

Buy (old: Buy)

Price target: EUR 10.50 (old: EUR 10.50)

Price: EUR 5.80 **Next result:** Q3/9M 28.11.14
Bloomberg: ERMK GR **Market cap:** EUR 100.2 m
Reuters: ERMGK.DE **Enterprise Value:** EUR 79.9 m

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Q2 results: On track for a strong H2

DEAG released solid Q2 results which were in-line with expectations. Overall, as in previous years, the FIFA World Cup has shifted the seasonal pattern even more strongly into Q4 providing a short-term burden for sales and EBIT in Q2. Importantly however, the **pipeline for H2 looks promising** (e.g. David Garrett, Peter Maffay, Lady Gaga, Backstreet Boys, Roncalli) and provides confidence for a strong H2.

DEAG in € m	Q2 14	Q2 14 est	Q2 13	yoy	Q1 14	qoq	H1 14	H1 14 est	H1 13	yoy
Sales	64.1	63.3	67.1	-4.4%	32.6	96.9%	96.7	95.9	95.6	1.2%
EBIT	3.7	3.6	3.9	-4.6%	1.5	151.1%	5.2	5.1	5.2	0.0%
EBIT margin	5.8%	5.7%	5.8%	-0.0 pp	4.5%	+1.3 pp	5.4%	5.3%	5.4%	+0.0 pp
Net Profit	2.1	2.0	2.0	6.6%	1.0	119.9%	3.1	3.0	2.7	14.8%
Net margin	3.3%	3.2%	3.0%	+0.3 pp	3.0%	+0.3 pp	3.2%	3.1%	2.8%	+0.4 pp

Source: Company data; Hauck & Aufhäuser

Q2 sales decreased by 4.4% yoy to € 64.1m (eH&A: € 63.3m) mainly due to the fact that with the FIFA World Cup blockbuster events (e.g. cross-over tours David Garrett and Peter Maffay) have been shifted from Q2 '13 into Q4 '14. These successful events provided a rather challenging base in Q2.

EBIT decreased by 4.6% yoy to € 3.7m (eH&A: € 3.6m) with the margin remaining virtually flat at 5.8% mostly due to lower revenues. Despite this, Q2 net income even increased by 6.6% yoy to € 2.1m (eH&A: € 2.0m) due to substantially reduced minorities mostly related to the acquisition of DEAG's Swiss business (eH&A: € 0.4m less minorities in Q2). Given a healthy Q1 performance, **H1 14 net income still increased by 15% yoy to € 3.1m**.

Sound FY '14 outlook: Overall, the company looks well on track to further organically increase group sales and net income disproportionately. This has been already indicated on the back of increasing ticketing sales as well as by a promising pipeline of exciting events in H2 14: As of H1, the company looks set to have already sold >1.5m tickets for FY '14 (vs. 3m tickets sold FY '13) which is well displayed by **deferred revenues up 52% yoy to € 38.8m already received from upcoming events in H2**.

Trading at only 4.9x EV/EBITDA '15E (adjusted for minorities), **valuation looks undemanding. 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	208.2	218.6
Sales growth	8 %	2 %	21 %	6 %	18 %	6 %	5 %
EBITDA	10.0	8.4	8.6	8.9	14.3	17.3	20.3
EBIT	8.2	7.4	7.2	7.3	12.7	15.7	18.6
Net income	1.3	2.5	2.6	1.0	5.0	8.1	10.3
Net debt	-9.3	-15.1	-7.7	-0.7	-20.9	-27.4	-36.3
Net gearing	-84.0 %	-100.9 %	-72.0 %	-24.3 %	-68.9 %	-78.3 %	-87.8 %
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	0.63
CPS	0.82	0.20	-0.25	0.03	0.42	0.61	0.79
DPS	0.00	0.04	0.08	0.12	0.16	0.19	0.23
Dividend yield	0.0 %	0.7 %	1.3 %	2.0 %	2.6 %	3.2 %	3.8 %
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 %	8.3 %	9.3 %
EBIT margin	6.5 %	5.8 %	4.6 %	4.4 %	6.5 %	7.5 %	8.5 %
ROCE	17.1 %	14.9 %	13.7 %	13.3 %	19.4 %	20.1 %	21.8 %
EV/sales	0.6	0.6	0.5	0.5	0.4	0.3	0.3
EV/EBITDA	7.6	9.3	8.8	10.0	5.6	4.2	3.2
EV/EBIT	9.3	10.4	10.5	12.2	6.3	4.7	3.4
PER	56.4	29.9	29.1	23.4	20.0	12.3	9.8
Adjusted FCF yield	6.8 %	8.0 %	7.1 %	6.9 %	9.3 %	14.0 %	19.9 %

Source: Company data, Hauck & Aufhäuser Close price as of: 29.08.2014



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 6.26 / 3.63

Price/Book Ratio: 2.0

Relative performance (SDAX):

3 months 1.0 %

6 months 4.7 %

12 months 45.0 %

Changes in estimates

		Sales	EBIT	EPS
2014	old:	195.7	12.7	0.31
	Δ	-	-	-
2015	old:	208.2	15.7	0.50
	Δ	-	-	-
2016	old:	218.6	18.6	0.63
	Δ	-	-	-

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 48.1 %
Lion Capital 12.4 %
Allianz Global Investors 11.2 %
Plutus Holdings 2 Ltd 7.9 %
Peter Schwenkow 7.8 %
Monolith 7.4 %
Kabouter Management LLC 3.9 %

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	208.2	218.6
Sales growth	7.8 %	2.0 %	21.4 %	6.3 %	18.3 %	6.3 %	5.0 %
Cost of sales	94.5	95.7	118.2	128.6	144.1	152.0	158.5
Gross profit	31.3	32.6	37.5	36.9	51.7	56.2	60.1
Sales and marketing	13.2	15.8	20.1	19.4	26.1	27.1	27.5
General and administration	11.4	12.9	13.4	14.9	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	6.1	4.5	4.8	5.0
Other operating expenses	1.7	0.9	0.7	1.4	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	8.9	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	8.5	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	7.3	12.7	15.7	18.6
Interest income	0.1	0.1	0.2	0.2	0.1	0.3	0.3
Interest expenses	1.2	1.2	0.5	0.6	1.0	0.8	0.8
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	-0.6	-0.6
Recurring pretax income from continuing operations	6.9	6.0	5.9	6.5	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	6.5	11.5	15.0	18.0
Taxes	2.5	1.5	1.1	1.7	3.2	4.2	5.0
Net income from continuing operations	4.4	4.4	4.8	4.7	8.3	10.8	13.0
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	13.0
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	10.3
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	0.63

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 %	13.0 %	12.6 %
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 %	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 %	5.1 %	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 %	4.4 %	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 %	0.3 %	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 %	-0.3 %
Recurring pretax income from continuing operations	5.5 %	4.7 %	3.8 %	3.9 %	5.9 %	7.2 %	8.2 %
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 %	7.2 %	8.2 %
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 %	5.2 %	5.9 %
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 %	5.2 %	5.9 %
Minority interest	2.4 %	1.5 %	1.4 %	0.7 %	1.7 %	1.3 %	1.2 %
Net income (net of minority interest)	1.1 %	2.0 %	1.7 %	0.6 %	2.6 %	3.9 %	4.7 %

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	12.4
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	37.9
Inventories	7.7	12.8	13.6	11.9	16.3	17.3	18.2
Accounts receivable	7.5	7.0	10.0	8.8	12.9	14.3	15.0
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	50.9	60.4
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	89.0	100.0
TOTAL ASSETS	85.1	98.7	99.0	90.8	118.7	127.6	137.9
SHAREHOLDERS EQUITY	22.2	24.5	26.4	26.1	47.5	50.9	56.3
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	12.5	13.0
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	31.6	33.2
Current liabilities	38.8	50.3	47.9	41.4	50.1	52.7	54.8
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	85.1	98.7	99.0	90.8	118.7	127.6	137.9

Balance sheet (common size)	2010	2011	2012	2013	2014E	2015E	2016E
Intangible assets	28.4 %	25.3 %	24.9 %	29.8 %	21.9 %	19.6 %	17.4 %
Property, plant and equipment	10.6 %	9.3 %	10.8 %	12.7 %	10.0 %	9.5 %	9.0 %
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 %	30.3 %	27.5 %
Inventories	9.1 %	12.9 %	13.7 %	13.2 %	13.7 %	13.6 %	13.2 %
Accounts receivable	8.9 %	7.1 %	10.1 %	9.7 %	10.8 %	11.2 %	10.9 %
Other current assets	4.4 %	4.2 %	6.1 %	7.1 %	5.4 %	5.1 %	4.7 %
Liquid assets	37.4 %	36.2 %	31.9 %	25.3 %	36.8 %	39.9 %	43.8 %
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 %	69.7 %	72.5 %
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 %	39.9 %	40.8 %
MINORITY INTEREST	5.5 %	5.6 %	5.5 %	4.4 %	6.1 %	7.8 %	9.1 %
Long-term debt	12.4 %	8.9 %	9.1 %	11.4 %	4.1 %	3.8 %	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 %	7.3 %	6.9 %
Non-current liabilities	22.8 %	18.6 %	19.4 %	21.3 %	11.7 %	11.0 %	10.3 %
short-term liabilities to banks	3.1 %	2.3 %	3.6 %	6.8 %	5.2 %	4.9 %	4.5 %
Accounts payable	11.1 %	9.7 %	11.4 %	6.2 %	10.0 %	9.8 %	9.4 %
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 %	24.8 %	24.0 %
Current liabilities	45.6 %	51.0 %	48.4 %	45.6 %	42.2 %	41.3 %	39.7 %
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	13.0
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	3.8	9.8	12.4	14.6
Increase/decrease in inventory	0.8	-8.6	-0.8	1.6	-4.4	-1.0	-0.9
Increase/decrease in accounts receivable	0.0	0.0	-3.0	1.2	-4.1	-1.4	-0.7
Increase/decrease in accounts payable	0.0	0.0	1.8	-5.7	6.2	0.6	0.5
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	-1.8	-1.0
Cash flow from operating activities	10.3	2.9	-2.5	0.9	7.6	10.7	13.6
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	9.8	12.7
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	7.3	9.5
Liquid assets at end of period	31.8	33.0	28.9	30.6	43.6	50.9	60.4

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 %	6.3 %	5.0 %
EBITDA growth	56.3 %	-16.5 %	2.5 %	3.9 %	60.1 %	21.1 %	17.3 %
EBIT growth	70.2 %	-9.4 %	-2.7 %	1.0 %	73.4 %	23.6 %	18.9 %
EPS growth	183.4 %	89.0 %	2.5 %	-64.3 %	337.7 %	50.9 %	26.5 %
Efficiency							
Total operating costs / sales	18.3 %	19.6 %	19.5 %	17.9 %	19.9 %	19.5 %	19.0 %
Sales per employee	638.0	621.0	674.3	607.8	642.2	633.8	629.9
EBITDA per employee	50.8	40.5	37.1	32.7	46.8	52.6	58.4
Balance sheet analysis							
Avg. working capital / sales	4.4 %	6.3 %	7.2 %	8.3 %	8.3 %	8.8 %	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	9.8	12.7
Free cash flow/sales	8.0 %	1.9 %	-2.0 %	0.1 %	3.4 %	4.7 %	5.8 %
FCF / net profit	746.1 %	98.3 %	-117.4 %	15.3 %	134.7 %	120.1 %	123.3 %
Capex / depn	15.3 %	45.6 %	44.8 %	43.8 %	56.6 %	55.7 %	55.0 %
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	-27.4	-36.3
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	19.6	23.3
Dividend payout ratio	0.0 %	19.5 %	38.0 %	159.6 %	48.6 %	39.3 %	37.2 %
Asset utilisation							
Capital employed turnover	2.6	2.5	2.8	3.0	2.6	2.6	2.4
Operating assets turnover	8.5	6.6	6.8	6.2	6.7	6.7	6.7
Plant turnover	13.9	14.0	14.5	14.3	16.5	17.2	17.6
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 %	20.1 %	21.8 %
ROE	6.1 %	10.4 %	9.9 %	3.7 %	10.6 %	15.9 %	18.3 %
Other							
Interest paid / avg. debt	8.8 %	10.3 %	4.3 %	3.8 %	7.2 %	7.3 %	7.3 %
No. employees (average)	197	207	231	272	305	328	347
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	0.63
Valuation ratios							
P/BV	3.4	3.1	2.9	3.2	2.1	2.0	1.8
EV/sales	0.6	0.6	0.5	0.5	0.4	0.3	0.3
EV/EBITDA	7.6	9.3	8.8	10.0	5.6	4.2	3.2
EV/EBITA	7.8	9.5	9.1	10.5	5.8	4.3	3.2
EV/EBIT	9.3	10.4	10.5	12.2	6.3	4.7	3.4
EV/FCF	7.6	31.0	-24.7	594.8	11.8	7.5	5.0
Adjusted FCF yield	6.8 %	8.0 %	7.1 %	6.9 %	9.3 %	14.0 %	19.9 %
Dividend yield	0.0 %	0.7 %	1.3 %	2.0 %	2.6 %	3.2 %	3.8 %

Source: Company data, Hauck & Aufhäuser

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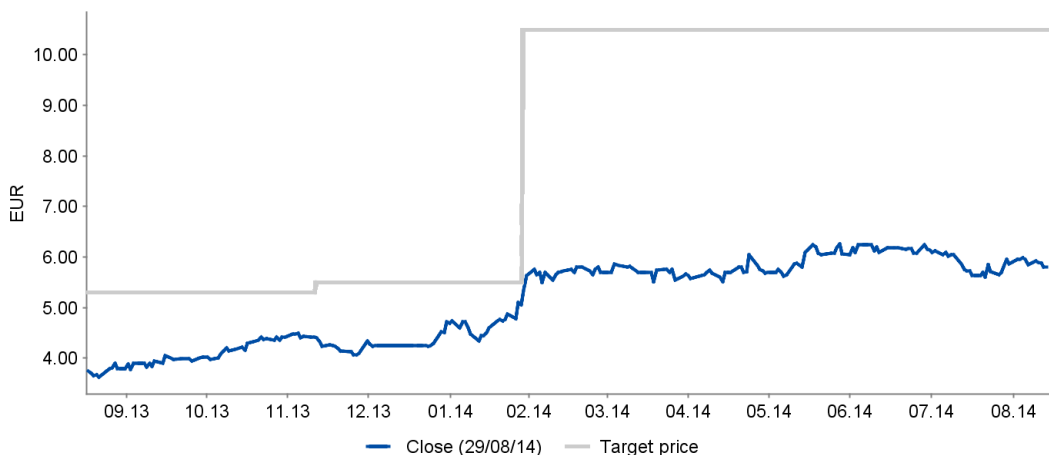
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Company	Disclosure
DEAG Deutsche Entertainment AG	2, 3, 5

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 01/09/14**

Initiation coverage
04-December-09



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