

Buy (old: Buy)

Price target: EUR 12.00 (old: EUR 12.00)

Price:	EUR 7.75	Next result:	Q4/FY 14 31.03.15
Bloomberg:	ERMK GR	Market cap:	EUR 126.7 m
Reuters:	ERMGK.DE	Enterprise Value:	EUR 107.3 m

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Ticketing drives scalability of the healthy core business

During our RS to Paris with DEAG's CFO Mr Diekmann and Head of Finance Mr Velke, a reassuring presentation regarding the future scalability of the business was provided thanks to the ticketing business. Based on the company's long-standing industry experience and its strong track record DEAG has built a **strong network which looks difficult to replicate**.

- **Healthy organic growth of DEAG's core business:** On the back of the increased focus on resilient niche markets such as Classics (30% of sales), Family Entertainment (FE, 13% of sales) as well as Rock/Pop (>40% of sales) volatility within DEAG's core business of staging Live Entertainment events has been significantly reduced. Even more importantly, these **niche markets offer appealing long-term growth potential** thanks to favourable demographics (Classics) and promising new formats (FE/Festival business). This is backed by a strong FY '15 pipeline with attractive events in Germany (AC/DC, Metallica, record sales in FE), the UK (Ed Sheeran) and CH (Muse, Foo Fighters, Tote Hosen). This provides the basis for organic sales growth of 8% p.a. (CAGR '13-'16E) while at the same time increase the number of tickets by c. 15% p.a. to 4m by FY '16E.
- **Ticketing adds increasing scalability to the business model:** While during the past years, the company has primarily worked on building an attractive and resilient pipeline, it recently stepped up initiatives to drive ticketing sales. This should significantly increase the scalability of operations. Most importantly, with myticket.de the company just recently launched its own distribution platform. Combined with the existing distribution via Ticketmaster (TM, eH&A: 40% distribution share) this should result in a **substantially more profitable distribution** (eH&A: € 5-6 net income/ticket at myticket vs. € 2-3 at TM, vs. < € 1 with third party distribution partners). While management targets to distribute 40% of tickets via myticket.de until FY '17E (vs. 40% via TM) the platform additionally enables DEAG to distribute also third party content (eH&A: 10-20% of tickets in the mid-term). Ticketing should translate into **disproportionate bottom-line growth**.
- **Key beneficiary of the recent CHF appreciation:** DEAG generated >30% of sales in FY '13 in CH mainly related to the Classic/Rock business. However, the company's costs (e.g. artist fees) are mainly denominated in EUR and USD. Hence, based on current spot rates the recent appreciation of the CHF should lead to windfall profits. In our view, a **20% appreciation of the CHF alone should translate into >5% yoy EBIT growth for FY '15E** currently not reflected in our estimates.

Trading at only 5.0x EV/EBITDA FY '16E (adj. for minorities), **valuation looks undemanding** not reflecting the appealing growth prospects from the own distribution of tickets and the option to sell third party content. **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 %	0.5 %	1.0 %	1.5 %	2.1 %	2.6 %	3.7 %
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	0.8	0.8	0.6	0.7	0.5	0.5	0.4
EV/EBITDA	9.6	11.7	11.2	12.5	8.6	6.4	4.3
EV/EBIT	11.7	13.1	13.2	15.2	9.9	7.1	4.6
PER	71.3	37.7	36.8	29.6	29.4	18.5	11.7
Adjusted FCF yield	5.1 %	5.9 %	5.5 %	5.4 %	5.5 %	8.2 %	13.8 %

Source: Company data, Hauck & Aufhäuser Close price as of: 23.01.2015



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 7.75 / 4.34

Price/Book Ratio: 2.7

Relative performance (SDAX):

3 months 14.1 %

6 months 24.4 %

12 months 65.8 %

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 %
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	4.3	3.9	3.6	4.0	2.7	2.8	2.5
EV/sales	0.8	0.8	0.6	0.7	0.5	0.5	0.4
EV/EBITDA	9.6	11.7	11.2	12.5	8.6	6.4	4.3
EV/EBITA	9.8	12.0	11.5	13.1	8.9	6.6	4.4
EV/EBIT	11.7	13.1	13.2	15.2	9.9	7.1	4.6
EV/FCF	9.6	39.0	-31.3	741.9	18.2	14.1	6.9
Adjusted FCF yield	5.1 %	5.9 %	5.5 %	5.4 %	5.5 %	8.2 %	13.8 %
Dividend yield	0.0 %	0.5 %	1.0 %	1.5 %	2.1 %	2.6 %	3.7 %

Source: Company data, Hauck & Aufhäuser

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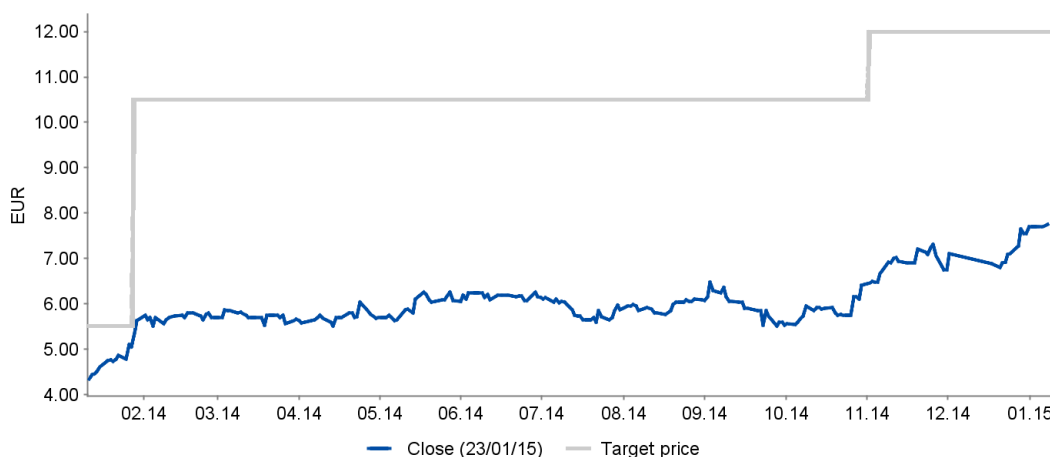
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Company	Disclosure
DEAG Deutsche Entertainment AG	2, 3, 5

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 26/01/15**

Initiation coverage
04-December-09



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