

Buy (old: Buy)

Price target: EUR 3.20 (old: EUR 3.20)

Price:	EUR 2.11	Next result:	Q3 2010 30.11.09
Bloomberg:	ERMK GR	Market cap:	EUR 26.1 m
Reuters:	ERMGk.DE	Enterprise Value:	EUR 37.3 m

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Roadshow to Paris

We roadshowed the CFO/COO of DEAG Christian Diekmann to Paris yesterday. As investors were not familiar with the company questions mainly centred around:

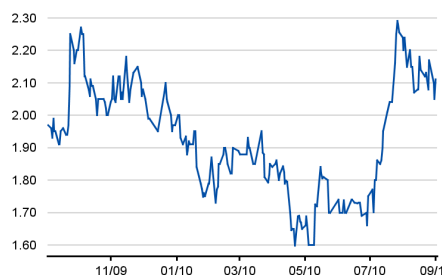
Business model and competitive position: Over the last years DEAG has re-focused the business on selected profitable niches after acknowledging that the risk profile of the former business with internationally active Rock/Pop artists in Germany could hardly be executed profitably on a stand-alone basis. Thus, DEAG now concentrates on:

- Further exploiting its market-leading position in Europe in the classical segment (artists like Placido Domingo, Anna Netrebko, etc.) in a JV with Sony Music.
- The quasi-monopoly in the Swiss Rock/Pop business due to its preferred access to the Hallenstadion Zurich.
- A new JV with Sony in the niche German Schlager/MOR music.
- Selected 360-Degree activities (record label and live touring) with artists like David Garrett.

Recent market developments: The merger of Live Nation and Ticketmaster could significantly change the market structure of live entertainment and ticketing in Germany. Since the contract of Live Nation and its former partner CTS Eventim expired in 2009, Live Nation/Ticketmaster is expected to search a new partner to offer the combination of ticketing and premium Rock/Pop content from 2011 onwards.

Growth opportunities: While the markets of classical and Schlager/MOR music are structurally growing, expanding the business model abroad on the back of the infrastructure and the access to artists of Sony could additionally have a positive impact on the top-line. Further, the above mentioned changes of the market dynamics can have a positive impact on the domestic growth prospects. Re-entering the market on the back of a potential cooperation with Live Nation could allow DEAG to profitably organise Rock/Pop tours in German. Further, this could have a positive impact on the value of the company's stake in Ticketmaster Germany.

Thematically, the pipeline for H2 is well intact and should lead to double-digit top- and bottom-line growth especially in Q4. Remains a Buy with a PT of € 3.20 based on DCF.



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 2.29 / 1.60

Price/Book Ratio: 0.9

Relative performance (SDAX):

3 months 13.6 %

6 months 0.9 %

12 months -14.3 %

Changes in estimates

		Sales	EBIT	EPS
2010	old:	124.8	6.4	0.16
	Δ	-	-	-
2011	old:	142.0	8.5	0.23
	Δ	-	-	-
2012	old:	153.8	9.7	0.29
	Δ	-	-	-

Key share data:

Number of shares: (in m pcs) 12.4
 Authorised capital: (in € m) 0.0
 Book value per share: (in €) 2.4
 Ø trading volume: (12 months) 38,000

Major shareholders:

Free Float 50.0 %
 Heliad Equity Partners 25.1 %
 Peter Schwenkow 24.9 %
 David Garrett (incl. in free float) 3.0 %

Company description:

DEAG is one of the leading live entertainment providers in Europe. While it is the dominant market leader in the organisation of Rock/Pop tours in Switzerland, it is the second biggest player in Germany and the biggest European concert promoter in the classical music business.

Y/E 31.12 (EUR m)	2006	2007	2008	2009	2010E	2011E	2012E
Sales	82.8	78.7	109.5	116.0	124.8	142.0	153.8
Sales growth	32 %	-5 %	39 %	6 %	8 %	14 %	8 %
EBITDA	4.3	6.7	3.7	6.4	7.1	9.3	10.5
EBIT	3.1	5.6	-3.1	4.8	6.4	8.5	9.7
Net income	-0.4	1.1	-11.1	0.3	2.0	2.9	3.5
Net debt	7.0	4.7	11.3	1.1	-2.7	-9.5	-17.3
Net gearing	-10.1 %	-8.5 %	-16.5 %	-30.2 %	-33.8 %	-41.6 %	-49.5 %
Net Debt/EBITDA	1.6	0.7	3.0	0.2	0.0	0.0	0.0
EPS fully diluted	0.00	0.05	-0.37	0.03	0.16	0.23	0.29
CPS	-0.43	-0.15	0.22	-0.45	0.30	0.41	0.53
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	21.0 %	26.9 %	24.2 %	21.6 %	23.3 %	24.0 %	24.3 %
EBITDA margin	5.2 %	8.5 %	3.4 %	5.5 %	5.7 %	6.5 %	6.8 %
EBIT margin	3.7 %	7.1 %	-2.9 %	4.1 %	5.1 %	6.0 %	6.3 %
ROCE	5.2 %	11.1 %	-6.2 %	9.3 %	11.7 %	14.1 %	14.4 %
EV/sales	0.7	0.8	0.7	0.4	0.3	0.2	0.1
EV/EBITDA	13.5	9.8	21.7	6.5	5.2	3.3	2.2
EV/EBIT	19.1	11.7	-25.8	8.6	5.8	3.6	2.3
PER	229.2	23.4	-8.5	31.8	13.1	9.0	7.4
Adjusted FCF yield	6.6 %	8.5 %	2.8 %	11.7 %	12.5 %	23.7 %	53.9 %

Source: Company data, Hauck & Aufhäuser Close price as of: 16.09.2010

Financials

Profit and loss (EUR m)	2006	2007	2008	2009	2010E	2011E	2012E
Sales	82.8	78.7	109.5	116.0	124.8	142.0	153.8
<i>Sales growth</i>	32.2 %	-4.9 %	39.0 %	6.0 %	7.6 %	13.8 %	8.3 %
Cost of sales	65.4	57.6	82.9	90.9	95.8	108.0	116.4
Gross profit	17.4	21.2	26.5	25.1	29.0	34.0	37.4
Sales and marketing	9.5	8.7	13.8	10.6	11.8	13.5	14.6
General and administration	9.6	8.7	10.2	10.9	12.6	14.1	15.4
Research and development	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other operating income	6.7	3.5	2.1	2.8	2.5	2.8	3.1
Other operating expenses	0.5	0.6	1.0	0.0	0.0	0.0	0.0
Unusual or infrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	4.3	6.7	3.7	6.4	7.1	9.3	10.5
Depreciation	0.2	0.2	0.3	0.6	0.4	0.4	0.4
EBITA	4.1	6.5	3.4	5.7	6.7	8.9	10.1
Amortisation of goodwill	0.3	0.0	2.3	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.8	0.9	4.2	1.0	0.3	0.3	0.3
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	3.1	5.6	-3.1	4.8	6.4	8.5	9.7
Interest income	0.0	0.0	0.0	0.0	0.1	0.1	0.2
Interest expenses	1.7	0.2	1.1	1.2	0.8	0.8	0.8
Other financial result	-0.1	-1.1	-0.2	-0.1	0.0	0.0	0.0
Financial result	-2.2	-1.5	-1.4	-1.3	-0.7	-0.7	-0.7
Recurring pretax income from continuing operations	0.9	4.1	-4.6	3.5	5.7	7.8	9.1
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	0.9	4.1	-4.6	3.5	5.7	7.8	9.1
Taxes	0.4	0.6	0.4	0.9	0.9	1.2	1.4
Net income from continuing operations	0.5	3.5	-5.0	2.6	4.8	6.7	7.7
Result from discontinued operations (net of tax)	0.6	1.0	5.2	0.5	0.0	0.0	0.0
Net income	-0.1	2.5	-10.1	2.1	4.8	6.7	7.7
Minority interest	0.3	1.4	1.0	1.8	2.9	3.8	4.2
Net income (net of minority interest)	-0.4	1.1	-11.1	0.3	2.0	2.9	3.5
Average number of shares	19.0	23.1	24.0	12.4	12.4	12.4	12.4
EPS reported	-0.02	0.05	-0.46	0.03	0.16	0.23	0.29

Profit and loss (common size)	2006	2007	2008	2009	2010E	2011E	2012E
Sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Cost of sales	79.0 %	73.1 %	75.8 %	78.4 %	76.8 %	76.1 %	75.7 %
Gross profit	21.0 %	26.9 %	24.2 %	21.6 %	23.3 %	24.0 %	24.3 %
Sales and marketing	11.5 %	11.0 %	12.6 %	9.1 %	9.5 %	9.5 %	9.5 %
General and administration	11.6 %	11.0 %	9.3 %	9.4 %	10.1 %	10.0 %	10.0 %
Research and development	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other operating income	8.0 %	4.4 %	1.9 %	2.4 %	2.0 %	2.0 %	2.0 %
Other operating expenses	0.6 %	0.8 %	0.9 %	0.0 %	0.0 %	0.0 %	0.0 %
Unusual or infrequent items	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBITDA	5.2 %	8.5 %	3.4 %	5.5 %	5.7 %	6.5 %	6.8 %
Depreciation	0.3 %	0.3 %	0.3 %	0.6 %	0.3 %	0.3 %	0.3 %
EBITA	4.9 %	8.2 %	3.1 %	4.9 %	5.4 %	6.2 %	6.5 %
Amortisation of goodwill	0.3 %	0.0 %	2.1 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	0.9 %	1.1 %	3.8 %	0.8 %	0.2 %	0.2 %	0.2 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBIT	3.7 %	7.1 %	-2.9 %	4.1 %	5.1 %	6.0 %	6.3 %
Interest income	0.0 %	0.0 %	0.0 %	0.0 %	0.1 %	0.1 %	0.1 %
Interest expenses	2.0 %	0.3 %	1.0 %	1.0 %	0.7 %	0.6 %	0.5 %
Other financial result	-0.1 %	-1.4 %	-0.2 %	-0.1 %	0.0 %	0.0 %	0.0 %
Financial result	-2.6 %	-1.8 %	-1.3 %	-1.1 %	-0.6 %	-0.5 %	-0.4 %
Recurring pretax income from continuing operations	1.1 %	5.2 %	-4.2 %	3.0 %	4.6 %	5.5 %	5.9 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	1.1 %	5.2 %	-4.2 %	3.0 %	4.6 %	5.5 %	5.9 %
Tax rate	48.6 %	15.4 %	-8.6 %	25.0 %	15.0 %	15.0 %	15.0 %
Net income from continuing operations	0.6 %	4.4 %	-4.5 %	2.3 %	3.9 %	4.7 %	5.0 %
Result from discontinued operations (net of tax)	0.7 %	1.2 %	4.7 %	0.4 %	0.0 %	0.0 %	0.0 %
Net income	-0.1 %	3.2 %	-9.2 %	1.8 %	3.9 %	4.7 %	5.0 %
Minority interest	0.3 %	1.8 %	0.9 %	1.6 %	2.3 %	2.7 %	2.7 %
Net income (net of minority interest)	-0.4 %	1.4 %	-10.2 %	0.3 %	1.6 %	2.0 %	2.3 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2006	2007	2008	2009	2010E	2011E	2012E
Intangible assets	27.4	31.5	31.0	25.6	26.8	26.6	26.5
Property, plant and equipment	8.5	9.1	9.1	9.0	8.9	8.9	8.9
Financial assets	1.5	1.0	1.0	1.0	1.0	1.0	1.0
FIXED ASSETS	37.4	41.5	41.1	35.5	36.6	36.5	36.3
Inventories	5.5	3.7	6.5	8.3	8.9	10.1	11.0
Accounts receivable	2.9	6.5	6.6	8.3	9.2	10.5	11.4
Other current assets	9.4	4.1	5.6	6.0	6.0	6.0	6.0
Liquid assets	14.4	14.3	22.2	21.4	24.0	29.1	35.8
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	32.2	28.6	40.9	44.0	48.1	55.7	64.2
TOTAL ASSETS	69.7	70.1	82.0	79.5	84.7	92.2	100.5
SHAREHOLDERS EQUITY	29.9	30.7	20.4	25.1	29.9	36.6	44.3
MINORITY INTEREST	2.0	3.3	3.6	6.5	6.5	6.5	6.5
Long-term debt	10.5	8.9	14.7	10.6	10.6	10.6	10.6
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions	6.1	5.4	7.5	6.9	6.9	6.9	6.9
Non-current liabilities	16.7	14.3	22.2	17.5	17.5	17.5	17.5
short-term liabilities to banks	0.9	2.7	4.1	3.3	3.3	3.3	3.3
Accounts payable	3.4	4.2	7.5	6.2	6.6	7.4	8.0
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	1.8	0.0	0.0	0.0	0.0
Deferred taxes	1.9	1.6	2.0	1.9	1.9	1.9	1.9
Deferred income	14.9	13.3	20.4	19.0	19.0	19.0	19.0
Current liabilities	21.1	21.8	35.8	30.4	30.8	31.6	32.2
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	69.7	70.1	82.0	79.5	84.7	92.2	100.5

Balance sheet (common size)	2006	2007	2008	2009	2010E	2011E	2012E
Intangible assets	39.3 %	44.9 %	37.8 %	32.2 %	31.6 %	28.9 %	26.4 %
Property, plant and equipment	12.3 %	13.0 %	11.1 %	11.3 %	10.5 %	9.6 %	8.8 %
Financial assets	2.2 %	1.4 %	1.2 %	1.2 %	1.2 %	1.1 %	1.0 %
FIXED ASSETS	53.7 %	59.3 %	50.1 %	44.7 %	43.2 %	39.5 %	36.1 %
Inventories	7.9 %	5.3 %	7.9 %	10.4 %	10.5 %	11.0 %	10.9 %
Accounts receivable	4.1 %	9.3 %	8.1 %	10.4 %	10.9 %	11.4 %	11.3 %
Other current assets	13.6 %	5.8 %	6.8 %	7.5 %	7.1 %	6.5 %	6.0 %
Liquid assets	20.7 %	20.4 %	27.0 %	27.0 %	28.3 %	31.6 %	35.6 %
Deferred taxes	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
CURRENT ASSETS	46.3 %	40.7 %	49.9 %	55.3 %	56.8 %	60.5 %	63.9 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	42.9 %	43.8 %	24.9 %	31.6 %	35.3 %	39.7 %	44.1 %
MINORITY INTEREST	2.9 %	4.7 %	4.3 %	8.2 %	7.7 %	7.0 %	6.5 %
Long-term debt	15.1 %	12.7 %	17.9 %	13.3 %	12.5 %	11.5 %	10.5 %
Provisions for pensions and similar obligations	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other provisions	8.8 %	7.7 %	9.1 %	8.7 %	8.2 %	7.5 %	6.9 %
Non-current liabilities	23.9 %	20.4 %	27.0 %	22.0 %	20.7 %	19.0 %	17.4 %
short-term liabilities to banks	1.2 %	3.9 %	5.0 %	4.2 %	3.9 %	3.6 %	3.3 %
Accounts payable	4.9 %	6.0 %	9.1 %	7.8 %	7.7 %	8.0 %	7.9 %
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 %	2.2 %	0.0 %	0.0 %	0.0 %	0.0 %
Deferred taxes	2.7 %	2.2 %	2.5 %	2.4 %	2.2 %	2.1 %	1.9 %
Deferred income	21.5 %	18.9 %	24.9 %	23.9 %	22.4 %	20.6 %	18.9 %
Current liabilities	30.3 %	31.1 %	43.7 %	38.3 %	36.3 %	34.3 %	32.0 %
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)	2006	2007	2008	2009	2010E	2011E	2012E
Net profit/loss	0.5	2.5	-10.1	2.1	4.8	6.7	7.7
Depreciation of fixed assets (incl. leases)	0.2	0.2	0.3	0.6	0.4	0.4	0.4
Amortisation of goodwill	0.3	0.0	2.3	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.8	0.9	4.2	1.0	0.3	0.3	0.3
Others	-3.1	0.0	4.3	0.0	0.0	0.0	0.0
Cash flow from operations before changes in w/c	-1.4	3.6	1.0	3.7	5.5	7.4	8.4
Increase/decrease in inventory	-2.0	1.8	-2.8	-1.8	-0.6	-1.2	-0.8
Increase/decrease in accounts receivable	0.2	-3.6	-0.1	-1.6	-1.0	-1.3	-0.9
Increase/decrease in accounts payable	-0.8	0.8	3.3	-1.2	0.3	0.8	0.6
Increase/decrease in other working capital positions	-3.5	-5.9	4.6	-4.0	0.0	0.0	0.0
Increase/decrease in working capital	-6.1	-6.9	4.9	-8.6	-1.3	-1.7	-1.1
Cash flow from operating activities	-7.6	-3.3	5.9	-4.9	4.3	5.7	7.3
CAPEX	1.0	0.5	0.5	0.8	0.5	0.6	0.6
Payments for acquisitions	0.0	0.0	0.0	0.0	1.3	0.0	0.0
Financial investments	-0.4	0.5	0.5	0.0	0.0	0.0	0.0
Income from asset disposals	0.1	1.4	-2.5	6.5	0.0	0.0	0.0
Cash flow from investing activities	-0.5	1.4	-2.6	5.7	-1.8	-0.6	-0.6
Cash flow before financing	-8.0	-2.8	2.4	0.8	2.5	5.1	0.0
Increase/decrease in debt position	-2.9	3.6	7.1	-4.9	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	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dividends paid	0.0	1.3	-1.0	0.0	0.0	0.0	0.0
Others	-1.1	-1.0	0.0	0.0	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from financing activities	-4.0	1.2	8.1	-4.9	0.0	0.0	0.0
Increase/decrease in liquid assets	-12.1	-1.6	10.5	-4.1	2.5	5.1	n/a
Liquid assets at end of period	14.8	14.1	25.6	21.4	24.0	29.1	35.8

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2006	2007	2008	2009	2010E	2011E	2012E
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)	2006	2007	2008	2009	2010E	2011E	2012E
P&L growth analysis							
Sales growth	32.2 %	-4.9 %	39.0 %	6.0 %	7.6 %	13.8 %	8.3 %
EBITDA growth	78.8 %	53.8 %	-44.1 %	71.0 %	11.9 %	30.2 %	13.0 %
EBIT growth	43.5 %	82.0 %	-156.2 %	-251.9 %	34.9 %	33.1 %	14.1 %
EPS growth	-94.8 %	-355.2 %	-1047.0 %	-105.6 %	521.3 %	45.5 %	22.0 %
Efficiency							
Total operating costs / sales	15.8 %	18.4 %	20.8 %	16.1 %	17.6 %	17.4 %	17.5 %
Sales per employee	862.7	554.5	632.7	632.8	637.4	654.6	639.4
EBITDA per employee	45.1	46.9	21.5	34.7	36.3	42.7	43.5
Balance sheet analysis							
Avg. working capital / sales	4.4 %	7.0 %	5.3 %	6.9 %	8.8 %	8.7 %	9.0 %
Inventory turnover (sales/inventory)	15.0	21.3	16.8	14.0	14.0	14.0	14.0
Trade debtors in days of sales	12.7	30.2	22.2	26.0	27.0	27.0	27.0
A/P turnover [(A/P*365)/sales]	19.2	26.7	32.9	25.0	25.0	25.0	25.0
Cash conversion cycle (days)	24.4	26.9	17.9	34.3	36.0	36.3	n/a
Cash flow analysis							
Free cash flow	-8.5	-3.8	5.4	-5.7	3.8	5.1	6.7
Free cash flow/sales	-10.3 %	-4.8 %	4.9 %	-4.9 %	3.0 %	3.6 %	4.4 %
FCF / net profit	2337.8 %	-334.5 %	-48.5 %	-1778.8 %	189.4 %	176.6 %	189.4 %
FCF yield	-21.3 %	-7.8 %	10.7 %	-21.9 %	14.5 %	19.6 %	25.7 %
Capex / deprec	49.5 %	91.2 %	14.3 %	50.0 %	71.4 %	82.8 %	82.8 %
Capex / maintenance capex	0.0 %	0.0 %	0.0 %	83.3 %	50.0 %	66.7 %	57.1 %
Capex / sales	0.8 %	1.2 %	0.9 %	0.7 %	0.4 %	0.4 %	0.4 %
Security							
Net debt	7.0	4.7	11.3	1.1	-2.7	-9.5	-17.3
Net Debt/EBITDA	1.6	0.7	3.0	0.2	0.0	0.0	0.0
Net debt / equity	0.2	0.2	0.6	0.0	-0.1	-0.3	-0.4
Interest cover	1.8	23.1	0.0	4.0	7.7	10.3	11.7
Dividend payout ratio	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Asset utilisation							
Capital employed turnover	1.7	1.5	2.2	2.2	2.2	2.2	2.1
Operating assets turnover	6.1	5.2	7.4	6.0	6.1	6.4	6.6
Plant turnover	9.7	8.7	12.0	13.0	14.1	16.0	17.4
Inventory turnover (sales/inventory)	15.0	21.3	16.8	14.0	14.0	14.0	14.0
Returns							
ROCE	5.2 %	11.1 %	-6.2 %	9.3 %	11.7 %	14.1 %	14.4 %
ROE	-1.2 %	3.7 %	-54.5 %	1.3 %	6.7 %	7.9 %	8.0 %
Other							
Interest paid / avg. debt	7.1 %	2.1 %	6.9 %	7.4 %	6.0 %	6.0 %	6.0 %
No. employees (average)	96	142	173	183	196	217	241
Number of shares	19.0	23.1	24.0	12.4	12.4	12.4	12.4
DPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EPS reported	-0.02	0.05	-0.46	0.03	0.16	0.23	0.29
Valuation ratios							
P/BV	1.6	1.6	2.5	1.0	0.9	0.7	0.6
EV/sales	0.7	0.8	0.7	0.4	0.3	0.2	0.1
EV/EBITDA	13.5	9.8	21.7	6.5	5.2	3.3	2.2
EV/EBITA	14.3	10.1	23.6	7.2	5.6	3.4	2.3
EV/EBIT	19.1	11.7	-25.8	8.6	5.8	3.6	2.3
EV/FCF	-6.8	-17.2	14.9	-7.2	9.9	5.9	3.4
Dividend yield	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %

Source: Company data, Hauck & Aufhäuser

Disclosure in respect of section 34b of the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG)

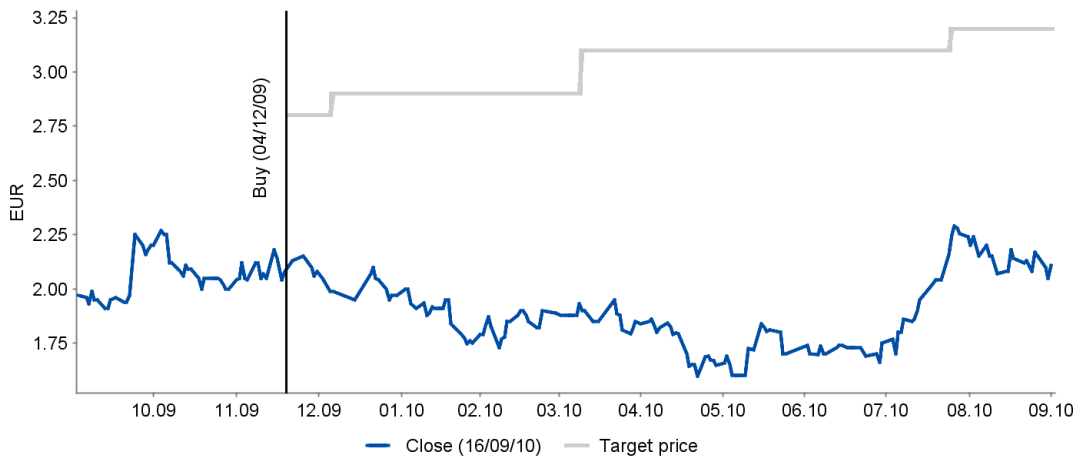
Company	Disclosure
DEAG Deutsche Entertainment AG	2

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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 17/09/10

Initiation coverage
04-December-09



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