

Buy (old: Buy)

Price target: EUR 12.00 (old: EUR 12.00)

Price:	EUR 6.94	Next result:	Q4/FY 14 31.03.15
Bloomberg:	ERMK GR	Market cap:	EUR 113.5 m
Reuters:	ERMGK.DE	Enterprise Value:	EUR 94.1 m

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Christian Schwenkenbecher
Analyst

christian.schwenkenbecher@ha-research.de

Tel.: +49 40 414 3885 76

Q3 results: Above plan, all set for a strong finish of the year

Q3 sales increased by a healthy 11% yoy to € 32.8m (eH&A: € 31.9m) mainly due to a strong H2 pipeline (e.g. Rolling Stones, David Garrett) even against the backdrop of the FIFA WorldCup which led to a seasonally reduced business activity Q3.

EBITDA increased against a low base (€ 0.1m in Q3 13) to € 0.7m (eH&A: € 0.6m) mostly due to the sound sales growth resulting in economies of scale. On top of this, DEAG's continued focus on high margin niche market activities such as Classics and Family entertainment (>15% operating margins, excl. holding costs) seem to have positively driven profitability. Q3 adj. net income also improved from € -0.5m to € -0.3m (eH&A: € -0.4m) adjusted for PPA amortisation related to the recently acquired UK promoter Kilimanjaro (May '14, 51% stake). Further, adjusted for the negative contribution from the discontinuation of operations related to the Quivive acquisition (eH&A: € -2.5m) Q3 net income is seen to even stand at € 2.1m.

Sound FY '14 and '15 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 a promising pipeline of exciting events in Q4 '14 with the back-end loaded FY and most important Christmas season point towards a strong finish (e.g. UK business, Family Entertainment). On top of that, confidence regarding the FY '15 pipeline remains high given DEAG's healthy strong content additionally boosted by the recent push into the festival business. Overall, management confirmed that already 1.6m tickets have been sold for FY '15 (eH&A: 50% of expected FY '14 volume).

Own distribution is a quantum leap for DEAG: Only recently, DEAG has announced to make a push towards the direct distribution of tickets via 'Myticket.de'. 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). Additionally, there seem to be strong media partners in the pipeline which should significantly boost attention and hence demand for the platform.

Trading at only 4.3x EV/EBITDA '16E (adj. for minorities), valuation looks undemanding not reflecting the appealing growth prospects from the own distribution of tickets.

BUY, PT € 12.00, 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 %	1.7 %	2.3 %	2.9 %	4.1 %
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	0.7	0.7	0.6	0.6	0.5	0.4	0.3
EV/EBITDA	8.6	10.5	10.0	11.3	7.6	5.6	3.7
EV/EBIT	10.5	11.8	11.9	13.7	8.7	6.2	4.0
PER	63.9	33.8	33.0	26.5	26.4	16.5	10.5
Adjusted FCF yield	5.8 %	6.8 %	6.2 %	6.0 %	6.3 %	9.5 %	16.2 %

Source: Company data, Hauck & Aufhäuser Close price as of: 28.11.2014



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 7.02 / 4.07

Price/Book Ratio: 2.4

Relative performance (SDAX):

3 months 19.2 %

6 months 19.0 %

12 months 60.5 %

Changes in estimates

		Sales	EBIT	EPS
2014	old:	196.1	10.9	0.26
	Δ	-	-	-
2015	old:	228.1	14.5	0.42
	Δ	-	-	-
2016	old:	243.6	20.3	0.66
	Δ	-	-	-

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

Regional split (EUR m)	2010	2011	2012	2013	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	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 / depre	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	3.9	3.5	3.3	3.6	2.4	2.5	2.2
EV/sales	0.7	0.7	0.6	0.6	0.5	0.4	0.3
EV/EBITDA	8.6	10.5	10.0	11.3	7.6	5.6	3.7
EV/EBITA	8.8	10.8	10.3	11.8	7.8	5.8	3.7
EV/EBIT	10.5	11.8	11.9	13.7	8.7	6.2	4.0
EV/FCF	8.6	35.0	-28.0	668.4	15.9	12.3	6.0
Adjusted FCF yield	5.8 %	6.8 %	6.2 %	6.0 %	6.3 %	9.5 %	16.2 %
Dividend yield	0.0 %	0.6 %	1.2 %	1.7 %	2.3 %	2.9 %	4.1 %

Source: Company data, Hauck & Aufhäuser

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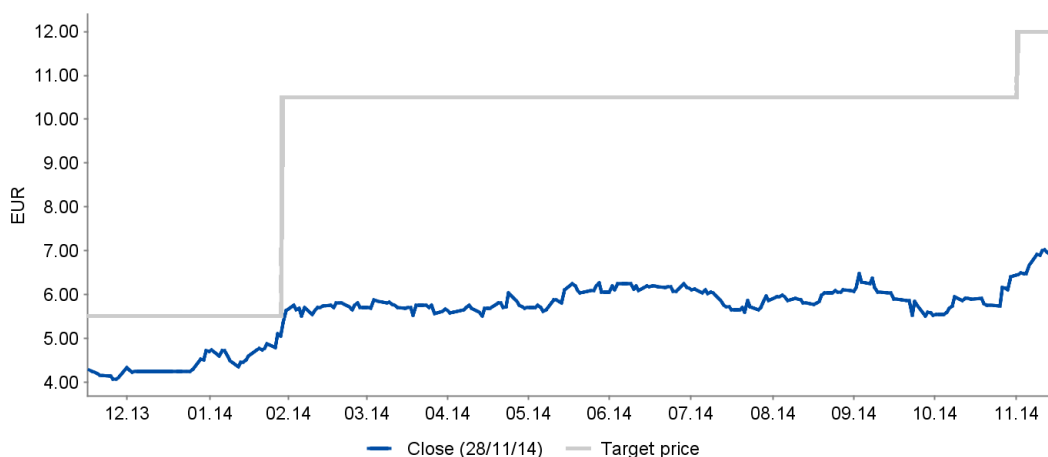
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Company	Disclosure
DEAG Deutsche Entertainment AG	2, 3, 5

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 01/12/14**

Initiation coverage
04-December-09



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Contacts: Hauck&Aufhäuser Privatbankiers KGaA

Hauck & Aufhäuser Research

Hauck & Aufhäuser
Privatbankiers KGaA
Mittelweg 16/17

20148 Hamburg
Germany

Tel.: +49 (0) 40 414 3885 - 70
Fax: +49 (0) 40 414 3885 - 71
Email: info@ha-research.de
www.ha-research.de

Sascha Berresch, CFA
Head of Research
Tel.: +49 (0)40 414 3885 - 85
E-Mail: sascha.berresch@ha-research.de

Leonhard Bayer
Analyst
Tel.: +49 (0)40 414 3885 - 79
E-Mail: leonhard.bayer@ha-research.de

Henning Breiter
Analyst
Tel.: +49 (0)40 414 3885 - 73
E-Mail: henning.breiter@ha-research.de

Lars Dannenberg
Analyst
Tel.: +49 (0)40 414 3885 - 92
E-Mail: lars.dannenberg@ha-research.de

Nils-Peter Gehrmann
Analyst
Tel.: +49 (0)40 414 3885 - 86
E-Mail: nils-peter.gehrmann@ha-research.de

Christian Glowa
Analyst
Tel.: +49 (0)40 414 3885 - 95
E-Mail: christian.glowa@ha-research.de

Philippe Lorrain
Analyst
Tel.: +49 (0)40 414 3885 - 83
E-Mail: philippe.lorrain@ha-research.de

Christian Schwenkenbecher
Analyst
Tel.: +49 (0)40 414 3885 - 76
E-Mail: christian.schwenkenbecher@ha-research.de

Torben Teichler
Analyst
Tel.: +49 (0)40 414 3885 - 74
E-Mail: torben.teichler@ha-research.de

Tim Wunderlich, CFA
Analyst
Tel.: +49 (0)40 414 3885 - 81
E-Mail: tim.wunderlich@ha-research.de

Hauck & Aufhäuser Sales

Vincent Bischoff
Sales
Tel.: +49 (0)40 414 3885 - 88
E-Mail: vincent.bischoff@ha-research.de

James Bonsor, CFA
Sales
Tel.: +44 207 408 1100
E-Mail: james.bonsor@ha-research.de

Hamish Edsell, CFA
Sales
Tel.: +44 207 408 1100
E-Mail: hamish.edsell@ha-research.de

Alexander Lachmann
Sales
Tel.: +49 (0)40 414 3885 - 96
E-Mail: alexander.lachmann@ha-research.de

Hugues Madelin
Sales
Tel.: +33 1 78 41 40 62
E-Mail: hugues.madelin@ha-research.de

Markus Weiss
Sales
Tel.: +49 (0)40 414 3885 - 89
E-Mail: markus.weiss@ha-research.de

Toby Woods
Sales
Tel.: +44 207 408 1100
E-Mail: toby.woods@ha-research.de

Hauck & Aufhäuser Sales Trading

Hauck & Aufhäuser
Privatbankiers KGaA
Mittelweg 16/17

20148 Hamburg
Germany

Tel.: +49 (0) 40 414 3885 - 75
Fax: +49 (0) 40 414 3885 - 71
Email: info@hauck-aufhaeuser.de
www.hauck-aufhaeuser.de

Mirko Brueggemann
Trading
Tel.: +49 (0)40 414 3885 75
E-Mail: mirko.brueggemann@hauck-aufhaeuser.de

Christian von Schuler
Trading
Tel.: +49 (0)40 414 3885 77
E-Mail: christian.schuler@hauck-aufhaeuser.de

Carolin Weber
Middle-Office
Tel.: +49 (0)40 414 3885 87
E-Mail: carolin.weber@hauck-aufhaeuser.de