5 %
Tax rate	1.1 %	-0.7 %	22.1 %	20.4 %	22.0 %	26.0 %	26.0 %
Net income from continuing operations	2.1 %	-13.7 %	1.0 %	1.5 %	2.7 %	3.5 %	4.1 %
Result from discontinued operations (net of tax)	0.8 %	0.8 %	2.2 %	1.9 %	0.0 %	0.0 %	0.0 %
Net income	1.3 %	-14.5 %	-1.2 %	-0.4 %	2.7 %	3.5 %	4.1 %
Minority interest	0.7 %	0.4 %	0.8 %	1.0 %	1.2 %	1.3 %	1.4 %
Net profit (reported)	0.6 %	-14.9 %	-2.0 %	-1.4 %	1.5 %	2.2 %	2.7 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2014	2015	2016	2017	2018E	2019E	2020E
Intangible assets	33.2	33.6	32.0	35.0	34.3	33.6	33.0
Property, plant and equipment	11.0	6.2	6.4	7.8	7.0	6.0	5.1
Financial assets	3.1	3.2	4.5	3.6	3.6	3.6	3.6
FIXED ASSETS	47.3	43.0	42.9	46.5	44.9	43.3	41.7
Inventories	23.2	14.5	13.0	11.2	14.3	15.6	16.2
Accounts receivable	12.9	13.0	15.3	25.9	32.0	36.7	42.0
Other current assets	7.6	7.8	7.5	5.9	4.6	4.6	4.6
Liquid assets	54.1	25.8	28.4	41.8	42.1	46.6	52.0
Deferred taxes	0.3	0.2	0.3	0.8	0.0	0.0	0.0
Deferred charges and prepaid expenses	0.5	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	98.7	61.3	64.5	85.5	93.1	103.6	114.9
TOTAL ASSETS	146.0	104.3	107.4	132.0	138.1	146.9	156.6
SHAREHOLDERS EQUITY	38.4	10.1	6.0	7.5	7.4	5.9	8.8
MINORITY INTEREST	5.8	5.9	4.7	5.2	7.6	10.5	13.8
Long-term debt	4.5	9.6	9.6	10.1	10.0	10.0	10.0
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions	6.7	9.9	11.3	7.4	7.6	7.8	8.0
Non-current liabilities	11.2	19.5	21.0	17.5	17.7	17.8	18.0
short-term liabilities to banks	6.8	9.8	16.4	16.9	16.9	16.9	16.9
Accounts payable	9.1	11.1	13.6	10.5	13.1	14.1	14.3
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)	7.6	4.0	6.8	4.7	0.0	0.0	0.0
Deferred taxes	2.5	2.2	1.6	2.2	2.2	2.2	2.2
Deferred income	64.6	41.7	37.3	67.6	73.3	79.5	82.7
Current liabilities	90.5	68.8	75.7	101.8	105.5	112.6	116.0
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	146.0	104.3	107.4	132.0	138.1	146.9	156.6

Balance sheet (common size)	2014	2015	2016	2017	2018E	2019E	2020E
Intangible assets	22.7 %	32.2 %	29.8 %	26.5 %	24.9 %	22.9 %	21.1 %
Property, plant and equipment	7.6 %	5.9 %	5.9 %	5.9 %	5.0 %	4.1 %	3.2 %
Financial assets	2.1 %	3.1 %	4.2 %	2.7 %	2.6 %	2.5 %	2.3 %
FIXED ASSETS	32.4 %	41.2 %	40.0 %	35.2 %	32.5 %	29.5 %	26.6 %
Inventories	15.9 %	13.9 %	12.1 %	8.5 %	10.4 %	10.6 %	10.4 %
Accounts receivable	8.9 %	12.5 %	14.3 %	19.6 %	23.2 %	25.0 %	26.8 %
Other current assets	5.2 %	7.5 %	7.0 %	4.4 %	3.4 %	3.2 %	3.0 %
Liquid assets	37.0 %	24.7 %	26.4 %	31.7 %	30.5 %	31.7 %	33.2 %
Deferred taxes	0.2 %	0.2 %	0.3 %	0.6 %	0.0 %	0.0 %	0.0 %
Deferred charges and prepaid expenses	0.3 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
CURRENT ASSETS	67.6 %	58.8 %	60.0 %	64.8 %	67.5 %	70.5 %	73.4 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	26.3 %	9.7 %	5.6 %	5.7 %	5.3 %	4.0 %	5.6 %
MINORITY INTEREST	4.0 %	5.7 %	4.4 %	3.9 %	5.5 %	7.1 %	8.8 %
Long-term debt	3.1 %	9.2 %	9.0 %	7.6 %	7.3 %	6.8 %	6.4 %
Provisions for pensions and similar obligations	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other provisions	4.6 %	9.5 %	10.6 %	5.6 %	5.5 %	5.3 %	5.1 %
Non-current liabilities	7.7 %	18.7 %	19.5 %	13.3 %	12.8 %	12.1 %	11.5 %
short-term liabilities to banks	4.7 %	9.4 %	15.2 %	12.8 %	12.2 %	11.5 %	10.8 %
Accounts payable	6.3 %	10.7 %	12.6 %	7.9 %	9.5 %	9.6 %	9.1 %
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)	5.2 %	3.8 %	6.4 %	3.6 %	0.0 %	0.0 %	0.0 %
Deferred taxes	1.7 %	2.1 %	1.5 %	1.6 %	1.6 %	1.5 %	1.4 %
Deferred income	44.2 %	40.0 %	34.7 %	51.3 %	53.1 %	54.1 %	52.8 %
Current liabilities	62.0 %	66.0 %	70.5 %	77.2 %	76.4 %	76.7 %	74.1 %
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)	2014	2015	2016	2017	2018E	2019E	2020E
Net profit/loss	3.6	-27.4	1.7	2.3	5.4	7.8	9.5
Depreciation of fixed assets (incl. leases)	3.2	1.7	1.4	1.5	1.5	1.6	1.7
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.9	0.9	0.8
Others	-3.4	0.3	-7.7	-9.2	0.0	0.0	0.0
Cash flow from operations before changes in w/c	3.4	-25.4	-4.5	-5.4	7.9	10.4	12.0
Increase/decrease in inventory	-10.6	9.0	1.3	2.1	-3.2	-1.3	-0.6
Increase/decrease in accounts receivable	-4.1	-0.1	-2.3	-10.6	-6.1	-4.7	-5.3
Increase/decrease in accounts payable	39.4	-21.4	0.3	30.5	2.6	1.0	0.2
Increase/decrease in other working capital positions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in working capital	24.7	-12.5	-0.6	22.0	-6.7	-5.0	-5.7
Cash flow from operating activities	28.1	-37.9	-5.2	16.7	1.2	5.4	6.3
CAPEX	1.4	0.8	3.8	1.2	0.9	0.9	0.9
Payments for acquisitions	3.2	0.0	0.0	2.1	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	2.2	6.6	7.0	-2.2	0.0	0.0	0.0
Cash flow from investing activities	-2.4	5.8	3.2	-5.5	-0.9	-0.9	-0.9
Cash flow before financing	25.7	-32.0	-1.9	11.2	0.3	4.5	0.0
Increase/decrease in debt position	-1.0	8.1	6.5	1.0	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	12.5	0.0	0.0	4.5	0.0	0.0	0.0
Dividends paid	1.6	0.0	0.0	0.0	0.0	0.0	0.0
Others	-4.3	-4.0	-1.6	-3.3	0.0	0.0	0.0
Effects of exchange rate changes on cash	-0.3	-0.3	-0.4	0.1	0.0	0.0	0.0
Cash flow from financing activities	5.7	4.1	4.9	2.2	0.0	0.0	0.0
Increase/decrease in liquid assets	31.1	-28.3	2.6	13.4	0.3	4.5	n/a
Liquid assets at end of period	54.1	25.8	28.4	41.8	42.1	46.6	52.0

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2014	2015	2016	2017	2018E	2019E	2020E
Domestic	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rest of Europe	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
NAFTA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Asia Pacific	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rest of world	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
TTL	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2014	2015	2016	2017	2018E	2019E	2020E
P&L growth analysis							
Sales growth	4.1 %	16.3 %	-10.4 %	-11.0 %	28.4 %	8.9 %	4.0 %
EBITDA growth	-16.2 %	-386.0 %	-121.0 %	27.0 %	61.5 %	34.6 %	15.5 %
EBIT growth	-26.9 %	-591.1 %	-114.2 %	35.7 %	61.0 %	44.0 %	19.2 %
EPS growth	-10.7 %	-2825.5 %	-88.0 %	-40.6 %	-227.4 %	61.7 %	26.2 %
Efficiency							
Total operating costs / sales	18.4 %	20.1 %	15.1 %	15.2 %	16.3 %	16.1 %	16.1 %
Sales per employee	962.2	1,001.8	923.8	920.5	1,204.6	1,210.2	1,185.9
EBITDA per employee	47.9	-122.6	26.5	37.7	62.0	77.0	83.8
Balance sheet analysis							
Avg. working capital / sales	12.2 %	10.8 %	9.0 %	13.7 %	14.9 %	16.0 %	17.7 %
Inventory turnover (sales/inventory)	7.4	13.8	13.8	14.3	14.3	14.3	14.3
Trade debtors in days of sales	27.4	23.7	31.1	59.2	57.0	60.0	66.0
A/P turnover [(A/P*365)/sales]	24.7	21.8	33.3	29.3	29.3	29.3	29.3
Cash conversion cycle (days)	65.4	30.3	29.7	61.2	59.8	63.2	70.0
Cash flow analysis							
Free cash flow	26.7	-38.6	-9.0	15.4	0.3	4.5	5.4
Free cash flow/sales	15.5 %	-19.3 %	-5.0 %	9.7 %	0.2 %	2.0 %	2.3 %
FCF / net profit	2616.6 %	129.3 %	250.7 %	-674.6 %	10.8 %	90.7 %	86.5 %
Capex / depre	44.2 %	43.6 %	265.1 %	81.9 %	36.9 %	35.7 %	36.2 %
Capex / maintenance capex	34.2 %	19.0 %	239.8 %	51.5 %	28.7 %	27.8 %	28.2 %
Capex / sales	0.8 %	0.4 %	2.1 %	0.8 %	0.4 %	0.4 %	0.4 %
Security							
Net debt	-33.6	-6.4	-2.4	-14.9	-15.2	-19.7	-25.0
Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net debt / equity	-0.9	-0.6	-0.4	-2.0	-2.1	-3.3	-2.8
Interest cover	10.7	0.0	3.7	4.2	6.0	8.7	10.4
Dividend payout ratio	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Asset utilisation							
Capital employed turnover	2.8	4.4	3.7	3.4	4.1	4.4	4.0
Operating assets turnover	4.5	8.9	8.5	4.6	5.1	5.0	4.7
Plant turnover	15.6	32.3	28.1	20.5	29.5	37.0	46.0
Inventory turnover (sales/inventory)	7.4	13.8	13.8	14.3	14.3	14.3	14.3
Returns							
ROCE	9.4 %	-48.8 %	8.0 %	10.6 %	16.8 %	23.3 %	25.7 %
ROE	2.7 %	-295.4 %	-59.7 %	-30.6 %	41.3 %	82.9 %	70.6 %
Other							
Interest paid / avg. debt	4.2 %	6.1 %	4.4 %	4.5 %	5.0 %	5.0 %	5.0 %
No. employees (average)	179	200	194	174	170	185	196
Number of shares	15.2	16.4	16.4	17.6	18.4	18.4	18.4
DPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EPS reported	0.07	-1.83	-0.22	-0.13	0.17	0.27	0.34
Valuation ratios							
P/BV	1.4	5.3	9.0	8.1	8.2	10.2	6.9
EV/sales	0.1	0.2	0.3	0.3	0.2	0.2	0.2
EV/EBITDA	1.3	-1.9	9.9	6.9	4.3	2.9	2.1
EV/EBITA	2.0	-1.8	13.8	9.0	5.0	3.2	2.4
EV/EBIT	2.0	-1.8	13.8	9.0	5.6	3.5	2.5
EV/FCF	0.4	-1.2	-5.7	2.9	136.9	9.1	6.6
Adjusted FCF yield	31.4 %	-66.0 %	6.4 %	18.4 %	19.2 %	16.3 %	23.0 %
Dividend yield	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %

Source: Company data, Hauck & Aufhäuser

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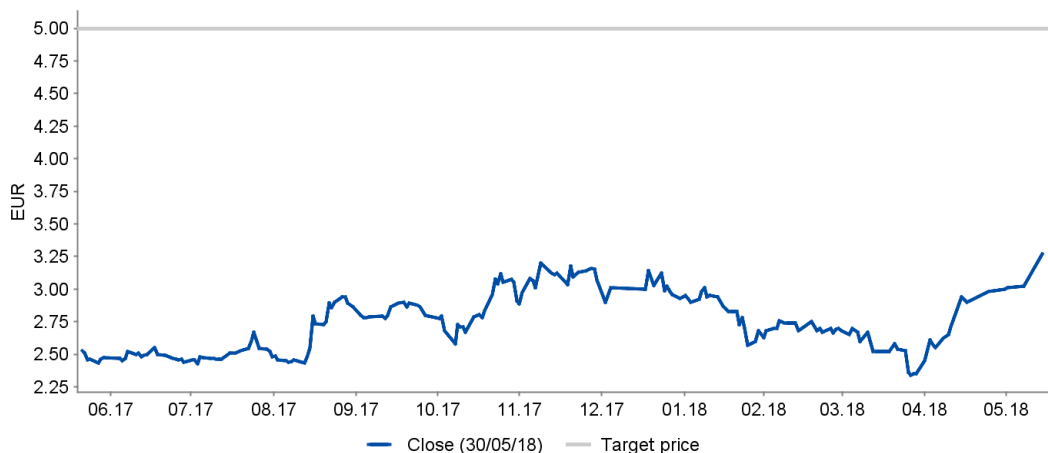
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Company	Disclosure
DEAG Deutsche Entertainment AG	2, 3, 6

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 04/06/18

Initiation coverage
04-December-09



Company	Date	Analyst	Rating	Target price	Close
DEAG Deutsche Entertainment AG	09.04.2018	Gröning, Pierre	Buy	EUR 5,00	EUR 2,53
	09.04.2018	Gröning, Pierre	Buy	EUR 5,00	EUR 2,53
	27.11.2017	Gröning, Pierre	Buy	EUR 5,00	EUR 3,20
	01.09.2017	Gröning, Pierre	Buy	EUR 5,00	EUR 2,73
	21.08.2017	Gröning, Pierre	Buy	EUR 5,00	EUR 2,45

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