



**GROUP INTERIM REPORT  
AS AT 30 SEPTEMBER**

**2015**

eventim



# KEY GROUP FIGURES

	01.01.2015 - 30.09.2015	01.01.2014 - 30.09.2014	Change
	[EUR'000]	[EUR'000]	[in %]
Revenue	577,531	469,337	23.1
EBITDA	106,903	89,942 <sup>1</sup>	18.9
EBITDA margin	18.5%	19.2% <sup>1</sup>	-0.7 pp
EBIT	84,733	69,564 <sup>1</sup>	21.8
EBIT margin	14.7%	14.8% <sup>1</sup>	-0.1 pp
Normalised EBITDA	107,159	90,990 <sup>1</sup>	17.8
Normalised EBIT before amortisation from purchase price allocation	93,465	78,739 <sup>1</sup>	18.7
<i>Normalised EBITDA margin</i>	<i>18.6%</i>	<i>19.4% <sup>1</sup></i>	<i>-0.8 pp</i>
<i>Normalised EBIT margin before amortisation from purchase price allocation</i>	<i>16.2%</i>	<i>16.8% <sup>1</sup></i>	<i>-0.6 pp</i>
Non-recurring items <sup>2</sup>	256	1,047	-75.6
Amortisation resulting from purchase price allocation	8,476	8,128 <sup>1</sup>	4.3
Earnings before tax (EBT)	81,575	66,641 <sup>1</sup>	22.4
Net income after non-controlling interest	46,940	40,089 <sup>1</sup>	17.1
Cash flow	76,203	67,409 <sup>1</sup>	13.1
	[EUR]	[EUR]	
Earnings per share <sup>3</sup> , undiluted (= diluted)	0.49	0.42 <sup>1</sup>	
	[Qty.]	[Qty.]	
Number of employees <sup>4</sup>	2,153	2,082	
Of which temporary	(345)	(344)	

<sup>1</sup> Adjusted prior-year figures due to the final purchase price allocation of Entradas Eventim S.A. (formerly: Entradas See Tickets S.A.), Madrid, CTS Eventim Nederland B.V. (formerly: See Tickets Nederland B.V.), Amsterdam, and the Italian ticketing business 'Listicket'

<sup>2</sup> Cf. Page 6 for non-recurring items

<sup>3</sup> Number of shares: 96 million

<sup>4</sup> Number of employees at end of period (active workforce)

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# 1. LETTER TO THE SHAREHOLDERS



Klaus-Peter Schulenberg  
Chief Executive Officer

Dear Shareholders,

In view of the first nine months of the current financial year, developments were very positive. The CTS Group achieved considerable growth in both revenue and earnings. These developments show once again that we have a sound growth story. Even in a year that lacked the handling of large projects in the sport sector, we benefited from the unique diversity of events that are marketed via our systems. This is confirmed by our key figures, which I would like to explain to you.

## **TWO-DIGIT INCREASE IN REVENUE AND EARNINGS**

The CTS Group was once again able to considerably exceed prior-year figures. The Ticketing segment and the Live Entertainment segment both contributed substantially to business success. The CTS Group's revenue increased by 23.1% to EUR 577.5 million compared to the prior-year's period, while EBITDA improved by 18.9% to EUR 106.9 million.

Revenue in the Ticketing segment increased by 11.8% to EUR 215.3 million, and EBITDA rose by 12.5% to EUR 75.3 million. In order to continue on its growth course in the future, the CTS Group's focus remains on expanding E-Commerce and international business activities. The number of tickets sold online rose to 22.2 million, equating to a considerable increase of 19.4% compared to the prior-year period. The strategic acquisitions in recent years also made a valuable contribution to Group success. We intend to continue on this path.

The development in the Live Entertainment segment involving popular events, major tours and renowned festivals was especially positive. Revenue growth of 29.7% up to EUR 366.4 million was achieved in the Live Entertainment segment during the reporting period, and EBITDA improved by 37.5% to EUR 31.6 million.

## **MOBILE INTERNET TREND**

Our technological expertise, which we continue to develop, is the foundation of our growth. This allowed CTS EVENTIM to recognise the possibilities of the mobile internet at an early stage and develop the right apps for tablets and smartphones. We are optimising this service portfolio in order to achieve the greatest possible level of user-friendliness. The 360-degree seating plans are a great example of this and are becoming available for an increasing number of locations. Fans can even check the view of the stage, select their preferred seating and buy the ticket via a secure payment function, no matter where they are – it is easy and reliable.

## **KEY SUCCESS FACTORS: INTERNATIONAL BUSINESS AND SPORT**

With the ticketing contract for the 2016 Olympic Games in Rio de Janeiro, CTS EVENTIM has once again demonstrated its expertise with major events. This project marks our entry into the South American market. We are emphasising our commitment in South America by establishing a company in Brazil. The sport sector in all its facets is one of our success factors. CTS EVENTIM currently collaborates with more than 100 sports clubs and associations. We intend to strengthen and expand this collaboration in everyone's mutual interest.

In the first nine months of the current financial year, we once again significantly strengthened our foundation for achieving a good annual result. The positive business development reflects the commitment and forward-thinking activities of the Management Board and all our employees, whom I would like to expressly thank at this point. We intend to secure and build on the successes we have achieved together in the future.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Klaus-Peter Schulenberg". The signature is stylized and cursive.

Klaus-Peter Schulenberg  
Chief Executive Officer

EVENTIM Management AG,  
general partner of  
CTS EVENTIM AG & Co. KGaA

## 2. CTS EVENTIM SHARES

The development of the German stock indices was divergent in the third quarter of 2015. While the MDAX was able to nearly compensate in full by the end of the third quarter of 2015 for price loss experienced during the market correction in August 2015, the DAX remained out of the profit zone. This resulted in the DAX losing the positive overall annual result achieved up to the end of July by the end of the third quarter of 2015. In contrast, the MDAX was able to produce a 13.9% overall annual performance as at the end of the third quarter of 2015.

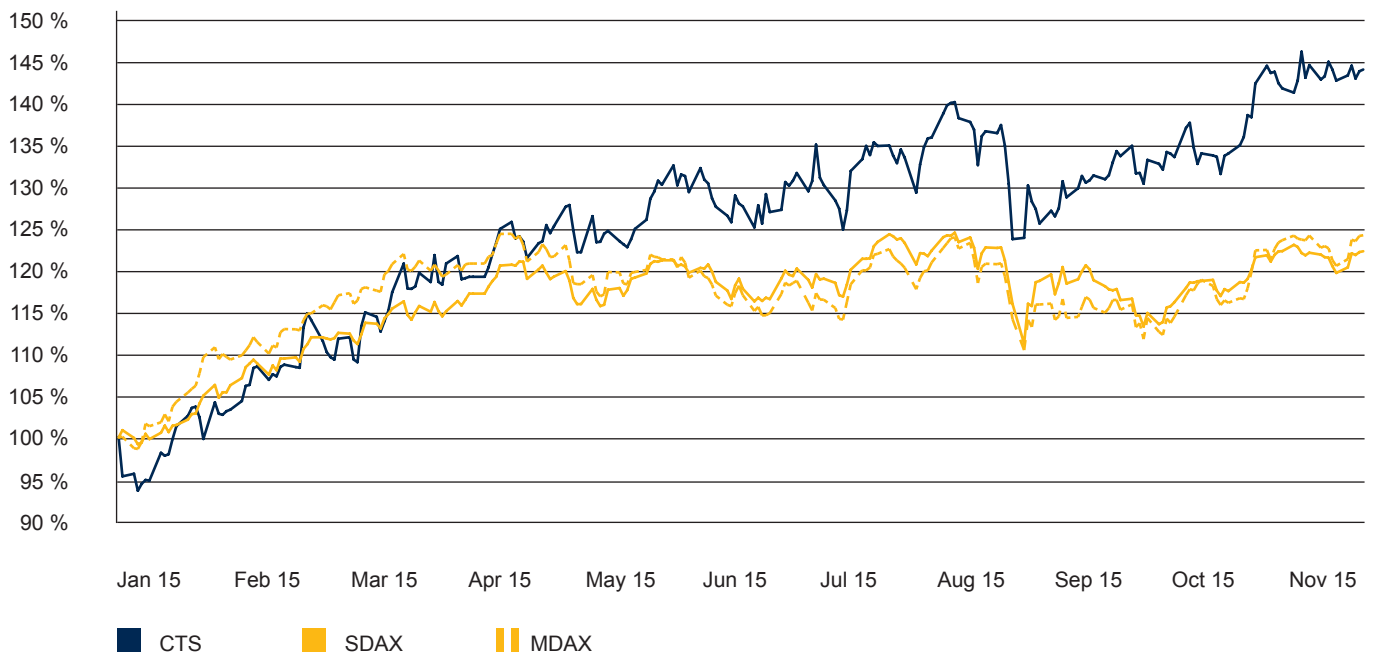
CTS EVENTIM shares were also unable to avoid the impact of the market correction in August 2015. Despite this, CTS EVENTIM shares, like the MDAX, were able to fully compensate for the temporary price drop by the end of the quarter. As a result, CTS EVENTIM shares were able to once again show positive development in comparison to the benchmark indices DAX and MDAX over the first nine months of the 2015 financial year. With an absolute performance of 37.3% in the first nine months of the 2015 financial year, the CTS EVENTIM shares clearly outperformed the MDAX (13.9%) and the DAX (-1.5%). This development continued after the reporting date.

As a result, CTS EVENTIM shares once again proved their reputation as a stable investment over the first nine months of the 2015 financial year. The positioning as market leader in the Ticketing and Live Entertainment segments, together with above-average profitability and conservative balance sheet policy, enable the CTS Group to continuously increase added-value, which has been on the rise for years.

In addition to numerous roadshows, CTS EVENTIM AG & Co. KGaA was again represented at various national and international investor conferences in the first nine months of 2015. The CTS EVENTIM shares gained more attention from international investors on account of the positive business development over the first nine months as well as their inclusion on the MDAX. Particularly, the interest of non-European investors rose sharply during the first three quarters of 2015.

Financial analysts also remained highly interested in CTS EVENTIM shares. Analysts at Bankhaus Metzler, Berenberg, DZ Bank and Commerzbank recommend buying CTS EVENTIM shares. Deutsche Bank, Exane BNP Paribas, M.M. Warburg and Nord LB recommend holding CTS EVENTIM shares.

### CTS EVENTIM SHARE PRICE (01.01.2015 – 20.11.2015, INDEXED)



Number of shares held by members of executive organs as at 30 September 2015:

	Number of shares [Qty.]	Share [in %]
<b>Members of the corporate management:</b>		
Klaus-Peter Schulenberg (Chief Executive Officer)	48,194,000	50.202
Volker Bischoff	0	0.000
Alexander Ruoff	8,000	0.008
<b>Members of the Supervisory Board:</b>		
Edmund Hug (Chairman)	19,300	0.020
Prof. Jobst W. Plog	3,900	0.004
Dr. Bernd Kundrun	14,600	0.015

During the reporting period there were no transactions by members of the corporate management and Supervisory Board of the CTS KGaA with no-par value bearer shares in the company.

## 3. INTERIM GROUP MANAGEMENT REPORT

### 1. EARNINGS PERFORMANCE, FINANCIAL POSITION AND CASH FLOW

#### EARNINGS PERFORMANCE

	01.01.2015 - 30.09.2015	01.01.2014 - 30.09.2014	Change	
	[EUR'000]	[EUR'000]	[EUR'000]	[in %]
Revenue	577,531	469,337	108,194	23.1
Gross profit	167,714	142,893 <sup>1</sup>	24,821	17.4
EBITDA	106,903	89,942 <sup>1</sup>	16,961	18.9
EBIT	84,733	69,564 <sup>1</sup>	15,169	21.8
Non-recurring items:				
Acquisition costs	256	1,047	-791	-75.6
Normalised EBITDA	107,159	90,990 <sup>1</sup>	16,169	17.8
Amortisation from purchase price allocation	8,476	8,128 <sup>1</sup>	348	4.3
Normalised EBIT before amortisation from purchase price allocation	93,465	78,739 <sup>1</sup>	14,726	18.7
Financial result	-3,158	-2,924	-234	8.0
Earnings before tax (EBT)	81,575	66,641 <sup>1</sup>	14,934	22.4
Taxes	-26,011	-20,724 <sup>1</sup>	-5,287	25.5
Non-controlling interest	-8,624	-5,828 <sup>1</sup>	-2,796	48.0
Net income after non-controlling interest	46,940	40,089 <sup>1</sup>	6,851	17.1

<sup>1</sup> Adjusted prior-year figures due to the final purchase price allocation of Entradas Eventim S.A. (formerly: Entradas See Tickets S.A.), Madrid, CTS Eventim Nederland B.V. (formerly: See Tickets Nederland B.V.), Amsterdam, and the Italian ticketing business 'Listicket'



## REVENUE GROWTH

**CTS Group** generated revenue of EUR 577.531 million, compared to EUR 469.337 million in the previous year (+23.1%). Revenue (before consolidation between segments) of EUR 215.348 million was attributable to the Ticketing segment (previous year: EUR 192.621 million) and EUR 366.379 million was attributable to the Live Entertainment segment (previous year: EUR 282.415 million).

The **Ticketing segment** generated EUR 215.348 million in revenue (before consolidation between segments) compared to EUR 192.621 million in previous year. Revenue increased due to an internet ticket volume growth and acquisition-related changes in the scope of consolidation in 2014, while project sales in the same period from the settled Winter Olympics in Sochi were lacking. In the reporting period 22.2 million tickets were sold via the Internet, which equates a growth of 19.4% compared to previous year (18.6 million tickets). The internet ticket volume of acquisitions made in the previous year increased from 2.1 million to 3.1 million tickets. The share of revenue generated by foreign subsidiaries increased to 48.2% in 2015 (previous year: 44.2%).

The **Live Entertainment segment** generated very good performance due to attractive live events and major tours as well as renowned festivals like 'ROCK IM PARK' and 'ROCK AM RING'. Revenue increased by EUR 83.964 million (+29.7%) to EUR 366.379 million compared to EUR 282.415 million in the previous year.

## GROSS PROFIT

As at 30 September 2015, the gross profit of the **CTS Group** increased by 17.4% to EUR 167.714 million. Due to a rise in the proportion of the Group's gross profit attributable to the lower-margin Live Entertainment segment, the consolidated gross margin was negatively impacted and fell from 30.4% to 29.0%.

In the **Ticketing segment**, the gross margin increased in the first nine months 2015 from 55.7% to 56.3%. The gross margin is negatively affected by the newly consolidated subsidiaries with currently lower earnings contributions and higher personnel expenses related to ongoing internationalisation and technological development.

In the **Live Entertainment segment**, the gross margin was slightly above previous year's level with 12.7% (previous year: 12.6%).

## NON-RECURRING ITEMS

Non-recurring items in the Ticketing segment caused a temporary drop of EUR 256 thousand (previous year: EUR 1.047 million) in **CTS Group** earnings due to planned and completed acquisitions.

## NORMALISED EBITDA / EBITDA

Normalised EBITDA in the **CTS Group** increased by EUR 16.169 million, or 17.8%, to EUR 107.159 million (previous year: EUR 90.990 million). This EUR 16.169 million growth in normalised EBITDA breaks down into EUR 7.562 million in the Ticketing segment and EUR 8.607 million in the Live Entertainment segment. The normalised EBITDA margin was 18.6% (previous year: 19.4%). Due to a rise in the proportion of the Group's normalised EBITDA attributable to the lower-margin Live Entertainment segment, the normalised EBITDA margin was negatively impacted. Foreign subsidiaries accounted for 24.9% of normalised EBITDA up from 22.6% in the previous year.

EBITDA in the CTS Group increased by EUR 16.961 million, or 18.9%, to EUR 106.903 million (previous year: EUR 89.942 million). The EBITDA margin fell to 18.5 % (previous year: 19.2%).

Normalised EBITDA in the **Ticketing segment** increased by EUR 7.562 million (+11.1%) to EUR 75.598 million (previous year: EUR 68.036 million). The ticket volume growth on the Internet both national and international contributed to this increase in earnings organically and through acquisitions. In addition, higher income from currency conversions had a positive effect on earnings. The counteracting effect was a lack of earnings from settled Sochi project in 2014 and a lack of income from the purchase price allocation (lucky buy arising from favourable purchase prices) of acquisitions incurred in the same period. The normalised EBITDA margin thus decreased slightly to 35.1% (previous year: 35.3%). Foreign subsidiaries accounted for 29.8% of normalised EBITDA in the Ticketing segment in the current reporting period, up from 28.0% in the previous year.

EBITDA in the Ticketing segment increased by 12.5%, from EUR 66.988 million in the previous year to EUR 75.342 million. The EBITDA margin increased to 35.0% compared to the previous year 34.8%. Foreign subsidiaries accounted for 29.9% of EBITDA in the current reporting period, up from 26.8% in the previous year.

In the **Live Entertainment segment**, EBITDA increased by EUR 8.607 million, from EUR 22.954 million to EUR 31.561 million due to the positive earnings contributions of successful events, major tours and festivals. The EBITDA margin for the first nine months of 2015 was 8.6% (previous year: 8.1%).

## NORMALISED EBIT BEFORE AMORTISATION FROM PURCHASE PRICE ALLOCATION / EBIT

In the first nine months of 2015, normalised EBIT before amortisation from purchase price allocation in the **CTS Group** increased by 18.7% from EUR 78.739 million to EUR 93.465 million. The normalised EBIT margin before amortisation from purchase price allocation was 16.2% (previous year: 16.8%).

At EUR 84.733 million, CTS Group EBIT is up 21.8% compared to the previous year (EUR 69.564 million). The EBIT margin at 14.7% was slightly below previous year's level (14.8%).

Total depreciation and amortisation within the CTS Group amounted to EUR 22.170 million (previous year: EUR 20.378 million) and includes amortisation from purchase price allocation of EUR 8.476 million (previous year: EUR 8.128 million) as well as amortisation from ticket distribution rights, software development services of the ticket distribution software and property, plant and equipment of EUR 13.694 million (previous year: EUR 12.250 million).

In the **Ticketing segment**, normalised EBIT before amortisation from purchase price allocation rose by 10.5%, from EUR 57.382 million to EUR 63.387 million. The normalised EBIT margin before amortisation from purchase price allocation was 29.4% (previous year: 29.8%).

EBIT improved by EUR 6.439 million, from EUR 48.600 million in the previous year to EUR 55.039 million (+13.3%). The EBIT margin rose to 25.6%, compared to 25.2% in the previous year.

The **Live Entertainment segment** achieved normalised EBIT before amortisation from purchase price allocation of EUR 30.078 million, compared to EUR 21.357 million in the previous year. The normalised EBIT margin was 8.2% (previous year: 7.6%).

EBIT improved from EUR 20.964 million in the previous year to EUR 29.694 million (+41.6%) and the EBIT margin to 8.1% from 7.4% in the previous year.

## FINANCIAL RESULT

At EUR -3.158 million (previous year: EUR -2.924 million), the financial result mainly includes EUR 873 thousand in financial income (previous year: EUR 1.306 million), EUR 4.036 million in financial expenses (previous year: EUR 5.101 million) as well as EUR -12 thousand in income from investments in associates accounted for at equity (previous year: EUR 846 thousand).

The change in the financial result was mainly due to lower results from investments in associates accounted for at equity and lower expenses for financing acquisitions as well as lower other expenses for finance costs.

## EARNINGS BEFORE TAX (EBT) / CONSOLIDATED NET INCOME

As at 30 September 2015, earnings before tax (EBT) increased from EUR 66.641 million in the previous year to EUR 81.575 million. After the deduction of taxes and non-controlling interest, consolidated net income after non-controlling interest amounted to EUR 46.940 million (previous year: EUR 40.089 million). Earnings per share (EPS) amounted in the first nine months 2015 to EUR 0.49 (previous year: EUR 0.42).

## PERSONNEL

On average, CTS Group companies employed 2.144 employees in the consolidation period, including 360 temporary employees (previous year: 2.026, including 324 temporary employees), 1.549 of which in the Ticketing segment (previous year: 1.484 employees) and 595 of which in the Live Entertainment segment (previous year: 542 employees). Personnel expenses increased to EUR 76.586 million (previous year: EUR 66.380 million; +15.4%). Of the increase in personnel expenses, the Ticketing segment accounts for EUR 8.381 million and the Live Entertainment segment accounts for EUR 1.825 million.

The increase in the Ticketing segment is due to the expansion in the number of consolidated companies and higher personnel costs related to the increased internationalisation and technological progress of the Group. The increase in the Live Entertainment segment results primarily from the structural organization and temporary staff of the Lanxess Arena and Arena Berlin.

## FINANCIAL POSITION

The main changes in **ASSETS** were reductions in cash and cash equivalents (EUR -188.688 million), receivables from income tax (EUR -4.048 million) and intangible assets (EUR -3.272 million). These decreases were mainly offset by an increase in goodwill (EUR +6.972 million).

**Cash and cash equivalents** in the CTS Group declined by EUR 188.688 million to EUR 317.154 million. The cash outflow in the first nine months of 2015 mainly results from seasonal reduction of ticket monies paid in the Ticketing segment and to the realisation and settlement of events in the Live Entertainment segment. Furthermore, the dividend payment to shareholders in the second quarter 2015 and the repayments of loans result to additional cash outflows.

Cash and cash equivalents of EUR 317.154 million as at 30 September 2015 (31 December 2014: EUR 505.842) include ticket monies from presales for events in subsequent quarters (ticket monies not yet invoiced in the Ticketing segment), which are reported under current other financial liabilities as at EUR 142.262 million (31 December 2014: EUR 251.515 million); furthermore, current other financial assets include receivables from ticket monies from presales in the Ticketing segment (EUR 34.272 million; 31 December 2014: EUR 52.515 million).

**Receivables from income tax** (EUR -4.048 million) declined mainly as a result of tax refunds for previous years.

The EUR 3.272 million decrease in **intangible assets** was mainly the result of scheduled depreciation for recognised assets in the context of purchase price allocations like ticketing distribution rights, customer base and trademark.

The EUR 6.972 million increase in **goodwill** was mainly the result of currency translation effects associated with the goodwill in Swiss franc as at the closing date of 30 September 2015.

The main changes on the **SHAREHOLDERS' EQUITY AND LIABILITIES SIDE** were decreases in advance payments received (EUR -79.387 million), current other financial liabilities (EUR -111.131 million), current other non-financial liabilities (EUR -7.803 million) and medium- and long-term financial liabilities (EUR -8.698 million). These decreases were mainly offset by an increase in tax provisions (EUR +9.203 million) and shareholders' equity (EUR +13.911 million).

The EUR 79.387 million decline in **advance payments received** is mainly due to events held in the Live Entertainment segment. Advance payments received in the Live Entertainment segment are transferred to revenue when the respective events have taken place.

**Tax provisions** increased by EUR 9.203 million primarily due to positive business operations.

The EUR -111.131 million change in current **other financial liabilities** is primarily a result of a reduction in liabilities from ticket monies not yet invoiced in the Ticketing segment (EUR -109.253 million). Usually, liabilities from ticket monies not yet invoiced tend to rise towards the end of the year due to the seasonally strong fourth quarter, and these liabilities are then reduced over the course of the following year, when the events are held and invoiced.

The change in current **other non-financial liabilities** (EUR -7.803 million) mainly results from lower Group VAT liabilities.

The reduction in **medium- and long-term financial liabilities** (EUR -8.698 million) mainly results from the timely reclassification in short-term financial liabilities.

**Shareholders' equity** rose by EUR 13.911 million to EUR 314.191 million, mainly as a result of the positive net income after non-controlling interest in the reporting period of EUR 46.940 million and a rise in non-controlling interest of EUR 4.299 million, which was largely attributable to non-controlling interest in the operating result in the Live Entertainment segment. The dividend distribution of EUR 38.397 million had a negative impact on shareholders' equity in the second quarter of 2015. The equity ratio (shareholders' equity / balance sheet total) increased from 27.3% to 34.5%.

## 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 closing date of 30 September 2014, the volume of cash and cash equivalents increased by EUR 27.995 million to EUR 317.154 million.

**Cash flow from operating activities** fell year-on-year by EUR -104.325 million, from EUR -11.372 million to EUR -115.697 million.

The year-on-year decline in cash flow from operating activities was mainly the result of the change in liabilities (EUR -137.294 million). This was mainly offset by positive cash flows from the increase in net income after non-controlling interest (EUR +6.851 million), paid income taxes (EUR +7.422 million) and payments on account (EUR +9.967 million) primarily in the Live Entertainment segment.

The negative cash flow effect due to the change in **liabilities** (EUR -137.294 million) mainly results from higher payments of liabilities from ticket monies that have not yet been invoiced in the Ticketing segment and a higher reduction of advance payments received in the Live Entertainment segment. In the fourth quarter of 2014, the presales for major tours in 2015 resulted in significant cash inflows from ticket monies in both segments (higher ticket liabilities in the Ticketing segment and higher advance payments received mainly in the Live Entertainment segment).

As at 31 December, owing to the seasonally very high level of ticket presales in the fourth quarter, there is usually a large amount of liabilities for ticket monies not yet invoiced in the Ticketing segment, which leads to cash outflows of ticket monies to promoters over the course of the following year due to many events being held and invoiced.

In the Live Entertainment segment, ticket revenue generated in the presale 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.

The EUR 7.422 million decline in **paid income taxes** mainly results from lower subsequent tax payments for the previous years as well as reduced tax prepayments for the current business year.

The positive cash flow effect of EUR 9.967 million from changes in **payments on account** is the result of a decrease in production cost payments for future events held after the balance sheet date in the Live Entertainment segment.

Negative **cash flow from investing activities** decreased year-on-year by EUR 30.002 million to EUR -18.199 million. The reduction in cash outflows was primarily due to lower investments in property, plant and equipment. Furthermore, lower payments in connection with the acquisition of shares of newly acquired companies were made in the reporting period.

Negative **cash flow from financing activities** increased year-on-year by EUR -32.475 million to EUR -60.206 million. The negative change in cash flow from financing activities mainly relates to lower financial loans taken out (EUR -10.000 million) and higher redemptions of financing loans (EUR -13.714 million). Furthermore, higher dividend payments (EUR -7.679 million) had a negative cash flow effect in the reporting period.

The **net increase in cash and cash equivalents due to currency translation** of EUR 4.891 million resulted in a positive cash flow effect due to the appreciation of the Swiss franc.

With its current funds, the CTS Group is able to meet its financial commitments and to finance its planned investments within ongoing operations from its own funds.

## 2. EVENTS AFTER THE BALANCE SHEET DATE

On 30 October 2015, CTS KGaA redeemed the existing syndicated credit line (revolving credit facility) of EUR 105 million and, by expanding the existing number of banks, agreed on a new syndicated credit line (revolving credit facility) of EUR 200 million with a term of five to no more than seven years (two-year term option) on the same date.

## 3. CORPORATE GOVERNANCE DECLARATION

The executive bodies of CTS KGaA are guided in their actions by the principles of responsible and good corporate governance. The Management Board of EVENTIM Management AG 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 [www.eventim.de](http://www.eventim.de).

## 4. REPORT ON EXPECTED FUTURE DEVELOPMENT

In its autumn forecast, the European Commission anticipates that the Eurozone's macroeconomic recovery will continue for the third consecutive year. The European Commission expects gross domestic product (GDP) growth of 1.6% in 2015 and of 1.8% in 2016. The European economy is therefore growing slowly but steadily. Positive factors include exports, which are benefiting from the weak Euro, and consumer buying power, which is being supported by low oil prices. It can be assumed that there will not be a noticeable increase in oil prices in 2016, as there is not likely to be a supply shortage in the short term. The ifo-Institut, located in Munich, Germany, also anticipates subdued recovery in the Eurozone.

The major European economies are experiencing reserved but positive development. On this basis, the European Commission anticipates growth of 1.7% for Germany, 1.1% for France and 0.9% for Italy. The global economy is also providing encouraging signals. In a current study by the International Monetary Fund, growth of 3.1% is expected for 2015. The development of unemployment figures in Europe also gives reason for optimism. Following the 11% unemployment rate in the Eurozone in 2015, the European Commission forecasts a slight decline to 10.6% in 2016. Unemployment figures, however, vary considerably among the member states. While Greece and Spain are struggling with unemployment rates of over 20%, Germany, by comparison, is well positioned with an unemployment rate of 5%.

Another positive factor is the consistently low inflation rate in the Eurozone, which is only likely to increase slightly in the coming year; the European Commission anticipates an inflation rate of 1.0%. The Bundesbank, on the other hand, expects a moderate increase in consumer prices of 1.9% in the coming year. The measures concluded by the European Central Bank in the recent past, which include sinking the interest rate to 0.05% and again purchasing credit packages and bonds, suggest that the European Central Bank more likely fears low inflation. Based on experience, the effects of these measures are likely to be only minor. In this respect, we anticipate a largely stable Euro environment next year. Stable domestic demand in Europe and the slight cooling of the Chinese economy are two further macroeconomic aspects that support the assumption that a radical change in central bank policy is unlikely.

The **CTS Group** is well positioned to continue on its successful growth course of the past years in the current financial year. The convincing results underscore the sustainability of the CTS Group's expansion strategy, which combines dynamic organic growth with acquisition opportunities in the international ticketing and live entertainment market. In the future, the CTS Group will remain open to acquisitions that are in line with our strategy. We have proven time and again in the past that we are capable of integrating acquisitions without difficulty.

Despite the unchanged major significance of the German market, we will enhance our expansion activities abroad. The successful ticketing for the 2016 Olympic Games in Rio de Janeiro, which is now under way, constitutes a first important step into the highly promising South American market. At the same time, we are constantly reviewing the possibility of additional acquisitions in Europe.

Expanding E-Commerce, which is still highly dynamic, remains the focus of the CTS Group's strategy in the **Ticketing segment**. Commerce activities are increasingly taking place online, which is an advantage for CTS EVENTIM as a technological leader. We are hard at work making the shopping experience easier and more attractive. This includes optimising our apps, which have been well received by fans. As a result, the EVENTIM apps for smartphone and tablets with iOS and Android are well established on the market.

In the future, we intend to increasingly use our unique expertise to create solutions that enable promoters to use their data in a much more precise and comprehensive manner. The optimised analysis of user data in particular can make it possible to realise more attractive offers for ticket buyers and to offer new services related to live events. In this context, CTS EVENTIM sees itself as a service provider and partner for promoters. With EVENTIM Analytics, the CTS Group already has a tool that can make marketing activities significantly more efficient. The importance of the 20,000 box offices across Europe will not be affected by this, as they remain an indispensable part of the CTS sales network. Our goal: All fans should be able to buy their tickets any way they want. The way has to be easy and reliable.

In the **Live Entertainment segment**, attractive events and major tours resulted in positive business development in the first nine months of 2015. This development was also supported by diversification, including new event formats and the operation of attractive venues. The large number of successful events during the reporting period leads us to expect positive annual results in the Live Entertainment segment. Within the context of future business strategy, we remain open to new trends and formats.

For the current financial year, the CTS Group is striving for further growth in the Ticketing and Live Entertainment segments, and considers itself extremely well positioned to achieve that. There are no significant changes in the reporting period compared to the information on the expected development of the CTS Group in the outlook of 2014 Annual Report.



## **5. RISK AND OPPORTUNITIES REPORT**

The existing risk management system ensures, that risk exposure is limited and manageable in the CTS Group. No risks are evident that could endanger the continuation of the Group as a going concern.

The statements made in the risk and opportunities report included in the 2014 Annual Report remain valid.

## **6. RELATED PARTY DISCLOSURES**

For disclosures on significant transactions with related parties, reference is made to item 9 in the selected notes.

Bremen, 25 November 2015

CTS EVENTIM AG & Co. KGaA,  
represented by:  
EVENTIM Management AG, the general partner

The Management Board

## 4. INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2015

### CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2015 (IFRS)

ASSETS	30.09.2015	31.12.2014
	[EUR]	[EUR]
<b>Current assets</b>		
Cash and cash equivalents	317,154,399	505,842,631
Trade receivables	28,900,208	30,902,736
Receivables from affiliated and associated companies accounted for at equity	5,359,876	3,210,780
Inventories	1,779,220	2,425,605
Payments on account	28,218,483	29,675,237
Receivables from income tax	6,437,399	10,485,425
Other financial assets	57,748,417	60,336,352
Other non-financial assets	14,647,916	13,618,949
<b>Total current assets</b>	<b>460,245,918</b>	<b>656,497,715</b>
<b>Non-current assets</b>		
Property, plant and equipment	21,649,162	22,048,978
Intangible assets	110,088,610	113,360,288 <sup>1</sup>
Investments	2,959,557	2,847,637
Investments in associates accounted for at equity	19,563,594	18,743,440
Loans	401,092	218,425
Trade receivables	29,333	21,733
Receivables from affiliated and associated companies accounted for at equity	2,784,910	2,667,946
Other financial assets	3,349,613	3,190,365
Other non-financial assets	26,132	46,882
Goodwill	277,733,020	270,761,170 <sup>1</sup>
Deferred tax assets	11,495,185	10,470,327 <sup>1</sup>
<b>Total non-current assets</b>	<b>450,080,208</b>	<b>444,377,191 <sup>1</sup></b>
<b>Total assets</b>	<b>910,326,126</b>	<b>1,100,874,906 <sup>1</sup></b>

<sup>1</sup> Adjusted prior-year figures due to the final purchase price allocation of Entradas Eventim S.A. (formerly: Entradas See Tickets S.A.), Madrid, CTS Eventim Nederland B.V. (formerly: See Tickets Nederland B.V.), Amsterdam, and the Italian ticketing business 'Listicket'

<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>30.09.2015</b>	<b>31.12.2014</b>
	<b>[EUR]</b>	<b>[EUR]</b>
<b>Current liabilities</b>		
Short-term financial liabilities	75,617,292	77,837,293
Trade payables	70,886,656	73,051,696
Payables to affiliated and associated companies accounted for at equity	104,025	1,614,716
Advance payments received	111,594,581	190,981,571
Other provisions	3,438,537	3,594,752
Tax provisions	34,400,109	25,196,613
Other financial liabilities	147,698,343	258,828,996
Other non-financial liabilities	38,916,521	46,719,151
<b>Total current liabilities</b>	<b>482,656,064</b>	<b>677,824,788</b>
<b>Non-current liabilities</b>		
Medium- and long-term financial liabilities	89,032,634	97,730,656
Other financial liabilities	318,091	145,786
Other non-financial liabilities	0	74,490
Pension provisions	10,344,438	8,345,582
Deferred tax liabilities	13,783,443	16,473,016 <sup>1</sup>
<b>Total non-current liabilities</b>	<b>113,478,606</b>	<b>122,769,530 <sup>1</sup></b>
<b>Shareholders' equity</b>		
Share capital	96,000,000	96,000,000
Capital reserve	1,890,047	1,890,047
Statutory reserve	5,218,393	5,218,393
Retained earnings	185,885,329	178,101,492 <sup>1</sup>
Treasury stock	-52,070	-52,070
Non-controlling interest	23,153,824	18,854,562 <sup>1</sup>
Other comprehensive income	-2,409,534	-1,920,518
Currency differences	4,505,467	2,188,682
<b>Total shareholders' equity</b>	<b>314,191,456</b>	<b>300,280,588 <sup>1</sup></b>
<b>Total shareholders' equity and liabilities</b>	<b>910,326,126</b>	<b>1,100,874,906 <sup>1</sup></b>

<sup>1</sup> Adjusted prior-year figures due to the final purchase price allocation of Entradas Eventim S.A. (formerly: Entradas See Tickets S.A.), Madrid, CTS Eventim Nederland B.V. (formerly: See Tickets Nederland B.V.), Amsterdam, and the Italian ticketing business 'Listicket'

**CONSOLIDATED INCOME STATEMENT FOR THE PERIOD  
FROM 1 JANUARY TO 30 SEPTEMBER 2015 (IFRS)**

	01.01.2015 - 30.09.2015	01.01.2014 - 30.09.2014	Change
	[EUR]	[EUR]	[EUR]
Revenue	577,531,375	469,336,842	108,194,533
Cost of sales	-409,817,787	-326,443,597 <sup>1</sup>	-83,374,190
<b>Gross profit</b>	<b>167,713,588</b>	<b>142,893,245 <sup>1</sup></b>	<b>24,820,343</b>
Selling expenses	-53,459,044	-45,174,011 <sup>1</sup>	-8,285,033
General administrative expenses	-35,930,556	-29,808,587 <sup>1</sup>	-6,121,969
Other operating income	12,946,486	11,452,315 <sup>1</sup>	1,494,171
Other operating expenses	-6,537,675	-9,799,013	3,261,338
<b>Operating profit (EBIT)</b>	<b>84,732,799</b>	<b>69,563,949 <sup>1</sup></b>	<b>15,168,850</b>
Income / expenses from participations	16,532	26,008	-9,476
Income / expenses from investments in associated companies accounted for at equity	-11,844	846,197	-858,041
Financial income	873,205	1,305,668	-432,463
Financial expenses	-4,035,821	-5,101,196	1,065,375
<b>Income before tax (EBT)</b>	<b>81,574,871</b>	<b>66,640,626 <sup>1</sup></b>	<b>14,934,245</b>
Taxes	-26,010,956	-20,723,533 <sup>1</sup>	-5,287,423
<b>Net income before non-controlling interest</b>	<b>55,563,915</b>	<b>45,917,093 <sup>1</sup></b>	<b>9,646,822</b>
Thereof attributable to non-controlling interest	-8,623,496	-5,828,425 <sup>1</sup>	-2,795,071
<b>Net income after non-controlling interest</b>	<b>46,940,419</b>	<b>40,088,668 <sup>1</sup></b>	<b>6,851,751</b>
Earnings per share (in EUR); undiluted (= diluted)	0.49	0.42 <sup>1</sup>	
Average number of shares in circulation; undiluted (= diluted)	96 million	96 million	

<sup>1</sup> Adjusted prior-year figures due to the final purchase price allocation of Entradas Eventim S.A. (formerly: Entradas See Tickets S.A.), Madrid, CTS Eventim Nederland B.V. (formerly: See Tickets Nederland B.V.), Amsterdam, and the Italian ticketing business 'Listicket'

**CONSOLIDATED INCOME STATEMENT FOR THE PERIOD  
FROM 1 JULY TO 30 SEPTEMBER 2015 (IFRS)**

	<b>01.07.2015 - 30.09.2015</b>	<b>01.07.2014 - 30.09.2014</b>	<b>Change</b>
	<b>[EUR]</b>	<b>[EUR]</b>	<b>[EUR]</b>
Revenue	157,821,622	129,808,160	28,013,462
Cost of sales	-108,609,445	-87,430,577 <sup>1</sup>	-21,178,868
<b>Gross profit</b>	<b>49,212,177</b>	<b>42,377,583 <sup>1</sup></b>	<b>6,834,594</b>
Selling expenses	-18,099,012	-14,779,006 <sup>1</sup>	-3,320,006
General administrative expenses	-11,724,927	-9,479,391 <sup>1</sup>	-2,245,536
Other operating income	2,553,188	2,763,461	-210,273
Other operating expenses	-1,570,584	-3,004,419	1,433,835
<b>Operating profit (EBIT)</b>	<b>20,370,842</b>	<b>17,878,228 <sup>1</sup></b>	<b>2,492,614</b>
Income / expenses from participations	876	10,000	-9,124
Income / expenses from investments in associated companies accounted for at equity	-704,967	-205,542	-499,425
Financial income	235,616	411,760	-176,144
Financial expenses	-1,425,242	-1,472,891	47,649
<b>Income before tax (EBT)</b>	<b>18,477,125</b>	<b>16,621,555 <sup>1</sup></b>	<b>1,855,570</b>
Taxes	-6,547,469	-5,704,737 <sup>1</sup>	-842,732
<b>Net income before non-controlling interest</b>	<b>11,929,656</b>	<b>10,916,818 <sup>1</sup></b>	<b>1,012,838</b>
Thereof attributable to non-controlling interest	-1,490,774	-1,660,228 <sup>1</sup>	169,454
<b>Net income after non-controlling interest</b>	<b>10,438,882</b>	<b>9,256,590 <sup>1</sup></b>	<b>1,182,292</b>
Earnings per share (in EUR); undiluted (= diluted)	0.11	0.10 <sup>1</sup>	
Average number of shares in circulation; undiluted (= diluted)	96 million	96 million	

<sup>1</sup> Adjusted prior-year figures due to the final purchase price allocation of Entradas Eventim S.A. (formerly: Entradas See Tickets S.A.), Madrid, CTS Eventim Nederland B.V. (formerly: See Tickets Nederland B.V.), Amsterdam, and the Italian ticketing business 'Listicket'

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD  
FROM 1 JANUARY TO 30 SEPTEMBER 2015 (IFRS)**

	01.01.2015 - 30.09.2015	01.01.2014 - 30.09.2014	Change
	[EUR]	[EUR]	[EUR]
Net income before non-controlling interest	55,563,915	45,917,093 <sup>1</sup>	9,646,822
Remeasurement of the net defined benefit obligation for pension plans	-1,128,996	-1,566,180	437,184
<b>Items that will not be reclassified to profit or loss</b>	<b>-1,128,996</b>	<b>-1,566,180</b>	<b>437,184</b>
Exchange differences on translating foreign subsidiaries	3,070,515	300,627	2,769,888
Available-for-sale financial assets	-318	-28,454	28,136
Cash flow hedges	21,943	-6,691	28,634
<b>Items that will be reclassified subsequently to profit or loss when specific conditions are met</b>	<b>3,092,140</b>	<b>265,482</b>	<b>2,826,658</b>
<b>Other results</b>	<b>1,963,144</b>	<b>-1,300,698</b>	<b>3,263,842</b>
<b>Total comprehensive income</b>	<b>57,527,059</b>	<b>44,616,395 <sup>1</sup></b>	<b>12,910,664</b>
<b>Total comprehensive income attributable to</b>			
Shareholders of CTS KGaA	48,768,191	39,193,584 <sup>1</sup>	
Non-controlling interest	8,758,868	5,422,811 <sup>1</sup>	

<sup>1</sup> Adjusted prior-year figures due to the final purchase price allocation of Entradas Eventim S.A. (formerly: Entradas See Tickets S.A.), Madrid, CTS Eventim Nederland B.V. (formerly: See Tickets Nederland B.V.), Amsterdam, and the Italian ticketing business 'Listicket'

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD  
FROM 1 JULY TO 30 SEPTEMBER 2015 (IFRS)**

	01.07.2015 - 30.09.2015	01.07.2014 - 30.09.2014	Change
	[EUR]	[EUR]	[EUR]
Net income before non-controlling interest	11,929,656	10,916,818 <sup>1</sup>	1,012,838
Remeasurement of the net defined benefit obligation for pension plans	209,577	-639,265	848,842
<b>Items that will not be reclassified to profit or loss</b>	<b>209,577</b>	<b>-639,265</b>	<b>848,842</b>
Exchange differences on translating foreign subsidiaries	-1,972,546	198,058	-2,170,604
Available-for-sale financial assets	-1,669	-10,140	8,471
Cash flow hedges	15,861	-11,449	27,310
<b>Items that will be reclassified subsequently to profit or loss when specific conditions are met</b>	<b>-1,958,354</b>	<b>176,469</b>	<b>-2,134,823</b>
<b>Other results</b>	<b>-1,748,777</b>	<b>-462,796</b>	<b>-1,285,981</b>
<b>Total comprehensive income</b>	<b>10,180,879</b>	<b>10,454,022 <sup>1</sup></b>	<b>-273,143</b>
<b>Total comprehensive income attributable to</b>			
Shareholders of CTS KGaA	8,955,679	8,947,325 <sup>1</sup>	
Non-controlling interest	1,225,200	1,506,697 <sup>1</sup>	

<sup>1</sup> Adjusted prior-year figures due to the final purchase price allocation of Entradas Eventim S.A. (formerly: Entradas See Tickets S.A.), Madrid, CTS Eventim Nederland B.V. (formerly: See Tickets Nederland B.V.), Amsterdam, and the Italian ticketing business 'Listicket'

## CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (IFRS)

	Share capital	Capital reserve	Statutory reserve	Retained earnings	Treasury stock	Non-controlling interest	Other comprehensive income	Currency differences	Total shareholders' equity
	[EUR]	[EUR]	[EUR]	[EUR]	[EUR]	[EUR]	[EUR]	[EUR]	[EUR]
<b>Status 01.01.2014</b>	<b>48,000,000</b>	<b>1,890,047</b>	<b>2,400,000</b>	<b>182,474,103</b>	<b>-52,070</b>	<b>17,306,982</b>	<b>-441,816</b>	<b>1,625,061</b>	<b>253,202,307</b>
Increase in share capital	48,000,000	0	0	-48,000,000	0	0	0	0	0
Dividends to non-controlling interest	0	0	0	0	0	-2,094,586	0	0	-2,094,586
Dividends to shareholders of CTS KGaA	0	0	0	-30,717,216	0	0	0	0	-30,717,216
Consolidated net income	0	0	0	40,088,668 <sup>1</sup>	0	5,828,425 <sup>1</sup>	0	0	45,917,093 <sup>1</sup>
Available-for-sale financial assets	0	0	0	0	0	0	-28,454	0	-28,454
Cash flow hedges	0	0	0	0	0	0	-6,691	0	-6,691
Foreign exchange differences	0	0	0	0	0	106,888	0	193,739	300,627
Remeasurement of the net defined benefit obligation for pension plans	0	0	0	0	0	-512,502	-1,053,678	0	-1,566,180
<b>Status 30.09.2014</b>	<b>96,000,000</b>	<b>1,890,047</b>	<b>2,400,000</b>	<b>143,845,555<sup>1</sup></b>	<b>-52,070</b>	<b>20,635,207<sup>1</sup></b>	<b>-1,530,639</b>	<b>1,818,800</b>	<b>265,006,900<sup>1</sup></b>
<b>Status 01.01.2015</b>	<b>96,000,000</b>	<b>1,890,047</b>	<b>5,218,393</b>	<b>178,101,492<sup>1</sup></b>	<b>-52,070</b>	<b>18,854,562<sup>1</sup></b>	<b>-1,920,518</b>	<b>2,188,682</b>	<b>300,280,588<sup>1</sup></b>
Change in the scope of consolidation	0	0	0	-760,062	0	-199,788	0	0	-959,850
Dividends to non-controlling interest	0	0	0	0	0	-4,259,821	0	0	-4,259,821
Dividends to shareholders of CTS KGaA	0	0	0	-38,396,520	0	0	0	0	-38,396,520
Consolidated net income	0	0	0	46,940,419	0	8,623,496	0	0	55,563,915
Available-for-sale financial assets	0	0	0	0	0	0	-318	0	-318
Cash flow hedges	0	0	0	0	0	0	21,943	0	21,943
Foreign exchange differences	0	0	0	0	0	753,730	0	2,316,785	3,070,515
Remeasurement of the net defined benefit obligation for pension plans	0	0	0	0	0	-618,355	-510,641	0	-1,128,996
<b>Status 30.09.2015</b>	<b>96,000,000</b>	<b>1,890,047</b>	<b>5,218,393</b>	<b>185,885,329</b>	<b>-52,070</b>	<b>23,153,824</b>	<b>-2,409,534</b>	<b>4,505,467</b>	<b>314,191,456</b>

<sup>1</sup> Adjusted prior-year figures due to the final purchase price allocation of Entradas Eventim S.A. (formerly: Entradas See Tickets S.A.), Madrid, CTS Eventim Nederland B.V. (formerly: See Tickets Nederland B.V.), Amsterdam, and the Italian ticketing business 'Listicket'



**CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD  
FROM 1 JANUARY TO 30 SEPTEMBER 2015 (IFRS) (SHORT FORM)**

	01.01.2015 - 30.09.2015	01.01.2014 - 30.09.2014	Change
	[EUR]	[EUR]	[EUR]
Net income after non-controlling interest	46,940,419	40,088,668 <sup>1</sup>	6,851,751
Non-controlling interest	8,623,496	5,828,425 <sup>1</sup>	2,795,071
Depreciation and amortisation on fixed assets	22,170,592	20,378,230 <sup>1</sup>	1,792,362
Changes in pension provisions	1,998,856	2,741,150	-742,294
Deferred tax income / expenses	-3,530,660	-1,627,395 <sup>1</sup>	-1,903,265
<b>Cash flow</b>	<b>76,202,703</b>	<b>67,409,078 <sup>1</sup></b>	<b>8,793,625</b>
Other non-cash transactions	-5,659	-3,510,634 <sup>1</sup>	3,504,975
Book profit / loss from disposal of fixed assets	3,078	1,664	1,414
Interest expenses / Interest income	2,600,763	3,054,096	-453,333
Income tax expenses	29,541,616	22,350,928	7,190,688
Interest received	710,405	1,083,836	-373,431
Interest paid	-2,446,066	-3,302,033	855,967
Income tax paid	-16,072,354	-23,494,234	7,421,880
Increase (-) / decrease (+) in inventories	651,155	434,356	216,799
Increase (-) / decrease (+) in payments on account	2,224,424	-7,742,139	9,966,563
Increase (-) / decrease (+) in receivables and other assets	-1,749,622	3,499,871 <sup>1</sup>	-5,249,493
Increase (+) / decrease (-) in provisions	-352,849	-1,446,612	1,093,763
Increase (+) / decrease (-) in liabilities	-207,004,556	-69,710,319 <sup>1</sup>	-137,294,237
<b>Cash flow from operating activities</b>	<b>-115,696,962</b>	<b>-11,372,142</b>	<b>-104,324,820</b>
<b>Cash flow from investing activities</b>	<b>-18,198,983</b>	<b>-47,995,457</b>	<b>29,796,474</b>
<b>Cash flow from financing activities</b>	<b>-60,206,369</b>	<b>-27,731,857</b>	<b>-32,474,512</b>
<b>Net increase / decrease in cash and cash equivalents</b>	<b>-194,102,314</b>	<b>-87,099,456</b>	<b>-107,002,858</b>
Net increase / decrease in cash and cash equivalents due to currency translation	5,414,082	523,304	4,890,778
Cash and cash equivalents at beginning of period	505,842,631	375,735,787	130,106,844
<b>Cash and cash equivalents at end of period</b>	<b>317,154,399</b>	<b>289,159,635</b>	<b>27,994,764</b>
<b>Composition of cash and cash equivalents</b>			
Cash and cash equivalents	317,154,399	289,159,635	27,994,764
<b>Cash and cash equivalents at end of period</b>	<b>317,154,399</b>	<b>289,159,635</b>	<b>27,994,764</b>

<sup>1</sup> Adjusted prior-year figures due to the final purchase price allocation of Entradas Eventim S.A. (formerly: Entradas See Tickets S.A.), Madrid, CTS Eventim Nederland B.V. (formerly: See Tickets Nederland B.V.), Amsterdam, and the Italian ticketing business 'Listicket'

## SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1. PRELIMINARY STATEMENTS

CTS EVENTIM AG & Co. KGaA (hereinafter: CTS KGaA) is a listed partnership limited by shares under German law with its registered office in Munich; the head office is located in Bremen. Shares in CTS KGaA are traded under securities code 547030 in the MDAX segment of the Frankfurt Stock Exchange.

This Group interim report of CTS KGaA and its subsidiaries for the first nine month of the 2015 financial year was approved for publication by resolution of the Management Board of EVENTIM Management AG on 25 November 2015.

### 2. REPORTING PRINCIPLES

The present, unaudited Group interim report as at 30 September 2015 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 2014 was chosen, as provided for in IAS 34. The Group interim report should be read in conjunction with the consolidated financial statements as at 31 December 2014. 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 consolidated income statement relate to the adjusted Group interim report as at 30 September 2014, and those in the balance sheet to the adjusted consolidated financial statements as at 31 December 2014. The final purchase price allocations of the Stage Entertainment Group ticketing companies in Spain and the Netherlands acquired at the beginning of March 2014 as well as the final purchase price allocation of the Italian ticketing business Listicket purchased in July 2014 caused adjustments to the comparative figures. Detailed explanations are provided in the purchase price allocations section 4.3 of the notes.

The seasonally strong business in the fourth quarter results in corresponding contributions to revenue and earnings in the Ticketing segment. The Live Entertainment segment generates the highest seasonal contribution to revenue in the second quarter based on the execution of events and festivals.

The balance sheet as at 30 September 2015 reports the items of other financial assets and other non-financial assets as well as other financial liabilities and other non-financial liabilities separately. On the balance sheet as at 31 December 2014, these balance sheet items are reported as other assets or other liabilities.

In the Group interim report, all amounts are subjected to commercial rounding; this may lead to minor deviations on addition.

### 3. NOTES CONCERNING ACCOUNTING PRINCIPLES AND METHODS

#### ACCOUNTING PRINCIPLES

The accounting principles and consolidation methods are the same as those applied in the consolidated financial statements as at 31 December 2014.

In accordance with IAS 32, contracts which obligate a company to purchase its own equity instruments are recognised as financial liabilities carried at the present value of the purchase price. This principle also applies when the obligation to purchase such instruments is conditional on the contractual partner exercising an option, and is independent of the probability of such option being exercised. In compliance with changes in international accounting practice, this principle is also applicable to the forward purchase of non-controlling shares and to put options granted to non-controlling interests in the CTS Group. In order to calculate the potential purchase price obligations, it was necessary to reclassify these non-controlling shares as liabilities instead of equity. In addition, goodwill is capitalised to the amount of difference between the present value of the liabilities and the carrying amount of the non-controlling shares, provided that the purchase price obligations resulting from put options are for a contractually agreed exercise price and all opportunities and risks deriving from the put option are kept within the CTS Group. The change in the present value of purchase price obligations in respect of put options is recorded in the financial result.

The CTS Group has applied all relevant accounting standards adopted by the EU and effective for the periods beginning on or after 1 January 2015.

As at 1 January 2015 amendments within the Annual Improvements Process 2011-2013 to IFRS 1, IFRS 3, IFRS 13 and IAS 40 and amendments as at 1 February 2015 to IAS 19 and within the Annual Improvement Process 2010-2012 to IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 24, IAS 38 came into force. Furthermore, IFRIC 21 is applicable to financial years beginning on or after 17 June 2014. IFRIC 21 regulates accounting for levies imposed by governments that are not covered by IAS 12 "Income Taxes" or fines and other penalties based on legal infringements. In particular, it clarifies the circumstances in which a liability for a levy is to be recognised in the financial statements. These accounting standards and interpretation applicable for the first time in the 2015 financial year have no significant impact on the financial position, cash flow and earnings performance of the CTS Group.

The derivation method for interest rates used for the calculation of pension provisions in the Eurozone was changed. While bonds were previously based on Bloomberg indices, calculations are now being based on data from Thomson Reuter's Datastream. This change does not have any significant impact on pension provisions.

## **4. BUSINESS COMBINATIONS AND JOINT VENTURES**

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

### **4.1 BUSINESS COMBINATIONS IN THE TICKETING SEGMENT**

#### **CHANGES IN THE SCOPE OF CONSOLIDATION**

The following changes occurred in the scope of consolidation in the reporting period and/or in relation to 30 September 2014 closing date:

The merger of CTS Eventim Nederland B.V., Amsterdam, with See Tickets Nederland B.V., Amsterdam, and the name change from See Tickets Nederland B.V. to CTS Eventim Nederland B.V. took effect as at 15 December 2014, when the relevant entry was made in the commercial register.

The name change from Entradas See Tickets S.A., Madrid, to Entradas Eventim S.A., Madrid, took effect as at 10 April 2015, when the entry was made in the commercial register.

With a purchase agreement concluded on 23 July 2015 CTS KGaA acquired 51% of the shares in kinoheld GmbH, Munich, (hereinafter: kinoheld) at a purchase price of EUR 650 thousand. Purpose of the company is the sale of cinema tickets, concession items, the software required to sell cinema tickets and the development of such software, as well as online marketing and online publishing.

## **4.2 BUSINESS COMBINATIONS AND JOINT VENTURES IN THE LIVE ENTERTAINMENT SEGMENT**

### **CHANGES IN THE SCOPE OF CONSOLIDATION**

The following changes occurred in the scope of consolidation in the reporting period and/or in relation to 30 September 2014 closing date:

The name change from Semmelconcerts GmbH Veranstaltungsservice, Bayreuth, to Semmel Concerts Entertainment GmbH, Bayreuth, took effect as at 1 April 2015, when the entry was made in the commercial register.

### **INVESTMENTS IN ASSOCIATES ACCOUNTED FOR AT EQUITY**

On 2 October 2014, MEDUSA Music Group GmbH, Bremen, acquired a 50% stake in SETP/HOI Holding B.V., Amsterdam. This is a joint venture with Stage Entertainment B.V., Amsterdam.

By virtue of articles of incorporation dated 22 December 2014, Stargarage AG based in Olten, Switzerland, was established. The Group company Show-Factory Entertainment GmbH, Bregenz, Austria, holds 50% of the shares in this company. The objects of the company are the booking/agency and management of artists, marketing for artists and events.

### 4.3 PURCHASE PRICE ALLOCATIONS

#### PROVISIONAL PURCHASE PRICE ALLOCATION OF KINOHELD

Since its initial consolidation at the end of July 2015, kinoheld contributed with EUR 89 thousand to revenue and with EUR -45 thousand to Group earnings. Cash equivalents of EUR 34 thousand were taken over in the course of acquisition of this company.

Based on the provisional purchase price allocation, the following table shows the fair values at the time of initial consolidation of kinoheld:

	Fair value at the time of initial consolidation - provisional purchase price allocation - [EUR'000]
Cash and cash equivalents	34
Trade receivables	84
Other assets	86
Accrued expenses	7
<b>Total current assets</b>	<b>211</b>
Property, plant and equipment	2
Intangible assets	146
<b>Total non-current assets</b>	<b>148</b>
Trade payables	-353
Other liabilities	-376
<b>Total current liabilities</b>	<b>-729</b>
Deferred tax liabilities	-38
<b>Total non-current liabilities</b>	<b>-38</b>
<b>Total net assets</b>	<b>-408</b>

Assets and liabilities were recognised at the fair value in the provisional purchase price allocation. At the time of initial consolidation, an intangible asset (trademark) was recognised at a fair value of EUR 121 thousand. Deferred tax liabilities of EUR 38 thousand were recorded on the temporary difference arising from the remeasurement of the intangible asset.

As at 30 September 2015 the purchase price allocation is still provisional because investigations regarding intangible assets and the assessment of legal aspects are still pending. The fair value of the assets and liabilities will be conclusively determined within the first twelve month of the acquisition.

The present value of trade receivables amounted to EUR 84 thousand and the present value of other assets amounted to EUR 86 thousand, there were no allowances for bad debts.

The following table shows the reconciliation of consideration transferred as at initial consolidation:

	[EUR'000]
Consideration transferred	650
Cash and cash equivalents	34
Trade receivables	84
Other assets	86
Accrued expenses	7
Property, plant and equipment	2
Intangible assets	146
Trade payables	-353
Other liabilities	-376
Deferred tax liabilities	-38
<b>Total net assets / shareholders' equity</b>	<b>-408</b>
<b>51% of net assets</b>	<b>-208</b>
Goodwill	858

The difference between the consideration transferred (EUR 650 thousand) and the share in net assets (EUR -208 thousand) was allocated to goodwill (EUR 858 thousand) and mainly reflects future synergy effects and growth potentials. The amount of non-controlling interest (49%) of the net assets amounted to EUR 200 thousand as at initial consolidation.

The CTS KGaA acquired in the first step 51% of the shares in kinoheld. In 2018, the CTS KGaA will take over the remaining 49% stake to a performance-related purchase price. The accounting for the purchase price for the 49% stake is regulated in accordance with IFRS 10 in conjunction with IAS 32 and IAS 39. At the reporting date, the purchase price obligation is accounted for at the present value of EUR 760 thousand.

If kinoheld had been acquired at the beginning of the year 2015, the company would have contributed EUR 244 thousand to revenues and EUR -201 thousand to earnings in the Ticketing segment.

#### **FINAL PURCHASE PRICE ALLOCATION OF THE CTS EVENTIM NEDERLAND B.V., ENTRADAS EVENTIM S.A., CTS EVENTIM FRANCE S.A.S. AND LISTICKET**

As at 6 March 2015, and in accordance with IFRS 3.45, the purchase price allocations relating to the acquisition of CTS Eventim Nederland B.V., Entradas Eventim S.A. and CTS Eventim France S.A.S., were finally completed within the stipulated 12-month period. As at 16 July 2015, the purchase price allocation relating to the Italian ticketing business Listicket was also finally completed within the stipulated 12-month period. According to IFRS 3.49, corrections to the provisional fair values must be reported as if the accounting for the business combination was completed at the date of acquisition. Comparative information for the reporting periods prior to completion of accounting for the business combination must be presented as if the purchase price allocation had already been completed, and subsequently revised if necessary.

No adjustments needed to be made in respect of the purchase price allocation for the CTS Eventim France S.A.S. finally completed as at 6 March 2015. An overview of the fair values of the respective balance sheet positions as at initial consolidation is disclosed in the notes section of the Annual Report 2014.



The following adjustments were made within the final purchase price allocation of CTS Eventim Nederland B.V., Entradas Eventim S.A. and Listicket.

The following table shows the fair values at the time of initial consolidation after provisional and final purchase price allocation for **CTS Eventim Nederland B.V.**:

	Fair value at the time of initial consolidation - final purchase price allocation -	Fair value at the time of initial consolidation - provisional purchase price allocation -	Change
	[EUR'000]	[EUR'000]	[EUR'000]
Cash and cash equivalents	3,301	3,301	0
Inventories	46	46	0
Trade receivables	130	130	0
Other assets	6,385	6,385	0
Accrued expenses	623	623	0
<b>Total current assets</b>	<b>10,485</b>	<b>10,485</b>	<b>0</b>
Property, plant and equipment	665	665	0
Intangible assets	12,829	12,341	488
Deferred tax assets	1,832	1,832	0
<b>Total non-current assets</b>	<b>15,326</b>	<b>14,838</b>	<b>488</b>
Trade payables	2,773	2,773	0
Other liabilities	8,523	8,523	0
<b>Total current liabilities</b>	<b>11,296</b>	<b>11,296</b>	<b>0</b>
Deferred tax liabilities	3,055	2,933	122
<b>Total non-current liabilities</b>	<b>3,055</b>	<b>2,933</b>	<b>122</b>
<b>Total net assets</b>	<b>11,460</b>	<b>11,094</b>	<b>366</b>

Within the first twelve months after the company acquisition, a higher fair value of the transferred intangible assets (customer base) in the amount of EUR 488 thousand was determined as part of the final purchase price allocation. This led to a EUR 122 thousand increase in deferred tax liabilities. On the other hand, goodwill was reduced by EUR 366 thousand due to higher net assets.

The following table shows the fair values at the time of initial consolidation after provisional and final purchase price allocation for **Entradas Eventim S.A.**:

	Fair value at the time of initial consolidation - final purchase price allocation -	Fair value at the time of initial consolidation - provisional purchase price allocation -	Change
	[EUR'000]	[EUR'000]	[EUR'000]
Cash and cash equivalents	4,040	4,040	0
Inventories	83	83	0
Trade receivables	1,094	1,094	0
Receivables from affiliated companies	3	3	0
Other assets	158	158	0
Accrued expenses	107	107	0
<b>Total current assets</b>	<b>5,485</b>	<b>5,485</b>	<b>0</b>
Property, plant and equipment	596	596	0
Intangible assets	6,426	6,782	-356
Investments	32	32	0
Deferred tax assets	4,896	4,096	800
<b>Total non-current assets</b>	<b>11,950</b>	<b>11,506</b>	<b>444</b>
Trade payables	847	847	0
Payables to affiliated companies	3,837	3,837	0
Other liabilities	4,995	4,995	0
Deferred income	248	248	0
Other provisions	125	125	0
<b>Total current liabilities</b>	<b>10,052</b>	<b>10,052</b>	<b>0</b>
Deferred tax liabilities	1,461	1,568	-107
<b>Total non-current liabilities</b>	<b>1,461</b>	<b>1,568</b>	<b>-107</b>
<b>Total net assets</b>	<b>5,922</b>	<b>5,371</b>	<b>551</b>

Within the first twelve months after the company acquisition, a lower fair value of the transferred intangible assets (customer base) in the amount of EUR 356 thousand was determined as part of the final purchase price allocation. This led to a decrease in deferred tax liabilities of EUR 107 thousand. A higher realisable tax loss carry-forward and therefore higher deferred tax assets of EUR 800 thousand were determined as well. Accordingly, there was an increase in the lucky buy (favourable purchase price) that had to be reported as other operating income of EUR 551 thousand in the first quarter of 2014 retroactively.

The following table shows the fair values at the time of initial consolidation after provisional and final purchase price allocation for **Listicket**:

	Fair value at the time of initial consolidation - final purchase price allocation -	Fair value at the time of initial consolidation - provisional purchase price allocation -	Change
	[EUR'000]	[EUR'000]	[EUR'000]
Inventories	313	313	0
<b>Total current assets</b>	<b>313</b>	<b>313</b>	<b>0</b>
Property, plant and equipment	539	539	0
Intangible assets	3,188	3,812	-624
Deferred tax assets	436	0	436
<b>Total non-current assets</b>	<b>4,163</b>	<b>4,351</b>	<b>-188</b>
Other liabilities	160	160	0
<b>Total current liabilities</b>	<b>160</b>	<b>160</b>	<b>0</b>
Pension provisions	437	437	0
<b>Total non-current liabilities</b>	<b>437</b>	<b>437</b>	<b>0</b>
<b>Total net assets</b>	<b>3,879</b>	<b>4,067</b>	<b>-188</b>

As part of the final purchase price allocation a lower fair value of the intangible assets was determined. A final tax review of methods used for intangible assets in the tax balance sheet resulted in deferred tax liabilities which consequently changed the goodwill deductible in Italy and thus led to a final surplus of deferred tax assets of EUR 436 thousand.

## EFFECTS OF FINAL PURCHASE PRICE ALLOCATIONS ON THE CONSOLIDATED BALANCE SHEET AND INCOME STATEMENT

The comparative figures in the income statement as at 30 September 2014 and balance sheet as at 31 December 2014 of the CTS Group had to be adjusted on account of the final purchase price allocation of CTS Eventim Nederland B.V., Entradas Eventim S.A. and Listicket.

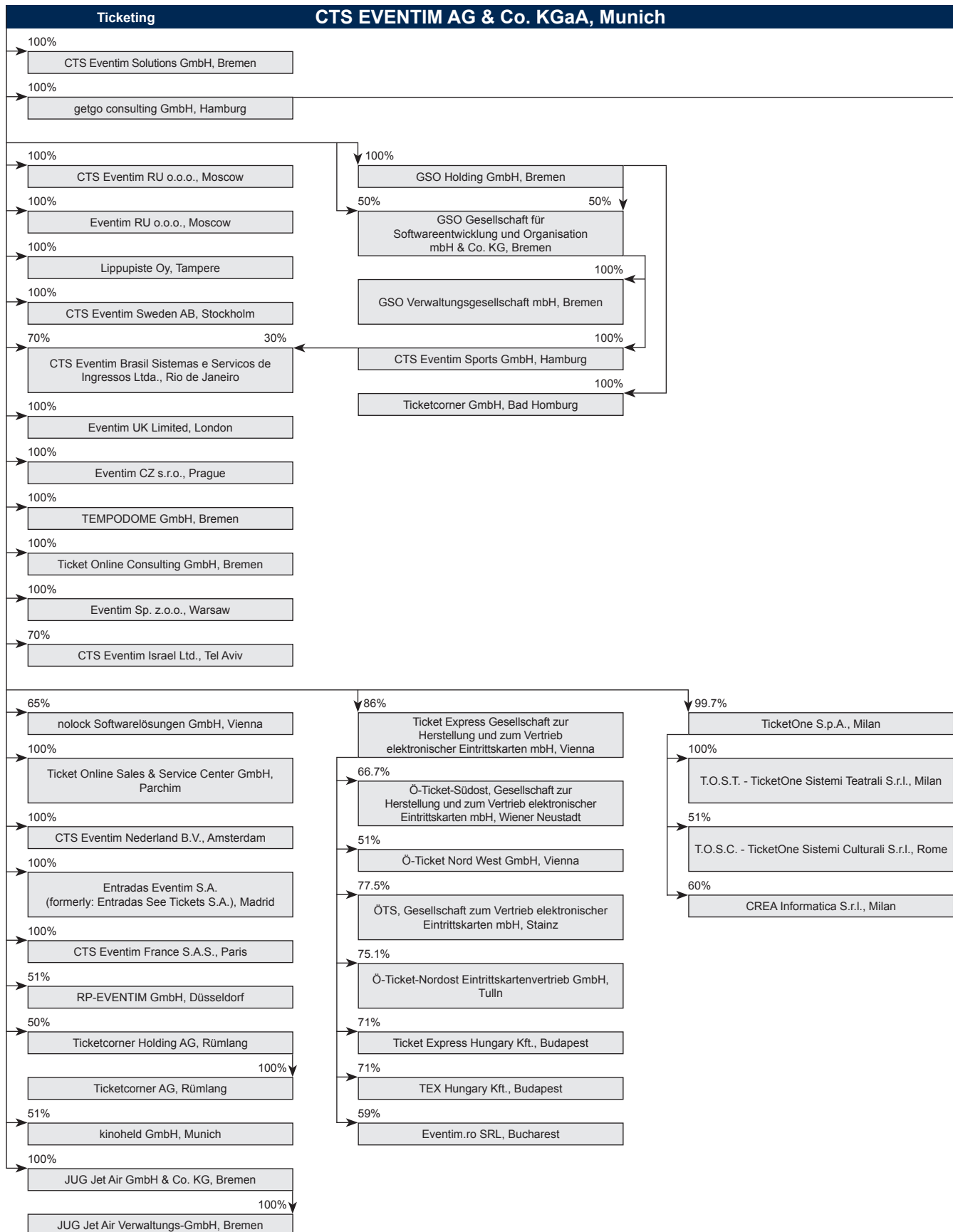
The following table provides an overview of the changes in the consolidated income statement as at 30 September 2014 as a result of the final purchase price allocation:

	Consolidated Income statement		Change [EUR'000]
	final purchase price allocation 30.09.2014 [EUR'000]	provisional purchase price allocation 30.09.2014 [EUR'000]	
Revenue	469,337	469,337	0
Other operating income	11,452	10,901	551
EBITDA	89,942	89,391	551
EBIT	69,564	68,940	624
Taxes	-20,724	-20,635	-89
Non-controlling interests	-5,828	-5,829	1
Net income after non-controlling interest	40,089	39,552	537

The following table provides an overview of the changes in the consolidated balance sheet as at 31 December 2014 as a result of the final purchase price allocation:

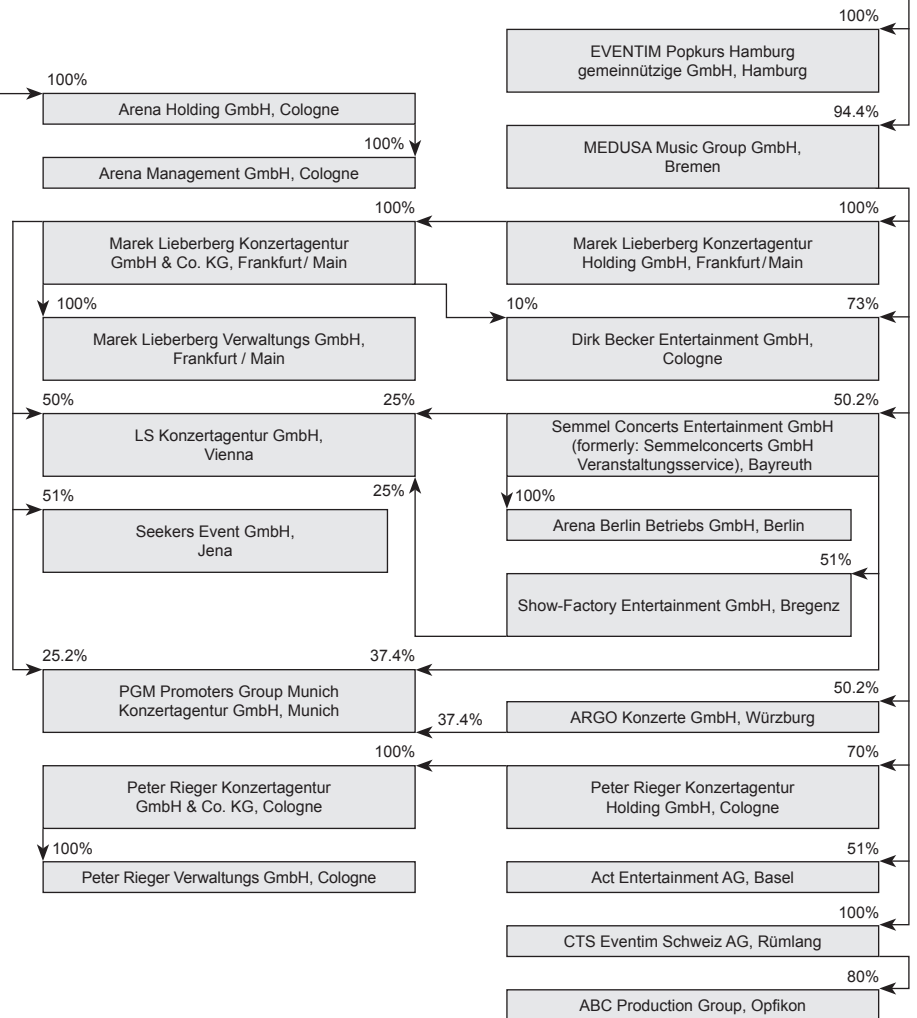
<b>Consolidated Balance Sheet</b>			
	<b>final purchase price allocation 31.12.2014</b>	<b>provisional purchase price allocation 31.12.2014</b>	<b>Change</b>
	<b>[EUR'000]</b>	<b>[EUR'000]</b>	<b>[EUR'000]</b>
<b>ASSETS</b>			
Intangible assets	113,360	113,715	-355
Goodwill	270,761	270,940	-179
Deferred tax assets	10,470	9,355	1,115
			<b>581</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Deferred tax liabilities	16,473	16,377	96
Retained earnings	178,101	177,615	486
Non-controlling interests	18,854	18,855	-1
			<b>581</b>

The corporate structure as at 30 September 2015 is shown in the following table:



**CTS EVENTIM AG & Co. KGaA, Munich**

**Live Entertainment**



## 5. SELECTED NOTES TO THE CONSOLIDATED BALANCE SHEET

**Cash and cash equivalents** in the CTS Group declined by EUR 188.688 million to EUR 317.154 million. The cash outflow in the first nine months of 2015 mainly results from seasonal reduction of ticket monies paid in the Ticketing segment and to the realisation and settlement of events in the Live Entertainment segment. Furthermore, the dividend payment to shareholders in the second quarter 2015 and the repayments of loans result to additional cash outflows.

Cash and cash equivalents of EUR 317.154 million as at 30 September 2015 (31 December 2014: EUR 505.842) include ticket monies from presales for events in subsequent quarters (ticket monies not yet invoiced in the Ticketing segment), which are reported under current other financial liabilities as at EUR 142.262 million (31 December 2014: EUR 251.515 million); furthermore, current other financial assets include receivables from ticket monies from presales in the Ticketing segment (EUR 34.272 million; 31 December 2014: EUR 52.515 million).

The EUR 3.272 million decrease in **intangible assets** was mainly the result of scheduled depreciation for recognised assets in the context of purchase price allocations like ticketing distribution rights, customer base and trademark.

The EUR 6.972 million increase in **goodwill** was mainly the result of currency translation effects associated with the goodwill in Swiss franc as at the closing date of 30 September 2015.

The EUR 79.387 million decline in **advance payments received** is mainly due to events held in the Live Entertainment segment. Advance payments received in the Live Entertainment segment are transferred to revenue when the respective events have taken place.

The EUR -111.131 million change in current **other financial liabilities** is primarily a result of a reduction in liabilities from ticket monies not yet invoiced in the Ticketing segment (EUR -109.253 million). Usually, liabilities from ticket monies not yet invoiced tend to rise towards the end of the year due to the seasonally strong fourth quarter, and these liabilities are then reduced over the course of the following year, when the events are held and invoiced.

**Shareholders' equity** rose by EUR 13.911 million to EUR 314.191 million, mainly as a result of the positive net income after non-controlling interest in the reporting period of EUR 46.940 million and a rise in non-controlling interest of EUR 4.299 million, which was largely attributable to non-controlling interests in the operating result in the Live Entertainment segment. The dividend distribution of EUR 38.397 million had a negative impact on shareholders' equity in the second quarter of 2015. The equity ratio (shareholders' equity / balance sheet total) increased from 27.3% to 34.5%.



## 6. SELECTED NOTES TO THE CONSOLIDATED INCOME STATEMENT

### PROFIT REALISATION

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 presale 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.

### REVENUE

**CTS Group** generated revenue of EUR 577.531 million, compared to EUR 469.337 million in the previous year (+23.1%).

The **Ticketing segment** generated EUR 215.348 million in revenue (before consolidation between segments) compared to EUR 192.621 million in previous year. The share of revenue generated by foreign subsidiaries increased to 48.2% in 2015 (previous year: 44.2%).

Revenue in the **Live Entertainment segment** increased by EUR 83.964 million to EUR 366.379 million compared to EUR 282.415 million in the previous year.

### COST OF SALES

Cost of sales increased by EUR 83.374 million to EUR 409.818 million.

As at 30 September 2015, the gross profit of the **CTS Group** increased by 17.4% to EUR 167.714 million. Due to a rise in the proportion of the Group's gross profit attributable to the lower-margin Live Entertainment segment, the consolidated gross margin was negatively impacted and fell from 30.4% to 29.0%.

In the **Ticketing segment**, the gross margin increased in the first nine months 2015 from 55.7% to 56.3%.

In the **Live Entertainment segment**, the gross margin was slightly above previous year's level with 12.7% (previous year: 12.6%).

## **SELLING EXPENSES**

Selling expenses increased by EUR 8.285 million to EUR 53.459 million, which was mainly due to increased personnel and marketing expenses as well as the expansion in the number of consolidated companies in the Ticketing segment.

## **GENERAL ADMINISTRATIVE EXPENSES**

General administrative expenses increased by EUR 6.122 million to EUR 35.931 million. This increase was mainly attributable to higher personnel costs and the expansion in the number of consolidated companies in the Ticketing segment.

## **OTHER OPERATING INCOME**

Other operating income increased by EUR 1.494 million to EUR 12.946 million. Among other things, this was due to income from currency translation as at the balance sheet date of cash and cash equivalents and receivables/payables. Partly offset by a lack of income from purchase price allocations – a lucky buy arising from favourable purchase prices – of acquisitions in the same period last year.

## **OTHER OPERATING EXPENSES**

Other operating expenses decreased by EUR 3.261 million to EUR 6.538 million. This was due to, among other things, lacking project expenses from the settled Winter Olympics in Sochi in the same period.

## **FINANCIAL RESULT**

The financial result, at EUR -3.158 million (previous year: EUR -2.924 million) mainly includes EUR 873 thousand in financial income (previous year: EUR 1.306 million), EUR 4.036 million in financial expenses (previous year: EUR 5.101 million) as well as EUR -12 thousand in income from investments in associates accounted for at equity (previous year: EUR 846 thousand).

## **TAXES**

The increase in taxes from EUR 20.724 million by EUR 5.287 million to EUR 26.011 million resulted primarily from the positive business development, in contrast, deferred tax income from the reversal of deferred tax liabilities that have been formed as part of the purchase price allocation for intangible assets were recognised.

## **EARNINGS BEFORE TAX (EBT) / CONSOLIDATED NET INCOME**

As at 30 September 2015, earnings before tax (EBT) increased from EUR 66.641 million in the previous year to EUR 81.575 million. After the deduction of taxes and non-controlling interest, consolidated net income after non-controlling interest amounted to EUR 46.940 million (previous year: EUR 40.089 million). Earnings per share (EPS) amounted in the first nine months 2015 to EUR 0.49 (previous year: EUR 0.42).

## 7. ADDITIONAL DISCLOSURES ON FINANCIAL INSTRUMENTS

Carrying values, balance sheet values and fair values as at 30 September 2015 are shown in the following table according to measurement categories:

	Balance sheet value according to IAS 39					Fair value [EUR'000]
	Carrying value 30.09.2015 [EUR'000]	At amortised cost [EUR'000]	At fair value through profit and loss [EUR'000]	At fair value not through profit and loss [EUR'000]	Purchase cost [EUR'000]	
<b>ASSETS</b>						
Cash and cash equivalents	317,154	317,154				317,154
Trade receivables	28,930	28,930				28,887
Receivables from affiliated and associated companies accounted for at equity	8,145	8,145				8,129
Other original financial assets	52,336	52,336				52,561
Other original financial assets (at fair value not through profit and loss)	8,552			8,552		8,552
Other derivative financial assets (at fair value not through profit and loss)	91			91		91
Other derivative financial assets (at fair value through profit and loss)	119		119			119
Investments (held-to-maturity)	1,045	1,045				876
Investments (at amortised cost)	1,915				1,915	
Loans	401	401				429
<b>LIABILITIES</b>						
Short-term financial liabilities	75,617	75,617				76,821
Medium- and long-term financial liabilities	89,033	89,033				92,966
Trade payables	70,887	70,887				70,784
Payables to affiliated and associated companies accounted for at equity	104	104				104
Other original financial liabilities	147,825	147,825				147,611
Other derivative financial liabilities (at fair value not through profit and loss)	9			9		9
Other derivative financial liabilities (at fair value through profit and loss)	183		183			183
<b>Categories according to IAS 39:</b>						
Loans and receivables	406,966	406,966				407,160
Financial liabilities at amortised cost	383,466	383,466				388,286
Available-for-sale financial assets	10,467			8,552	1,915	8,552
Held-to-maturity investments	1,045	1,045				876

Carrying values, balance sheet values and fair values as at 31 December 2014 are shown in the following table according to measurement categories:

	Balance sheet value according to IAS 39					Fair value [EUR'000]
	Carrying value 31.12.2014	At amortised cost	At fair value through profit and loss	At fair value not through profit and loss	Purchase cost	
	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	
<b>ASSETS</b>						
Cash and cash equivalents	505,843	505,843				505,843
Trade receivables	30,924	30,924				30,822
Receivables from affiliated and associated companies accounted for at equity	5,879	5,879				5,796
Other original financial assets	63,026	63,026				62,787
Other original financial assets (at fair value not through profit and loss)	480			480		480
Other derivative financial assets (at fair value not through profit and loss)	21			21		21
Investments (held-to-maturity)	1,045	1,045				1,006
Investments (at amortised cost)	1,803				1,803	
Loans	218	218				231
<b>LIABILITIES</b>						
Short-term financial liabilities	77,837	77,837				79,054
Medium- and long-term financial liabilities	97,731	97,731				100,771
Trade payables	73,052	73,052				72,812
Payables to affiliated and associated companies accounted for at equity	1,615	1,615				1,606
Other original financial liabilities	258,857	258,857				258,004
Other derivative financial liabilities (at fair value through profit and loss)	118		118			118
<b>Categories according to IAS 39:</b>						
Loans and receivables	605,890	605,890				605,479
Financial liabilities at amortised cost	509,090	509,090				512,247
Available-for-sale financial assets	2,283			480	1,803	480
Held-to-maturity investments	1,045	1,045				1,006

## DISCLOSURES REGARDING FAIR VALUE

The principles and methods used to determine fair values are unchanged compared to the previous year.

Financial instruments are measured on the basis of uniform valuation methods and parameters.

Cash and cash equivalents, trade receivables and other financial assets generally have short remaining terms. The reported carrying amounts as at the balance sheet date are therefore approximations of fair value.

In the case of receivables and other financial assets with remaining terms of more than one year, the fair values represent the present value of the future payments associated with the assets, taking current interest parameters into account.

Trade payables and other financial liabilities generally have short remaining terms. The reported carrying amounts as at the balance sheet date are therefore approximations of fair value.

The fair values of medium- and long-term financial liabilities are equal to the present values of the future payments associated with the debts, taking current interest parameters into account.

If financial instruments are listed on an active market, like fund shares, in particular, the respective listed price signifies the fair value on that market. In the case of unlisted financing instruments, the fair value is calculated as the present value of the future cash flows, taking interest rate curves and the rating-dependent credit risk premium of the CTS Group into account.

Shares in subsidiaries not fully consolidated and other participations that are not calculated according to the equity method are classified as available-for-sale financial assets. If there is no active market for these companies and fair values cannot reasonably be calculated with any reliability, these investments are stated at their respective cost of purchase. If respective indicators are provided, an impairment test is also conducted and, if necessary, extraordinary depreciation to the lower recoverable amount is recognised.

Derivative financial instruments are recognised at their fair value. The carrying amount of the forward exchange transactions is therefore equal to the respective fair value.

According to IFRS 13, the fair values of financial assets and liabilities are classified according to the three levels of the fair value hierarchy. Level 1 contains fair values of financial instruments for which a market price can be quoted; marketable securities are an example. In Level 2, fair values are based on market data, such as currency rates or interest curves, using market-based valuation techniques. Examples include derivatives. Fair values in Level 3 are derived using valuation techniques based on unobservable inputs, for example, if there is a lack of active or measurable market activities, there are no observable inputs available. In this case, fair value is measured using estimates calculated on the basis of mathematical finance methods.

Reclassifications between the levels within the fair value hierarchy are carried out at the beginning of the respective quarter in which the reason or the change in circumstances occurred that results in the reclassification. No reclassifications were carried out in the first nine months of 2015.

The following table provides an overview of the financial assets and liabilities measured at fair value, and their allocation to the three levels within the fair value hierarchy according to IFRS 13 as at 30 September 2015:

	<b>30.09.2015</b>		
	Level 1	Level 2	Total
	[EUR'000]	[EUR'000]	[EUR'000]
<b>ASSETS</b>			
Cash and cash equivalents	0	317,154	317,154
Trade receivables	0	28,887	28,887
Receivables from affiliated and associated companies accounted for at equity	0	8,129	8,129
Other original financial assets	0	52,561	52,561
Other original financial assets (at fair value not through profit and loss)	8,552	0	8,552
Other derivative financial assets (at fair value not through profit and loss)	0	91	91
Other derivative financial assets (at fair value through profit and loss)	0	119	119
Investments (held-to-maturity)	876	0	876
Loans	0	429	429
	<b>9,428</b>	<b>407,370</b>	<b>416,798</b>
<b>LIABILITIES</b>			
Short-term liabilities	0	76,821	76,821
Medium- and long-term financial liabilities	0	92,966	92,966
Trade payables	0	70,784	70,784
Payables to affiliated and associated companies accounted for at equity	0	104	104
Other original financial liabilities	0	147,611	147,611
Other derivative financial liabilities (at fair value not through profit and loss)	0	9	9
Other derivative financial liabilities (at fair value through profit and loss)	0	183	183
	<b>0</b>	<b>388,478</b>	<b>388,478</b>

The following table provides an overview of the financial assets and liabilities measured at fair value, and their allocation to the three levels within the fair value hierarchy according to IFRS 13 as at 31 December 2014:

	<b>31.12.2014</b>		
	Level 1	Level 2	Total
	[EUR'000]	[EUR'000]	[EUR'000]
<b>ASSETS</b>			
Cash and cash equivalents	0	505,843	505,843
Trade receivables	0	30,822	30,822
Receivables from affiliated and associated companies accounted for at equity	0	5,796	5,796
Other original financial assets	0	62,787	62,787
Other original financial assets (at fair value not through profit and loss)	480	0	480
Other derivative financial assets (at fair value not through profit and loss)	0	21	21
Loans	0	231	231
	<b>480</b>	<b>605,500</b>	<b>605,980</b>
<b>LIABILITIES</b>			
Short-term liabilities	0	79,054	79,054
Medium- and long-term financial liabilities	0	100,771	100,771
Trade payables	0	72,812	72,812
Payables to affiliated and associated companies accounted for at equity	0	1,606	1,606
Other original financial liabilities	0	258,004	258,004
Other derivative financial liabilities (at fair value through profit and loss)	0	118	118
	<b>0</b>	<b>512,365</b>	<b>512,365</b>



## 8. SEGMENT REPORTING

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

	Ticketing		Live Entertainment		Total segments	
	30.09.2015	30.09.2014	30.09.2015	30.09.2014	30.09.2015	30.09.2014
	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]
External revenue	212,628	189,596	364,903	279,741	577,531	469,337
Internal revenue	36,532	30,180	62,100	41,015	98,632	71,195
<b>Total revenue</b>	<b>249,160</b>	<b>219,776</b>	<b>427,003</b>	<b>320,756</b>	<b>676,163</b>	<b>540,532</b>
Consolidation within the segment	-33,812	-27,155	-60,624	-38,341	-94,436	-65,496
<b>Revenue after consolidation within the segment</b>	<b>215,348</b>	<b>192,621</b>	<b>366,379</b>	<b>282,415</b>	<b>581,727</b>	<b>475,036</b>

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

	Ticketing		Live Entertainment		Intersegment consolidation		Group	
	30.09.2015 [EUR'000]	30.09.2014 [EUR'000]	30.09.2015 [EUR'000]	30.09.2014 [EUR'000]	30.09.2015 [EUR'000]	30.09.2014 [EUR'000]	30.09.2015 [EUR'000]	30.09.2014 [EUR'000]
Revenue	215,348	192,621	366,379	282,415	-4,196	-5,699	577,531	469,337
EBITDA	75,342	66,988 <sup>1</sup>	31,561	22,954	0	0	106,903	89,942 <sup>1</sup>
EBIT	55,039	48,600 <sup>1</sup>	29,694	20,964	0	0	84,733	69,564 <sup>1</sup>
Depreciation and amortisation	-20,303	-18,388 <sup>1</sup>	-1,867	-1,990	0	0	-22,170	-20,378 <sup>1</sup>
Financial result							-3,158	-2,924
Earnings before tax (EBT)							81,575	66,641 <sup>1</sup>
Taxes							-26,011	-20,724 <sup>1</sup>
Net income before non-controlling interest							55,564	45,917 <sup>1</sup>
Non-controlling interest							-8,624	-5,828 <sup>1</sup>
Net income after non-controlling interest							46,940	40,089 <sup>1</sup>
Average number of employees	1,549	1,484	595	542			2,144	2,026
Normalised EBITDA	75,598	68,036 <sup>1</sup>	31,561	22,954	0	0	107,159	90,990 <sup>1</sup>
Normalised EBIT before amortisation from purchase price allocation	63,387	57,382 <sup>1</sup>	30,078	21,357	0	0	93,465	78,739 <sup>1</sup>

<sup>1</sup> Adjusted prior-year figures due to the final purchase price allocation of Entradas Eventim S.A. (formerly: Entradas See Tickets S.A.), Madrid, CTS Eventim Nederland B.V. (formerly: See Tickets Nederland B.V.), Amsterdam, and the Italian ticketing business 'Listicket'

## 9. OTHER DISCLOSURES

### APPROPRIATION OF EARNINGS

The Annual Shareholders' Meeting on 7 May 2015 adopted a resolution to distribute EUR 38.397 million (EUR 0.40 per eligible share) of the balance sheet profit of EUR 111.593 million as at 31 December 2014 to shareholders. This distribution was carried out on 8 May 2015, and the remaining balance sheet profit of EUR 73.196 million was carried forward to the new account.

### FINANCIAL OBLIGATIONS

There have been no material changes in contingent liabilities since 31 December 2014.

## SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

The transactions of the CTS Group with related companies and persons pertain to reciprocal services and were concluded only at arm's-length conditions which normally apply between third parties. As the majority shareholder of the general partner of EVENTIM Management AG and majority shareholder of CTS KGaA, Mr. Klaus-Peter Schulenberg is the controlling shareholder. He is also the controlling shareholder of other companies associated with the KPS Group.

The contractual relationships with related companies and persons resulted in the following goods and services being sold to and bought from related parties in the 2015 reporting period:

	30.09.2015	30.09.2014
	[EUR'000]	[EUR'000]
<b>Goods and services supplied by the Group</b>		
Subsidiaries not included in consolidation due to insignificance	415	343
Associated companies accounted for at equity	2,036	1,386
Other related parties	2,281	4,903
	<b>4,732</b>	<b>6,632</b>
<b>Goods and services received by the Group</b>		
Subsidiaries not included in consolidation due to insignificance	382	619
Associated companies accounted for at equity	1,575	2,148
Other related parties	14,569	14,230
	<b>16,526</b>	<b>16,997</b>

Bremen, 25 November 2015

CTS EVENTIM AG & Co. KGaA,  
represented by:  
EVENTIM Management AG, general partner

The Management Board

Klaus-Peter Schulenberg

Volker Bischoff

Alexander Ruoff

## **FORWARD-LOOKING STATEMENTS**

This Group interim report contains forecasts based on assumptions and estimates by the management of CTS KGaA. These statements based on assumptions and estimates are in the form of forward-looking statements using terms such as 'believe', 'assume', 'expect' and the like. Even though management believes that these assumptions and estimates are correct, it is possible that actual results in the future may deviate materially from such assumptions and estimates due to a variety of factors. The latter may include changes in the macroeconomic environment, in the statutory and regulatory framework in Germany and the EU, and changes within the industry. CTS KGaA does not provide any guarantee or accept any liability or responsibility for any divergence between future developments and actual results, on the one hand, and the assumptions and estimates expressed in this Group interim report. CTS KGaA has no intention and undertakes no obligation to update forward-looking statements in order to adjust them to actual events or developments occurring after the date of this report.

The German version of the Group interim report takes priority over the English translation in the event of any discrepancies. Both language versions can be downloaded at [www.eventim.de](http://www.eventim.de).

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