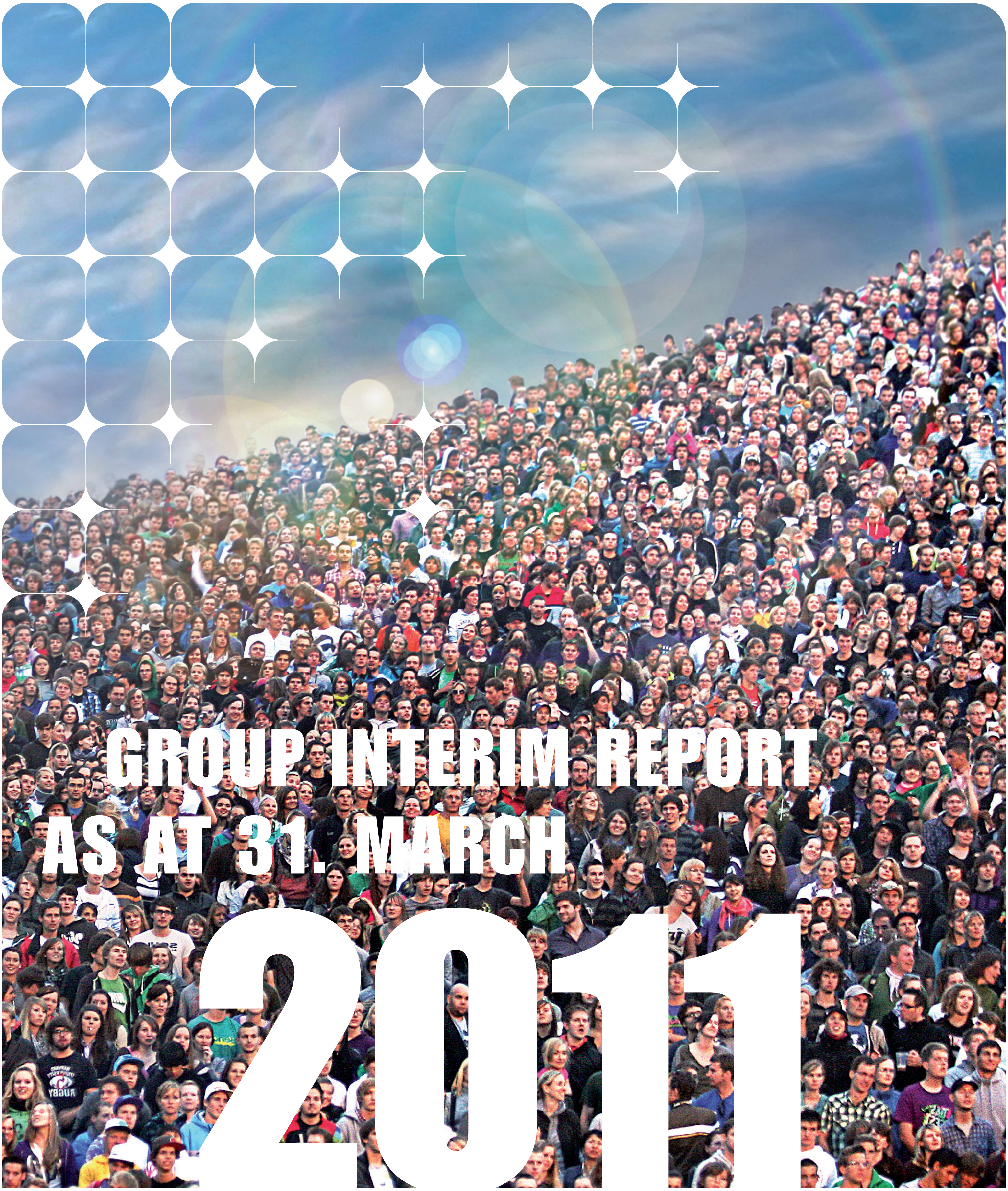

GROUP INTERIM REPORT AS AT 31. MARCH 2011

eventim

CONTENT

1.	03	KEY GROUP FIGURES
2.	04	FOREWORD BY THE MANAGEMENT BOARD
3.	06	CTS SHARES
4.	08	INTERIM MANAGEMENT REPORT FOR THE GROUP
5.	17	INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH 2011
	17	Consolidated balance sheet
	19	Consolidated income statement
	20	Consolidated statement of comprehensive income
	21	Consolidated cash flow statement (short-form)
	22	Consolidated statement of changes in shareholders' equity
	23	Selected notes to the consolidated financial statements

1. KEY GROUP FIGURES

	01.01.2011 - 31.03.2011	01.01.2010 - 31.03.2010	Change
	EUR'000	EUR'000	[in %]
Revenue	101,030	127,846	-21.0%
EBITDA	20,164	25,080	-19.6%
EBIT	14,458	22,665	-36.2%
Normalised EBITDA	23,554	25,600	-8.0%
Normalised EBIT before amortisation resulting from purchase price allocation	20,695	23,422	-11.6%
Normalised EBITDA margin	23,3%	20,0%	3.3 pp
Normalised EBIT margin before amortisation resulting from purchase price allocation	20,5%	18,3%	2.2 pp
Non-recurring items [1]	3,390	520	551.9%
Amortisation resulting from purchase price allocation [2]	2,847	237	1101.3%
Earnings before tax (EBT)	14,071	22,852	-38.4%
Net income after minority interest	8,448	12,151	-30.5%
Cash flow	14,247	18,039	-21.0%
	[EUR]	[EUR]	
Earnings per share 3, undiluted (= diluted)	0.35	0.51	
	[Qty.]	[Qty.]	
Number of employees [4]	1,428	1,169	
Of which temporary	(136)	(133)	

[1] Cf. page 9 for a detailed statement of non-recurring items

[2] Purchase price allocation of Ticketcorner Holding AG und See Tickets Germany GmbH; cf. Annual Report 2010 page 25 “Corporate Management” for further information

[3] Number of shares: 24 million

[4] Number of employees at end of year (active workforce)

2. FOREWORD BY THE MANAGEMENT BOARD

Klaus-Peter Schulenberg
Chief Executive Officer

Ladies and Gentlemen,

In the period under review (1 January to 31 March 2011), CTS EVENTIM AG reinforced and extended its position as Europe's leading ticketing company. New market shares are being continuously added by making smart acquisitions. Revenue in the Ticketing segment rose substantially, partly due to a further increase in high-margin ticket sales via the Internet. The factors that have made us so successful over the years are diversification, creativity, commitment and innovation.

To understand our success in the ticketing field, all one needs to do is attend a pop or classical music concert, or a cultural or sports event. A look at the schedule of events for the month of May alone delivers proof of the enormous range of events we offer: Herbert Grönemeyer is putting in the graft on his new 'Schiffsverkehr' tour, Shakira is driving audiences crazy in Mannheim and Mönchengladbach, the Black Eyed Peas are playing their one and only concert in Germany in Düsseldorf, Yusuf Islam (Cat Stevens) is back on stage at last after an absence of 35 years, Goethe's Faust is being performed in Schauspielhaus Bochum, the Deutsche Theater in Berlin is playing Büchner's 'Woyzeck' and the German football league champions Borussia Dortmund played the last match of the season against Frankfurter Eintracht – with tickets for all these events coming from CTS EVENTIM.

We have always distributed the fruits of our labours to our shareholders – the Annual Shareholders Meeting on 13 May 2011 passed a resolution to pay a dividend of EUR 0.87 per share, compared to EUR 0.83 per share a year before. In other words, the dividend policy operated to date is being rigorously continued.

The key financial figures for first-quarter performance in the Ticketing segment are good. Organic growth in the core European markets and a number of successful acquisitions resulted in a substantial 35.9% year-on-year increase in revenue to EUR 54.8 million before consolidation between the segments. Operating profit in the Ticketing segment is temporarily reduced by workforce restructuring costs in respect of See Tickets Germany GmbH (acquired in 2010) and by legal consultancy costs relating in connecetion with the arbitration proceedings against Live Nation, but after adjustment for these non-recurring items, the normalised EBITDA came to EUR 18.6 million (+27.6% year-on-year).

The Ticketing segment profited above all from high-margin ticket sales via the Internet. Around 4.8 million tickets were sold online in the reporting period, a year-on-year increase of around 24%. In the first three months of the year, the Group's online portals logged around 106 million visitors – yet another record.

The Live Entertainment segment, in contrast, was unable to beat the record set the previous year, also due to the scheduled reduction in revenue following the deconsolidation of the FKP Scorpio Group since 1 July 2010, and recorded a decline in revenue and EBITDA. The main reasons for the unusual success of the segment last year were the large number of highly successful tours and events. First-quarter revenue in the Live Entertainment segment was EUR 48.2 million (Q1/2010: EUR 89.1 million; -45.9%), lower than the average revenue range established in recent years. EBITDA came in at EUR 4.9 million (Q1/2010: EUR 11.0 million, - 55.3%).

European expansion still has high priority – I would like to point out in this regard that, at the end of March this year, the Federal Cartel Office finally dropped the decartelisation proceedings initiated against CTS EVENTIM AG in August 2010. In said proceedings, the Cartel Office conducted a retrospective review to determine whether there might be any obligation under merger control regulations to notify the Office of the takeover of See Tickets Germany GmbH in July 2010. In its decision to drop the case, the Federal Cartel Office explicitly established that the conditions for decartelisation are not met. This means there is nothing standing in the way of implementing the merger on a permanent basis – which is excellent news for our company. In the years ahead, we will continue to make systematic acquisitions wherever it makes sense for the Group to do so.

I also want to highlight our successful partnerships in the sports field, which were consistently expanded during the reporting period. The products marketed by CTS EVENTIM Sports GmbH are already being used by more than 80 clubs and associations in more than 20 different disciplines. The latest addition is the SC Freiburg football club, which has just concluded a multiyear contract to use the CTS systems. In the German first-division football league, almost two-thirds of the clubs now use CTS EVENTIM products and services. Hockenheim GmbH has also renewed its partnership with our company – which shows that promoters of world-class sports events have confidence in the efficiency of our innovative products.

Spectator figures for the 'Waldbühne Berlin' are also very encouraging: following the takeover by CTS EVENTIM AG in early 2009, Europa's most beautiful open-air arena has regained its previous strength as a venue. Record ticket sales are expected for the 2011 summer season. This year's programme contains no fewer than 15 major events, including Kings of Leon, Peter Maffay and Joe Cocker, to name just three. As early as the 2010 summer season, the 'Waldbühne' presented world-renowned stars such as Pink, Prince and Leonard Cohen. More than 115,000 visitors were able to experience the unique atmosphere of this famous Berlin arena.

You, the shareholders and potential shareholders in CTS EVENTIM AG, are warmly invited to accompany the Group as it continues to implement its successful growth strategy.

Yours sincerely,

Klaus-Peter Schulenberg
Chief Executive Officer

3. CTS SHARES

CTS EVENTIM AG shares showed horizontal price movement parallel to the SDAX index during the reporting period (1 January – 31 March 2011). At the end of the reporting period, the share price rose sharply following announcement of the figures for 2010 and a dividend of EUR 0,87 per share – the highest dividend since the IPO eleven years ago. CTS shares have subsequently outperformed the SDAX index. At the end of April, shares reached an all-time high of just under EUR 51. Analysts at HSBC recently raised their price target to EUR 55. In a research report on the Internet/ eCommerce industry, HSBC assesses the business potential of CTS EVENTIM as very positive and recommends the share with an 'Overweight' rating.

CTS shares have been followed by various analysts for some considerable time already: Analyses of CTS shares are produced not only by the Designated Sponsors – ICF Kursmakler AG on behalf of DZ Bank and Commerzbank AG – but also by Berenberg Bank, Crédit Agricole Cheuvreux, Deutsche Bank, Macquarie Securities Group, Bank of America Merrill Lynch, M.M. Warburg and NordLB.

THE CTS SHARE PRICE (01.01.2011 TO 20.05.2011 – INDEXED)

NUMBER OF SHARES HELD BY MEMBERS OF EXECUTIVE ORGANS AS AT 31 MARCH 2011:	Number of shares [Qty.]	Share [in %]
Members of the Management Board:		
Klaus-Peter Schulenberg (Chief Executive Officer)	12,016,000	50.067%
Volker Bischoff	0	0.000%
Alexander Ruoff	2,000	0.008%
Members of the Supervisory Board:		
Edmund Hug (Chairman)	3,650	0.015%
Prof. Jobst W. Plog	650	0.003%
Dr. Bernd Kundrum	0	0.000%

4. INTERIM MANAGEMENT REPORT FOR THE GROUP

1. EARNINGS PERFORMANCE, FINANCIAL POSITION AND CASH FLOW

EARNINGS PERFORMANCE

	01.01.2011 - 31.03.2011	01.01.2010 - 31.03.2010	Change	
	[EUR'000]	[EUR'000]	[EUR'000]	[in %]
Revenue	101,030	127,846	-26,816	-21.0%
Gross profit	37,804	37,069	735	2.0%
EBITDA	20,164	25,080	-4,916	-19.6%
EBIT	14,458	22,665	-8,207	-36.2%
Non-recurring items:				
Acquisitions / Workforce restructuring	775	520	255	49.0%
Legal consultancy cost in connection with the arbitration proceedings against Live Nation	2,615	0	2,615	–
	3,390	**520**	**2,870**	**551.9%**
Amortisation resulting from purchase price allocation [1]	**2,847**	**237**	**2,610**	**1101.3%**
Normalised EBITDA	23,554	25,600	-2,046	-8.0%
Normalised EBIT before amortisation resulting from purchase price allocation	20,695	23,422	-2,727	-11.6%

[1] Purchase price allocation of Ticketcorner Holding AG und See Tickets Germany GmbH; cf. Annual Report 2010 page 25 "Corporate Management" for further information

REVENUE

The CTS Group generated EUR 101.030 million in revenue in the period under review, compared to EUR 127.846 million in Q1/2010 (-21%). Revenue (before consolidation between segments) breaks down into EUR 54.773 million in the Ticketing segment (Q1/2010: EUR 40.298 million) and EUR 48.228 million in the Live Entertainment segment (Q1/2010: EUR 89.062 million).

In the Ticketing segment, organic growth in the core European markets and a number of successful acquisitions resulted in a substantial increase in revenue in the first three months of 2011. The revenue generated by the companies newly acquired in 2010 over-compensated for the revenue shortfall caused by the termination of the partnership by Live Nation in June 2010. Revenue in this segment rose 36% from EUR 40.298 million to EUR 54.773 million. The share of revenue generated by foreign companies decreased in the 2011 reporting period to 39% (Q1/2010: 45%) as expected due to the lack of revenue from the Live Nation partnership, and to additional revenue resulting from the acquisition of See Tickets Germany GmbH / Ticket Online Group in Germany.

As at 31 March 2011, 106 million music and event fans visited the Group's Internet portals, buying around 4.8 million tickets in total (Q1/2010: 3.9 million). This equates to percentage growth in Internet ticketing of around 24%.

As expected, revenues in the Live Entertainment segment were lower, at EUR 48.228 million, than the record EUR 89.062 million achieved in Q1/2010 (-46%). Revenue in Q1/2010 was boosted by a large number of unusually successful tours and events, such as the Depeche Mode tour, the 'Dinosaurs – in the Realm of the Giants' exhibition, the Cirque du Soleil Show 'Saltimbanco' and the 'Elisabeth' musical. Deconsolidation of FKP Scorpio Konzertproduktionen GmbH and its subsidiaries as at 1 July 2010 also had a negative impact on revenue, as anticipated.

GROSS PROFIT

In the first three months of 2011, the gross profit of the Group increased slightly by 2% EUR 37.804 million. Due to the increasing percentage share of total Group earnings now generated by the high-margin Ticketing segment, the gross margin for the Group as a whole improved year-on-year from 29.0% to 37.4%.

In the Ticketing segment, the gross margin fell slightly from 55.4% in Q1/2010 to 54.8% in Q1/2011, due, among other factors, to the broader scope of companies included in consolidation. In the Live Entertainment segment, the gross margin was relatively unchanged at 16.1%, compared to 16.4% in Q1/2010.

NON-RECURRING ITEMS

As in the same period last year, Group earnings in the reporting period were temporarily burdened by non-recurring items in the Ticketing segment. These non-recurring items were normalised in both reporting periods and are comprised as follows:

- In the first quarter 2011, profits were reduced by effects totalling EUR 775 thousand; these resulted from acquisitions / workforce restructuring of the newly-acquired firm of See Tickets Germany GmbH, and were mainly for settlements and for benefits paid to interim employment ('transfer') companies. In Q1/2010, EUR 520 thousand in acquisition costs for Ticketcorner Holding AG were recognised.

- In the first quarter of 2011, EUR 2.615 million in legal consultancy costs were incurred in connection with the arbitration proceedings against Live Nation.

NORMALISED EBITDA / EBITDA

Normalised Group EBITDA decreased by EUR 2.046 million or 8% to EUR 23.554 million. The normalised EBITDA margin was 23.3% (Q1/2010: 20.0%). This lower EBITDA is mainly attributable to the Live Entertainment segment, which, as expected, was unable in the reporting period to attain the record-breaking figure achieved in the first quarter of 2010. Foreign subsidiaries accounted for around 24% of normalised Group EBITDA, slightly less than in Q1/2010 (28%). Group EBITDA amounted to EUR 20.164 million (Q1/2010: EUR 25.080 million).

In the Ticketing segment, the normalised EBITDA figure rose significantly by EUR 4.035 million or 28% to EUR 18.645 million. The normalised EBITDA margin decreased to 34.0% (Q1/2010: 36.3%) due, among other factors, to the broader scope of companies included in consolidation. The main drivers for improved profits in the Ticketing segment were continued growth in Internet ticketing volume, in both existing and in new markets, and the profit contributions of the companies newly acquired in the 2010 financial year. The profits generated by companies newly acquired in 2010 over-compensated for the shortfall in profit contributions caused by termination of the partnership with Live Nation in June 2010. The share of normalised Ticketing segment EBITDA attributable to foreign companies declined, as expected, from 34% in Q1/2010 to 22% in the period under review, mainly due to the acquisition of See Tickets Germany GmbH / Ticket Online Group in Germany. The EBITDA figure rose 8% from EUR 14.090 million in Q1/2010 to EUR 15.255 million in Q1/2011.

As expected, the EBITDA in the Live Entertainment segment is lower, at EUR 4.908 million (Q1/2010: EUR 10.990 million), than the figure achieved in the record-breaking quarter a year earlier. Besides the above-average profit contributions generated by tours and events in the first quarter of 2010, another factor behind this profit decline was the deconsolidation of FKP Scorpio Konzertproduktionen GmbH and its subsidiaries as at 1 July 2010. The EBITDA margin is 10.2% (Q1/2010: 12.3%).

NORMALISED EBIT BEFORE AMORTISATION FROM PURCHASE PRICE ALLOCATION / EBIT

In the first three months of 2011, normalised Group EBIT before amortisation from purchase price allocation fell by 12% from EUR 23.422 million to EUR 20.695 million. The normalised EBIT margin, before amortisation from purchase price allocation, increased to 20.5% (Q1/2010: 18.3%), due to disproportionately stronger growth in the Ticketing segment. The EBIT figure, at EUR 14.458 million, is 36% lower year-on-year (Q1/2010: EUR 22.665 million). Total depreciation and amortisation within the Group increased from EUR 2.415 million to EUR 5.706 million and include EUR 2.847 million in amortisation from purchase price allocation in respect of the Ticketing segment companies acquired in the 2010 financial year (Q1/2010: EUR 237 thousand).

In the Ticketing segment, normalised EBIT before amortisation from purchase price allocation rose substantially by 25% from EUR 13.019 million to EUR 16.284 million. The normalised EBIT margin, before amortisation from purchase price allocation, was 29.7% (Q1/2010: 32.3%). The EBIT figure, at EUR 10.047 million, was lower year-on-year (Q1/2010: EUR 12.262 million; -18%).

The Live Entertainment segment achieved an EBIT of EUR 4.411 million after EUR 10.404 million in Q1/2010 (-58%). The EBIT margin was 9.2%, compared to 11.7% in Q1/2010.

FINANCIAL RESULT

The financial result, at EUR -387 thousand (Q1/2010: EUR +187 thousand) includes EUR 1 thousand in income from participations (Q1/2010: EUR 2 thousand), EUR 574 thousand in income from investments in associates (Q1/2010: EUR 13 thousand), EUR 707 thousand in financial income (Q1/2010: EUR 580 thousand) and EUR 1.669 million in financial expenses (Q1/2010: EUR 408 thousand).

The decrease in financial result is mainly due to higher borrowing costs (especially interest expense) to finance the acquisitions made during the 2010 financial year.

EARNINGS BEFORE TAX (EBT) AND NET INCOME AFTER NON-CONTROLLING INTEREST

As at 31 March 2011, earnings before tax (EBT) decreased from EUR 22.852 million in Q1/2010 to EUR 14.071 million. After deduction of tax expenses and non-controlling interest, consolidated net income amounted to EUR 8.448 million (Q1/2010: EUR 12.151 million). First-quarter earnings per share (EPS) amounted to EUR 0.35, compared to EUR 0.51 in Q1/2010.

PERSONNEL

On average over the year to date, the companies in the CTS Group had a total of 1,422 employees on their payroll, including 137 part-time workers (Q1/2010: 1,205 including 119 part-timers). Of that total, 1,229 are employed in the Ticketing segment (Q1/2010: 845 employees) and 318 in the Live Entertainment segment (Q1/2010: 360 employees). The main reason for this increase in the number of employees in the Ticketing segment was the greater scope of consolidation, whereas the reduction in the number of employees in the Live Entertainment segment was principally due to the deconsolidation of FKP Scorpio and its subsidiaries as at 1 July 2010.

Due to larger workforces, personnel expenses increased year-on-year by EUR 4.662 million from EUR 12.717 million to EUR 17.379 million. This increase in personnel expenses stems from the Ticketing segment (EUR +6.618 million), whereas personnel expenses in the Live Entertainment segment were reduced by EUR 1.956 million. The increased personnel expenses in the Ticketing segment resulted primarily from business expansion through acquisitions. The reduction in personnel expenses in the Live Entertainment segment resulted primarily from the deconsolidation of FKP Scorpio and its subsidiaries as at 1 July 2010.

FINANCIAL POSITION

On the assets side, the main increases were in cash and cash equivalents (EUR +18.465 million), inventories (EUR +5.183 million) and income tax receivables (EUR +2.671 million). These increases were offset by a decline in trade receivables (EUR -4.755 million), intangible assets (EUR -3.928 million) and goodwill (EUR -2.194 million, taking currency translation into account).

The EUR +18.465 million change in cash and cash equivalents within the Group resulted primarily from the positive net income for the period, from higher advance payments received in the Live Entertainment segment for events held in subsequent quarters, and in the Ticketing segment from seasonal reductions in liabilities for ticket monies not yet invoiced. Cash and cash equivalents, at EUR 196.501 million (31.12.2010: EUR 178.036 million) include ticket revenue from pre-sales for events in subsequent quarters (ticket monies not yet invoiced in the Ticketing segment), which are reported under other liabilities at EUR 99.273 million (31.12.10: EUR 116.767 million). Other assets also include receivables relating to ticket monies from pre-sales in the Ticketing segment (EUR 19.713 million; 31.12.2010: EUR 19.512 million).

The EUR 5.183 million increase in inventories mainly relates to advance payments made in the Live Entertainment segment for events in subsequent quarters.

The EUR +2.671 million change in income tax receivables results primarily from increased amounts of tax pre-payments.

Trade receivables decreased by EUR 4.755 million in the context of ongoing business operations, especially in the Ticketing segment.

The EUR 3.928 million decrease in intangible assets is attributable above all to systematic amortisation from purchase price allocation (trademark, customer base and software) of the companies acquired in 2010.

The decrease in goodwill was purely due to currency translation effects (EUR -2.194 million) resulting from the measurement of goodwill in foreign currencies as at the closing date.

On the liabilities side, current financial liabilities increased by EUR 3.489 million, and advance payments received by EUR 28.986 million. These increases were offset by a reduction in other liabilities (EUR -21.114 million) and in medium- and long-term financial liabilities (EUR -4.932 million).

The EUR 3.489 million increase in current financial liabilities arose primarily from reallocation of medium- and long-term financial liabilities as short-term financial liabilities.

Advance payments received in the Live Entertainment segment (EUR +28.986 million) increased primarily because of the ticket monies received in the first quarter from pre-sales of festivals and tours that will take place in the second and third quarter of 2011 (including the Rock im Park and Rock am Ring festivals, as well as the Herbert Grönemeyer and Metallica events). Advance payments received in the Live Entertainment segment are transferred to revenue when the respective events have taken place.

The EUR 21.114 million decrease in other liabilities is predominantly due to lower liabilities in respect of ticket monies not yet invoiced. Due to the strong fourth quarter at the end of each year, there is seasonally a large amount of liabilities for ticket monies not yet invoiced, which is then dismantled in the first half of the following year when the events are invoiced.

The EUR 4.932 million decrease in medium- and long-term financial liabilities arose primarily from reclassification of such financial liabilities as short-term financial liabilities.

As at 31 March 2011, shareholders‘ equity rose by EUR 10.368 million to EUR 168.476 million, mainly because of the positive EUR 8.448 million Group result for the 2011 reporting period to date, and due to increased non-controlling interest (EUR +2.228 million) ensuing from non-controlling interest in current profits in the Live Entertainment segment.

CASH FLOW

The amount of cash and cash equivalents shown in the cash flow statement corresponds to the cash and cash equivalents stated in the balance sheet. Compared to the reporting date of 31 March 2010, cash and cash equivalents decreased by EUR 34.752 million to EUR 196.501 million. This EUR -34.752 million change includes outflows of cash amounting to EUR 51.757 million during the 2010 financial year (especially due to the reduction of liabilities and to payments for increasing shareholdings in subsidiaries) as well as EUR 17.005 million in cash inflows in the first quarter of 2011 relative to Q1/2010.

Cash flow from operating activities increased year-on-year by EUR 16.437 million from EUR 4.423 million to EUR 20.860 million. This increase in cash flow relative to Q1/2010 is mainly the result of the change in liabilities (EUR +39.396 million). Negative cash flow effects ensue from lower consolidated net income (EUR -3.703 million), the change in inventories (EUR -8.786 million; in particular in payments on account), in receivables and other assets (EUR -4.383 million) and from higher payments of income taxes (EUR -1.858 million).

The EUR +39.496 million in positive cash flow effect from the change in liabilities is mainly attributable to the advance payments received in the Live Entertainment segment. The many successful events held during the first quarter of 2010 led to a reduction in advance payments received, whereas in the first quarter of 2011, the volume of advance payments received was increased by ticket monies from pre-sales for festivals and tours that will be held in the second and third quarters of 2011. In addition, fewer events were invoiced in the first quarter of 2011 than in the same period in 2010, due to a lower volume of events.

In the Live Entertainment segment, a larger volume of future events produced an increase in inventories (particularly in payments on account) in the first quarter of 2011. In the first quarter of 2010, inventories decreased relative to 31 December 2009, leading to a total negative cash flow effect of EUR -8.786 million from the change in inventories.

The negative cash flow effect of EUR -4.383 million deriving from changes in receivables and other assets is primarily due to a lower volume of ticket money receivables being settled by the closing date than in the previous year. Receivables from ticket monies include current ticket money receivables due from credit card and direct debit payments.

The EUR 1.858 million increase in paid income taxes is principally due to higher prepayments for the 2011 financial year.

Cash outflow for investing activities fell EUR 35.265 million to EUR 2.035 million. The high volume of cash outflow in Q1/2010 resulted mainly from payments for the acquisition of shares in the Ticketcorner Group.

Cash flow from financing activities decreased year-on-year by EUR 35.030 million to EUR -695 thousand. In Q1/2010, cash flow from financing activities was mainly influenced by external borrowing to finance the acquisition of the Tickercorner Group.

With its current funds, the Group is able to meet its financial commitments at all times and to finance its planned investments and ongoing business operations from its own funds.

2. EVENTS AFTER THE BALANCE SHEET DATE

The following special events have occured since the balance sheet date:

In May 2011 the merger of TSC EVENTIM Ticket & Tourist-Servie-Center GmbH and CTS AG was filed for registration in the commercial register.

RESOLUTIONS OF THE 2011 SHAREHOLDERS' MEETING

At the Annual Shareholders' Meeting of the company, held on 13 May 2011 in Bremen, the following resolutions were adopted:

Of the EUR 69.417 million in balance sheet profit of CTS AG in the financial year 2010, EUR 20.878 million shall be used to distribute a dividend of EUR 0.87 per eligible share, EUR 2.579 million shall be allocated to earnings reserve and the remaining EUR 45.960 million shall be carried forward to the new account.

Formal approval was given at the Shareholders' Meeting to the activities of the Supervisory Board and Management Board members during the 2010 business year.

PricewaterhouseCoopers Wirtschaftsprüfungsgesellschaft AG, Osnabrück, was elected as auditor for the company and its Group for the 2011 financial year.

Dr. Bernd Kundrun, managing shareholder of Start 2 Ventures GmbH, was elected a member of the Supervisory Board of CTS AG until the end of the Annual Shareholders' Meeting that formally approves the activities of the Supervisory Board in the 2012 financial year.

The share capital shall be increased out of retained earnings by EUR 24,000,000 from EUR 24,000,000 to EUR 48,000,000, by transferring a total of EUR 24,000,000 from reserves to shareholders' equity. The amounts converted to shareholders' equity comprise EUR 21,420,894 of the EUR 23,820,894 in capital reserves recognised in the balance sheet as at 31 December 2010, plus the EUR 2,579,106 added to earnings reserve from the EUR 69,417,123 balance sheet profit stated in the balance sheet as at 31 December 2010. The share capital increase shall be effected by issuing 24,000,000 new bearer shares each representing an arithmetic EUR 1.00 of the share capital. The new shares shall be allocated to the shareholders in proportion to the number of shares they hold; one new share shall be allocated for each existing share held. The new shares shall entitle the bearer to a share in profits as from 1 January 2011. This resolution is based on the formally approved balance sheet of the company as at 31 December 2010 bearing the unqualified auditor's report by PricewaterhouseCoopers Wirtschaftsprüfungsgesellschaft AG, Osnabrück. The Management Board is authorised, subject to approval by the Supervisory Board, to specify the further details of the share capital increase.

Approval is given to the profit transfer agreement concluded by and between CTS AG and See Tickets Germany GmbH on 4 April 2011.

The full German wording of each resolution is identical to the proposals by the Management and Supervisory Boards, which can be found on the company website in the notice convening the 2011 Annual Shareholders' Meeting. For each resolution, the majority required by law and by the Articles of Association was reached.

Since the balance sheet date, there have been no other events requiring disclosure.

3. CORPORATE GOVERNANCE DECLARATION

The executive bodies of CTS AG are guided in their actions by the principles of responsible and good corporate governance. The Management Board submits a report on corporate governance in a declaration of compliance, in accordance with § 289a (1) HGB. The current and all previous declarations of compliance are permanently available on the Internet at the www.eventim.de website.

4. OUTLOOK

In 2011, the Group will remain focused on the continuous growth of Internet ticketing operations, on international expansion and on integrating the newly acquired companies.

In the medium term, the Group aims to sell more than 150 million tickets a year and to be present with its ticketing software throughout Europe.

In the Ticketing segment, high-margin ticket sales via the Internet will continue to be a major factor fuelling continued growth. The CTS Group expects a disproportionate increase in online sales. Compared to Great Britain and the USA, however, there is still a considerable amount of catching up to do as far as the proportion of Internet bookings is concerned.

The CTS Group is also the technology leader in the ticketing field, not least on account of its innovative software, which is being continuously improved and advanced. The Group has set standards in the industry with its exclusive pre-sales service, reservation of specific seats via the Internet, ticket sales by Mobile Shop and the iPhone App, cross-selling and upselling, promotions, VIP package deals, ticket resale platform, special business offers, print-at-home solutions and its mobile access control system, eventim.access mobile. Internet services offering value-added to web-savvy target groups will be continuously improved by concluded partnerships in the field of social media.

Under the cooperation agreement concluded in October 2009 between the Organising Committee (OC) of the German Football Association (DFB) and CTS AG, further ticket sales for the FIFA Women's World Cup to be held in Germany in 2011 will continue during the second quarter of 2011.

The CTS Group is also well positioned in the Live Entertainment segment. Whatever the category, be it pop, rock, German Schlagermusik, festivals or musicals – the CTS Group offers its customers an extraordinarily wide range of events. In the months ahead, the CTS Group will thrill audiences with top performers such as Herbert Grönemeyer, Roxette, Rihanna, Elton John and Black Eyed Peas, and with the 'Rock im Park' and 'Rock am Ring' festivals.

The Management Board expects the Group to achieve further business growth in the 2011 business year as well as a further improvement in revenue and earnings.

5. RISKS AND OPPORTUNITIES

The risk management system now in place means that the risks facing the CTS Group are limited and controllable. There are no discernible risks that might jeopardise the continued existence of the Group as a going concern. The statements made in the risk report included in the 2010 Annual Report remain valid.

6. RELATED PARTY DISCLOSURES

For disclosures of important transactions with related parties, reference is made to item 7 in the selected notes.

FORWARD-LOOKING STATEMENTS

In addition to historical financial data, this Report may contain forward-looking statements using terms such as ‘believe’, ‘assume’, ‘expect’ and the like. Such statements may deviate, by their very nature, from actual future events or developments.

Bremen, 26 May 2011

CTS EVENTIM Aktiengesellschaft
The Management Board

5. INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH 2011

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2011 (IFRS)

ASSETS	31.03.2011	31.12.2010	Change
	[EUR]	[EUR]	[EUR]
Current assets			
Cash and cash equivalents	196,501,094	178,036,473	18,464,621
Trade receivables	27,138,639	31,893,172	-4,754,533
Receivables from affiliated and associated companies	6,694,664	6,978,834	-284,170
Inventories	24,497,884	19,314,956	5,182,928
Receivables from income tax	13,184,410	10,513,476	2,670,934
Other assets	42,066,976	41,380,839	686,137
Total current assets	**310,083,667**	**288,117,750**	**21,965,917**
Non-current assets			
Property, plant and equipment	14,863,146	15,356,589	-493,443
Intangible assets	87,469,146	91,397,408	-3,928,262
Investments	1,960,322	2,035,092	-74,770
Investments in associates	2,567,308	1,992,660	574,648
Loans	474,169	533,814	-59,645
Trade receivables	646,314	211,603	434,711
Other assets	52,831	201,304	-148,473
Goodwill	252,064,894	254,259,379	-2,194,485
Deferred tax assets	3,831,860	2,363,852	1,468,008
Total non-current assets	**363,929,990**	**368,351,701**	**-4,421,711**
Total assets	**674,013,657**	**656,469,451**	**17,544,206**

SHAREHOLDERS' EQUITY AND LIABILITIES	31.03.2011	31.12.2010	Change
	[EUR]	[EUR]	[EUR]
Current liabilities			
Short-term financial liabilities and current portion of long-term financial liabilities	10,056,558	6,567,412	3,489,146
Trade payables	37,246,511	38,743,409	-1,496,898
Payables to affiliated and associated companies	3,610,416	2,919,716	690,700
Advance payments received	93,536,517	64,550,219	28,986,298
Other provisions	4,883,959	4,384,600	499,359
Tax provisions	10,466,740	8,359,099	2,107,641
Other liabilities	129,264,922	150,379,083	-21,114,161
Total current liabilities	**289,065,623**	**275,903,538**	**13,162,085**
Non-current liabilities			
Medium- and long-term financial liabilities	194,858,631	199,790,947	-4,932,316
Other liabilities	282,332	320,337	-38,005
Pension provisions	4,183,732	4,417,210	-233,478
Deferred tax liabilities	17,147,342	17,929,786	-782,444
Total non-current liabilities	**216,472,037**	**222,458,280**	**-5,986,243**
Shareholders' equity			
Share capital	24,000,000	24,000,000	0
Capital reserve	23,310,940	23,310,940	0
Retained earnings	106,483,369	98,035,415	8,447,954
Treasury stock	-52,070	-52,070	0
Non-controlling interest	13,659,610	11,431,304	2,228,306
Total comprehensive income	53,205	21,842	31,363
Currency differences	1,020,943	1,360,202	-339,259
Total shareholders' equity	**168,475,997**	**158,107,633**	**10,368,364**
Total shareholders' equity and liabilities	**674,013,657**	**656,469,451**	**17,544,206**

CONSOLIDATED INCOME STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 31 MARCH 2011 (IFRS)

	01.01.2011 - 31.03.2011	01.01.2010 - 31.03.2010	Change
	[EUR]	[EUR]	[EUR]
Revenue	101,030,338	127,846,373	-26,816,035
Cost of sales	-63,226,513	-90,777,318	27,550,805
Gross profit	**37,803,825**	**37,069,055**	**734,770**
Selling expenses	-11,764,351	-9,584,390	-2,179,961
General administrative expenses	-7,770,122	-5,941,928	-1,828,194
Other operating income	2,678,598	2,697,825	-19,227
Other operating expenses	-6,490,137	-1,575,223	-4,914,914
Operating profit (EBIT)	**14,457,813**	**22,665,339**	**-8,207,526**
Income / expenses from participations	621	1,881	-1,260
Income / expenses from investments in associates	574,648	12,457	562,191
Financial income	706,685	580,416	126,269
Financial expenses	-1,668,656	-408,094	-1,260,562
Income before tax (EBT)	**14,071,111**	**22,851,999**	**-8,780,888**
Taxes	-3,199,891	-6,332,245	3,132,354
Net income before non-controlling interest	**10,871,220**	**16,519,754**	**-5,648,534**
Non-controlling interest	-2,423,266	-4,368,801	1,945,535
Net income after non-controlling interest	**8,447,954**	**12,150,953**	**-3,702,999**
Earnings per share (in EUR); undiluted (= diluted)	0.35	0.51	
Average number of shares in circulation; undiluted (= diluted)	24,000,000	24,000,000	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD FROM 1 JANUARY TO 31 MARCH 2011 (IFRS)

	01.01.2011 - 31.03.2011 [EUR]	01.01.2010 - 31.03.2010 [EUR]	Change [EUR]
Net income before non-controlling interest	**10,871,220**	**16,519,754**	**-5,648,534**
Exchange differences on translating foreign subsidiaries	-339,259	426,665	-765,924
Available-for-sale financial assets	31,363	41,314	-9,951
Other results	**-307,896**	**467,979**	**-775,875**
Total comprehensive income	**10,563,324**	**16,987,733**	**-6,424,409**
Total comprehensive income attributable to			
Shareholders of CTS AG	8,142,922	12,611,343	
Non-controlling interest	2,420,402	4,376,390	

In accordance with IAS 1, a statement of comprehensive income must be presented, showing not only the income and expense recognised in the income statement, but also the components of other comprehensive income recognised in equity, not through profit and loss.

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 31 MARCH 2011 (IFRS) (SHORT FORM)

The following cash flow statement states the flow of funds from operating activities, investing activities and financing activities of the Group, and the resultant change in cash and cash equivalents:

	01.01.2011 - 31.03.2011	01.01.2010 - 31.03.2010	Change
	[EUR]	[EUR]	[EUR]
Net income after non-controlling interest	8,447,954	12,150,953	-3,702,999
Non-controlling interest	2,423,266	4,368,801	-1,945,535
Depreciation and amortisation on fixed assets	5,705,958	2,414,554	3,291,404
Changes in pension provisions	-185,159	263,288	-448,447
Deferred tax expenses / income	-2,145,468	-1,158,240	-987,228
Cash flow	**14,246,551**	**18,039,356**	**-3,792,805**
Other non-cash expenses / income	-82,182	-297,785	215,603
Book profit / loss from disposal of fixed assets	12,028	2,176	9,852
Interest income	-684,225	-575,410	-108,815
Interest expenses	1,485,568	398,217	1,087,351
Income tax expenses	5,345,359	7,490,485	-2,145,126
Interest received	658,492	758,193	-99,701
Interest paid	-1,052,334	-169,966	-882,368
Income tax paid	-6,008,818	-4,150,481	-1,858,337
Increase (-) / decrease (+) in inventories (especially payments on account)	-5,182,263	3,603,896	-8,786,159
Increase (-) / decrease (+) in receivables and other assets	3,822,406	8,205,842	-4,383,436
Increase (+) / decrease (-) in provisions	-1,734,125	481,595	-2,215,720
Increase (+) / decrease (-) in liabilities	10,033,401	-29,362,994	39,396,395
Cash flow from operating activities	**20,859,858**	**4,423,124**	**16,436,734**
Cash flow from investing activities	**-2,034,778**	**-37,299,375**	**35,264,597**
Cash flow from financing activities	**-694,959**	**34,335,065**	**-35,030,024**
Net increase / decrease in cash and cash equivalents	**18,130,121**	**1,458,814**	**16,671,307**
Net increase / decrease in cash and cash equivalents due currency translation	334,500	0	334,500
Cash and cash equivalents at beginning of period	178,036,473	229,793,885	-51,757,412
Cash and cash equivalents at end of period	**196,501,094**	**231,252,699**	**-34,751,605**
Composition of cash and cash equivalents			
Cash awnd cash equivalents	196,501,094	231,252,699	-34,751,605
Cash and cash equivalents at end of period	**196,501,094**	**231,252,699**	**-34,751,605**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (IFRS)

	Share capital	Capital reserve	Retained earnings	Treasury stock	Non-controlling interest	Other comprehensive income	Currency differences	Total shareholders' equity
	[EUR]	[EUR]	[EUR]	[EUR]	[EUR]	[EUR]	[EUR]	[EUR]
01.01.2010	**24,000,000**	**23,310,940**	**97,868,776**	**-52,070**	**4,945,973**	**52,078**	**-261,967**	**149,863,730**
Change in the scope of consolidation	0	0	-903,073	0	-9,891	0	0	-912,964
Dividends to non-controlling interest	0	0	0	0	-669,766	0	0	-669,766
Total comprehensive income	0	0	12,150,953	0	4,368,801	41,314	426,665	16,987,733
31.03.2010	**24,000,000**	**23,310,940**	**109,116,656**	**-52,070**	**8,635,117**	**93,392**	**164,698**	**165,268,733**
01.01.2011	**24,000,000**	**23,310,940**	**98,035,415**	**-52,070**	**11,431,304**	**21,842**	**1,360,202**	**158,107,633**
Dividends to non-controlling interest	0	0	0	0	-194,960	0	0	-194,960
Total comprehensive income	0	0	8,447,954	0	2,423,266	31,363	-339,259	10,563,324
31.03.2011	**24,000,000**	**23,310,940**	**106,483,369**	**-52,070**	**13,659,610**	**53,205**	**1,020,943**	**168,475,997**

SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. PRELIMINARY STATEMENTS

CTS EVENTIM AG (hereinafter: 'CTS AG') is a corporate enterprise listed on the stock exchange and domiciled in Munich; its head office is located in Bremen. The consolidated financial statements for the first three months of fiscal 2011, now presented as an interim report for CTS AG and its subsidiaries, was approved by the Management Board for publication, in its decision of 26 May 2011.

2. BASIS OF REPORTING

The present, unaudited Group Interim Report as at 31 March 2011 was prepared in compliance with the International Financial Reporting Standards (IFRS) for interim financial reporting, as they apply in the European Union (IAS 34 'Interim Financial Reporting'), and in accordance with the applicable regulations in the Securities Trading Act (Wertpapierhandelsgesetz – WpHG). A condensed form of report compared to the Annual Report as at 31 December 2010 was chosen, as provided for in IAS 34. The interim financial statements should be read in conjunction with the consolidated financial statements as at 31 December 2010. The Group Interim Report contains all the information required to give a true and fair view of the earnings performance and financial position of the company. Consolidated financial statements reflecting applicable HGB principles were not prepared.

The comparative figures in the income statement relate to the interim Group report as at 31 March 2010, and those in the balance sheet to the consolidated financial statements as at 31 December 2010. In the interim consolidated financial statements, all amounts are subjected to commercial rounding; this may lead to minor deviations on addition.

The accounting policies and consolidation methods are the same as those applied in the consolidated financial statements as at 31 December 2010. The accounting standards applicable for the first time in fiscal 2011 have no material impacts on the reported earnings performance and financial position of the CTS Group.

Among other aspects, purchase price obligations in relation to non-controlling interests issued with put options are recognised in accordance with IAS 32 as liabilities, and carried at the present value of the purchase price. Goodwill is recognised as the difference between the present value of the liabilities and the carrying amount of non-controlling interest. A detailed description of the main accounting principles is published in the 2010 Annual Report under item 1.9 of the Notes to the consolidated financial statements.

The amendments to IAS 27 and IFRS 3 as applicable since beginning of 2010 financial year led to changes in the presentation of business combinations. Changes in interest held in subsidiaries that are already fully consolidated, and which do not lead to a loss of control, are no longer to be reported in goodwill, but in shareholders' equity.

3. BUSINESS COMBINATIONS AND DISPOSAL OF INTERESTS IN SUBSIDIARIES

In addition to CTS AG as parent company, the consolidated financial statements also include all relevant subsidiaries.

3.1 BUSINESS COMBINATIONS IN THE TICKETING SEGMENT

3.1.1 CHANGES IN THE SCOPE OF CONSOLIDATION

The following companies were included in consolidation during the reporting period and/or in relation to the corresponding period in 2010.

In December 2010, CTS AG established CTS EVENTIM Israel, Tel Aviv, with another shareholder. CTS AG holds 70% of the shares in said company.

In a contract dated 13 September 2010, TicketOne S.p.A., Milan, acquired 51% of the shares in Ticketeria S.r.l, Rome. Ticketeria S.r.l. mainly operates in ticketing for cultural events. The change of company name to T.O.S.C. – TicketOne Sistemi Culturali S.r.l. was entered in the register of companies on 24 November 2010.

On 6 July 2010, CTS AG acquired 100% of the shares in See Tickets Germany GmbH, domiciled in Hamburg. See Tickets Germany was a subsidiary of See Tickets International BV in Amsterdam; 40% of which is owned by Stage Entertainment BV and 60% by Parcom, a private-equity group. By acquiring See Tickets Germany, CTS AG simultaneously took over Ticket Online Software GmbH, Ticket Online Sales & Service Center GmbH and Ticket Online Polska Sp zoo in Poland. A 12-year exclusive ticketing contract with Stage Entertainment Germany was concluded simultaneously with the share purchase agreement.

3.1.2 PURCHASE PRICE ALLOCATION

Provisional purchase price allocation for See Tickets Germany / Ticket Online Group

Based on the provisional purchase price allocation, the following table shows the fair values at the time of initial consolidation and the carrying values immediately before acquisition of See Ticket Germany / Ticket Online Group:

	Fair value at the time of initial consolidation	Carrying value immediately before acquisition
	[EUR'000]	**[EUR'000]**
Cash and cash equivalents	7,777	7,777
Inventories	103	103
Trade receivables	2,489	2,489
Other assets	4,831	4,831
Total current assets	**15,200**	**15,200**
Property, plant and equipment	2,566	2,566
Intangible assets	54,358	13,783
Trade receivables	242	242
Deferred tax assets	1,540	0
Total non-current assets	**58,706**	**16,591**
Short-term financial liabilities	969	969
Trade payables	1,743	1,743
Provisions	5,634	5,634
Other liabilities	8,810	8,810
Total current liabilities	**17,156**	**17,156**
Medium- and long-term financial liabilities	11,184	11,184
Deferred tax liabilities	16,390	1,754
Total non-current liabilities	**27,574**	**12,938**
Total net assets	**29,176**	**1,697**

As at 31 March 2011, the purchase price allocation is still provisional because investigations regarding the intangible assets and the assessment of legal aspects are still pending. The remaining difference is reported as provisional goodwill as at 31 March 2011.

Assets and debts were recognised at fair value in the provisional purchase price allocation. Recognition of intangible assets at fair value led to an increase, particularly in respect of customer base and trademark rights.

The present value of trade receivables, at EUR 2.731 million, derives from the gross carrying value of receivables, at EUR 2.916 million, and allowances for doubtful accounts amounting to EUR 185 thousand.

Deferred tax assets of EUR 1.540 million and deferred tax liabilities of EUR 16.390 million were formed on the temporary differences arising from the remeasurement of intangible assets and obligations.

In accordance with the amended IFRS 3, ancillary purchase expenses were recognised as other operating expenses in income statement for financial year 2010. The total amount of such expenses was EUR 1.017 million.

The fair value of the assets and debts will be conclusively determined within the first twelve months after the acquisition.

The goodwill is not tax deductible in Germay.

Reconciliation of acquisition cost as at the date of acquisition (6 July 2010):

	[EUR'000]
Acquisition cost	133,209
Cash and cash equivalents	7,777
Inventories	103
Trade receivables	2,731
Other assets	4,831
Property, plant and equipment	2,566
Intangible assets	54,358
Short-term financial liabilities	-969
Trade payables	-1,743
Provisions	-5,634
Other liabilities	-8,810
Medium- and long-term financial liabilities	-11,184
Deferred tax liabilities	-14,850
Total net assets	**29,176**
Goodwill	104,033
	133,209

In the course of the acquisition, CTS AG acquired intercompany loan receivables (EUR 11.260 million) from the former shareholders against the See Tickets Germany / Ticket Online Group; these receivables are recognised under the financial liabilities of the See Tickets Germany / Ticket Online Group. Taking the acquisition cost of EUR 133.209 million into account, as well as the acquired intercompany loan receivables, results in a total purchase price of EUR 144.469 million.

The resultant difference between the acquisition cost and the remeasured net assets that were acquired embodies synergy and other growth potential and was provisionally recognised as EUR 104.033 million in goodwill.

PROVISIONAL PURCHASE PRICE ALLOCATION FOR T.O.S.C. – TICKETONE SISTEMI CULTURALI S.R.L. (FORMERLY: TICKETERIA S.R.L.)

Based on the provisional purchase price allocation, the following table shows the fair values at the time of initial consolidation and the carrying values immediately before acquisition of Ticketeria S.r.l.:

	Fair value at the time of initial consolidation	Carrying value immediately before acquisition
	[EUR'000]	[EUR'000]
Cash and cash equivalents	239	239
Inventories	12	12
Trade receivables	285	285
Other assets	155	155
Total current assets	**691**	**691**
Property, plant and equipment	48	48
Intangible assets	836	36
Investments	105	105
Deferred tax assets	0	34
Total non-current assets	**989**	**223**
Trade payables	106	106
Provisions	26	26
Other liabilities	537	537
Total current liabilities	**669**	**669**
Pension provisions	39	39
Deferred tax liabilities	220	0
Total non-current liabilities	**259**	**39**
Total net assets	**752**	**206**

As at 31 March 2011, the purchase price allocation is still provisional because investigations regarding the intangible assets and the assessment of legal aspects are still pending. The remaining difference is reported as provisional goodwill as at 31 March 2011.

Assets and debts were recognised at fair value in the provisional purchase price allocation. Recognition of intangible assets at fair value led to an increase of customer base.

The present value of trade receivables, at EUR 285 thousand, corresponds to the gross carrying value of receivables. No allowances for doubtful accounts have been made.

Deferred tax liabilities of EUR 220 thousand were formed on the temporary difference arising from the revaluation of intangible assets.

In accordance with the amended IFRS 3, ancillary purchase expenses were recognised as other operating expenses in income statement of financial year 2010. The total amount of such expenses was EUR 145 thousand.

The fair value of the assets and debts will be conclusively determined within the first twelve months after the acquisition.

The goodwill is not tax deductible in Italy.

Reconciliation of acquisition cost as at the date of acquisition (13 September 2010):

	[EUR'000]
Acquisition cost	1,000
Cash and cash equivalents	239
Inventories	12
Trade receivables	285
Other assets	155
Property, plant and equipment	48
Intangible assets	836
Investments	105
Trade payables	-106
Provisions	-26
Other liabilities	-537
Pension provisions	-39
Deferred tax liabilities	-220
Total net assets	**752**
Non-controlling interest	-351
Goodwill	599
	1,000

The resultant difference between the acquisition cost and the remeasured net assets that were acquired embodies synergy and other growth potential and was provisionally recognised as EUR 599 thousand in goodwill.

3.2 DISPOSAL OF INTERESTS IN THE LIVE ENTERTAINMENT SEGMENT

The following companies were deconsolidated during the reporting period and/or in relation to the corresponding period in 2010.

With effect from 30 June 2010, MEDUSA Music Group GmbH, Bremen (hereinafter: MEDUSA), sold 5.2% of the shares in FKP Scorpio Konzertproduktionen GmbH, Hamburg (hereinafter: FKP Scorpio). This means that MEDUSA now holds only 45% of the shares in that company. This sale of shares led to loss of control by MEDUSA, with the result that FKP Scorpio and its subsidiaries were no longer included in consolidation and are accounted for as associates.

The corporate structure as at 31 March 2011 is shown in the following table:

4. SELECTED NOTES TO THE CONSOLIDATED BALANCE SHEET

The main changes in the consolidated balance sheet compared to 31 December 2010 are explained below.

The EUR +18.465 million change in cash and cash equivalents results, inter alia, from the positive net income for the period and from an increase in advance payments received in the Live Entertainment segment. These increases are offset by a seasonal outflow of ticket monies in the Ticketing segment.

The decrease in fixed assets is mainly due to the systematic amortisation of the trademark, customer base and software that were capitalised in respect of the purchase price allocation of the Ticketcorner Group and See Tickets Germany / Ticket Online Group.

The EUR -2.194 million change in goodwill is purely attributable to currency translation of goodwill at the closing date (from Swiss Francs to Euro).

As at the 31 March 2011, advance payments received in the Live Entertainment segment increased by EUR 28.986 million, primarily because of ticket monies received in the first quarter from pre-sales of festivals and tours that will take place in the second and third quarter of 2011 (including the Rock im Park and Rock am Ring festivals, as well as the Herbert Grönemeyer and Metallica events).

The EUR 21.114 million decrease in other liabilities as at 31 March 2011 is predominantly due to lower liabilities in respect of ticket monies not yet invoiced in the Ticketing segment. Due to the strong fourth quarter at the end of each year, there is seasonally a large amount of liabilities for ticket monies not yet invoiced, which is then dismantled in the first half of the following year when the events are invoiced.

5. SELECTED NOTES TO THE CONSOLIDATED INCOME STATEMENT

REALISATION OF PROFITS

Revenue in the Ticketing segment that relates to the sale of tickets to final customers is realised when the respective CTS ticketing company delivers the tickets to the final customer. In the Live Entertainment segment, ticket revenue generated in the presales period is posted by the promoter on the liabilities side as advance payments received. When the event is subsequently held, these advance payments are transferred to revenue and the profits are realised.

6. SEGMENT REPORTING

The internal and external revenues of the segments are shown in the following table:

	Ticketing		Live Entertainment		Total for segment	
	31.03.2011 [EUR'000]	31.03.2010 [EUR'000]	31.03.2011 [EUR'000]	31.03.2010 [EUR'000]	31.03.2011 [EUR'000]	31.03.2010 [EUR'000]
External revenue	53,710	39,339	47,321	88,508	101,031	127,847
Internal revenue	7,232	4,843	5,537	21,995	12,769	26,838
Total revenue	**60,942**	**44,182**	**52,858**	**110,503**	**113,800**	**154,685**
Consolidation within segment	-6,169	-3,884	-4,630	-21,441	-10,799	-25,325
Revenue after consolidation within segment	**54,773**	**40,298**	**48,228**	**89,062**	**103,001**	**129,360**

Reconciliation of the operating profit (EBIT) of the segments with Group earnings:

	Ticketing		Live Entertainment		Intersegment consolidation		Group	
	31.03.2011 [EUR'000]	31.03.2010 [EUR'000]	31.03.2011 [EUR'000]	31.03.2010 [EUR'000]	31.03.2011 [EUR'000]	31.03.2010 [EUR'000]	31.03.2011 [EUR'000]	31.03.2010 [EUR'000]
Revenue	54,773	40,298	48,228	89,062	-1,971	-1,514	101,030	127,846
EBITDA	15,255	14,090	4,908	10,990	0	0	20,164	25,080
EBIT	10,047	12,262	4,411	10,404	0	0	14,458	22,665
Depreciation and amortisation	-5,208	-1,828	-498	-587	0	0	-5,706	-2,415
Financial result							-387	187
Earnings before tax (EBT)							14,071	22,852
Taxes							-3,200	-6,332
Net income before non-controlling interest							10,871	16,520
Non-controlling interest							-2,423	-4,369
Net income after non-controlling interest							8,448	12,151
Average number of employees	1,229	845	193	360			1,422	1,205
Segment assets */**	510,914	378,805	179,640	179,997				
Normalised EBITDA	18,645	14,610	4,908	10,990	0	0	23,554	25,600
Normalised EBIT before amortisation resulting from purchase price allocation	16,284	13,019	4,411	10,404	0	0	20,695	23,422

* Disclosure of segment assets before consolidation between segments

** Adjusted prior-year figures due to the final purchase price allocation of Ticketcorner Group; cf. Annual Report 2010, page 79

7. OTHER DISCLOSURES

APPROPRIATION OF EARNINGS

In the 2010 financial year, CTS AG generated net income (according to HGB accounting principles) of EUR 26.170 million. The Shareholders' Meeting on 13 May 2011 adopted a resolution to distribute EUR 20.878 million (EUR 0.87 per eligible share) of the balance-sheet profit of EUR 69.417 million as at 31 December 2010 to shareholders, and to transfer EUR 2.579 million to other earnings reserves. The distribution was carried out on 16 May 2011, and the remaining balance sheet profit of EUR 45.960 million was carried forward to the new account.

FINANCIAL OBLIGATIONS

Since 31 December 2010, there have been no material changes in contingent liabilities.

RELATED PARTY DISCLOSURES

The transactions of the CTS Group with related parties pertain to reciprocal services and were concluded only at the arm's-length conditions which normally apply between third parties. The majority shareholder of CTS AG is a controlling shareholder of other companies associated with the Group.

The contractual relationships with related parties resulted in the following goods and services being sold to and bought from related parties in the 2011 reporting period:

	31.03.2011 [EUR'000]	31.03.2010 [EUR'000]
Goods and services supplied by the Group		
Subsidiaries not included in consolidation due to insignificance	113	125
Associated companies	152	47
Other related parties	208	1,917
	473	**2,089**

	31.03.2011 [EUR'000]	31.03.2010 [EUR'000]
Goods and services received by the Group		
Subsidiaries not included in consolidation due to insignificance	12	274
Associated companies	886	0
Other related parties	3,899	3,478
	4,797	**3,752**

As from 1 July 2010, the transactions between the CTS Group and FKP Scorpio and its subsidiaries must be disclosed as relationships with associates, due to the deconsolidation of FKP Scorpio and its subsidiaries.

Bremen, 26 May 2011

CTS EVENTIM Aktiengesellschaft

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