

Buy (old: Buy)

Price target: EUR 10.50 (old: EUR 10.50)

Price:	EUR 5.80	Next result:	Q4/FY 13 31.03.13
Bloomberg:	ERMK GR	Market cap:	EUR 75.4 m
Reuters:	ERMGk.DE	Enterprise Value:	EUR 78.5 m

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Positive roadshow feedback supports our view

During our roadshow to London, a reassuring presentation regarding the healthy growth profile and sound potential of ticketing was provided.

- Sound organic growth ahead:** Overall, our positive view of sustainable organic sales growth (eH&A: 9% yoy for FY '14E and 6% yoy for '15E) was again confirmed. This should come mostly on the back of a promising pipeline of events (Beyonce, Lady Gaga, Metallica). According to our estimates, already >1m tickets have been sold for these events. Additionally, also Family Entertainment (13% of sales) and Classics (30% of sales) should remain key growth drivers. These mainly include events such as Circus FlicFlac (eH&A: 0.3m tickets) and other well-known Circus projects (eH&A: 0.5m tickets) but also Anna Netrebko and David Garrett.

On top of this, selected acquisitions to expand DEAG's market share (eH&A: 25% in its niche market in Germany) would generally make sense, in our view. While in 2013, the focus of M&A remained on Germany (40% of sales), Austria (3% of sales) and Switzerland (38% of sales) also the UK (18% of sales) is seen to provide appealing growth prospects mainly in tour operation, in our view.

- Ticketing seen as the key driver for bottom-line growth:** While in the past, DEAG was forced to sell tickets via different third party operators, the **JV with Ticketmaster (TM)/LiveNation (LN) yields the potential to increase the net profit per ticket by some 250% p.a.** Thanks to the gradually increasing relevance of TM in Germany (e&A: 45% of content provided by DEAG) fuelled by the merger with LN and hence access to strong content (e.g. Madonna, Jay-Z) this should the distribution of DEAG's content substantially more profitable.

On the back of the dynamically growing exposure of tickets sold via TM, in our view **already 30% of the company's 3m directly controlled tickets were sold via TM in FYE '13** (vs. only 3% in FY '12). Hence, this can be seen as clear proof that TM is increasingly gaining traction with customers thanks to its strong content.

Trading at only 4.1x EV/EBITDA '15E, valuation looks undemanding, in our view. Remains a Buy, PT of € 10.50, based on FCFY '15E.

Y/E 31.12 (EUR m)	2010	2011	2012	2013E	2014E	2015E	2016E
Sales	125.8	128.3	155.7	179.1	195.7	208.2	218.6
Sales growth	8 %	2 %	21 %	15 %	9 %	6 %	5 %
EBITDA	10.0	8.4	8.6	11.5	14.3	17.3	20.3
EBIT	8.2	7.4	7.2	9.9	12.7	15.7	18.6
Net income	1.3	2.5	2.6	0.9*	4.7	7.8	9.9
Net debt	-9.3	-15.1	-7.7	-5.8	-7.6	-14.4	-23.5
Net gearing	-84.0 %	-100.9 %	-72.0 %	-83.2 %	-98.0 %	-116.9 %	-131.4 %
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**	0.34	0.57	0.73
CPS	0.82	0.20	-0.25	0.21	0.33	0.72	0.94
DPS	0.00	0.04	0.08	0.12	0.16	0.21	0.25
Dividend yield	0.0 %	0.7 %	1.4 %	2.1 %	2.8 %	3.6 %	4.3 %
Gross profit margin	24.9 %	25.4 %	24.1 %	25.5 %	26.4 %	27.0 %	27.5 %
EBITDA margin	8.0 %	6.5 %	5.5 %	6.4 %	7.3 %	8.3 %	9.3 %
EBIT margin	6.5 %	5.8 %	4.6 %	5.5 %	6.5 %	7.5 %	8.5 %
ROCE	17.1 %	14.9 %	13.7 %	18.4 %	23.1 %	26.3 %	27.9 %
EV/sales	0.6	0.6	0.5	0.4	0.4	0.3	0.3
EV/EBITDA	7.2	8.8	8.4	6.8	5.5	4.1	3.1
EV/EBIT	8.8	9.9	9.9	7.9	6.2	4.5	3.3
PER	53.4	28.2	27.6	22.6	17.0	10.1	8.0
Adjusted FCF yield	7.2 %	8.6 %	7.6 %	7.8 %	9.9 %	15.4 %	22.3 %

Source: Company data, Hauck & Aufhäuser Close price as of: 06.03.2014; * Net income from continued operations: € 3.3m; ** EPS from continued operations



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks:	5.80 / 3.05
Price/Book Ratio:	3.4
Relative performance (SDAX):	
3 months	33.0 %
6 months	44.3 %
12 months	51.2 %

Changes in estimates

		Sales	EBIT	EPS
2013	old:	179.1	9.9	0.07
	Δ	-	-	-
2014	old:	195.7	12.7	0.34
	Δ	-	-	-
2015	old:	208.2	15.7	0.57
	Δ	-	-	-

Key share data:

Number of shares: (in m pcs)	13.0
Authorised capital: (in € m)	0.0
Book value per share: (in €)	1.7
Ø trading volume: (12 months)	38,000

Major shareholders:

Free Float	44.0 %
Lion Capital	24.1 %
Peter Schwenkow	15.0 %
Plutus Holdings 2 Ltd.	10.3 %
Allianz Global Investors	5.0 %

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	2013E	2014E	2015E	2016E
Sales	125.8	128.3	155.7	179.1	195.7	208.2	218.6
Sales growth	7.8 %	2.0 %	21.4 %	15.0 %	9.3 %	6.3 %	5.0 %
Cost of sales	94.5	95.7	118.2	133.4	144.1	152.0	158.5
Gross profit	31.3	32.6	37.5	45.7	51.7	56.2	60.1
Sales and marketing	13.2	15.8	20.1	24.4	26.1	27.1	27.5
General and administration	11.4	12.9	13.4	15.4	16.6	17.6	18.3
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	4.7	4.5	4.8	5.0
Other operating expenses	1.7	0.9	0.7	0.7	0.8	0.7	0.8
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	11.5	14.3	17.3	20.3
Depreciation	0.2	0.2	0.3	0.4	0.4	0.4	0.4
EBITA	9.8	8.1	8.3	11.1	13.9	16.9	19.8
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	9.9	12.7	15.7	18.6
Interest income	0.1	0.1	0.2	0.2	0.1	0.2	0.3
Interest expenses	1.2	1.2	0.5	1.0	1.0	0.7	0.7
Other financial result	-0.2	-0.3	-1.1	-0.1	-0.3	-0.1	-0.1
Financial result	-1.3	-1.5	-1.4	-1.0	-1.2	-0.6	-0.6
Recurring pretax income from continuing operations	6.9	6.0	5.9	8.9	11.5	15.0	18.0
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	8.9	11.5	15.0	18.0
Taxes	2.5	1.5	1.1	2.5	3.2	4.2	5.1
Net income from continuing operations	4.4	4.4	4.8	6.4	8.3	10.8	13.0
Result from discontinued operations (net of tax)	0.0	0.0	0.0	2.5	0.0	0.0	0.0
Net income	4.4	4.4	4.8	4.0	8.3	10.8	13.0
Minority interest	3.0	1.9	2.2	3.1	3.6	3.0	3.1
Net income (net of minority interest)	1.3	2.5	2.6	0.9	4.7	7.8	9.9
Average number of shares	12.4	12.4	12.4	13.0	13.6	13.6	13.6
EPS reported	0.11	0.21	0.21	0.07	0.34	0.57	0.73

Profit and loss (common size)	2010	2011	2012	2013E	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 %	74.5 %	73.6 %	73.0 %	72.5 %
Gross profit	24.9 %	25.4 %	24.1 %	25.5 %	26.4 %	27.0 %	27.5 %
Sales and marketing	10.5 %	12.3 %	12.9 %	13.6 %	13.3 %	13.0 %	12.6 %
General and administration	9.1 %	10.0 %	8.6 %	8.6 %	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 %	2.6 %	2.3 %	2.3 %	2.3 %
Other operating expenses	1.3 %	0.7 %	0.5 %	0.4 %	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 %	6.4 %	7.3 %	8.3 %	9.3 %
Depreciation	0.2 %	0.2 %	0.2 %	0.2 %	0.2 %	0.2 %	0.2 %
EBITA	7.8 %	6.3 %	5.3 %	6.2 %	7.1 %	8.1 %	9.1 %
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 %	0.6 %	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 %	5.5 %	6.5 %	7.5 %	8.5 %
Interest income	0.1 %	0.1 %	0.1 %	0.1 %	0.1 %	0.1 %	0.1 %
Interest expenses	1.0 %	1.0 %	0.3 %	0.6 %	0.5 %	0.3 %	0.3 %
Other financial result	-0.2 %	-0.3 %	-0.7 %	-0.1 %	-0.2 %	0.0 %	0.0 %
Financial result	-1.1 %	-1.1 %	-0.9 %	-0.5 %	-0.6 %	-0.3 %	-0.3 %
Recurring pretax income from continuing operations	5.5 %	4.7 %	3.8 %	5.0 %	5.9 %	7.2 %	8.3 %
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 %	5.0 %	5.9 %	7.2 %	8.3 %
Tax rate	36.6 %	25.7 %	18.6 %	28.0 %	28.0 %	28.0 %	28.0 %
Net income from continuing operations	3.5 %	3.5 %	3.1 %	3.6 %	4.2 %	5.2 %	5.9 %
Result from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	1.4 %	0.0 %	0.0 %	0.0 %
Net income	3.5 %	3.5 %	3.1 %	2.2 %	4.2 %	5.2 %	5.9 %
Minority interest	2.4 %	1.5 %	1.4 %	1.7 %	1.8 %	1.4 %	1.4 %
Net income (net of minority interest)	1.1 %	2.0 %	1.7 %	0.5 %	2.4 %	3.8 %	4.5 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2010	2011	2012	2013E	2014E	2015E	2016E
Intangible assets	24.2	25.0	24.7	27.2	26.2	25.2	24.2
Property, plant and equipment	9.0	9.2	10.7	11.0	11.3	11.6	11.9
Financial assets	1.0	2.6	1.7	1.7	1.7	1.7	1.7
FIXED ASSETS	34.2	36.8	37.1	39.9	39.2	38.5	37.7
Inventories	7.7	12.8	13.6	15.6	19.6	20.8	21.9
Accounts receivable	7.5	7.0	10.0	11.3	12.9	14.3	15.0
Other current assets	3.8	4.1	6.0	6.0	6.0	6.0	6.0
Liquid assets	31.8	35.7	31.6	30.4	33.2	40.6	50.3
Deferred taxes	0.0	0.0	0.5	0.0	0.0	0.0	0.0
Deferred charges and prepaid expenses	0.0	2.3	0.2	0.0	0.0	0.0	0.0
CURRENT ASSETS	50.9	61.9	61.9	63.3	71.6	81.7	93.2
TOTAL ASSETS	85.1	98.7	99.0	103.1	110.8	120.2	130.9
SHAREHOLDERS EQUITY	22.2	24.5	26.4	21.9	21.5	24.4	29.1
MINORITY INTEREST	4.7	5.6	5.4	8.5	12.1	15.1	18.2
Long-term debt	10.6	8.7	9.0	8.5	8.5	8.5	8.5
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	10.5	10.7	11.0	11.2
Non-current liabilities	19.4	18.4	19.3	19.0	19.2	19.5	19.7
short-term liabilities to banks	2.6	2.3	3.6	3.6	3.6	3.6	3.6
Accounts payable	9.4	9.5	11.3	12.4	13.4	14.2	14.8
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	2.0	2.0	2.0	2.0
Deferred income	24.8	36.5	31.0	35.7	39.0	41.5	43.6
Current liabilities	38.8	50.3	47.9	53.7	58.0	61.2	63.9
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	85.1	98.7	99.0	103.1	110.8	120.2	130.9

Balance sheet (common size)	2010	2011	2012	2013E	2014E	2015E	2016E
Intangible assets	28.4 %	25.3 %	24.9 %	26.4 %	23.6 %	21.0 %	18.5 %
Property, plant and equipment	10.6 %	9.3 %	10.8 %	10.7 %	10.2 %	9.7 %	9.1 %
Financial assets	1.2 %	2.6 %	1.7 %	1.6 %	1.5 %	1.4 %	1.3 %
FIXED ASSETS	40.2 %	37.3 %	37.5 %	38.7 %	35.4 %	32.0 %	28.8 %
Inventories	9.1 %	12.9 %	13.7 %	15.1 %	17.7 %	17.3 %	16.7 %
Accounts receivable	8.9 %	7.1 %	10.1 %	10.9 %	11.6 %	11.9 %	11.4 %
Other current assets	4.4 %	4.2 %	6.1 %	5.8 %	5.4 %	5.0 %	4.6 %
Liquid assets	37.4 %	36.2 %	31.9 %	29.4 %	29.9 %	33.8 %	38.4 %
Deferred taxes	0.0 %	0.0 %	0.5 %	0.0 %	0.0 %	0.0 %	0.0 %
Deferred charges and prepaid expenses	0.0 %	2.3 %	0.2 %	0.0 %	0.0 %	0.0 %	0.0 %
CURRENT ASSETS	59.8 %	62.7 %	62.5 %	61.3 %	64.6 %	68.0 %	71.2 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	26.1 %	24.8 %	26.6 %	21.3 %	19.4 %	20.3 %	22.2 %
MINORITY INTEREST	5.5 %	5.6 %	5.5 %	8.3 %	10.9 %	12.6 %	13.9 %
Long-term debt	12.4 %	8.9 %	9.1 %	8.2 %	7.7 %	7.1 %	6.5 %
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 %	10.2 %	9.7 %	9.1 %	8.6 %
Non-current liabilities	22.8 %	18.6 %	19.4 %	18.4 %	17.3 %	16.2 %	15.1 %
short-term liabilities to banks	3.1 %	2.3 %	3.6 %	3.5 %	3.3 %	3.0 %	2.8 %
Accounts payable	11.1 %	9.7 %	11.4 %	12.0 %	12.1 %	11.8 %	11.3 %
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)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Deferred taxes	2.3 %	2.0 %	2.0 %	1.9 %	1.8 %	1.6 %	1.5 %
Deferred income	29.1 %	37.0 %	31.4 %	34.6 %	35.2 %	34.5 %	33.3 %
Current liabilities	45.6 %	51.0 %	48.4 %	52.1 %	52.3 %	50.9 %	48.8 %
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	2013E	2014E	2015E	2016E
Net profit/loss	4.4	4.4	4.8	4.0	8.3	10.8	13.0
Depreciation of fixed assets (incl. leases)	0.2	0.2	0.3	0.4	0.4	0.4	0.4
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	5.6	9.8	12.4	14.6
Increase/decrease in inventory	0.8	-8.6	-0.8	-2.0	-4.0	-1.2	-1.0
Increase/decrease in accounts receivable	0.0	0.0	-3.0	-1.3	-1.6	-1.4	-0.7
Increase/decrease in accounts payable	0.0	0.0	1.8	1.1	1.0	0.7	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	-2.2	-4.6	-1.9	-1.1
Cash flow from operating activities	10.3	2.9	-2.5	3.4	5.3	10.5	13.5
CAPEX	0.3	0.4	0.6	0.9	0.9	0.9	0.9
Payments for acquisitions	0.0	0.0	0.0	3.5	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	-4.4	-0.9	-0.9	-0.9
Cash flow before financing	11.0	2.6	-3.1	-1.0	4.4	9.6	12.6
Increase/decrease in debt position	-0.8	-1.3	1.6	-0.5	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	4.0	0.0	0.0	0.0
Dividends paid	1.5	1.9	0.5	1.0	1.6	2.2	2.9
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	2.5	-1.6	-2.2	-2.9
Increase/decrease in liquid assets	8.3	1.2	-4.1	1.5	2.8	7.5	9.7
Liquid assets at end of period	31.8	33.0	28.9	30.4	33.2	40.6	50.3

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2010	2011	2012	2013E	2014E	2015E	2016E
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)	2010	2011	2012	2013E	2014E	2015E	2016E
P&L growth analysis							
Sales growth	7.8 %	2.0 %	21.4 %	15.0 %	9.3 %	6.3 %	5.0 %
EBITDA growth	56.3 %	-16.5 %	2.5 %	34.1 %	24.0 %	21.1 %	17.3 %
EBIT growth	70.2 %	-9.4 %	-2.7 %	36.8 %	28.0 %	23.6 %	18.9 %
EPS growth	183.4 %	89.0 %	2.5 %	-68.1 %	408.6 %	68.0 %	26.4 %
Efficiency							
Total operating costs / sales	18.3 %	19.6 %	19.5 %	20.0 %	19.9 %	19.5 %	19.0 %
Sales per employee	638.0	621.0	674.3	657.8	642.2	633.8	629.9
EBITDA per employee	50.8	40.5	37.1	42.2	46.8	52.6	58.4
Balance sheet analysis							
Avg. working capital / sales	4.4 %	6.3 %	7.2 %	7.4 %	8.5 %	9.6 %	9.8 %
Inventory turnover (sales/inventory)	16.3	10.0	15.0	11.5	10.0	10.0	10.0
Trade debtors in days of sales	21.9	19.9	19.9	23.0	24.0	25.0	25.0
A/P turnover [(A/P*365)/sales]	36.4	36.4	35.0	34.0	34.0	34.0	34.0
Cash conversion cycle (days)	15.3	32.2	30.3	31.6	39.6	41.0	41.3
Cash flow analysis							
Free cash flow	10.0	2.5	-3.1	2.5	4.4	9.6	12.6
Free cash flow/sales	8.0 %	1.9 %	-2.0 %	1.4 %	2.2 %	4.6 %	5.8 %
FCF / net profit	746.1 %	98.3 %	-117.4 %	282.5 %	93.5 %	123.3 %	127.2 %
Capex / depre	15.3 %	45.6 %	44.8 %	56.3 %	56.6 %	55.7 %	55.0 %
Capex / maintenance capex	96.4 %	96.9 %	66.7 %	100.0 %	100.0 %	100.0 %	100.0 %
Capex / sales	0.2 %	0.3 %	0.4 %	0.5 %	0.5 %	0.4 %	0.4 %
Security							
Net debt	-9.3	-15.1	-7.7	-5.8	-7.6	-14.4	-23.5
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	-0.3	-0.4	-0.6	-0.8
Interest cover	6.8	6.0	14.1	9.9	12.7	21.5	25.6
Dividend payout ratio	0.0 %	19.5 %	38.0 %	178.6 %	46.8 %	36.5 %	34.7 %
Asset utilisation							
Capital employed turnover	2.6	2.5	2.8	3.4	3.5	3.3	3.1
Operating assets turnover	8.5	6.6	6.8	7.0	6.4	6.4	6.4
Plant turnover	13.9	14.0	14.5	16.3	17.3	17.9	18.4
Inventory turnover (sales/inventory)	16.3	10.0	15.0	11.5	10.0	10.0	10.0
Returns							
ROCE	17.1 %	14.9 %	13.7 %	18.4 %	23.1 %	26.3 %	27.9 %
ROE	6.1 %	10.4 %	9.9 %	4.0 %	21.7 %	32.1 %	34.0 %
Other							
Interest paid / avg. debt	8.8 %	10.3 %	4.3 %	8.1 %	8.3 %	6.0 %	6.0 %
No. employees (average)	197	207	231	272	305	328	347
Number of shares	12.4	12.4	12.4	13.0	13.6	13.6	13.6
DPS	0.0	0.0	0.1	0.1	0.2	0.2	0.3
EPS reported	0.11	0.21	0.21	0.07	0.34	0.57	0.73
Valuation ratios							
P/BV	3.2	2.9	2.7	3.4	3.7	3.2	2.7
EV/sales	0.6	0.6	0.5	0.4	0.4	0.3	0.3
EV/EBITDA	7.2	8.8	8.4	6.8	5.5	4.1	3.1
EV/EBITA	7.4	9.0	8.6	7.1	5.6	4.2	3.1
EV/EBIT	8.8	9.9	9.9	7.9	6.2	4.5	3.3
EV/FCF	7.2	29.4	-23.4	31.8	17.9	7.4	5.0
Adjusted FCF yield	7.2 %	8.6 %	7.6 %	7.8 %	9.9 %	15.4 %	22.3 %
Dividend yield	0.0 %	0.7 %	1.4 %	2.1 %	2.8 %	3.6 %	4.3 %

Source: Company data, Hauck & Aufhäuser

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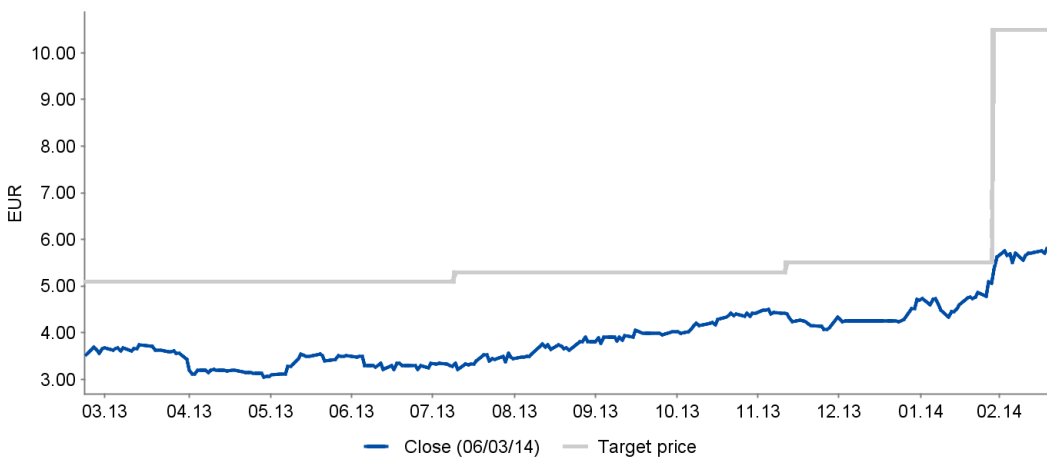
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Company	Disclosure
DEAG Deutsche Entertainment AG	2, 5

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 07/03/14**

Initiation coverage
04-December-09



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