

Buy (old: Buy)

Price target: EUR 12.00 (old: EUR 10.50)

Price:	EUR 6.41	Next result:	Q3/9M 28.11.14
Bloomberg:	ERMK GR	Market cap:	EUR 104.8 m
Reuters:	ERMGK.DE	Enterprise Value:	EUR 85.4 m

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The next big thing: Own distribution, chg. in est. & PT

DEAG launched its own ticketing platform 'Myticket.de' last Friday ahead of the Christmas season which should enable the company to increasingly monetise its own content.

- **Own distribution is a quantum leap for DEAG:** Given that DEAG has been already increasingly shifting ticketing distribution from third parties to Ticketmaster (TM, c. 40% distribution share) the company's strategy is now to also make a push towards direct distribution. In our view, this should even enable the company to retain some € 5-7 per ticket, i.e. to again double the profit potential (vs. distribution through Ticketmaster).

Even more appealing, ticket distribution for third party players is also planned in the short-term which should additionally attract volume to the platform. While in recent years, DEAG's focus had been rather on the ramp-up of its strong own content with the operating performance largely driven by project business, the current shift towards ticketing provides a sensible move to increasingly scale the business. In our view, the platform should generate € 20m in sales in the mid-term healthy EBITDA margins of around >25% which is well in-line with divisional profitability of DEAG's direct peers (e.g. LiveNation, CTS).

- **A lean licensing model should be highly scalable:** The technology of Myticket.de will be provided by 'white label eCommerce AG' which is run by CTS' former Head of Sales Arndt Scheffler. Founded in 2012, white label has been already active in providing ticketing technology for a broad range of high-volume events (e.g. 314 artists, Wacken Open Air, Pharrell Williams, David Bowie, Bryan Adams etc.). Accordingly, the state-of-the-art web shop offers all technological features to ensure a convenient customer experience (e.g. mobile ticketing, print@home, web-based integration of box offices and integration to social media). The platform has been customised for both promoters and the ticketing industry which also allows DEAG to add third party players.
- **Strong media partners in the pipeline:** According to the company, DEAG is also in advanced talks with two leading media partners. Given that the company already holds strong media partnerships (e.g. PSM, Axel Springer) this should significantly boost attention and hence demand for the platform.
- **Action:** On the back of this, sales estimates are increased by c. € 5m for FY 15E and € 8m for FY '16E. Assuming some ramp-up costs for FY '14E and FY '15E (mostly personnel headcount and marketing expenses) full benefits should kick-in from FY '16E onwards which is the reason why EBIT estimates are decreased for FY '14E and FY '15E but increased from FY '16E onwards reflecting the benefits from own distribution. This is also the reason why valuation is rolled over to FY '16E.

BUY, new PT € 12.00 (old: € 10.50), based on FCFY '16E.

Y/E 31.12 (EUR m)	2010	2011	2012	2013	2014E	2015E	2016E
Sales	125.8	128.3	155.7	165.5	196.1	228.1	243.6
Sales growth	8 %	2 %	21 %	6 %	19 %	16 %	7 %
EBITDA	10.0	8.4	8.6	8.9	12.5	16.2	22.0
EBIT	8.2	7.4	7.2	7.3	10.9	14.5	20.3
Net income	1.3	2.5	2.6	1.0	4.3	6.9	10.8
Net debt	-9.3	-15.1	-7.7	-0.7	-19.9	-23.0	-32.3
Net gearing	-84.0 %	-100.9 %	-72.0 %	-24.3 %	-68.1 %	-79.6 %	-91.0 %
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	0.26	0.42	0.66
CPS	0.82	0.20	-0.25	0.03	0.37	0.46	0.84
DPS	0.00	0.04	0.08	0.12	0.16	0.20	0.28
Dividend yield	0.0 %	0.6 %	1.2 %	1.9 %	2.5 %	3.2 %	4.4 %
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 %	6.3 %	7.1 %	9.0 %
EBIT margin	6.5 %	5.8 %	4.6 %	4.4 %	5.5 %	6.4 %	8.3 %
ROCE	17.1 %	14.9 %	13.7 %	13.3 %	16.8 %	19.3 %	25.0 %
EV/sales	0.6	0.6	0.5	0.6	0.4	0.4	0.3
EV/EBITDA	7.9	9.7	9.2	10.4	6.9	5.1	3.3
EV/EBIT	9.7	10.9	10.9	12.7	7.9	5.6	3.5
PER	59.0	31.2	30.4	24.5	24.4	15.3	9.7
Adjusted FCF yield	6.4 %	7.6 %	6.8 %	6.5 %	7.0 %	10.6 %	18.3 %

Source: Company data, Hauck & Aufhäuser Close price as of: 14.11.2014



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 6.47 / 4.07

Price/Book Ratio: 2.2

Relative performance (SDAX):

3 months 10.9 %

6 months 17.5 %

12 months 44.0 %

Changes in estimates

		Sales	EBIT	EPS
2014	old:	195.7	12.7	0.31
	Δ	0.2%	-14.3%	-14.1%
2015	old:	223.1	15.7	0.50
	Δ	2.2%	-7.4%	-15.2%
2016	old:	235.4	19.5	0.65
	Δ	3.5%	4.1%	1.4%

Key share data:

Number of shares: (in m pcs) 15.2

Authorised capital: (in € m) 0.0

Book value per share: (in €) 2.8

Ø trading volume: (12 months) 38,000

Major shareholders:

Free Float 44.5 %

Allianz Global Investors 12.4 %

Plutus Holdings 2 Ltd. 11.7 %

Heliad Equity Partners 9.7 %

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	196.1	228.1	243.6
Sales growth	7.8 %	2.0 %	21.4 %	6.3 %	18.5 %	16.3 %	6.8 %
Cost of sales	94.5	95.7	118.2	128.6	144.4	166.5	176.6
Gross profit	31.3	32.6	37.5	36.9	51.8	61.6	67.0
Sales and marketing	13.2	15.8	20.1	19.4	26.7	32.6	31.9
General and administration	11.4	12.9	13.4	14.9	17.5	19.0	19.5
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	5.3	5.6
Other operating expenses	1.7	0.9	0.7	1.4	1.3	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	12.5	16.2	22.0
Depreciation	0.2	0.2	0.3	0.4	0.4	0.5	0.5
EBITA	9.8	8.1	8.3	8.5	12.1	15.7	21.5
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
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	10.9	14.5	20.3
Interest income	0.1	0.1	0.2	0.2	0.3	0.3	0.2
Interest expenses	1.2	1.2	0.5	0.6	0.6	0.6	0.6
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	-0.5	-0.4	-0.6
Recurring pretax income from continuing operations	6.9	6.0	5.9	6.5	10.4	14.1	19.8
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	10.4	14.1	19.8
Taxes	2.5	1.5	1.1	1.7	2.9	4.0	5.5
Net income from continuing operations	4.4	4.4	4.8	4.7	7.5	10.2	14.2
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	7.5	10.2	14.2
Minority interest	3.0	1.9	2.2	1.2	3.2	3.3	3.4
Net income (net of minority interest)	1.3	2.5	2.6	1.0	4.3	6.9	10.8
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	0.28	0.42	0.66

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 %	13.6 %	14.3 %	13.1 %
General and administration	9.1 %	10.0 %	8.6 %	9.0 %	8.9 %	8.4 %	8.0 %
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 %	0.7 %	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 %	6.3 %	7.1 %	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 %	6.1 %	6.9 %	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 %	5.5 %	6.4 %	8.3 %
Interest income	0.1 %	0.1 %	0.1 %	0.1 %	0.2 %	0.1 %	0.1 %
Interest expenses	1.0 %	1.0 %	0.3 %	0.3 %	0.3 %	0.3 %	0.2 %
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 %	-0.3 %	-0.2 %	-0.2 %
Recurring pretax income from continuing operations	5.5 %	4.7 %	3.8 %	3.9 %	5.3 %	6.2 %	8.1 %
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 %	5.3 %	6.2 %	8.1 %
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 %	3.8 %	4.5 %	5.8 %
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 %	3.8 %	4.5 %	5.8 %
Minority interest	2.4 %	1.5 %	1.4 %	0.7 %	1.6 %	1.4 %	1.4 %
Net income (net of minority interest)	1.1 %	2.0 %	1.7 %	0.6 %	2.2 %	3.0 %	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	19.0	20.3
Accounts receivable	7.5	7.0	10.0	8.8	12.9	15.6	16.7
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	42.7	47.7	57.9
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	78.4	88.8	101.3
TOTAL ASSETS	85.1	98.7	99.0	90.8	117.8	127.3	139.1
SHAREHOLDERS EQUITY	22.2	24.5	26.4	26.1	46.6	46.0	51.5
MINORITY INTEREST	4.7	5.6	5.4	4.0	7.1	10.4	13.8
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	11.9	13.7	14.5
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	34.5	36.4
Current liabilities	38.8	50.3	47.9	41.4	50.2	56.8	59.5
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	85.1	98.7	99.0	90.8	117.8	127.3	139.1

Balance sheet (common size)	2010	2011	2012	2013	2014E	2015E	2016E
Intangible assets	28.4 %	25.3 %	24.9 %	29.8 %	22.1 %	19.7 %	17.3 %
Property, plant and equipment	10.6 %	9.3 %	10.8 %	12.7 %	10.1 %	9.5 %	8.8 %
Financial assets	1.2 %	2.6 %	1.7 %	1.6 %	1.2 %	1.2 %	1.1 %
FIXED ASSETS	40.2 %	37.3 %	37.5 %	44.1 %	33.4 %	30.3 %	27.2 %
Inventories	9.1 %	12.9 %	13.7 %	13.2 %	13.9 %	14.9 %	14.6 %
Accounts receivable	8.9 %	7.1 %	10.1 %	9.7 %	10.9 %	12.3 %	12.0 %
Other current assets	4.4 %	4.2 %	6.1 %	7.1 %	5.5 %	5.1 %	4.6 %
Liquid assets	37.4 %	36.2 %	31.9 %	25.3 %	36.3 %	37.4 %	41.6 %
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 %	66.6 %	69.7 %	72.8 %
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 %	39.6 %	36.1 %	37.0 %
MINORITY INTEREST	5.5 %	5.6 %	5.5 %	4.4 %	6.0 %	8.2 %	9.9 %
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 %	6.8 %
Non-current liabilities	22.8 %	18.6 %	19.4 %	21.3 %	11.8 %	11.1 %	10.3 %
short-term liabilities to banks	3.1 %	2.3 %	3.6 %	6.8 %	5.3 %	4.9 %	4.5 %
Accounts payable	11.1 %	9.7 %	11.4 %	6.2 %	10.1 %	10.7 %	10.4 %
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 %	25.2 %	27.1 %	26.2 %
Current liabilities	45.6 %	51.0 %	48.4 %	45.6 %	42.6 %	44.6 %	42.8 %
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	2013	2014E	2015E	2016E
Net profit/loss	4.4	4.4	4.8	2.2	7.5	10.2	14.2
Depreciation of fixed assets (incl. leases)	0.2	0.2	0.3	0.4	0.4	0.5	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	9.0	11.8	15.9
Increase/decrease in inventory	0.8	-8.6	-0.8	1.6	-4.4	-2.7	-1.3
Increase/decrease in accounts receivable	0.0	0.0	-3.0	1.2	-4.1	-2.7	-1.1
Increase/decrease in accounts payable	0.0	0.0	1.8	-5.7	6.3	1.8	0.8
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	-3.6	-1.5
Cash flow from operating activities	10.3	2.9	-2.5	0.9	6.8	8.3	14.4
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	5.9	7.4	13.5
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	3.3
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	-3.3
Increase/decrease in liquid assets	8.3	1.2	-4.1	1.8	12.1	4.9	10.2
Liquid assets at end of period	31.8	33.0	28.9	30.6	42.7	47.7	57.9

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 %	18.5 %	16.3 %	6.8 %
EBITDA growth	56.3 %	-16.5 %	2.5 %	3.9 %	39.8 %	29.9 %	36.2 %
EBIT growth	70.2 %	-9.4 %	-2.7 %	1.0 %	48.6 %	33.7 %	40.1 %
EPS growth	183.4 %	89.0 %	2.5 %	-64.3 %	276.1 %	48.5 %	58.0 %
Efficiency							
Total operating costs / sales	18.3 %	19.6 %	19.5 %	17.9 %	20.9 %	20.6 %	19.2 %
Sales per employee	638.0	621.0	674.3	607.8	643.5	662.6	640.5
EBITDA per employee	50.8	40.5	37.1	32.7	40.9	47.0	57.9
Balance sheet analysis							
Avg. working capital / sales	4.4 %	6.3 %	7.2 %	8.3 %	8.3 %	8.4 %	8.9 %
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	5.9	7.4	13.5
Free cash flow/sales	8.0 %	1.9 %	-2.0 %	0.1 %	3.0 %	3.2 %	5.5 %
FCF / net profit	746.1 %	98.3 %	-117.4 %	15.3 %	137.2 %	107.1 %	124.5 %
Capex / depn	15.3 %	45.6 %	44.8 %	43.8 %	56.5 %	54.3 %	53.3 %
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	-19.9	-23.0	-32.3
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	19.7	24.2	33.9
Dividend payout ratio	0.0 %	19.5 %	38.0 %	159.6 %	56.6 %	48.4 %	42.9 %
Asset utilisation							
Capital employed turnover	2.6	2.5	2.8	3.0	2.7	3.0	2.8
Operating assets turnover	8.5	6.6	6.8	6.2	6.7	6.9	7.0
Plant turnover	13.9	14.0	14.5	14.3	16.5	18.9	19.8
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 %	16.8 %	19.3 %	25.0 %
ROE	6.1 %	10.4 %	9.9 %	3.7 %	9.2 %	14.9 %	21.1 %
Other							
Interest paid / avg. debt	8.8 %	10.3 %	4.3 %	3.8 %	4.0 %	5.4 %	5.4 %
No. employees (average)	197	207	231	272	305	344	380
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	0.3
EPS reported	0.11	0.21	0.21	0.08	0.28	0.42	0.66
Valuation ratios							
P/BV	3.6	3.2	3.0	3.3	2.2	2.3	2.0
EV/sales	0.6	0.6	0.5	0.6	0.4	0.4	0.3
EV/EBITDA	7.9	9.7	9.2	10.4	6.9	5.1	3.3
EV/EBITA	8.1	10.0	9.5	10.9	7.1	5.2	3.3
EV/EBIT	9.7	10.9	10.9	12.7	7.9	5.6	3.5
EV/FCF	7.9	32.4	-25.9	620.1	14.5	11.1	5.3
Adjusted FCF yield	6.4 %	7.6 %	6.8 %	6.5 %	7.0 %	10.6 %	18.3 %
Dividend yield	0.0 %	0.6 %	1.2 %	1.9 %	2.5 %	3.2 %	4.4 %

Source: Company data, Hauck & Aufhäuser

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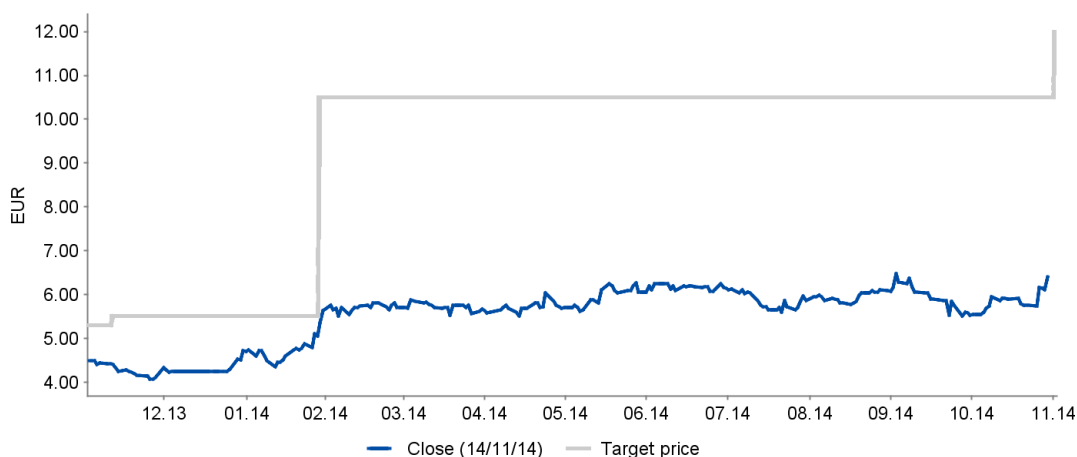
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Company	Disclosure
DEAG Deutsche Entertainment AG	2, 3, 5

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 17/11/14**

Initiation coverage
04-December-09



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