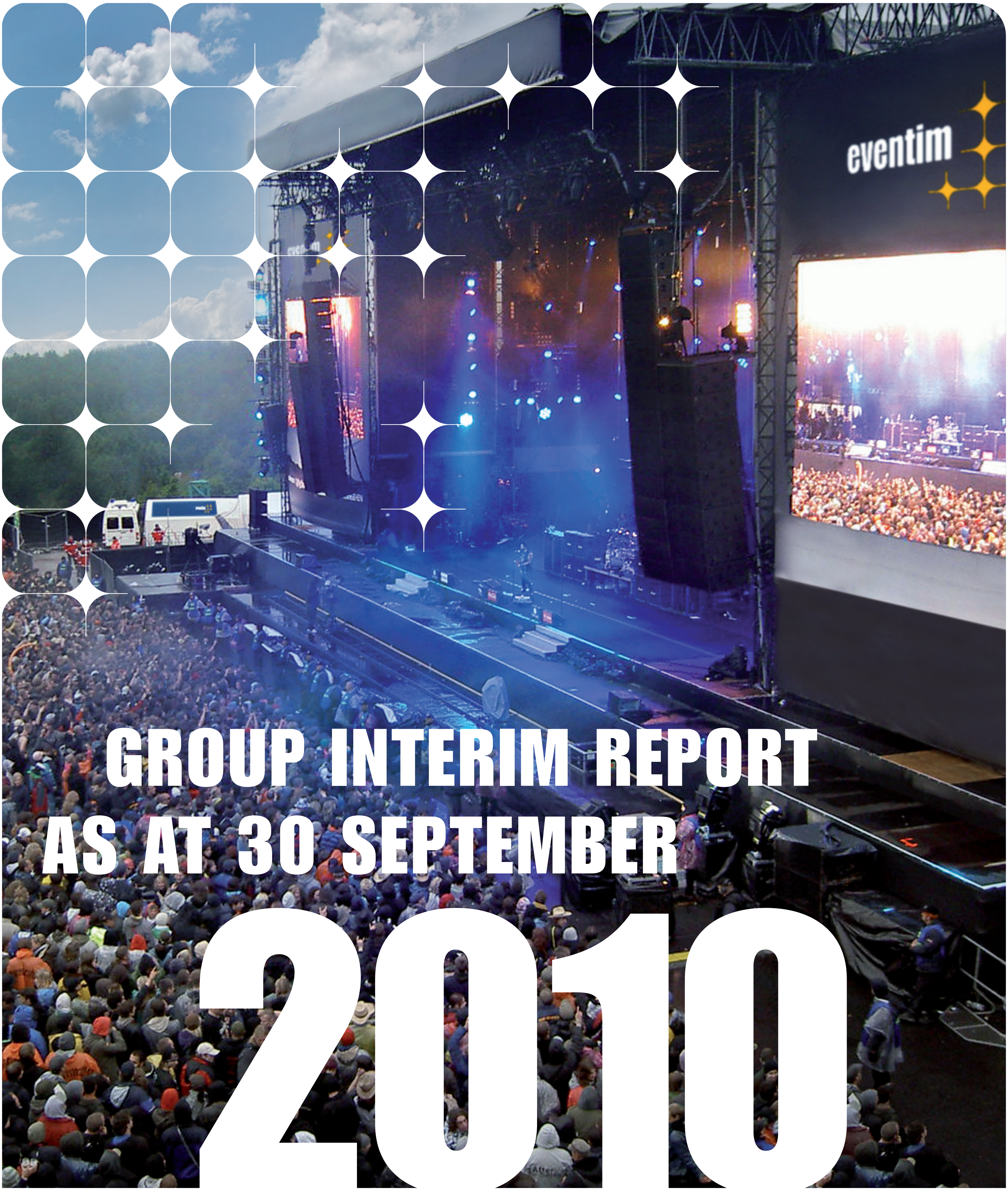


GROUP INTERIM REPORT AS AT 30 SEPTEMBER 2010

eventim

CONTENT

1. OVERVIEW

KEY GROUP FIGURES

	01.01.2010 - 30.09.2010	01.01.2009 - 30.09.2009
	[EUR'000]	[EUR'000]
Revenue	372,387	329,549
Gross profit	95,361	80,423
Personnel expenses	42,839	31,108
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	55,579	50,505
Depreciation and amortisation	11,344	6,440
Operating profit (EBIT)	44,235	44,065
Profit from ordinary business activities (EBT)	44,063	44,747
Net income after non-controlling interest	24,135	23,649
Cash flow	41,740	37,749
Normalised EBITDA[1]	60,035	50,505
Normalised EBIT before amortisation resulting from purchase price allocation[1/2]	52,970	44,065
Normalised EBT before amortisation resulting from purchase price allocation[1/2/3]	52,798	44,747
Normalised net income before amortisation resulting from purchase price allocation[1/2/3]	32,870	23,649
	[EUR]	[EUR]
Earnings per share[4], undiluted (= diluted)	1.01	0.99
Normalised Earnings per share before amortisation resulting from purchase price allocation[1/2/3]	1.37	0.99
	[Qty.]	[Qty.]
Number of employees[5]	1,454	954
Of which temporary	(103)	(151)

[1] Special effects of EUR 4.456 million, inter alia due to costs for acquisitions and legal consultancy relating to the Live Nation arbitration proceedings
[2] Purchase price allocation of Ticketcorner Holding AG and See Tickets Germany GmbH
[3] Calculation of key figures without taking any tax effects into account
[4] Number of shares: 24 million
[5] Number of employees at end of year (active workforce)

2. FOREWORD BY THE MANAGEMENT BOARD

Klaus-Peter Schulenberg
Chief Executive Officer

Dear Sir or Madame,

The recent annual report by the government's economic advisors, in which a growth rate of 3.7% is expected, is a further indication of a strong upswing in the German economy. The CTS Group can benefit from this encouraging economic environment. However, I would also like to emphasise that we never once departed from our path of continuous growth even during the most difficult financial and economic crisis of the post-war era.

On the contrary – since its IPO in the year 2000, the CTS Group has reached its targets and either met or exceeded market expectations. The secret to our success is a combination of motivated employees, a resilient and innovative business model and a strategy of continuous expansion.

LIVE ENTERTAINMENT IS A BILLION-DOLLAR BUSINESS

A study published a few weeks ago by the GfK consumer research institute shows that, in 2009, Germans spent around EUR 3.17 billion on events – with other entertainment industries such as computer games, videos, CDs and cinema lying far behind. We can continue to serve this huge demand with attractive events in the fields of music, culture and sport.

KEY PERFORMANCE INDICATORS FOR THE FIRST NINE MONTHS OF THIS YEAR SHOW FURTHER IMPROVEMENT

The CTS Group achieved significant growth in both of its segments, Ticketing and Live Entertainment. Revenue rose 13% from EUR 329.5 million to EUR 372.4 million. Earnings figures for the first nine months were constrained by costs for acquisitions and legal consultancy relating to the Live Nation arbitration proceedings. After adjustment for these special effects, the normalised group EBITDA was EUR 60.0 million (up 19% on Q1-3/2009). The Group continues to focus on consistent expansion of its Internet ticketing operations. Between January and September, the CTS Group sold around 10.7 million tickets via the Internet, which equates to a year-on-year increase of around 30%. In the same period, the Eventim online portals logged around 240 million visits.

THE EXPANSION STRATEGY OF CTS EVENTIM IS ANOTHER GUARANTEE FOR GROWTH

Acquisitions made during the period under review resulted in our company further expanding its presence of the core European markets. On 6 July 2010, CTS AG acquired all the shares in See Tickets Germany, to which Ticket Online Software GmbH, Ticket Online Sales & Service Center GmbH and Ticket Online Polska Sp zoo, Poland, also belong. In the non-calendar financial year 2009/2010 (1 August to 31 July), the See Tickets Group generated around EUR 42 million in revenue. By making this acquisition, CTS AG has also gained exclusive ticketing access to the attractive musical productions of Stage Entertainment, which has produced worldwide successes such as “The Lion King”, “Mamma Mia”, “Tarzan” and “Holiday on Ice”. In mid-August, the Cartel Office informed the company that it was planning to conduct a retrospective review to determine whether there might be any obligation under merger control regulations to notify the Office of the acquisition. CTS AG is working on the assumption that, in view of the material and legal situation, the transaction was not subject to notification.

Back in February 2010, CTS AG took over Ticketcorner, the ticketing market leader in Switzerland. By making this acquisition, we consolidated our business in Switzerland while extending our market leadership in Europe at the same time. Our declared objective is to handle the entire European ticketing operation from a single database.

INTERNATIONAL STARS PLUS ATTRACTIVE CULTURAL AND SPORTS EVENTS ARE THE BASIS FOR OUR MARKET LEADERSHIP

Whatever the category, be it pop, rock, German Schlagermusik, theatre, musicals or sports events, we offer our customers an extraordinarily wide range of events. In the months ahead, we will be thrilling audiences with top acts like Bon Jovi, James Blunt, Elton John, Herbert Grönemeyer and David Garrett. The CTS Group is also organising ticket sales for the FIFA 2011 Women’s World Cup in Germany. Our systems are routinely used by more than 80 clubs, associations and sports promoters in over 20 different disciplines. With football, handball, ice hockey, basketball, tennis, boxing, Formula 1 and the German Touring Masters, our coverage is enormous. In the German football league, almost two-thirds of the clubs work with Eventim systems.

IN THE ARBITRATION PROCEEDINGS WITH OUR U.S. COMPETITOR, LIVE NATION, WE DO NOT EXPECT ANY DECISION TO BE REACHED UNTIL THE SECOND HALF OF 2011

The CTS Group categorically refuses to accept the unilateral termination by Live Nation last July of the partnership agreement in force since the end of 2007. The agreement stipulates that Live Nation shall receive a ten-year software and technology licence from the CTS Group to operate a ticketing system in North America, and in return that Live Nation shall handle its ticketing operations in mainland Europe and Great Britain using Eventim systems. Since 5 April 2010, arbitration proceedings filed for by CTS EVENTIM have been pending at the International Chamber of Commerce (ICC), with the CTS Group demanding fulfilment of contract and payment of damages. We do not expect any decision to be reached until the second half of 2011. In the estimation of some analysts, our Group is in a good starting position to enforce these demands against our contractual partner.

In view of the encouraging trends described above, we can be very confident about the year ahead. I would like to express my sincere thanks for the support you have given CTS EVENTIM AG so far.

Yours sincerely,

Klaus-Peter Schulenberg
Chief Executive Officer

3. CTS SHARES

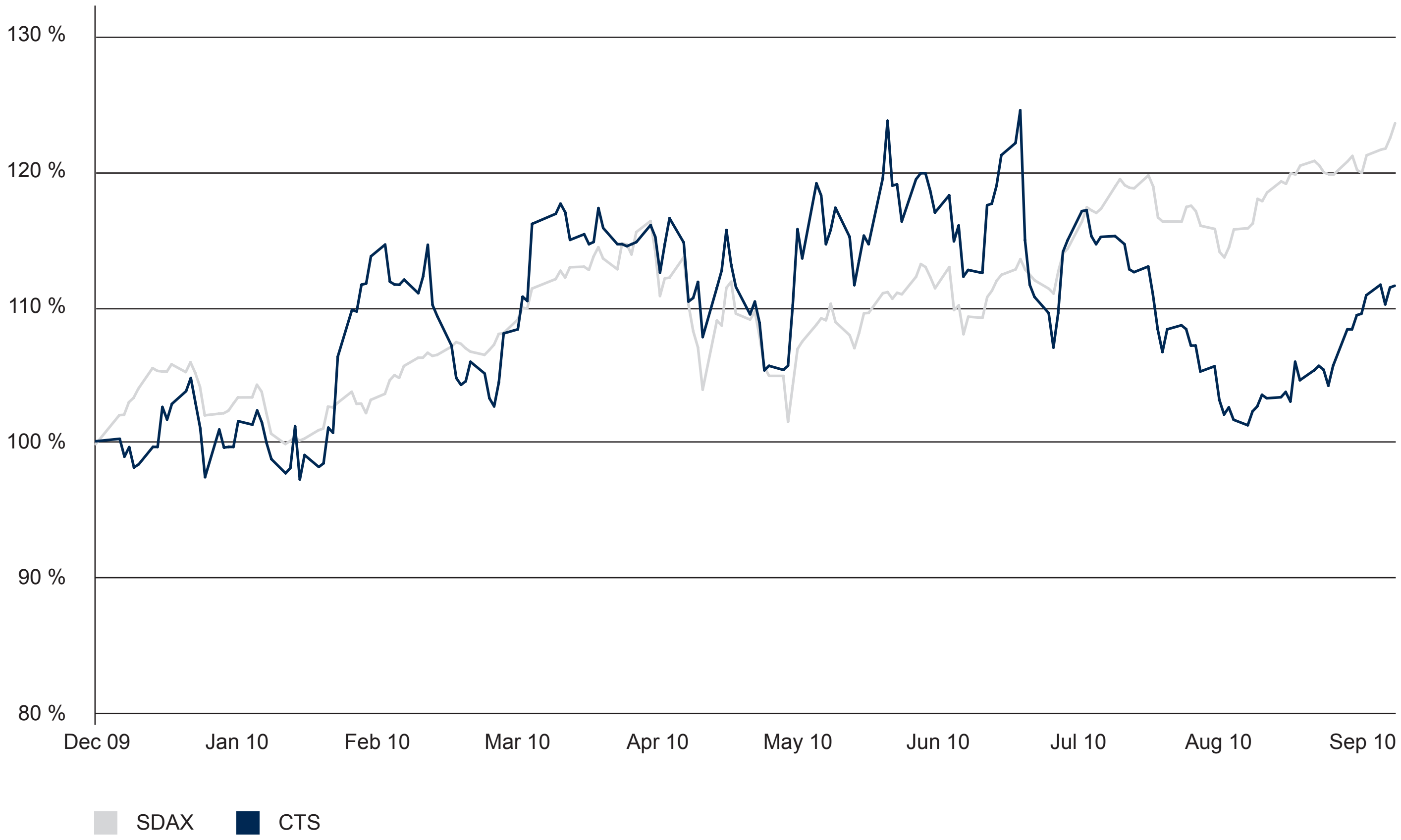
CTS SHARES – A REWARDING INVESTMENT, EVEN IN TIMES OF CRISIS

CTS EVENTIM AG continues to show robust growth. This was also reflected in the company's share performance over the period under review, with shares marking an all-time high of EUR 42.30 on 13 July 2010. This was followed by a consolidation phase in which the share price fell to around EUR 34, parallel to a similar decline in the SDAX index. In the first nine months of 2010, CTS shares nevertheless appreciated in value by around 11%. In November, CTS shares actually exceeded the previous all-time high of EUR 42.30.

A joint study produced by the Handelsblatt financial newspaper and DZ Bank described CTS shares as 'one of the best shares in the whole country'. After publication of the preliminary figures, analysts at Berenberg Bank pegged the fair value of CTS shares at EUR 49.

CTS shares have unusually broad coverage: 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, inter alia, by Berenberg Bank, Crédit Agricole Cheuvreux, Deutsche Bank, Macquarie Securities Group, Bank of America Merrill Lynch and NordLB.

CTS SHARES (01.01.2010 TO 30.09.2010 – INDEXED)



NUMBER OF SHARES HELD BY MEMBERS OF EXECUTIVE ORGANS AS AT 30 SEPTEMBER 2010	Number of shares	Share
	[Qty.]	[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)	4,650	0.019%
Prof. Jobst W. Plog	0	0.000%
Horst R. Schmidt	0	0.000%

4. INTERIM MANAGEMENT REPORT FOR THE GROUP

1. EARNINGS PERFORMANCE AND FINANCIAL POSITION

EARNINGS PERFORMANCE

REVENUE GROWTH

Group revenue rose in the reporting period EUR 42.838 million or 13% from EUR 329.549 million to EUR 372.387 million. Revenue (before consolidation between segments) breaks down into EUR 123.887 million in the Ticketing segment (Q1-3/2009: EUR 95.656 million) and EUR 253.761 million in the Live Entertainment segment (Q1-3/2009: EUR 236.421 million).

The Ticketing segment achieved further revenue growth in the first nine months of 2010. Revenue in this segment rose 29.5% from EUR 95.656 million to EUR 123.887 million. This encouraging progress is attributable not only to organic growth in the core European markets, especially in the high-margin Internet channel, but also to recent acquisitions. In the Q1-3/2010 reporting period, foreign subsidiaries generated a 46% share of total revenue (Q1-3/2009: 40%).

As at 30 September 2010, around 240 million music and event fans visited the Group's Internet portals, buying around 10.7 million tickets in total (Q1-3/2009: 8.2 million). This equates to a 30% year-on-year increase in Internet ticket sales.

The Live Entertainment segment generated EUR 253.761 million in revenue to date in 2010 (Q1-3/2009: EUR 236.421 million; up 7.3%). In addition to successful events in the first half of 2010, including concert tours by Depeche Mode and PINK, the very successful open-air festivals, the 'Dinosaurs – in the Realm of the Giants' exhibition, the 'Elisabeth' musical and Cirque du Soleil, revenue in this segment were positively impacted in the third quarter also by the U2 and a-ha tours, as well as by the 'Tutenkhamun' exhibition.

GROSS PROFIT

In the first nine months of 2010, the gross profit of the Group increased by 18.6% to EUR 95.361 million. The 13% increase in Group revenue is offset by a lower proportional increase in cost of sales (11.2%). As a result, the consolidated gross margin increased year-on-year from 24.4% to 25.6%.

In the Ticketing segment, the gross margin fell slightly from 53.2% in Q1-3/2009 to 52.0%, 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 12.2%, compared to 12.5% in Q1-3/2009.

EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTISATION (EBITDA)

Group EBITDA increased by EUR 5.074 million or 10,1% from EUR 50.505 million to EUR 55.579 million. The Group EBITDA margin was 14.9% (Q1-3/2009: 15.3%). Earnings figures for the first nine months were curtailed by a number of factors, including EUR 4.456 million in costs for acquisitions and legal consultancy relating to the Live Nation arbitration proceedings. After adjustment for these special effects, the normalised group EBITDA increased by EUR 9.530 million or 18.9% to EUR 60.035 million. The normalised EBITDA margin was 16.1% (Q1-3/2009: 15.3%).

In the Ticketing segment, an EBITDA of EUR 34.742 million was achieved (Q1-3/2009: EUR 30.685 million) – an improvement of 13.2%. In this segment, EBITDA was burdened with the aforementioned special effects. After adjustment for these special effects, the normalised EBITDA increased by EUR 8.513 million or 27.7% to EUR 39.198 million. The normalised EBITDA margin was 31.6% (Q1-3/2009: 32.1%).

The Live Entertainment segment reported an EBITDA margin of 8.2% (Q1-3/2009: 8.4%) and an EBITDA of EUR 20.837 million (Q1-3/2009: EUR 19.794 million).

OPERATING PROFIT (EBIT)

In the first nine months of 2010, Group EBIT increased by EUR 170 thousand from EUR 44.065 million or 0.4% to EUR 44.235 million. The EBIT margin was 11.9%, compared to 13.4% in Q1-3/2009. After adjustment for the aforementioned special effects, the EBIT before amortisation in respect of purchase price allocation (Ticketcorner Holding AG and See Tickets Germany GmbH) increased by EUR 8.905 million or 20.2% to EUR 52.970 million. The normalised EBIT margin (EBIT before amortisation relating to purchase price allocation) was 14.2% (Q1-3/2009: 13.4%).

In the Ticketing segment, EBIT amounted to EUR 24.870 million (Q1-3/2009: EUR 25.902 million; down 4.0%). After adjustment for the aforementioned EUR 4.456 million in special effects, the EBIT figure in this segment before amortisation relating to purchase price allocation was significantly improved by EUR 7.703 million or 29.7% to EUR 33.605 million. The normalised EBIT margin (EBIT before amortisation relating to purchase price allocation) was unchanged year-on-year at 27.1%.

The Live Entertainment segment achieved an EBIT of EUR 19.365 million, compared to EUR 18.137 million in Q1-3/2009 (up 6.8%). The EBIT margin was 7.6%, compared to 7.7% in Q1-3/2009.

FINANCIAL RESULT

The financial result, at EUR -172 thousand (Q1-3/2009: EUR +682 thousand) includes EUR 18 thousand in income from investments (Q1-3/2009: EUR 0 thousand), EUR 59 thousand in income from investments in associated companies (Q1-3/2009: EUR 133 thousand), EUR 1.572 million in financial income (Q1-3/2009: EUR 1.601 million) and EUR 1.821 million in financial expenses (Q1-3/2009: EUR 1.052 million).

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

PROFITS FROM ORDINARY BUSINESS ACTIVITIES (EBT) AND CONSOLIDATED NET INCOME AFTER NON-CONTROLLING INTEREST

As at 30 September 2010, profits from ordinary business activities (EBT) decreased from EUR 44.747 million in Q1-3/2009 to EUR 44.063 million. After deduction of tax expenses and non-controlling interest, net income amounted to EUR 24.135 million (Q1-3/2009: EUR 23.649 million). Earnings per share (EPS) amounted to EUR 1.01, compared to EUR 0.99 for Q1-3/2009. After adjustment for 'special effects' and without taking any tax effects into account, the normalised profits from ordinary business activities (EBT) before amortisation relating to purchase price allocation increased by EUR 8.051 million to EUR 52.798 million. Normalised EPS before amortisation from the purchase price allocation improved from EUR 0.99 to EUR 1.37.

PERSONNEL

On average over the year to date, the companies in the CTS Group had a total of 1,616 employees on their payroll, including 142 part-time workers (Q1-3/2009: 990 employees, including 159 part-timers). Of that total, 1,298 are employed in the Ticketing segment (Q1-3/2009: 667 employees) and 318 employees in the Live Entertainment segment (Q1-3/2009: 323 employees). The main reason for the increase in employees in the Ticketing segment was the greater number of companies included in consolidation.

Due to larger workforces, personnel expenses increased year-on-year by EUR 11.731 million from EUR 31.108 million to EUR 42.839 million. This increase in personnel expenses breaks down into EUR 11.555 million in the Ticketing segment and EUR 176 thousand in the Live Entertainment segment. The increased personnel expenses in the Ticketing segment resulted primarily from business expansion through acquisitions.

FINANCIAL POSITION

On the assets side, the main increases were in trade receivables (EUR +12.502 million), intangible assets (EUR +72.098 million) and goodwill (EUR +153.992 million; taking currency translation into account). These increases are offset by a EUR 102.129 million decline in cash and cash equivalents.

The EUR 72.098 million increase in intangible assets specifically relates to trademarks, customer base and software due to the final purchase price allocation of the Swiss Ticketcorner Group acquired in the first quarter of 2010, and to the preliminary purchase price allocation of See Tickets Germany / Ticket Online Group, which was acquired in July 2010.

The EUR 153.992 million increase in goodwill (taking currency translation into account) mainly results from the purchase price allocation of the companies acquired during the 2010 reporting period to date.

The EUR -102.129 million change in cash and cash equivalents resulted partially from payments for the acquisition of company shares in the Ticketing segment and from increases in shareholdings in the Live Entertainment segment, from the distribution of dividends during the reporting period and from the seasonal outflow of ticket monies in the Ticketing segment for current and invoiced events. Cash and cash equivalents were also reduced in the Live Entertainment segment due to events being held and invoiced in the first nine months of 2010. Owing to seasonally strong pre-sales in the fourth quarter for the season of events in the first half of the following year, cash and cash equivalents can be expected to increase again towards the end of the reporting year, as in the past.

Cash and cash equivalents, at EUR 127.665 million (31.12.2009: EUR 229.794 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 99.077 million (31.12.2009: EUR 94.249 million). Other assets also include receivables relating to ticket monies from pre-sales in the Ticketing segment (EUR 18.685 million; 31.12.2009: EUR 27.541 million).

On the liabilities side, mainly short-term financial liabilities were reduced by EUR 14.308 million, and advance payments received by EUR 42.560 million. These reductions were offset by an increase of EUR 196.874 million in medium- and long-term financial liabilities, and EUR 20.851 million in deferred tax liabilities.

The EUR 14.308 million decrease in short-term financial liabilities resulted mainly from lower liabilities from the recognition of put options, since shares in a subsidiary that had already been included in consolidation were tendered and subsequently accepted.

The high level of advance payments received in the Live Entertainment segment as at 31 December 2009 resulted from pre-sales in the fourth quarter of 2009 for events held in 2010. Due to the execution and invoicing of events in the first nine months of 2010, advance payments received decreased as expected by EUR 42.560 million. It is now expected that advance payments received will increase accordingly during the fourth quarter of 2010.

The EUR 196.874 million increase in medium- and long-term financial liabilities arose primarily in connection with the external borrowing to finance the purchase of shares in the Ticketcorner Group and the See Ticket Germany / Ticket Online Group.

The deferred tax liabilities mainly resulted from temporary differences arising from the fair value measurement of intangible assets in the context of the purchase price allocation of the Ticketcorner Group and the See Ticket Germany/ Ticket Online Group.

As at 30 September 2010, shareholders' equity amounted to EUR 134.633 million (31.12.2009: EUR 149.864 million). This reduction in shareholders' equity is attributable to increased investment in a fully consolidated company during the reporting period. According to IFRS 3R and IAS 27R, and with effect from 1 January 2010, any increased investment, without a put option, in a company that is already fully consolidated is no longer recognised as goodwill, but as a reduction in shareholders' equity.

CASH FLOW

The amount of cash and cash equivalents shown in the cash flow statement is equal to the cash and cash equivalents in the balance sheet. Compared to the reporting date of 30 September 2009, cash and cash equivalents decreased by EUR 5.642 million to EUR 127.665 million. The year-on-year change in cash and cash equivalents over the nine-month reporting period was EUR -21.369 million.

Cash outflow for investing activities rose by EUR -176.449 million to EUR -183.398 million. This increase resulted mainly from payments for the acquisition of shares in the Ticketcorner Group and the See Ticket Germany / Ticket Online Group.

Cash flow from financing activities increased year-on-year by EUR +144.411 million to EUR +127.005 million. Cash flow from financing activities in mainly influenced by higher levels of external borrowing (EUR +185.370 million) to finance the acquisitions made during the current financial year. This is offset by cash outflow for the acquisition of additional shares in subsidiaries already included in consolidation (EUR -31.000 million) and increased distributions to shareholders (EUR -5.280 million) and to non-controlling interests (EUR -4.857 million).

Cash outflow from operating activities decreased year-on-year by EUR +10.669 million from EUR -55.410 million to EUR -44.741 million. The year-on-year change in cash flow stems mainly from a lower period-on-period increase in receivables and other assets (EUR +8.492 million). In a comparison of the first nine months of 2010/2009, a lower reduction in liabilities also produced a positive cash-flow effect amounting to EUR +8.383 million. These are offset by increased payments of taxes on income (EUR -9.642 million). The higher operative cash flow also had a positive impact on the cashflow from ongoing business operations (TEUR +3.990 million).

The positive cash-flow effect of EUR +8.492 million deriving from changes in receivables and other assets, relative to Q1-3/2009, is mainly attributable to the fact that, as at the 31 December 2009 reporting date, there was a higher volume of receivables from ticket pre-sales which were invoiced in the current 2010 financial year (EUR +11.315 million).

The positive cash-flow effect of EUR +8.383 million from changes in liabilities mainly resulted from trade payables (EUR +4.696 million) and from liabilities accruing in the Ticketing segment from ticketing monies that have not yet been invoiced (EUR +4.651 million). As at 31 December, owing to the seasonally very high level of ticket pre-sales in the fourth quarter, there is usually a large amount of liabilities for ticket monies not yet invoiced, which leads in the first nine months of the following year to cash outflows of ticket monies to promoters due to many events being held and invoiced. Compared to the first nine months of 2009, a smaller volume of ticket monies from major events to be invoiced had to be paid out to promoters, thus resulting in a positive year-on-year cash-flow effect of EUR +4.651 million.

The EUR 9.642 million increase in paid taxes on income is principally due to higher prepayments for the 2010 financial year and to retrospective tax payments for the 2009 financial year.

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 occurred since the balance sheet date:

In October 2010, CTS AG took over the remaining 49% stake in CTS Eventim RU o.o.o., Moscow, from the co-owner hitherto, by exercising the purchase option agreed upon in 2006. This means that CTS AG now holds 100% of the shares in the company.

In a contract dated 13 September 2010, CTS AG sold 50% of the shares in Eventim CH AG, Zurich, the acquisition company established at the beginning of 2010, to Ringier AG, Zolfingen. The company remains in the scope of full consolidation in the CTS Group. The transaction is still subject to various conditions, including merger control approval by the Cartel Office. Through another holding company, Eventim CH AG holds 100% of the shares in Ticketcorner AG, Rümlang. A joint venture agreement was concluded concurrently by CTS AG and Ringier AG. Entry into effect of the latter agreement is subject to the suspensory condition that the aforementioned share acquisition agreement is implemented.

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

3. DECLARATION ON CORPORATE GOVERNANCE

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

The CTS Group continued to grow in the first three quarters of the year under review.

In the Ticketing segment, ongoing expansion of high-profit Internet ticketing operations, strategic international expansion and integration of the newly acquired companies remained the key areas of focus. Internet activities will continue to be exceedingly important for the company's growth. Increasing ticketing volumes sold via the Internet lead to improved profit margins on the basis of existing cost structures.

Continuous improvements in the ticketing software products, thus ensuring permanent technological leadership, are the basis for profitable business development. The group has set standards in the industry with its exclusive pre-sales service, reservation of specific seats via the Internet, print-at-home solutions and its mobile access control system, eventim.access mobile. Partnerships with the likes of MySpace, Amazon, iTunes and musicload add to the range of services available on the Internet.

The CTS Group aims to establish a pan-European presence with its ticketing software, with France and Belgium being two key markets to be targeted in the future.

CTS AG has received a request for information from the German Federal Cartel Office regarding the 100% takeover of See Tickets Germany GmbH, which was effected in early July 2010. In its request, the Cartel Office informed the company that it is planning to conduct a retrospective review to determine whether there might be an obligation under merger control regulations to notify the Office of the acquisition. CTS AG assumes that the transaction does not come under Sections 35 ff. of the law against restraints on competition (GWB). CTS AG promptly provided all the information required and requested.

On 5 April 2010, CTS AG filed for arbitration against Live Nation Inc. and Live Nation Worldwide Inc. at the International Chamber of Commerce (ICC), in which Live Nation is sued for various breaches of contract, with a plea that the latter to be ordered to fulfil the partnership agreement concluded in December 2007 and to pay damages. In June 2010, Live Nation gave notice that it was terminating the agreement on the grounds of alleged breaches by CTS AG. CTS AG rejected the notice of termination by Live Nation and announced additional claims to damages in the order of millions.

The CTS Group is superbly positioned in the Live Entertainment segment. In the weeks and months ahead, the concert promoters within the CTS Group will thrill audiences with artists like Herbert Grönemeyer, Shakira, Westernhagen, Joe Cocker and Xavier Naidoo. Strategic realignment of this segment for further improvement in earnings and margins is primarily focused on improving the net profit margin. Shares in consolidated companies are therefore being increased or reduced accordingly.

The Management Board expects the Group to achieve a further positive performance in the 2010 financial year.

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 2009 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, 25 November 2010

CTS EVENTIM Aktiengesellschaft

The Management Board

5. INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2010

CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2010 (IFRS)

ASSETS	30.09.2010	31.12.2009	Change
	[EUR]	[EUR]	[EUR]
Current assets			
Cash and cash equivalents	127,665,061	229,793,885	-102,128,824
Trade receivables	32,300,591	19,798,749	12,501,842
Receivables from affiliated companies	2,486,609	3,566,038	-1,079,429
Inventories	17,577,958	15,571,215	2,006,743
Receivables from income tax	15,324,281	8,805,184	6,519,097
Other assets	52,657,367	47,721,828	4,935,539
Total current assets	**248,011,867**	**325,256,899**	**-77,245,032**
Non-current assets			
Property, plant and equipment	15,285,731	11,239,833	4,045,898
Intangible assets	92,590,070	20,491,706	72,098,364
Investments	1,971,169	1,020,810	950,359
Investments stated at equity	2,370,184	343,089	2,027,095
Loans	518,293	486,188	32,105
Trade receivables	222,382	1,267,880	-1,045,498
Receivables from affiliated companies	0	1,186,397	-1,186,397
Other assets	46,980	2,303,139	-2,256,159
Goodwill	250,921,088	96,928,983	153,992,105
Deferred tax assets	3,856,103	1,359,580	2,496,523
Total non-current assets	**367,782,000**	**136,627,605**	**231,154,395**
Total assets	**615,793,867**	**461,884,504**	**153,909,363**

SHAREHOLDERS’ EQUITY AND LIABILITIES	30.09.2010	31.12.2009	Change
	[EUR]	[EUR]	[EUR]
Current liabilities			
Short-term financial liabilities and current portion of long-term financial liabilities	10,909,372	25,217,733	-14,308,361
Trade payables	36,916,320	35,889,823	1,026,497
Payables to affiliated companies	317,024	1,230,496	-913,472
Advance payments received	59,205,648	101,766,084	-42,560,436
Other provisions	2,603,166	1,331,234	1,271,932
Tax provisions	11,901,409	10,077,558	1,823,851
Other liabilities	127,902,298	125,038,530	2,863,768
Total current liabilities	**249,755,237**	**300,551,458**	**-50,796,221**
Non-current liabilities			
Medium- and long-term financial liabilities	204,835,961	7,961,533	196,874,428
Trade payables	9,306	0	9,306
Other liabilities	405,109	12,211	392,898
Pension provisions	4,523,956	2,715,559	1,808,397
Deferred tax liabilities	21,631,298	780,013	20,851,285
Total non-current liabilities	**231,405,630**	**11,469,316**	**219,936,314**
Shareholders' equity			
Share capital	24,000,000	24,000,000	0
Capital reserve	23,248,941	23,310,940	-61,999
Retained earnings	79,622,555	97,868,776	-18,246,221
Treasury stock	-52,070	-52,070	0
Non-controlling interest	7,244,351	4,945,973	2,298,378
Total comprehensive income	48,845	52,078	-3,233
Currency differences	520,378	-261,967	782,345
Total shareholders' equity	**134,633,000**	**149,863,730**	**-15,230,730**
Total shareholders’ equity and liabilities	**615,793,867**	**461,884,504**	**153,909,363**

CONSOLIDATED INCOME STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2010 (IFRS)

	01.01.2010 - 30.09.2010	01.01.2009 - 30.09.2009	Change
	[EUR]	[EUR]	[EUR]
Revenue	372,387,317	329,549,023	42,838,294
Cost of sales	-277,026,448	-249,126,374	-27,900,074
Gross profit	**95,360,869**	**80,422,649**	**14,938,220**
Selling expenses	-31,642,613	-22,111,502	-9,531,111
General administrative expenses	-21,352,217	-13,348,578	-8,003,639
Other operating income	7,177,762	5,683,186	1,494,576
Other operating expenses	-5,308,855	-6,580,725	1,271,870
Operating profit (EBIT)*	**44,234,946**	**44,065,030**	**169,916**
Income / expenses from companies in which participations are held	17,718	0	17,718
Income / expenses from investments stated at equity	59,306	132,323	-73,017
Financial income	1,571,844	1,601,243	-29,399
Financial expenses	-1,820,702	-1,052,061	-768,641
Profit from ordinary business activities (EBT)*	**44,063,112**	**44,746,535**	**-683,423**
Taxes	-13,727,806	-14,307,078	579,272
Net income before non-controlling interest	**30,335,306**	**30,439,457**	**-104,151**
Non-controlling interest	-6,200,730	-6,790,162	589,432
Net income after non-controlling interest*	**24,134,576**	**23,649,295**	**485,281**
Earnings per share (in EUR); undiluted (= diluted)*	1.01	0.99	
Average number of shares in circulation; undiluted (= diluted)	24,000,000	24,000,000	

* A presentation of the normalised key group figures is shown on page 3

CONSOLIDATED INCOME STATEMENT FOR THE PERIOD FROM 1 JULY TO 30 SEPTEMBER 2010 (IFRS)

	01.07.2010 - 30.09.2010	01.07.2009 - 30.09.2009	Change
	[EUR]	[EUR]	[EUR]
Revenue	101,531,589	80,529,814	21,001,775
Cost of sales	-76,009,151	-59,804,886	-16,204,265
Gross profit	**25,522,438**	**20,724,928**	**4,797,510**
Selling expenses	-11,285,298	-7,260,665	-4,024,633
General administrative expenses	-8,387,112	-4,236,102	-4,151,010
Other operating income	1,575,457	1,725,918	-150,461
Other operating expenses	-1,042,599	-2,158,546	1,115,947
Operating profit (EBIT)	**6,382,886**	**8,795,533**	**-2,412,647**
Income / expenses from companies in which participations are held	-8,738	0	-8,738
Income / expenses from investments stated at equity	-14,952	63,068	-78,020
Financial income	535,170	295,124	240,046
Financial expenses	-784,952	-327,530	-457,422
Profit from ordinary business activities (EBT)	**6,109,414**	**8,826,195**	**-2,716,781**
Taxes	-1,491,314	-2,877,002	1,385,688
Net income before non-controlling interest	**4,618,100**	**5,949,193**	**-1,331,093**
Non-controlling interest	590,807	-514,887	1,105,694
Net income after non-controlling interest	**5,208,907**	**5,434,306**	**-225,399**
Earnings per share (in EUR); undiluted (= diluted)	0.22	0.23	
Average number of shares in circulation; undiluted (= diluted)	24,000,000	24,000,000	

Normalised Key Group figures in EUR'000:

	01.07.2010 - 30.09.2010	01.07.2009 - 30.09.2009	Change
	[EUR'000]	[EUR'000]	[EUR'000]
Normalised EBIT before amortisation resulting from purchase price allocation [1/2]	10,712	8,796	1,916
Normalised EBT before amortisation resulting from purchase price allocation [1/2/3]	10,438	8,826	1,612
Normalised net income before amortisation resulting from purchase price allocation [1/2/3]	9,538	5,434	4,104
	[EUR]	[EUR]	
Normalised Earnings per share before amortisation resulting from purchase price allocation [1/2/3]	0.40	0.23	

[1] Special effects of EUR 1.346 million, inter alia due to costs for acquisitions and legal consultancy relating to the Live Nation arbitration proceedings
[2] Purchase price allocation of Ticketcorner Holding AG and See Tickets Germany GmbH
[3] Calculation of key figures without taking any tax effects into account

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2010 (IFRS)

	01.01.2010 - 30.09.2010	01.01.2009 - 30.09.2009	Change
	[EUR]	[EUR]	[EUR]
Net income before non-controlling interest	**30.335.306**	**30.439.457**	**-104.151**
Exchange differences on translating foreign subsidiaries	782.345	-108.683	891.028
Available-for-sale financial assets	-3.233	14.040	-17.273
Other results	**779.112**	**-94.643**	**873.755**
Total comprehensive income	**31.114.418**	**30.344.814**	**769.604**
Total comprehensive income attributable to			
Shareholders of CTS AG	24.894.290	23.559.228	
Non-controlling interest	6.220.128	6.785.586	

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2010 (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:	01.01.2010 - 30.09.2010	01.01.2009 - 30.09.2009	Change
	[EUR]	[EUR]	[EUR]
Net income after non-controlling interest*	24,134,576	23,649,295	485,281
Non-controlling interest	6,200,730	6,790,162	-589,432
Depreciation and amortisation on fixed assets	11,344,194	6,440,406	4,903,788
Changes in pension provisions	967,841	262,169	705,672
Deferred tax expenses / income	-907,728	607,165	-1,514,893
Cash flow	**41,739,613**	**37,749,197**	**3,990,416**
Other cash-neutral expenses / income	-2,100,331	297,880	-2,398,211
Book profit / loss from disposal of fixed assets	-101,625	-3,741	-97,884
Interest income	-1,500,372	-1,497,649	-2,723
Interest expenses	1,528,306	1,051,952	476,354
Income tax expenses	14,635,534	13,699,914	935,620
Interest received	993,528	1,189,696	-196,168
Interest paid	-1,086,608	-493,756	-592,852
Income taxes paid	-23,537,267	-13,895,104	-9,642,163
Increase (-) / decrease (+) in inventories (especially payments on account)	-2,273,893	-2,591,418	317,525
Increase (-) / decrease (+) in receivables and other assets	-457,597	-8,949,902	8,492,305
Increase (+) / decrease (-) in provisions	1,194,740	190,776	1,003,964
Increase (+) / decrease (-) in liabilities	-73,774,912	-82,157,976	8,383,064
Cash flow from operating activities	**-44,740,884**	**-55,410,131**	**10,669,247**
Cash flow from investing activities	**-183,398,086**	**-6,949,458**	**-176,448,628**
Cash flow from financing activities	**127,005,341**	**-17,405,376**	**144,410,717**
Net increase / decrease in cash and cash equivalents	**-101,133,629**	**-79,764,965**	**-21,368,664**
Net increase / decrease in cash and cash equivalents due to change in scope of consolidation	-2,372,774	0	-2,372,774
Net increase / decrease in cash and cash equivalents due to currency translation	1,377,579	0	1,377,579
Cash and cash equivalents at beginning of period	229,793,885	213,072,414	16,721,471
Cash and cash equivalents at end of period	**127,665,061**	**133,307,449**	**-5,642,388**
Composition of cash and cash equivalents			
Cash and cash equvialents	127,665,061	133,307,449	-5,642,388
Cash and cash equivalents at end of period	**127,665,061**	**133,307,449**	**-5,642,388**

* A presentation of the normalised key group figures is shown on page 3

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]
01.01.2009	**24,000,000**	**23,310,940**	**72,564,006**	**-52,070**	**5,794,783**	**0**	**-180,604**	**125,437,055**
Dividends	0	0	-14,638,673	0	-2,169,224	0	0	-16,807,897
Total comprehensive income	0	0	23,649,295	0	6,790,162	14,040	-108,683	30,344,814
30.09.2009	**24,000,000**	**23,310,940**	**81,574,628**	**-52,070**	**10,415,721**	**14,040**	**-289,287**	**138,973,972**
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	-61,999	-22,462,602	0	3,124,096	0	0	-19,400,505
Dividends	0	0	-19,918,195	0	-7,026,448	0	0	-26,944,643
Total comprehensive income	0	0	24,134,576	0	6,200,730	-3,233	782,345	31,114,418
30.09.2010	**24,000,000**	**23,248,941**	**79,622,555**	**-52,070**	**7,244,351**	**48,845**	**520,378**	**134,633,000**

SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. PRELIMINARY REMARKS

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 nine months of fiscal 2010, now presented as an interim report for CTS AG and its subsidiaries, were approved for publication by the Management Board in its decision of 25 November 2010.

2. BASIS OF REPORTING

The present, unaudited Group Interim Report as at 30 September 2010 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 2009 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 2009. 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 Group. Consolidated financial statements reflecting applicable HGB principles were not prepared.

The comparative figures in the income statement relate to the Group Interim Report as at 30 September 2009, and those in the balance sheet to the consolidated financial statements as at 31 December 2009. 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 2009. All accounting standards mandatory from the 2010 financial year onwards were applied. In the Group Interim Report 2010 the revised IAS 27R and IFRS 3R resulted in a change in the way future business combinations are presented. Changes in interests held in existing consolidated subsidiaries that do not lead to a loss of control will be recognized directly in equity. The other accounting standards applicable for the first time in fiscal 2010 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 minority interests. A detailed description of the main accounting principles is published in the 2009 Annual Report under item 1.9 of the Notes to the consolidated financial statements.

3. BUSINESS COMBINATIONS

Besides 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 or deconsolidated during the reporting period and/or in relation to the corresponding period in 2009.

In a purchase contract dated 13 September 2010, TicketOne S.p.A., Milan, acquired 51% of the shares in Ticketeria S.r.l, Rome. The price paid for the shares was EUR 1 million. Ticketeria S.r.l. mainly operates in ticketing for cultural events.

On 6 July 2010, CTS AG acquired 100% of the shares in See Tickets Germany GmbH, domiciled in Hamburg, for EUR 145 million. See Tickets Germany was a member company of See Tickets International BV in Amsterdam, 40% of which belonged to Stage Entertainment BV and 60% of which was held 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, Poland. A 12-year exclusive ticketing contract with Stage Entertainment Germany was concluded simultaneously with the share purchase agreement. Since initial consolidation on 6 July 2010, See Tickets Germany GmbH / Ticket Online Group has generated EUR 8.290 million in revenue and net income of EUR 1.225 million. If the company had been acquired on or before 1 January 2010, revenue in the reporting period would have been EUR 16.440 million higher, and consolidated net income would have been EUR -4.646 million lower than the revenue and consolidated net income figures actually being reported. By acquiring this group of companies, cash and cash equivalents amounting to EUR 7.777 million were also acquired.

In the reporting period, CTS AG acquired 100% of the shares in Ticketcorner Holding AG, a Swiss company based in Rümlang (hereinafter: Ticketcorner Holding), through the newly-established Eventim CH AG subsidiary registered on 28 January in the Zurich companies register. In addition to Ticketcorner Holding, the Ticketcorner Group also includes its Swiss subsidiary, Ticketcorner AG, Rümlang, the German subsidiary, Ticketcorner GmbH, Bad Homburg, and the Austrian subsidiary, Ticketcorner GmbH, Vienna. The provisional purchase price for the shares was CHF 65 million (around EUR 44 million). Since initial consolidation on 1 March 2010, the Ticketcorner Group has generated EUR 13.114 million in revenue and net income of EUR 1.671 million. If the company had been acquired on or before 1 January 2010, revenue in the reporting period would have been EUR 5.903 million higher in the reporting period, and consolidated net income would have been EUR 191 thousand more than the revenue and consolidated net income figures actually being reported. By acquiring this group of companies, cash and cash equivalents amounting to EUR 7.204 million were also acquired.

With effect from 1 January 2010, Eventim Sp. z o.o, Warsaw, was newly included in consolidation. CTS AG holds 100% of this company.

With effect from 1 January 2010, S.C. eventim.ro s.r.l., Bucharest, was included in consolidation for the first time. The firm of Ticket Express Gesellschaft zur Herstellung und zum Vertrieb elektronischer Eintrittskarten mbH, Vienna, holds 59% of this company.

In January 2010 and December 2009, a further 52.48% of the shares in TEMPODOME GmbH, Hamburg, were acquired. Therefore, in fourth quarter 2009 the company was included in consolidation for the first time. CTS AG now holds 72% of the shares in this company.

With effect from 22 December 2009, 100% of the shares in the shelf company Einundsechzigste 'Lydia' Vermögensverwaltungsgesellschaft mbH, Hamburg, were acquired. The registered office of the company has been relocated to Bremen.

3.1.2 PURCHASE PRICE ALLOCATION

PRELIMINARY PURCHASE PRICE ALLOCATION FOR SEE TICKETS GERMANY / TICKET ONLINE GROUP

Based on the preliminary 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 30 September 2010, the purchase price allocation is still preliminary because investigations regarding the intangible assets and the assessment of legal aspects are still pending. The remaining difference is reported as preliminary goodwill as at 30 September 2010.

Assets and debts were recognised at fair value in the preliminary 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 recognised on the temporary differences arising from the remeasurement of intangible assets.

In accordance with the revised IFRS 3, ancillary purchase expenses are mostly recognised as administrative expenses in profit and loss. Total expenses amounted here to EUR 1.393 million.

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

Reconciliation of purchase costs as at the date of acquisition (06 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 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.

The resultant difference between the measured 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.

FINAL PURCHASE PRICE ALLOCATION FOR THE TICKETCORNER GROUP

As at 30 September 2010, the purchase price allocation relating to the acquisition of shares in the Ticketcorner Group was finally completed within the stipulated 12-month period, in accordance with IFRS 3.45. The preliminary fair values at the time of initial consolidation were disclosed in the selected notes in the Group Interim Report as at 31 March 2010. According to IFRS 3.49, corrections of the preliminary fair values must be reported as if the accounting for the business combination was completed at the date of acquisition.

Based on the final purchase price allocation, the following table shows the fair values at the time of initial consolidation and the carrying values immediately before acquisition of the Ticketcorner Group:

	Fair value at the time of initial consolidation	Carrying value immediately before acquisition
	[EUR'000]	[EUR'000]
Cash and cash equivalents	7,204	7,204
Inventories	121	121
Trade receivables	9,444	9,444
Other assets	2,786	2,786
Total current assets	**19,555**	**19,555**
Property, plant and equipment	925	925
Intangible assets	17,594	54,281
Investments	992	992
Total non-current assets	**19,511**	**56,198**
Short-term financial liabilities	27,648	27,648
Trade payables	2,696	2,696
Provisions	2,183	2,183
Other liabilities	31,829	31,829
Total current liabilities	**64,356**	**64,356**
Medium- and long-term financial liabilities	16,767	16,767
Pension provisions	802	802
Deferred tax liabilities	3,829	10,613
Total non-current liabilities	**21,398**	**28,182**
Total net assets	**-46,688**	**-16,785**

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

The present value of trade receivables, at EUR 9.444 million, derives from a gross carrying value of receivables, at EUR 9.520 million, and allowances for doubtful accounts amounting to EUR 76 thousand.

Deferred tax liabilities of EUR 3.829 million were formed on the temporary differences arising from the remeasurement of intangible assets and obligations.

In accordance with the revised IFRS 3, ancillary purchase expenses are mostly recognised as administrative expenses in profit and loss. Total expenses amounted here to EUR 662 thousand, of which EUR 142 thousand were internal expenses that could be directly allocated to projects.

In the context of this final purchase price allocation, a higher fair value was recognised for some individual intangible assets compared to the preliminary recognition of fair values. In relation to the preliminary purchase price allocation (PPA), the fair value of the intangible assets changed from EUR 15.892 million to EUR 17.594 million. At Group level, this resulted in a lower amount of goodwill, at EUR 46.688 million (preliminary PPA: EUR 47.991 million). Provisions for pensions were recognised with a fair value of EUR 802 thousand (preliminary PPA: EUR 1.044 million) and other assets at EUR 2.786 million (preliminary PPA: EUR 2.196 million). Deferred tax liabilities were recognised at EUR 3.829 million, compared to provisional recognition of EUR 3.189 million.

The sellers agreed in the contract of sale to compensate Ticketcorner for obligations relating to an office rental agreement (EUR 164 thousand), the possible redemption of outstanding coupons (EUR 400 thousand) and for any outstanding resale of rights to the Live Music sponsoring agreement (EUR 300 thousand). In the context of the purchase price allocation, the EUR 864 thousand in provisions were therefore offset by receivables to the same amount.

The goodwill capitalised during the reporting period is not tax deductible in Switzerland.

Reconciliation of purchase costs as at the date of acquisition (5 March 2010):

	[EUR'000]
Acquisition cost	0
Cash and cash equivalents	7,204
Inventories	121
Trade receivables	9,444
Other assets	2,786
Property, plant and equipment	925
Intangible assets	17,594
Investments	992
Short-term financial liabilities	-27,648
Trade payables	-2,696
Provisions	-2,183
Other liabilities	-31,829
Medium- and long-term financial liabilities	-16,767
Pension provisions	-802
Deferred tax liabilities	-3,829
Total net assets	**-46,688**
Goodwill	46,688
	0

In the course of the acquisition, Eventim CH AG, Zurich, acquired intercompany loan receivables from the former shareholders against the Ticketcorner Group; these receivables are recognised under the financial liabilities of the Ticketcorner Group.

The resultant difference in amount between the measured cost and the remeasured net assets that were acquired embodies synergy and other growth potential and was provisionally recognised as EUR 46.688 million in goodwill.

3.2 BUSINESS COMBINATIONS IN THE LIVE ENTERTAINMENT SEGMENT

3.2.1 CHANGES IN THE SCOPE OF CONSOLIDATION

The following companies were included or deconsolidated during the reporting period and/or in relation to the corresponding period in 2009.

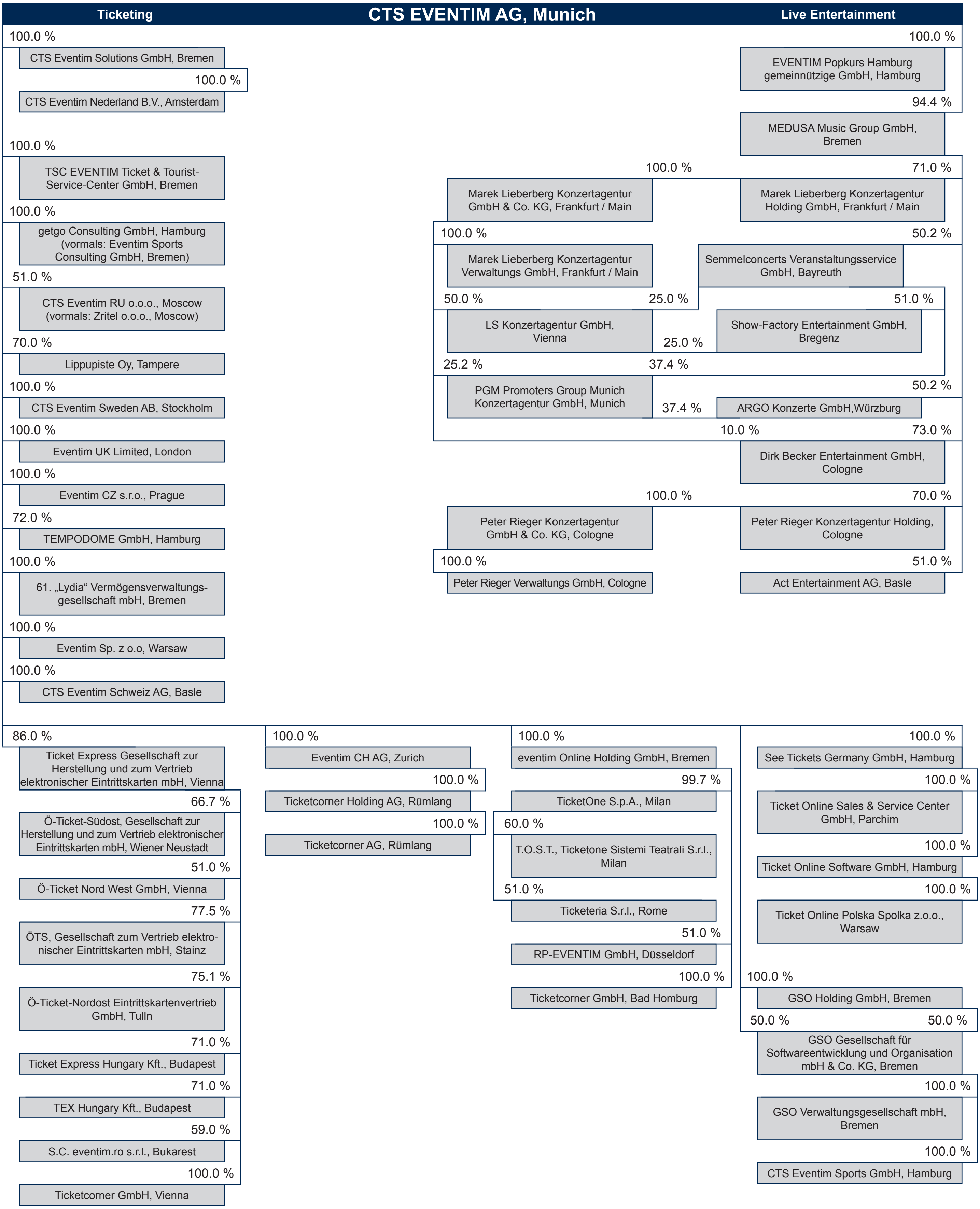
With effect from 30 June 2010, MEDUSA Music Group GmbH, Bremen (hereinafter: MEDUSA), sold 5.2% of the shares in FKP Scorpio Konzertproduktionen GmbH, Hamburg (hereinafter: FKP Scorpio). This means that MEDUSA now holds only 45% of the shares in that company. This sale of shares leads to loss of control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

In accordance with IAS 27, FKP Scorpio and its subsidiaries are included at equity in the consolidated financial statements as at the balance sheet date, as an associate, and recognised at fair value. The total income resulting from the transition from full consolidation to recognition at equity is reported in the income statement under other operating income.

	[EUR'000]
Selling price	130
Fair value of the investment accounted for at equity	1,918
Carrying amount of net assets	-1,668
Profit recognized in income statement due to the loss of control	**380**

The EUR 380 thousand profit resulting from the transition from full consolidation to recognition at equity includes the portion of profit attributable to recognising, at fair value, the 45% interest in FKP Scorpio retained by the group. The gain attributable to recognising, at fair value, the 45% interest in FKP Scorpio retained by the group (EUR 1.167 million) is calculated by subtracting 45% of the carrying value of the net assets (EUR -751 thousand) from the fair value of the retained investment valued at equity (EUR 1.918 million).

The corporate structure as at 30 September 2010 is shown in the following table:



4. SELECTED NOTES TO THE CONSOLIDATED BALANCE SHEET

The EUR -102.129 million change in cash and cash equivalents resulted partially from payments for the acquisition of company shares in the Ticketing segment and from increases in shareholdings in the Live Entertainment segment, from the distribution of dividends during the reporting period and from the seasonal outflow of ticket monies in the Ticketing segment for current and invoiced events. Cash and cash equivalents also decreased in the Live Entertainment segment, due to the execution and invoicing of events in the first nine months of 2010.

Both the EUR 153.992 million increase in goodwill and the EUR 81.842 million in additions to intangible assets (mainly trademark rights, customer base and software) in the first nine months of 2010 are attributable, in particular, to the purchase price allocation in respect of the Ticketcorner Group and in respect of the See Tickets Germany / Ticket Online Group in the Ticketing segment (taking currency translation into account).

The deconsolidation of FKP Scorpio Konzertagentur GmbH and its subsidiaries as at 30 June 2010 resulted in an addition from associates of EUR 1.918 million, which corresponds to the fair value of that company at the time of deconsolidation. At the same time, deconsolidation led in the first nine months of 2010 to EUR 3.130 million in asset disposals.

The higher level of advance payments received in the Live Entertainment segment as at 31 December 2009 resulted from pre-sales in the fourth quarter of 2009 for events held in 2010. Due to the execution and invoicing of events in the first nine months of 2010, advance payments received decreased as expected by EUR 42.560 million. It is now expected that advance payments received will increase accordingly during the fourth quarter of 2010.

The EUR 196.874 million increase in medium- and long-term financial liabilities is mainly attributable to the external borrowing to finance the purchase of shares in the Ticketcorner Group and the See Ticket Germany / Ticket Online Group.

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 pre-sales 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	
	30.09.2010 [EUR'000]	30.09.2009 [EUR'000]	30.09.2010 [EUR'000]	30.09.2009 [EUR'000]	30.09.2010 [EUR'000]	30.09.2009 [EUR'000]
External revenue	121,139	94,499	251,248	235,050	372,387	329,549
Internal revenue	16,219	10,566	55,243	50,673	71,462	61,239
Total revenue	**137,358**	**105,065**	**306,491**	**285,723**	**443,849**	**390,788**
Consolidation within segment	-13,471	-9,409	-52,730	-49,302	-66,201	-58,711
Revenue after consolidation within segment	**123,887**	**95,656**	**253,761**	**236,421**	**377,648**	**332,077**

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

	Ticketing		Live Entertainment		Intersegment consolidation		Group	
	30.09.2010 [EUR'000]	30.09.2009 [EUR'000]	30.09.2010 [EUR'000]	30.09.2009 [EUR'000]	30.09.2010 [EUR'000]	30.09.2009 [EUR'000]	30.09.2010 [EUR'000]	30.09.2009 [EUR'000]
Revenue	123,887	95,656	253,761	236,421	-5,261	-2,529	372,387	329,549
EBITDA	34,742	30,685	20,837	19,794	0	26	55,579	50,505
Operating profit (EBIT)	24,870	25,902	19,365	18,137	0	26	44,235	44,065
Depreciation and amortisation	-9,872	-4,783	-1,472	-1,658	0	0	-11,344	-6,440
Financial result							-172	682
Profit from ordinary business activities (EBT)							44,063	44,747
Taxes							-13,728	-14,307
Net income before non-controlling interest							30,335	30,439
Non-controlling interest							-6,201	-6,790
Net income after non-controlling interest							24,135	23,649
Average number of employees	1,298	667	318	323			1,616	990
Segment assets	493,985	216,786	135,608	133,286				
Normalised EBITDA*	39,198	30,685	20,837	19,794	0	26	60,035	50,505
Normalised EBIT before amortisation resulting from purchase price allocation*	33,605	25,902	19,365	18,137	0	26	52,970	44,065
Normalised EBT before amortisation resulting from purchase price allocation*							52,798	44,747
Normalised net income before amortisation resulting from purchase price allocation*							32,870	23,649

* A presentation of the normalised key group figures is shown on page 3

7. OTHER DISCLOSURES

APPROPRIATION OF EARNINGS

In the 2009 financial year, CTS AG generated net income (according to HGB accounting principles) of EUR 27.874 million. The Shareholders' Meeting on 12 May 2010 adopted a resolution to distribute EUR 19.918 million (EUR 0.83 per eligible share) of the balance-sheet profit of EUR 63.207 million as at 31 December 2009 to shareholders. This distribution was carried out on 14 May 2010, and the remaining balance sheet profit of EUR 43.289 million was carried forward to the new account.

FINANCIAL OBLIGATIONS

Since 31 December 2009, 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 2010 reporting period:

	30.09.2010 [EUR'000]	30.09.2009 [EUR'000]
Goods and services supplied by the Group		
Subsidiaries not included in consolidation due to insignificance	432	460
Associated companies	1,454	266
Other related parties	5,158	3,245
	7,044	**3,971**

	30.09.2010 [EUR'000]	30.09.2009 [EUR'000]
Goods and services received by the Group		
Subsidiaries not included in consolidation due to insignificance	630	1,081
Associated companies	210	201
Other related parties	9,170	8,931
	10,010	**10,213**

Due to the deconsolidation of FKP Scorpio as from 1 July 2010, the relationships between the CTS Group and FKP Scorpio are disclosed as relationships with associates.

RESOLUTIONS OF THE 2010 SHAREHOLDERS' MEETING

At the Annual Shareholders' Meeting of the company, held on 12 May 2010 in Bremen, the following resolutions were adopted:

Of the EUR 63.207 million in balance sheet profit produced by the company in the 2009 financial year, EUR 19.918 million shall be used to distribute a dividend of EUR 0.83 per share; the remaining EUR 43.289 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 2009 business year.

At the proposal of the Supervisory Board, PricewaterhouseCoopers Wirtschaftsprüfungsgesellschaft AG, Osnabrück, was elected as auditor for the company and its Group for the 2010 business year.

Edmund Hug, Prof. Jobst W. Plog and Horst R. Schmidt, whose period of office as members of the Supervisory Board ended at the close of the 2010 Annual Shareholders' Meeting, were re-elected until the close of the 2013 Annual Shareholders' Meeting.

The company was authorised, pursuant to § 71 (1) No. 8 AktG [Stock Corporation Act] to purchase treasury shares amounting to up to 10% of the share capital by 11 May 2015, except for the purpose of trading in own shares, and to use these treasury shares for specific purposes. Under certain conditions, shareholders may also be excluded from subscribing.

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 2010 Annual Shareholders' Meeting. For each resolution, the majority required by law and by the Articles of Association was reached.

Bremen, 25 November 2010

CTS EVENTIM Aktiengesellschaft

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