GROUP INTERIM REPORT AS AT 31 MARCH 2014

eventim

KEY GROUP FIGURES

	01.01.2014 - 31.03.2014	01.01.2013 - 31.03.2013 [1]	Change
	[EUR'000]	[EUR'000]	[in %]
Revenue	150,392	121,070	24.2
EBITDA	32,054	28,566	12.2
EBITDA margin	21.3%	23.6%	-2.3 pp
EBIT	25,723	22,984	11.9
EBIT margin	17.1%	19.0%	-1.9 pp
Normalised EBITDA	32,353	28,737	12.6
Normalised EBIT before amortisation from purchase price allocation	28,690	25,742	11.5
Normalised EBITDA margin	*21.5%*	*23.7%*	*-2.2 pp*
Normalised EBIT margin before amortisation from purchase price allocation	*19.1%*	*21.3%*	*-2.2 pp*
Non-recurring items [2]	299	172	74.5
Amortisation resulting from purchase price allocation	2,667	2,586	3.1
Earnings before tax (EBT)	24,731	21,839	13.2
Net income after non-controlling interest	14,869	13,009	14.3
Cash flow	23,261	20,434	13.8
	[EUR]	[EUR]	
Earnings per share [3], undiluted (= diluted)	0.31	0.27	
	[Qty.]	[Qty.]	
Number of employees [4]	1,962	1,657	
Of which temporary	(296)	(257)	

[1] Adjusted prior-year figures due to the final purchase price allocation of Arena Management GmbH
[2] Cf. page 7 for non-recurring items
[3] Number of shares: 48 million
[4] Number of employees at end of period (active workforce)

CONTENT

1. LETTER TO THE SHAREHOLDERS

Klaus-Peter Schulenberg
Chief Executive Officer

Dear shareholders,

CTS EVENTIM got off to a successful start in the 2014 financial year. We were able to transfer over our good performance and the momentum of the fourth quarter 2013, which is traditionally a strong one, into the new year. We succeeded to increase our Group revenue by 24.2% year on year to EUR 150.4 million in the first three months of the year. Normalised EBITDA grew by 12.6% to EUR 32.4 million. Both segments made substantial contributions to the double-digit growth rates. While revenue in the Ticketing segment rose by 11.4% to EUR 69.4 million, the Live Entertainment segment saw an increase of 37.9% to EUR 83.2 million. These figures reflect that concertgoers and people looking to attend events appreciate not only our events, but also our products and services. They have faith in us because what we offer does not let them down. It is thanks to this consistent quality and ever increasing customer satisfaction that we have succeeded in becoming Europe's market leader in ticketing and live entertainment. We will continue to reinforce and expand our market position going forward.

TAKEOVERS IN FRANCE, SPAIN AND THE NETHERLANDS IN THE TICKETING SEGMENT

In the Ticketing segment, we have our sights set on strengthening our leading position. To this end, we took over three Stage Entertainment Group ticketing companies in Spain, France and the Netherlands in the first quarter of this year. The acquired companies in the Netherlands and Spain are among the leaders in their respective markets and sell tickets for concerts, sports and other events in addition to tickets for Stage Entertainment musicals. At the same time, we also concluded an exclusive ticketing agreement with Stage Entertainment for Russia. As a result, we are successfully continuing our expansion across Europe.

TICKETING SEGMENT SEES SUCCESSFUL BUSINESS DEVELOPMENT

In the Ticketing segment, our revenue (before consolidation between segments) grew by EUR 7.1 million to EUR 69.4 million, which corresponds to a rise of 11.4%. Our normalised EBITDA amounted to EUR 26.5 million, placing it 11.0% above the previous year's figure. The high-margin online ticketing business also contributed to the rise in earnings by selling 5.9 million tickets, 6.8% more than in the first quarter of 2013.

Our online ticket systems are the absolute market leaders. This is why they continue to gain popularity thanks to their security, ease of use and additional benefits. We have developed an iPad app, for example, which allows users to take a look at the hall and the stage from every seat in the house. Our interactive seat map makes it possible for users to know in advance what they can expect and whether they will like where they sit. These little services make a big difference and are something our customers appreciate. They are loyal to us because they know that they can always expect the best from this reliable leader in technology.

We already experienced a highlight of the year in the first quarter: The Organising Committee of the 2014 Winter Olympic Games in Sochi contracted CTS EVENTIM with the exclusive ticket sales in Russia. The Winter Olympic Games in Sochi took place just a few weeks ago, and the smooth ticketing process most certainly made a contribution to enhancing our company's excellent international reputation.

CTS EVENTIM is also a valued ticketing partner in the sports industry. We cooperate closely with more than 100 clubs, associations and sports promoters. And we are hard at work convincing other organisations of our services. In early 2014, for example, we concluded long-term agreements with four handball clubs and with the Handball League Association. Plus we announced recently that CTS EVENTIM had been awarded the contract for the Ice Hockey World Championships in 2017. The tournament featuring the 16 best ice hockey nations will take place in Paris and Cologne from 5 to 21 May 2017. To make things even better, we are not only the exclusive ticketing partner of the event, which is set to draw around 1 million spectators, we are also proud to provide the organisers with our venue: the Lanxess Arena in Cologne.

LIVE ENTERTAINMENT SEGMENT RECORDS A SIGNIFICANT RISE IN REVENUE

The Live Entertainment segment grew even more than Ticketing in the first quarter of 2014. We continued to expand our leading role in Germany and Europe. Revenue reached EUR 83.2 million – up a full 37.9% year on year – between 1 January and 31 March 2014. At EUR 5.8 million, EBITDA was up 20.4% year on year.

No other European company offers the audience a larger selection of appealing events than CTS EVENTIM. For artists, live acts are gaining importance as demand for recordings continues to fall.

In the Live Entertainment segment, our diversification has proven its worth and has developed very well. Our festivals, tours and concerts continue to be some of the most successful, and CTS EVENTIM is now the third-largest promoter in the world, according to amount of tickets sold. We operate some of the most successful venues anywhere, such as Waldbühne in Berlin, the Lanxess Arena in Cologne and the Eventim Apollo in London. According to the industry publication “Pollstar”, Waldbühne was the world’s leading amphitheatre outside North America last year. The Eventim Apollo was the top European theatre venue in the 2013 “Pollstar” ranking. The Lanxess Arena, with a seating capacity of 20,000, has established itself as one of the world’s most popular and most visited venues.

In the 2014 financial year, we are focusing on the further expansion of Internet ticketing, our international expansion and the launch of new products and services. For the full year, my fellow Management Board members and I expect a growth in key revenue and earnings figures as presented in the annual report 2013.

Yours sincerely,

Klaus-Peter Schulenberg
Chief Executive Officer

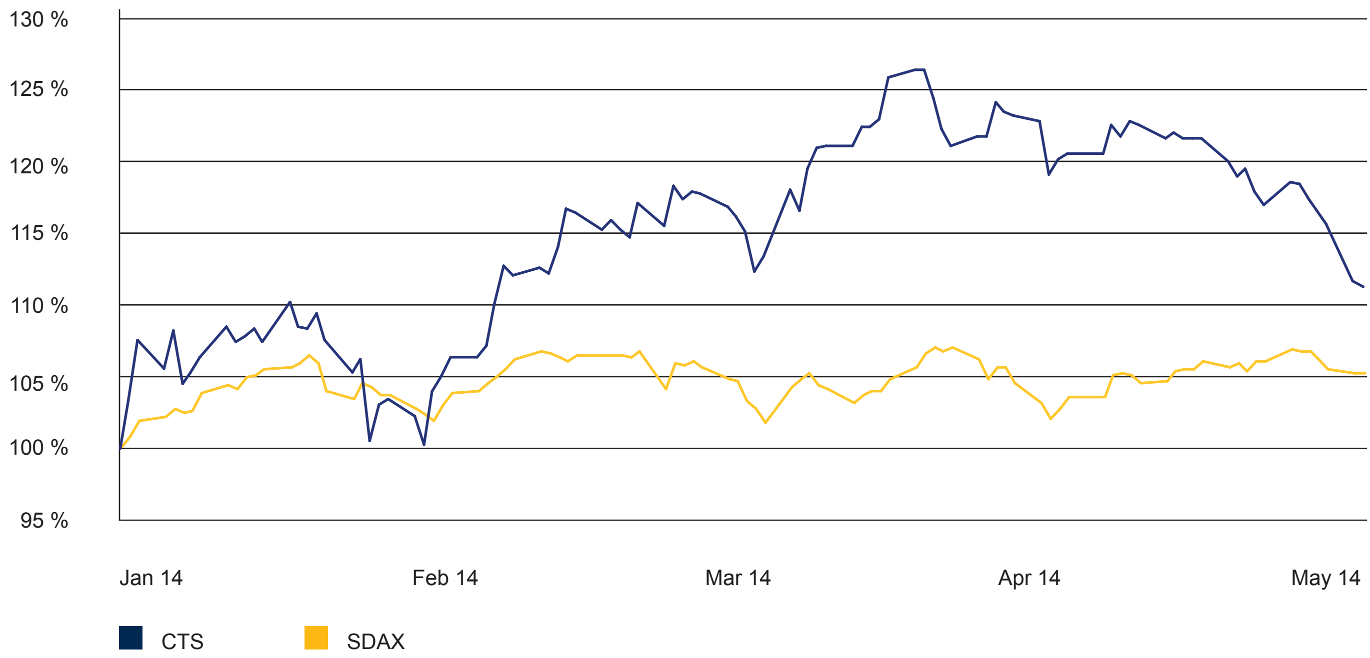
2. CTS SHARES

CTS shares performed positively once again in the first quarter of the 2014 financial year, gaining 31.3% in value during this period. Once again, the CTS shares outperformed all reference indices. The value of the SDAX reference index only increased by 5.6% in the same period. As a result, the CTS shares recorded an outperformance of over 25% – a testament to the successful business development of CTS EVENTIM AG.

Since early April 2014, the markets have experienced partial corrections in individual sectors – especially in the case of online companies and internet-based business models. The Nasdaq sub-index for internet stocks has lost 9% in value since the beginning of April 2014. The CTS shares were unable to escape this trend completely unscathed. That being said, the CTS shares are still very well positioned. The CTS shares have still outperformed the SDAX by almost 10% since the start of the year.

The dividend approved at the Shareholders' Meeting and the successful start to the 2014 financial year have been the highlights of the CTS shares so far in 2014. As a result, assessments by many financial analysts remain positive. Alongside Berenberg, Lampe and Metzler banks, Commerzbank, DZ Bank and Exane BNP Paribas all recommend purchasing CTS shares. Analysts at Deutsche Bank, HSBC, JPMorgan and M.M. Warburg recommend holding CTS shares.

THE CTS SHARE PRICE (01.01.2014 – 21.05.2014, INDEXED)



Number of shares held by members of executive organs as at 31 March 2014:

	Number of shares [Qty.]	Share [in %]
Members of the Management Board:		
Klaus-Peter Schulenberg (Chief Executive Officer)	24,097,000	50.202
Volker Bischoff	0	0.000
Alexander Ruoff	4,000	0.008
Members of the Supervisory Board:		
Edmund Hug (Chairman)	7,430	0.015
Prof. Jobst W. Plog	900	0.002
Dr. Bernd Kundrun	7,300	0.015

Change in company shares or financial derivatives relating to such shares on the part of Management Board and Supervisory Board members:

Name	Position	Transaction	Date	Number of shares
Prof. Jobst W. Plog	Member of Supervisory Board	Sale	27.01.2014	900
Edmund Hug	Member of Supervisory Board	Sale	17.02.2014	2,000

3. INTERIM MANAGEMENT REPORT FOR THE GROUP

1. EARNINGS PERFORMANCE, FINANCIAL POSITION AND CASH FLOW

EARNINGS PERFORMANCE

	01.01.2014 - 31.03.2014	01.01.2013 - 31.03.2013 [1]	Change	
	[EUR'000]	[EUR'000]	[EUR'000]	[in %]
Revenue	**150,392**	**121,070**	**29,322**	**24.2**
Gross profit	**50,132**	**45,225**	**4,907**	**10.9**
EBITDA	**32,054**	**28,566**	**3,488**	**12.2**
EBIT	**25,723**	**22,984**	**2,739**	**11.9**
Non-recurring items:				
Acquisition costs / workforce restructuring costs	299	172	127	74.5
Normalised EBITDA	**32,353**	**28,737**	**3,616**	**12.6**
Amortisation from purchase price allocation	**2,667**	**2,586**	**81**	**3.1**
Normalised EBIT before amortisation from purchase price allocation	**28,690**	**25,742**	**2,948**	**11.5**
Financial result	-993	-1,145	152	-13.3
Earnings before tax (EBT)	**24,731**	**21,839**	**2,892**	**13.2**
Taxes	-8,138	-6,731	-1,407	20.9
Non-controlling interest	-1,724	-2,100	376	-17.9
Net income after non-controlling interest	**14,869**	**13,009**	**1,860**	**14.3**

[1] Adjusted prior-year figures due to the final purchase price allocation of Arena Management GmbH

REVENUE DEVELOPMENT

The **CTS Group** generated revenue of EUR 150.392 million, after EUR 121.070 million the previous year (+24.2%). Of this revenue (before consolidation between segments), EUR 69.354 million was attributable to the Ticketing segment (previous year: EUR 62.269 million) and EUR 83.193 million was attributable to the Live Entertainment segment (previous year: EUR 60.333 million).

The **Ticketing segment** generated revenue (before consolidation between segments) of EUR 69.354 million (previous year: EUR 62.269 million). The rise in online ticket sales and the expansion of the number of consolidated companies were key factors in the 11.4% increase in revenue. In the first quarter of 2014, 5.9 million tickets (previous year: 5.5 million) were sold through the Group's internet portals, equating to a rise in internet ticket volume of 6.8%. The share of sales generated by foreign subsidiaries was 40.2% (previous year: 40.7%).

The **Live Entertainment segment** expanded in the first quarter of 2014 by a greater margin than the Ticketing segment. Revenue in the first quarter climbed to EUR 83.193 million (previous year: EUR 60.333 million; +37.9%). The expansion of the number of consolidated companies in 2013 had a particularly positive impact on revenue in the reporting period.

GROSS PROFIT

As at 31 March 2014, gross profit in the **CTS Group** increased by EUR 4.907 million to EUR 50.132 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 37.4% to 33.3%.

In the **Ticketing segment,** the gross margin fell in the first quarter 2014 from 57.9% to 57.6%. This development was caused by the newly consolidated subsidiaries and their lower earnings contributions.

In the **Live Entertainment segment**, the gross margin decreased from 15.3% to 12.2% as a result of the increase in the number of consolidated companies in 2013.

NON-RECURRING ITEMS

Non-recurring items in the Ticketing segment caused a temporary drop of EUR 299 thousand (previous year: EUR 172 thousand) in **CTS Group** earnings in the period under review, due to implemented acquisitions.

NORMALISED EBITDA / EBITDA

Normalised EBITDA in the **CTS Group** rose by EUR 3.616 million, or 12.6%, to EUR 32.353 million. At 21.5%, the normalised EBITDA margin was down on the previous year's level of 23.7%. This development was caused by the newly consolidated subsidiaries and their lower earnings contributions. Foreign subsidiaries accounted for 21.5% of normalised EBITDA (previous year: 27.4%).

EBITDA in the CTS Group increased by EUR 3.488 million, or 12.2%, to EUR 32.054 million (previous year: EUR 28.566 million). The EBITDA margin came to 21.3%, compared to 23.6% in the previous year.

Normalised EBITDA in the **Ticketing segment** increased by EUR 2.629 million (+11.0%) to EUR 26.520 million (previous year: EUR 23.891 million). A further increase in the volume of tickets sold online was a contributing factor to the improvement in earnings. At 38.2%, the normalised EBITDA margin was slightly down on the previous year's level of 38.4%. The high-margin earnings contributions from additional online ticket sales were offset by lower-margin earnings contributions from newly consolidated subsidiaries. Foreign subsidiaries accounted for 25.7% of normalised EBITDA in the current reporting period, down from 31.6% the previous year.

In the Ticketing segment, EBITDA rose from EUR 23.720 million by 10.5% in the previous year to EUR 26.221 million. The EBITDA margin came to 37.8%, compared to 38.1% in the previous year.

In the **Live Entertainment segment**, EBITDA increased from EUR 4.846 million by EUR 987 thousand to EUR 5.833 million. The EBITDA margin in the first quarter of 2014 decreased from 8.0% in the previous year to 7.0%, partly due to the increase in the number of consolidated companies.

NORMALISED EBIT BEFORE AMORTISATION FROM PURCHASE PRICE ALLOCATION / EBIT

In the first quarter of 2014, normalised **CTS Group** EBIT before amortisation from purchase price allocation rose by EUR 2.948 million from EUR 25.742 million to EUR 28.690 million. The normalised EBIT margin before amortisation from purchase price allocation fell from 21.3% to 19.1%.

At EUR 25.723 million, the CTS Group EBIT climbed significantly year on year by EUR 2.739 million (previous year: EUR 22.984 million). Total depreciation and amortisation within the Group increased to EUR 6.330 million (previous year: EUR 5.581 million) and included amortisation from purchase price allocation of EUR 2.667 million (previous year: EUR 2.586 million) resulting from companies acquired since the 2010 financial year. The EBIT margin was 17.1% (previous year: 19.0%).

In the **Ticketing segment**, normalised EBIT before amortisation from purchase price allocation rose by 9.2% from EUR 21.426 million to EUR 23.407 million. The normalised EBIT margin before amortisation from purchase price allocation fell slightly year on year from 34.4% to 33.8%.

EBIT increased year on year by EUR 1.771 million from EUR 18.800 million to EUR 20.571 million (+9.4%). At 29.7%, the EBIT margin was slightly down on the previous year's level of 30.2%.

The **Live Entertainment segment** generated normalised EBIT before amortisation from purchase price allocation of EUR 5.283 million (previous year: EUR 4.316 million).

EBIT increased from EUR 4.184 million in the previous year to EUR 5.152 million (+23.1%). The EBIT margin was 6.2% (previous year: 6.9%).

FINANCIAL RESULT

The financial result of EUR -993 thousand (previous year: EUR -1.145 million) mainly encompasses financial income of EUR 464 thousand (previous year: EUR 574 thousand), financial expenses of EUR 1.863 million (previous year: EUR 1.838 million) and results from investments in associates accounted for at equity of EUR 406 thousand (previous year: EUR 118 thousand).

The change in the financial result was mainly due to an increase in positive results from investments in associates accounted for at equity. This was offset by higher financing expenses and lower financing income.

EARNINGS BEFORE TAX (EBT) AND NON-CONTROLLING INTEREST

As at 31 March 2014, earnings before tax (EBT) increased from EUR 21.839 million the previous year to EUR 24.731 million. After the deduction of tax expenses and non-controlling interest, net income after non-controlling interest amounted to EUR 14.869 million (previous year: EUR 13.009 million). Earnings per share (EPS) amounted to EUR 0.31 in the first quarter of 2014 (previous year: EUR 0.27).

PERSONNEL

On average, CTS Group companies employed 1,943 employees in the consolidation period, including 289 temporary employees (previous year: 1,664 employees including 263 temporary employees), 1,459 of which in the Ticketing segment (previous year: 1,203 employees) and 484 of which in the Live Entertainment segment (previous year: 461 employees). The number of employees in both segments mainly increased as a result of the expansion of the number of consolidated companies.

Personnel expenses increased to EUR 21.400 million (previous year: EUR 19.351 million; +10.6%). The Ticketing segment rose by EUR 1.677 million in personnel expenses, while in the Live Entertainment segment the increase was EUR 372 thousand. Alongside the expansion of the number of consolidated companies, progress in the internationalisation of the Ticketing segment as well as further technical innovations also contributed to a rise in personnel expenses.

FINANCIAL POSITION

On the **ASSETS SIDE**, the items that recorded the greatest increases were payments on account (EUR +7.805 million), other current assets (EUR +25.439 million), intangible assets (EUR +17.950 million), goodwill (EUR +2.882 million) and deferred tax assets (EUR +5.805 million). These increases were offset by a decline in cash and cash equivalents (EUR -1.378 million) and receivables from income tax (EUR -2.468 million).

Group **cash and cash equivalents** reduced by EUR 1.378 million to EUR 374.358 million (31 December 2013: EUR 375.736 million). The seasonal reduction in cash and cash equivalents in the Ticketing segment from ticket monies not yet invoiced was partially offset by cash and cash equivalents from tickets monies of newly consolidated companies. Payments for acquisitions led to a cash outflow, whereas proceeds from borrowing financing loans for the acquisition of new companies increased the volume of cash and cash equivalents in the Ticketing segment.

Cash and cash equivalents include ticket monies from presales for events in subsequent quarters (ticket monies not yet invoiced in the Ticketing segment), which are reported under other liabilities (EUR 163.704 million; 31 December 2013: EUR 161.498 million); furthermore, other assets include receivables from ticket monies from presales in the Ticketing segment (EUR 51.261 million; 31 December 2013: EUR 34.239 million). The rise in receivables and liabilities from ticket monies was mainly the result of the expansion of the number of consolidated companies.

The increase in **payments on account** (EUR +7.805 million) concerns events in subsequent quarters in the Live Entertainment segment.

Receivables from income tax (EUR -2.468 million) declined mainly as a result of lower receivables from capital gains tax.

The rise **in other current assets** (EUR +25.439 million) was mainly the result of an increase in receivables from ticket monies from presales in the Ticketing segment, partly due to the expansion of the number of consolidated companies.

The increase in **intangible assets** of EUR 17.950 million was mainly the result of the provisional purchase price allocation of the recognised assets (trademark, ticketing distribution rights/customer base) of acquired companies and increased software development services relating to ticket distribution software.

The change in **goodwill** of EUR +2.882 million was mainly due to the provisional purchase price allocation of the companies acquired in the first quarter of 2014 in the Ticketing segment.

Deferred tax assets primarily rose in the Ticketing segment (EUR +5.805 million) due to the provisional purchase price allocation of the companies acquired in the first quarter of 2014.

On the **SHAREHOLDERS' EQUITY AND LIABILITIES SIDE**, short-term financial liabilities (EUR +16.309 million), advanced payments received (EUR +21.412 million), deferred tax liabilities (EUR +4.974 million) and shareholders' equity (EUR +16.228 million) all increased. These were offset by a decline in trade payables (EUR -4.034 million) and other liabilities (EUR -1.618 million).

Short-term financial liabilities rose by EUR 16.309 million. In the reporting period, the use of syndicated credit lines to finance the acquisition of the Stage Entertainment companies resulted in an increase in financial liabilities.

Trade payables decreased by EUR 4.034 million within the scope of operating activities; the majority of this decline was attributable to the Ticketing segment.

Advance payments received (EUR +21.412 million) rose largely in the Live Entertainment segment as a result of ticket monies received for presales for festivals, tours and other events that are set to take place from the second quarter of 2014 onwards. Advance payments received in the Live Entertainment segment are transferred to revenue when the respective events have taken place.

The decline in **other current liabilities** (EUR -1.618 million) is mainly due to a fall in income tax liabilities of EUR 2.909 million and a EUR 1.268 million reduction in liabilities from artist taxes. This was offset by increased liabilities from ticket monies not yet invoiced in the Ticketing segment of EUR 2.206 million, which was primarily due to the expansion of the number of consolidated companies. 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 subsequent year as a result of invoicing and the events taking place themselves.

Shareholders' equity rose by EUR 16.228 million to EUR 269.430 million, mainly as a result of the positive net income after non-controlling interest in the reporting period of EUR 14.869 million and a rise in non-controlling interest of EUR 1.368 million which were largely attributable to minority interests in the operating result in the Live Entertainment segment. At 28.8%, the equity ratio (shareholders' equity divided by the balance sheet total) is at roughly the same level as the previous year (28.9%).

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 31 December 2013, the volume of cash and cash equivalents decreased by EUR -1.378 million to EUR 374.358 million.

Cash flow from operating activities fell year on year by EUR -20.030 million from EUR 18.817 million to EUR -1.213 million.

The year-on-year decline in cash flow from operating activities was mainly the result of the change in receivables and other assets (EUR -21.852 million) in the Live Entertainment segment and liabilities (EUR -351 thousand). This was offset by positive cash flows from the increase in net income after non-controlling interest (EUR +1.860 million).

The negative cash flow effect from the development of **receivables and other assets** (EUR -21.852 million) is mainly due to the fact that, in contrast to the previous year, trade receivables and receivables from ticket monies were built up in the course of operating activities.

The negative cash flow effect from the change in **liabilities** (EUR -351 thousand) was largely the result of lower accumulation of advance payments received in the Live Entertainment segment. This was offset by the lower reduction of liabilities from ticket monies not yet invoiced in the Ticketing 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 in respect of 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.

The negative **cash flow from investing activities** increased year on year by EUR -13.884 million to EUR -16.312 million. The rise in cash outflows was largely due to increased investments in intangible assets and payments relating to the transfer of shares in the acquired companies.

The positive **cash flow from financing activities** increased year on year by EUR 25.951 million to EUR 15.915 million. The change in cash flow from financing activities resulted essentially due to the financial loans borrowed to finance acquisitions in the first quarter of 2014 (EUR 20.000 million), lower redemption of financing loans (EUR 3.581 million) and lower payments for the acquisition of additional shares in consolidated subsidiaries (EUR 2.070 million).

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

2. EVENTS AFTER THE BALANCE SHEET DATE

The Organising Committee of the 2017 IIHF Ice Hockey World Championship in Germany and France has opted CTS AG as its official ticketing partner. CTS EVENTIM will organise all ticketing services for the summit meeting of the 16 best ice hockey nations in the world, which is set to take place in Paris and Cologne in 2017. The World championship will be staged at the Lanxess Arena (capacity 18,500) and the Palais Omnisports Bercy (capacity 15,000). With 64 matches planned for the period between 5 May and 21 May 2017, the gross capacity for the tournament will be around 1 million spectator seats. The presale is planned for autumn 2015.

At the Annual Shareholders' Meeting of the company held on 8 May 2014 in Hamburg, the following resolutions were passed:

Of the balance sheet profit for the 2013 financial year of CTS AG of EUR 136.756 million, EUR 30.717 million was distributed as a dividend of EUR 0.64 per eligible share and EUR 48.000 million was allocated to earnings reserve. The remainder of EUR 58.039 million shall be carried forward to the new account.

The Annual Shareholders' Meeting approved the actions of the members of the Supervisory Board and the Management Board in the 2013 financial year.

PricewaterhouseCoopers Wirtschaftsprüfungsgesellschaft AG, Osnabrück, Germany was appointed as the company auditor and the auditor of the consolidated financial statements for the 2014 financial year.

Both the share capital increase from company funds of EUR 48.000 million and the corresponding amendment to the articles of association were approved.

The change in company form from CTS AG to CTS EVENTIM AG & Co. KGaA with the admission of EVENTIM Management AG, Munich, and the raising of the prior subscribed capital and the creation of new subscribed capital was also approved.

The conclusion of an amendment to the control and profit or loss transfer agreement between CTS AG and CTS Eventim Solutions GmbH, Bremen, dated 8 October 2002 was approved.

The conclusion of an amendment to the control and profit or loss transfer agreement between CTS AG and Ticket Online Sales & Service Center GmbH, Parchim, dated 15 December 2005 was approved.

The content of the resolutions corresponds in full to the wording of the official proposals included on the invitation to the Annual Shareholders' Meeting 2014 which is available on the company's website as convenience translation. The majority required to pass each resolution was achieved in accordance with the law and the articles of association.

Beyond that, no events requiring disclosure took place after the closing date.

3. CORPORATE GOVERNANCE DECLARATION

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

4. REPORT ON EXPECTED FUTURE DEVELOPMENT

The rate of inflation in the eurozone remains exceptionally low. The European Union forecasts that inflation will remain extremely moderate at 0.8% this year and 1.2% in 2015. Numerous bank analysts currently believe that the European Central Bank will be forced to reduce benchmark rates even further. In its spring guidance, the European Commission forecast growth of 1.2% in 2014 and 1.7% in 2015. Last year saw an economic recovery both globally and in Germany. The Cologne Institute for Economic Research anticipates economic growth in Germany of 1.75% in 2014 and 2.0% in 2015. It also predicts that unemployment will fall by 130,000 people on average over the year to some 2.8 million. These macroeconomic factors are likely to have a positive impact on consumer sentiment.

The successful business performance in the 2013 financial year and the first quarter of 2014 is set to continue through to the end of the year. Positive results reinforce our expansion and acquisition strategy. With attractive services such as the FanTicket, print-at-home and EVENTIM apps, we are well positioned in this market. Many users already used EVENTIM apps during the reporting period. The mobile internet trend was recognised at an early stage and the right solutions were offered. This is reflected in the positive sales figures. Last year, over 100 million tickets were sold via CTS systems. Customers are familiar with and value our excellent service and our reliability. The ticket distribution via the internet, has developed outstandingly well just as we planned. The global trend towards online information and shopping is inexorable and, with the increasing use of mobile devices, is only set to continue. The number of tickets sold online increased from 2.3 million in 2004 to 23.8 million in 2013; and the figures continue to rise. In internet sales, value added is six times higher than in box office sales. The CTS Group is firmly established as a leading technology provider in this area.

We consider ourselves to be on extremely solid footing both in the Ticketing market and in the Live Entertainment segment. We successfully took over and restored the world-renowned Apollo Theatre in the London district of Hammersmith in conjunction with the Anschutz Entertainment Group, before re-opening it to widespread acclaim in September 2013. Now the Apollo Theatre has well and truly returned to its former glories: Our guests are just as excited about the art deco venue as the artists. The Waldbühne in Berlin, Europe's most spectacular open-air arena, wrapped up last year's summer season with a new visitor record. What's more, the Lanxess Arena in Cologne, with room for 20,000 people, has been one of the most visited event locations in the world for the past 15 years and remains Germany's number one venue. The Waldbühne, the Eventim Apollo and the Lanxess Arena are subject to long-term leasing agreements, offering us a secure basis for our business moving forward.

We are market leaders in both Germany and Europe in both of our segments and are looking to harness further growth. We have successfully formed and integrated a number of foreign subsidiaries over the last few years and have established international cooperation agreements and partnerships. We now operate in over 20 countries in Europe – from London to Moscow, from Rome to Helsinki. We will continue to reinforce and expand our market position going forward. The CTS Group considers itself in an outstanding position to achieve these targets.

In the reporting period, there were no material deviations from the statements concerning the forecast development of the CTS Group in the report on expected future development in the 2013 Annual Report.

5. RISKS AND OPPORTUNITIES

Against the backdrop of the existing risk management system, 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 in the opportunity and risk report in the 2013 Annual Report remain valid.

6. RELATED PARTY DISCLOSURES

For disclosures on material transactions with related parties, please see the selected notes to the consolidated financial statements in Note 9.

Bremen, 28 May 2014

CTS EVENTIM Aktiengesellschaft

The Management Board

4. INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH 2014

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2014 (IFRS)

ASSETS	31.03.2014	31.12.2013
	[EUR]	[EUR]
Current assets		
Cash and cash equivalents	374,357,794	375,735,787
Trade receivables	26,902,529	26,304,814
Receivables from affiliated and associated companies accounted for at equity	1,699,761	1,832,956
Inventories	2,105,141	2,123,469
Payments on account	21,257,859	13,452,439
Receivables from income tax	5,123,402	7,591,067
Other assets	76,695,882	51,256,972
Total current assets	**508,142,368**	**478,297,504**
Non-current assets		
Property, plant and equipment	15,187,974	13,375,462
Intangible assets	115,483,590	97,533,383
Investments	2,744,377	2,737,245
Investments in associates accounted for at equity	15,830,948	15,510,447
Loans	244,962	159,712
Trade receivables	27,215	33,511
Receivables from affiliated and associated companies accounted for at equity	4,330,459	4,699,230
Other assets	3,705,699	3,710,970
Goodwill	260,262,482	257,380,478
Deferred tax assets	9,241,919	3,436,649
Total non-current assets	**427,059,625**	**398,577,087**
Total assets	**935,201,993**	**876,874,591**

SHAREHOLDERS’ EQUITY AND LIABILITIES	31.03.2014	31.12.2013
	[EUR]	[EUR]
Current liabilities		
Short-term financial liabilities	51,042,962	34,734,248
Trade payables	53,958,844	57,992,796
Payables to affiliated and associated companies accounted for at equity	607,384	113,107
Advance payments received	139,621,266	118,208,998
Other provisions	2,458,439	2,227,949
Tax provisions	25,322,883	21,697,085
Other liabilities	206,436,970	208,054,992
Total current liabilities	**479,448,748**	**443,029,175**
Non-current liabilities		
Medium- and long-term financial liabilities	161,562,636	161,357,275
Other liabilities	260,868	167,978
Pension provisions	5,199,905	4,792,013
Deferred tax liabilities	19,299,416	14,325,843
Total non-current liabilities	**186,322,825**	**180,643,109**
Shareholders' equity		
Share capital	48,000,000	48,000,000
Capital reserve	1,890,047	1,890,047
Statutory reserve	2,400,000	2,400,000
Retained earnings	197,342,741	182,474,103
Treasury stock	-52,070	-52,070
Non-controlling interest	18,675,113	17,306,982
Other comprehensive income	-576,871	-441,816
Currency differences	1,751,460	1,625,061
Total shareholders' equity	**269,430,420**	**253,202,307**
Total shareholders' equity and liabilities	**935,201,993**	**876,874,591**

CONSOLIDATED INCOME STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 31 MARCH 2014 (IFRS)

	01.01.2014 - 31.03.2014	01.01.2013 - 31.03.2013 [1]	Change
	[EUR]	[EUR]	[EUR]
Revenue	150,391,561	121,070,368	29,321,193
Cost of sales	-100,259,720	-75,845,411	-24,414,309
Gross profit	**50,131,841**	**45,224,957**	**4,906,884**
Selling expenses	-14,879,478	-13,346,441	-1,533,037
General administrative expenses	-9,736,312	-8,794,989	-941,323
Other operating income	4,101,861	3,469,681	632,180
Other operating expenses	-3,894,619	-3,568,990	-325,629
Operating profit (EBIT)	**25,723,293**	**22,984,218**	**2,739,075**
Income / expenses from participations	0	500	-500
Income / expenses from investments in associates accounted for at equity	406,444	118,339	288,105
Financial income	463,948	573,698	-109,750
Financial expenses	-1,863,017	-1,837,577	-25,440
Earnings before tax (EBT)	**24,730,668**	**21,839,178**	**2,891,490**
Taxes	-8,137,704	-6,730,530	-1,407,174
Net income before non-controlling interest	**16,592,964**	**15,108,648**	**1,484,316**
Non-controlling interest	-1,724,326	-2,100,052	375,726
Net income after non-controlling interest	**14,868,638**	**13,008,596**	**1,860,042**
Earnings per share (in EUR); undiluted (= diluted)	0.31	0.27	
Average number of shares in circulation; undiluted (= diluted)	48 million	48 million	

[1] Adjusted prior-year figures due to the final purchase price allocation of Arena Management GmbH

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD FROM 1 JANUARY TO 31 MARCH 2014 (IFRS)

	01.01.2014 - 31.03.2014	01.01.2013 - 31.03.2013 [1]	Change
	[EUR]	[EUR]	[EUR]
Net income before non-controlling interest	16,592,964	15,108,648	1,484,316
Remeasurement of the net defined benefit obligation for pension plans	-259,209	159,487	-418,696
Items that will not be reclassified to profit or loss	**-259,209**	**159,487**	**-418,696**
Exchange differences on translating foreign subsidiaries	160,644	-24,124	184,768
Available-for-sale financial assets	19,746	-1,327	21,073
Cash flow hedges	-3,244	-3,936	692
Items that will be reclassified subsequently to profit or loss when specific conditions are met	**177,146**	**-29,387**	**206,533**
Other results	**-82,063**	**130,100**	**-212,163**
Total comprehensive income	**16,510,901**	**15,238,748**	**1,272,153**
Total comprehensive income attributable to			
Shareholders of CTS AG	14,859,982	13,130,118	
Non-controlling interest	1,650,919	2,108,630	

[1]Adjusted prior-year figures due to the final purchase price allocation of Arena Management GmbH

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 31 MARCH 2014 (IFRS) (SHORT FORM)

	01.01.2014 - 31.03.2014	01.01.2013 - 31.03.2013 [1]	Change
	[EUR]	[EUR]	[EUR]
Net income after non-controlling interest	14,868,638	13,008,596	1,860,042
Non-controlling interest	1,724,326	2,100,052	-375,726
Depreciation and amortisation on fixed assets	6,330,211	5,581,388	748,823
Changes in pension provisions	407,892	39,042	368,850
Deferred tax expenses / income	-69,739	-295,007	225,268
Cash flow	**23,261,328**	**20,434,071**	**2,827,257**
Other non-cash transactions	-1,166,461	230,229	-1,396,690
Book profit / loss from disposal of fixed assets	4,151	-5,067	9,218
Interest expenses / Interest income	1,169,492	1,020,170	149,322
Income tax expenses	8,207,442	7,025,536	1,181,906
Interest received	561,380	371,445	189,935
Interest paid	-1,494,160	-1,167,421	-326,739
Income tax paid	-2,049,716	-1,117,866	-931,850
Increase (-) / decrease (+) in inventories	148,312	17,238	131,074
Increase (-) / decrease (+) in payments on account	-7,787,748	-7,401,418	-386,330
Increase (-) / decrease (+) in receivables and other assets	-12,188,094	9,663,467	-21,851,561
Increase (+) / decrease (-) in provisions	-15,253	-739,993	724,740
Increase (+) / decrease (-) in liabilities	-9,863,793	-9,513,026	-350,767
Cash flow from operating activities	**-1,213,120**	**18,817,365**	**-20,030,485**
Cash flow from investing activities	**-16,312,105**	**-2,427,871**	**-13,884,234**
Cash flow from financing activities	**15,914,703**	**-10,036,453**	**25,951,156**
Net increase / decrease in cash and cash equivalents	**-1,610,522**	**6,353,041**	**-7,963,563**
Net increase / decrease in cash and cash equivalents due to currency translation	232,529	-247,485	480,014
Cash and cash equivalents at beginning of period	375,735,787	319,514,233	56,221,554
Cash and cash equivalents at end of period	**374,357,794**	**325,619,789**	**48,738,005**
Composition of cash and cash equivalents			
Cash and cash equivalents	374,357,794	325,619,789	48,738,005
Cash and cash equivalents at end of period	**374,357,794**	**325,619,789**	**48,738,005**

[1] Adjusted prior-year figures due to the final purchase price allocation of Arena Management GmbH

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (IFRS)

	Share capital	Capital reserve	Statutory reserve	Retained earnings	Treasury stock	Non-controlling interest	Other comprehen-sive income	Currency differences	Total shareholders' equity
	[EUR]	[EUR]	[EUR]	[EUR]	[EUR]	[EUR]	[EUR]	[EUR]	[EUR]
Status 01.01.2013	**48,000,000**	**1,890,047**	**2,400,000**	**148,790,918**	**-52,070**	**14,600,832**	**-589,750**	**1,468,083**	**216,508,060**
Dividends to non-controlling interest	0	0	0	0	0	-594,771	0	0	-594,771
Net income before non-controlling interest	0	0	0	13,008,596 [1]	0	2,100,052	0	0	15,108,648 [1]
Available-for-sale financial assets	0	0	0	0	0	0	-1,327	0	-1,327
Cash flow hedges	0	0	0	0	0	0	-3,936	0	-3,936
Foreign exchange differences	0	0	0	0	0	-71,165	0	47,041	-24,124
Remeasurement of the net defined benefit obligation for pension plans	0	0	0	0	0	79,743	79,744	0	159,487
31.03.2013	**48,000,000**	**1,890,047**	**2,400,000**	**161,799,514**	**-52,070**	**16,114,691**	**-515,269**	**1,515,124**	**231,152,037**
Status 01.01.2014	**48,000,000**	**1,890,047**	**2,400,000**	**182,474,103**	**-52,070**	**17,306,982**	**-441,816**	**1,625,061**	**253,202,307**
Dividends to non-controlling interest	0	0	0	0	0	-282,788	0	0	-282,788
Net income before non-controlling interest	0	0	0	14,868,638	0	1,724,326	0	0	16,592,964
Available-for-sale financial assets	0	0	0	0	0	0	19,746	0	19,746
Cash flow hedges	0	0	0	0	0	0	-3,244	0	-3,244
Foreign exchange differences	0	0	0	0	0	34,245	0	126,399	160,644
Remeasurement of the net defined benefit obligation for pension plans	0	0	0	0	0	-107,652	-151,557	0	-259,209
31.03.2014	**48,000,000**	**1,890,047**	**2,400,000**	**197,342,741**	**-52,070**	**18,675,113**	**-576,871**	**1,751,460**	**269,430,420**

[1] Adjusted prior-year figures due to the final purchase price allocation of Arena Management GmbH

SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. PRELIMINARY STATEMENTS

CTS EVENTIM AG (hereinafter: CTS AG) is a listed corporate enterprise, which has its registered office in Munich; the head office is located in Bremen. This Group interim report of CTS AG and its subsidiaries for the first three months of the 2014 financial year were approved for publication by resolution of the Management Board on 28 May 2014.

2. REPORTING PRINCIPLES

This present and unaudited Group interim report as at 31 March 2014 was prepared in accordance with the International Financial Reporting Standards (IFRS) for interim financial reporting, in the form applicable within the European Union (IAS 34 “Interim Financial Reporting”), and in accordance with the applicable regulations of the Securities Trading Act (Wertpapierhandelsgesetz – WpHG). In accordance with the regulations of IAS 34, the company elected to provide condensed information in its Group interim report compared with the consolidated financial statements as at 31 December 2013. The Group interim report should be read in conjunction with the consolidated financial statements as at 31 December 2013. The Group interim report contains all the information required for a true and fair view of the financial position, cash flow and earnings performance. Consolidated financial statements reflecting applicable German Commercial Code (Handelsgesetzbuch – HGB) principles were not prepared.

The comparative figures in the income statement relate to the Group interim report as at 31 March 2013 and those in the balance sheet relate to the consolidated financial statements as at 31 December 2013.

All amounts in the Group interim report have been rounded according to commercial conventions; this may lead to minor discrepancies through the addition of these amounts.

3. NOTES CONCERNING ACCOUNTING PRINCIPLES AND METHODS

ACCOUNTING PRINCIPLES AND METHODS

The accounting policies and consolidation methods are the same as those applied in the consolidated financial statements as at 31 December 2013.

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 periods beginning on or after 1 January 2014.

Standards IFRS 10, IFRS 11 and IFRS 12 and the adjustments to IAS 28 have come into force since 1 January 2014.

IFRS 10 now governs the determination of the companies to be included in consolidation and the subsidiaries to be included in the consolidated financial statements. The conversion from IAS 27 to IFRS 10 did not require the CTS Group to make any adjustments. Consequently, no companies needed to be newly consolidated or deconsolidated. One subsidiary, where the parent-subsidiary relationship does not result in the parent company holding a majority of the voting rights, continues to be fully consolidated on account of the rights of influence granted to the CTS Group.

IFRS 11 governs the definition and the treatment of joint arrangements in consolidated financial statements. As existing joint ventures are to be classed as joint ventures, the application of IFRS 11 had no impact on the Group's consolidated financial statements.

IFRS 12 includes all disclosures of interests in subsidiaries, joint arrangements, associated companies as well as consolidated and unconsolidated structured entities. The provisions of IFRS 12 do not result in any additional disclosure requirements for the interim reports.

Since 1 January 2014, joint ventures and associated companies are only permitted to apply the equity method pursuant to IAS 28. These companies are no longer permitted to use the proportionate method of consolidation. As the CTS Group did not previously apply the proportionate method of consolidation, the elimination of this option does not require any adjustments.

The other accounting standards applicable for the first time in the 2014 financial year have no significant impact on the financial position, cash flow and earnings performance of the CTS Group.

DERIVATIVE FINANCIAL INSTRUMENTS

The CTS Group uses derivative financial instruments such as forward foreign exchange transactions to hedge its exposure to foreign exchange risks. Foreign exchange risks are hedged to the extent in which they influence the cash flow of the Group; these risks result mainly from operating activities.

In the reporting period, the CTS Group hedged current foreign exchange payments based on predefined minimum hedge ratios. At company level specific future transactions, that have a very high probability to occur, are hedged against currency translation risks. Within the CTS Group, a 12-month budget plan is applied, on which basis maturity-congruent forward foreign exchange hedges are concluded.

These cash flow hedges are continuously accounted for in accordance with IAS 39. The effective portion of the gains or losses from cash flow hedges are recognised in shareholders' equity and are transferred to the income statement as soon as the hedge payments affect the income statement. The ineffective portion of the hedging transaction is immediately recognised in the income statement.

The interest rate swaps prevailing as at 31 December 2013 were terminated in the first quarter of 2014.

4. BUSINESS COMBINATIONS AND JOINT VENTURES

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

4.1 BUSINESS COMBINATIONS IN THE TICKETING SEGMENT
4.1.1 CHANGES IN THE SCOPE OF CONSOLIDATION

The following changes occurred in the scope of consolidation in the reporting period and/or in relation to 31 March 2013 closing date:

Ticket Online Software GmbH, Hamburg, was merged with See Tickets Germany GmbH, Hamburg, in a merger agreement concluded on 15 March 2013. The merger took effect on 22 May 2013, when the relevant entry was made in the commercial register for See Tickets Germany GmbH, Hamburg.

See Tickets Germany GmbH, Hamburg, was merged with CTS AG in a merger agreement concluded on 15 March 2013 and by resolution of the Shareholders' Meeting on 8 May 2013. The merger obtained legal effect on 28 June 2013, when the relevant entry was made in the commercial register for CTS AG.

Eventim Online Holding GmbH, Bremen, was merged with CTS AG in a merger agreement concluded on 15 March 2013 and by resolution of the Shareholders' Meeting on 8 May 2013. The merger obtained legal effect on 30 July 2013, when the relevant entry was made in the commercial register for CTS AG.

In an agreement concluded on 15 July 2013 the company name was changed from 61. Lydia Vermögensverwaltungsgesellschaft mbH, Bremen, to Ticket Online Consulting GmbH, Bremen. The changes took effect on 2 August 2013 when the entry in the commercial register was made.

TicketOne S.p.A. (hereinafter: TicketOne), a fully consolidated CTS Group subsidiary, headquartered in Milan, acquired 60% of the shares in CREA Informatica S.r.l., Milan (hereinafter: CREA) in an agreement dated 15 October 2013.

In an agreement concluded on 6 March 2014, CTS AG acquired 100% of the shares in three Stage Entertainment Group ticketing companies. These include See Tickets Nederland B.V., based in Amsterdam, Entradas See Tickets S.A., which is based in Madrid, and Top Ticket France S.A.S., based in Paris. At the same time, CTS AG also takes over the ticket sales for Stage Entertainment in Russia. The total purchase price was around EUR 25 million. In accordance with IFRS 3, the ancillary expenses of EUR 299 thousand were reported as other operating expenses in the first quarter of 2014.

4.2 BUSINESS COMBINATIONS AND JOINT VENTURES IN THE LIVE ENTERTAINMENT SEGMENT
4.2.1 CHANGES IN THE SCOPE OF CONSOLIDATION

The following changes occurred in the scope of consolidation in the reporting period and/or in relation to 31 March 2013 closing date:

Medusa Music Group GmbH, Bremen (hereinafter: Medusa), acquired 100% of the shares in CTS Eventim Schweiz AG, Rümlang (former: CTS Eventim Schweiz AG, Basel; hereinafter: CTS Eventim Schweiz) from CTS AG. As an acquisition holding, the latter took over 80% of the shares in ABC Production AG, Opfikon, Switzerland (hereinafter: ABC Production), on 24 June 2013.

In a contract dated 7 August 2013, Semmelconcerts Veranstaltungsservice GmbH, Bayreuth, acquired 100% of the shares in the shelf company NM Gesellschaft für Neues Marketing mbH, Bayreuth. The change of the company name to Arena Berlin Betriebs GmbH, Berlin, the relocation of the headquarters from Bayreuth to Berlin as well as the modification of the company's purpose took effect on 11 September 2013 when the changes were entered in the commercial register. The company has entered into a lease agreement for the venue Arena Berlin in early October 2013 and will operate the venue from now on.

CTS Eventim Schweiz formed the promoter companies 360Grad Show Production AG and You Are Special – Events AG both based in Opfikon, Switzerland, in September 2013. CTS Eventim Schweiz holds 80% of the shares in each company. The formation obtained legal effect on 5 and 6 November 2013 respectively, when the relevant entry was made in the commercial register.

4.3 PURCHASE PRICE ALLOCATION

PROVISIONAL PURCHASE PRICE ALLOCATIONS FOR ABC PRODUCTION AND CREA

As at 31 March 2014, the purchase price allocations for ABC Production and CREA were still provisional because investigations regarding the intangible assets and the final assessment of legal aspects are still pending.

PROVISIONAL PURCHASE PRICE ALLOCATION OF SEE TICKETS NEDERLAND B.V.

See Tickets Nederland B.V., Amsterdam (hereinafter: See Tickets Nederland) sells, in addition to tickets for Stage Entertainment Musicals, admission tickets for many concerts, sports and other events in the Netherlands.

Since its initial consolidation at the beginning of March 2014, See Tickets Nederland has generated revenue of EUR 680 thousand and earnings of EUR 13 thousand. Cash equivalents of EUR 3.301 million were taken over in the course of the 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 See Tickets Nederland:

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

Assets and liabilities were recognised at fair value in the provisional purchase price allocation. At the time of initial consolidation, intangible assets (ticket distribution rights and customer base) were recognised at a fair value of EUR 12.341 million. Deferred tax liabilities of EUR 2.933 million were formed on the temporary difference arising from the remeasurement of intangible assets.

As at 31 March 2014, the purchase price allocation is still provisional because investigations regarding the 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 months after the acquisition.

The present value of trade receivables amounted to EUR 130 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	13,580
Cash and cash equivalents	3,301
Inventories	46
Trade receivables	130
Other assets	6,385
Accrued expenses	623
Property, plant and equipment	665
Intangible assets	12,341
Deferred tax assets	1,832
Trade payables	-2,773
Other liabilities	-8,523
Deferred tax liabilities	-2,933
Total net assets / shareholders' equity	**11,094**
Goodwill	2,486

The difference of EUR 2.486 million between the paid purchase price (EUR 13.580 million) and the share in net assets was allocated to goodwill and mainly reflects future synergy and growth potentials.

If See Tickets Nederland had been acquired at the beginning of the year 2014, the company would have contributed EUR 2.178 million to revenue and EUR 178 thousand to earnings in the Ticketing segment.

PROVISIONAL PURCHASE PRICE ALLOCATION OF ENTRADAS SEE TICKETS S.A.

Entradas See Tickets S.A., Madrid (hereinafter: Entradas See Tickets) sells, in addition to tickets for Stage Entertainment Musicals, admission tickets for many concerts, sports and other events in Spain.

Since its initial consolidation at the beginning of March 2014, Entradas See Tickets has generated revenue of EUR 686 thousand and earnings of EUR 55 thousand. Cash equivalents of EUR 4.040 million were taken over in the course of the 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 Entradas See Tickets:

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

Assets and liabilities were recognised at fair value in the provisional purchase price allocation. At the time of initial consolidation, intangible assets (ticket distribution rights, customer base, software and trademarks) were recognised at a fair value of EUR 5.216 million. Deferred tax liabilities of EUR 1.565 million were formed on the temporary difference arising from the remeasurement of intangible assets.

As at 31 March 2014, the purchase price allocation is still provisional because investigations regarding the 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 months after the acquisition.

The present value of trade receivables, at EUR 1.094 million, derives from a gross carrying value of receivables, at EUR 1.153 million, and allowances for bad debts amounting to EUR 59 thousand.

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

	[EUR'000]
Consideration transferred	4,530
Cash and cash equivalents	4,040
Inventories	83
Trade receivables	1,094
Receivables from affiliated companies	3
Other assets	158
Accrued expenses	107
Property, plant and equipment	596
Intangible assets	6,782
Investments	32
Deferred tax assets	4,096
Trade payables	-847
Payables to affiliated companies	-3,837
Other liabilities	-4,995
Deferred income	-248
Other provisions	-125
Deferred tax liabilities	-1,568
Total net assets / shareholders' equity	**5,371**
Bargain purchase	-841

The remeasurement of the acquired assets and liabilities resulted in a gain from a bargain purchase (difference between net assets and purchase cost) following initial consolidation; pursuant to IFRS 3, this resulted in other operating income of EUR 841 thousand. The favourable purchase price coupled with the earnings prospects associated with the acquired company resulted in a gain from a bargain purchase of EUR 841 thousand.

In the course of the acquisition, CTS AG acquired intercompany loan receivables from Entradas See Tickets in the amount of EUR 3.832 million from the former shareholders; these are reported under liabilities to affiliated companies. Considering the cost of acquired intercompany and the loan receivables the paid purchase price totals EUR 8.362 million.

If Entradas See Tickets had been acquired at the beginning of the year 2014, the company would have contributed EUR 2.103 million to revenue and EUR 329 thousand to earnings in the Ticketing segment.

PROVISIONAL PURCHASE PRICE ALLOCATION OF TOP TICKET FRANCE S.A.S.

Top Ticket France S.A.S., Paris (hereinafter: Top Ticket France) sells tickets for Stage Entertainment Musicals in France.

Since its initial consolidation at the beginning of March 2014, Top Ticket France has generated revenue of EUR 164 thousand and earnings of EUR 85 thousand. Cash equivalents of EUR 1.630 million were taken over in the course of the 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 Top Ticket France:

	Fair value at the time of initial consolidation - provisional purchase price allocation -
	[EUR'000]
Cash and cash equivalents	1,630
Trade receivables	1,695
Other assets	3,402
Accrued expenses	1
Total current assets	**6,728**
Property, plant and equipment	12
Intangible assets	2,115
Total non-current assets	**2,127**
Trade payables	165
Other liabilities	6,094
Other provisions	73
Total current liabilities	**6,332**
Deferred tax liabilities	705
Total non-current liabilities	**705**
Total net assets	**1,818**

Assets and liabilities were recognised at fair value in the provisional purchase price allocation. At the time of initial consolidation, intangible assets (ticket distribution rights) were recognised at a fair value of EUR 2.115 million. Deferred tax liabilities of EUR 705 thousand were formed on the temporary difference arising from the remeasurement of intangible assets.

As at 31 March 2014, the purchase price allocation is still provisional because investigations regarding the 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 months after the acquisition.

The present value of trade receivables, at EUR 1.695 million, derives from a gross carrying value of receivables, at EUR 1.863 million, and allowances for bad debts amounting to EUR 168 thousand.

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

	[EUR'000]
Consideration transferred	1,579
Cash and cash equivalents	1,630
Trade receivables	1,695
Other assets	3,402
Accrued expenses	1
Property, plant and equipment	12
Intangible assets	2,115
Trade payables	-165
Other liabilities	-6,094
Other provisions	-73
Deferred tax liabilities	-705
Total net assets / shareholders' equity	**1,818**
Bargain purchase	-239

The paid purchase price amounted to EUR 1.579 million. The remeasurement of the acquired assets and liabilities resulted in a gain from a bargain purchase (difference between net assets and purchase cost) following initial consolidation; pursuant to IFRS 3, this resulted in other operating income of EUR 239 thousand. The favourable purchase price coupled with the earnings prospects associated with the acquired company resulted in a gain from a bargain purchase of EUR 239 thousand.

If Top Ticket France had been acquired at the beginning of the year 2014, the company would have contributed EUR 370 thousand to revenue and EUR 159 thousand to earnings in the Ticketing segment.

ASSET DEAL STAGE RUSSIA

An exclusive ticketing agreement was concluded in Russia for the sale of tickets for two Stage Entertainment theatres in Moscow. This agreement does not constitute a business combination within the meaning of IFRS 3. Intangible assets in the amount of EUR 1.000 million were acquired in the course of this asset deal.

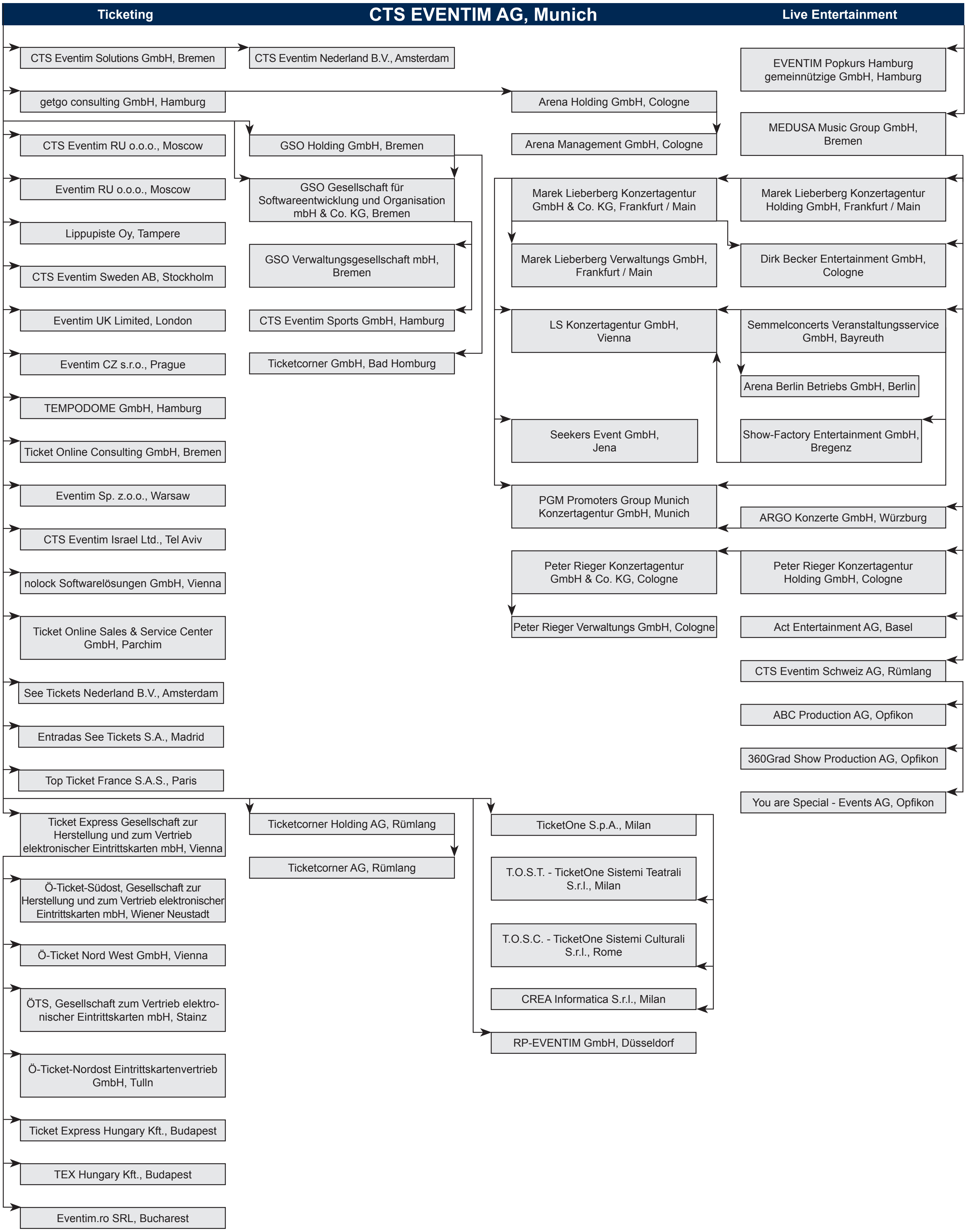
4.4. JOINT VENTURE HAL APOLLO

Pursuant to IAS 31, as at 31 March 2014 the following notes represent the Group's proportional share in joint venture HAL Apollo:

	31.03.2014 [EUR'000]	31.12.2013 [EUR'000]
Current assets	1,138	874
Non-current assets	24,906	25,048
Current liabilities	4,790	4,576
Non-current liabilities	6,487	6,671

In the reporting period, the joint venture HAL Apollo generated as per the Group's proportional share revenue amounting to EUR 898 thousand (previous year: EUR 624 thousand) and EBITDA of EUR 505 thousand (previous year: EUR 223 thousand).

The corporate structure as at 31 March 2014 is shown in the following table:



5. SELECTED NOTES TO THE CONSOLIDATED BALANCE SHEET

Group **cash and cash equivalents** reduced by EUR 1.378 million to EUR 374.358 million (31 December 2013: EUR 375.736 million). The seasonal reduction in cash and cash equivalents in the Ticketing segment from ticket monies not yet invoiced was partially offset by cash and cash equivalents from tickets monies of newly consolidated companies. Payments for acquisitions led to a cash outflow, whereas proceeds from borrowing financing loans for the acquisition of new companies increased the volume of cash and cash equivalents in the Ticketing segment.

Cash and cash equivalents include ticket monies from presales for events in subsequent quarters (ticket monies not yet invoiced in the Ticketing segment), which are reported under other liabilities (EUR 163.704 million; 31 December 2013: EUR 161.498 million); furthermore, other assets include receivables from ticket monies from presales in the Ticketing segment (EUR 51.261 million; 31 December 2013: EUR 34.239 million). The rise in receivables and liabilities from ticket monies was mainly the result of the expansion of the number of consolidated companies.

The increase in **payments on account** (EUR +7.805 million) concerns events in subsequent quarters in the Live Entertainment segment.

Receivables from income tax (EUR -2.468 million) declined mainly as a result of lower receivables from capital gains tax.

The rise in **other current assets** (EUR +25.439 million) was mainly the result of an increase in receivables from ticket monies from presales in the Ticketing segment, partly due to the expansion of the number of consolidated companies.

The increase in **intangible assets** of EUR 17.950 million was mainly the result of the provisional purchase price allocation of the recognised assets (trademark, ticketing distribution rights/customer base) of acquired companies and increased software development services relating to ticket distribution software.

The change in **goodwill** of EUR +2.882 million was mainly due to the provisional purchase price allocation of the companies acquired in the first quarter of 2014 in the Ticketing segment.

Deferred tax assets primarily rose in the Ticketing segment (EUR +5.805 million) due to the provisional purchase price allocation of the companies acquired in the first quarter of 2014.

Short-term financial liabilities rose by EUR 16.309 million. In the reporting period, the use of syndicated credit lines to finance the acquisition of the Stage Entertainment companies resulted in an increase in financial liabilities.

Trade payables decreased by EUR 4.034 million within the scope of operating activities; the majority of this decline was attributable to the Ticketing segment.

Advance payments received (EUR +21.412 million) rose largely in the Live Entertainment segment as a result of ticket monies received for presales for festivals, tours and other events that are set to take place from the second quarter of 2014 onwards. Advance payments received in the Live Entertainment segment are transferred to revenue when the respective events have taken place.

The decline in **other current liabilities** (EUR -1.618 million) is mainly due to a fall in income tax liabilities of EUR 2.909 million and a EUR 1.268 million reduction in liabilities from artist taxes. This was offset by increased liabilities from ticket monies not yet invoiced in the Ticketing segment of EUR 2.206 million, which was primarily due to the expansion of the number of consolidated companies. 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 subsequent year as a result of invoicing and the events taking place themselves.

Shareholders' equity rose by EUR 16.228 million to EUR 269.430 million, mainly as a result of the positive net income after non-controlling interest in the reporting period of EUR 14.869 million and a rise in non-controlling interest of EUR 1.368 million which were largely attributable to minority interests in the operating result in the Live Entertainment segment. At 28.8%, the equity ratio (shareholders' equity divided by the balance sheet total) is at roughly the same level as the previous year (28.9%).

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

The **CTS Group** generated revenue of EUR 150.392 million, after EUR 121.070 million the previous year (+24.2%).

The **Ticketing segment** generated revenue (before consolidation between segments) of EUR 69.354 million (previous year: EUR 62.269 million). The rise in online ticket sales and the expansion of the number of consolidated companies were key factors in the 11.4% increase in revenue. In the first quarter of 2014, 5.9 million tickets (previous year: 5.5 million) were sold through the Group's internet portals, equating to a rise in internet ticket volume of 6.8%. The share of sales generated by foreign subsidiaries was 40.2% (previous year: 40.7%).

The **Live Entertainment** segment expanded in the first quarter of 2014 by a greater margin than the Ticketing segment and reinforced its market-leading role in Germany and Europe. Revenue in the first quarter climbed to EUR 83.193 million (previous year: EUR 60.333 million; +37.9%). The expansion of the number of consolidated companies in 2013 had a particularly positive impact on revenue in the reporting period.

COST OF SALES

Cost of sales increased by EUR 24.414 million to EUR 100.260 million.

The **Group** gross margin decreased from 37.4% to 33.3%. The consolidated gross margin was negatively impacted by the increased share of the lower-margin Live Entertainment segment in the consolidated gross margin.

In the **Ticketing segment**, the gross margin decreased in the first quarter of 2014 from 57.9% to 57.6%. This development was down to the newly consolidated subsidiaries and their lower earnings contributions.

In the **Live Entertainment segment**, the gross margin declined from 15.3% to 12.2% due to the increase in the number of consolidated companies in 2013.

SELLING EXPENSES

Selling expenses rose by EUR 1.533 million to EUR 14.879 million. This increase was mainly due to depreciation and amortisation as well as the increase in the number of consolidated companies.

GENERAL ADMINISTRATIVE EXPENSES

General administrative expenses rose by EUR 941 thousand to EUR 9.736 million. This increase was mainly due to higher personnel expenses as well as the increase in the number of consolidated companies.

OTHER OPERATING INCOME

Other operating income expenses rose by EUR 632 thousand to EUR 4.102 million. This was due to, among other things, other operating income of EUR 1.081 million from the initial consolidation of Entradas See Tickets and Top Ticket France. Pursuant to IFRS 3, a gain from bargain purchase from this acquisition resulted in higher other operating income.

OTHER OPERATING EXPENSES

Other operating expenses increased by EUR 326 thousand to EUR 3.895 million; this was due to, among other things, higher expenses from the increase in the number of consolidated companies and the related ancillary acquisition costs.

FINANCIAL RESULT

The financial result, at EUR -993 thousand (previous year: EUR -1.145 million) mainly includes EUR 464 thousand in financial income (previous year: EUR 574 thousand), EUR 1.863 million in financial expenses (previous year: EUR 1.838 million) as well as EUR 406 thousand in income from investments in associates accounted for at equity (previous year: EUR 118 thousand).

TAXES

Taxes increased by EUR 1.407 million to EUR 8.138 million mainly due to positive business development.

7. ADDITIONAL DISCLOSURES ON FINANCIAL INSTRUMENTS

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

		Balance sheet value according to IAS 39				
	Carrying value 31.03.2014	At amortised cost	At fair value through profit and loss	At fair value not through profit and loss	Purchase cost	Fair value
	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]
ASSETS						
Cash and cash equivalents	374,358	374,358				374,358
Trade receivables	26,930	26,930				26,770
Receivables from affiliated and associated companies accounted for at equity	6,030	6,030				5,986
Other original financial assets	62,626	62,626				62,198
Other original financial assets (at fair value not through profit and loss)	3,759			3,759		3,759
Other derivative financial assets (at fair value through profit and loss)	64		64			64
Investments (held-to-maturity)	1,007	1,007				985
Investments (at amortised cost)	1,737				1,737	
Loans	245	245				261
LIABILITIES						
Short-term financial liabilities	51,043	51,043				51,351
Medium- and long-term financial liabilities	161,563	161,563				156,924
Trade payables	53,959	53,959				53,638
Payables to affiliated and associated companies accounted for at equity	607	607				604
Other original financial liabilities	169,710	169,710				169,322
Other derivative financial liabilities (at fair value through profit and loss)	125		125			125
Categories according to IAS 39:						
Loans and receivables	470,189	470,189				439,573
Financial liabilities at amortised cost	436,882	436,882				431,840
Available-for-sale financial assets	5,497			3,759	1,737	3,759
Held-to-maturity investments	1,007	1,007				985

Carrying values, balance sheet values and fair values as at 31 December 2013 are shown in the following table according to measurement categories:

		Balance sheet value according to IAS 39				
	Carrying value 31.12.2013	At amortised cost	At fair value through profit and loss	At fair value not through profit and loss	Purchase cost	Fair value
	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]
ASSETS						
Cash and cash equivalents	375,736	375,736				375,736
Trade receivables	26,338	26,338				26,191
Receivables from affiliated and associated companies accounted for at equity	6,532	6,532				6,479
Other original financial assets	44,717	44,717				44,402
Other original financial assets (at fair value not through profit and loss)	766			766		766
Other derivative financial assets (at fair value through profit and loss)	20		20			20
Investments (held-to-maturity)	1,007	1,007				984
Investments (at amortised cost)	1,730				1,730	
Loans	160	160				169
LIABILITIES						
Short-term financial liabilities	34,734	34,734				35,365
Medium- and long-term financial liabilities	161,357	161,357				161,311
Trade payables	57,993	57,993				57,668
Payables to affiliated and associated companies accounted for at equity	113	113				113
Other original financial liabilities	169,932	169,932				168,975
Other derivative financial liabilities (at fair value through profit and loss)	422		422			422
Categories according to IAS 39:						
Loans and receivables	453,483	453,483				452,976
Financial liabilities at amortised cost	424,129	424,129				423,431
Available-for-sale financial assets	2,496			766	1,730	766
Held-to-maturity investments	1,007	1,007				984

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, such as fund units, 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.

Derivative financial instruments are recognised at their fair value. The carrying amount of the foreign exchange transactions is therefore equal to their respective fair value. The interest rate swaps prevailing as at 31 December 2013 were terminated in the first quarter of 2014 and recorded in the financial result at EUR -370 thousand.

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; 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, due to the lack of an active or measurable market.

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 three months of 2014.

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 March 2014:

	31.03.2014			
	Level 1	Level 2	Level 3	Total
	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]
ASSETS				
Other original financial assets (at fair value not through profit and loss)	3,759	0	0	3,759
Other derivative financial assets (at fair value through profit and loss)	0	64	0	64
	3,759	**64**	**0**	**3,823**
LIABILITIES				
Other derivative financial liabilities (at fair value through profit and loss)	0	125	0	125
	0	**125**	**0**	**125**

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 2013:

	31.12.2013			
	Level 1	Level 2	Level 3	Total
	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]
ASSETS				
Other original financial assets (at fair value not through profit and loss)	766	0	0	766
Other derivative financial assets (at fair value through profit and loss)	0	20	0	20
	766	**20**	**0**	**786**
LIABILITIES				
Other derivative financial liabilities (at fair value through profit and loss)	0	422	0	422
	0	**422**	**0**	**422**

8. SEGMENT REPORTING

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

	Ticketing		Live Entertainment		Total segment	
	31.03.2014 [EUR'000]	31.03.2013 [EUR'000]	31.03.2014 [EUR'000]	31.03.2013 [EUR'000]	31.03.2014 [EUR'000]	31.03.2013 [EUR'000]
External revenue	68,319	61,464	82,073	59,606	150,392	121,070
Internal revenue	9,970	9,748	11,634	8,009	21,604	17,757
Total revenue	**78,289**	**71,212**	**93,707**	**67,615**	**171,996**	**138,827**
Consolidation within the segment	-8,935	-8,943	-10,514	-7,282	-19,449	-16,225
Revenue after consolidation within the segment	**69,354**	**62,269**	**83,193**	**60,333**	**152,547**	**122,602**

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

	Ticketing		Live Entertainment		Intersegment consolidation		Group	
	31.03.2014 [EUR'000]	31.03.2013 [EUR'000]	31.03.2014 [EUR'000]	31.03.2013 [1] [EUR'000]	31.03.2014 [EUR'000]	31.3.2013 [EUR'000]	31.03.2014 [EUR'000]	31.03.2013 [1] [EUR'000]
Revenue	69,354	62,269	83,193	60,333	-2,155	-1,532	150,392	121,070
EBITDA	26,221	23,720	5,833	4,846	0	0	32,054	28,566
EBIT	20,571	18,800	5,152	4,184	0	0	25,723	22,984
Depreciation and amortisation	-5,650	-4,920	-680	-661	0	0	-6,330	-5,581
Financial result							-993	-1,145
Earnings before tax (EBT)							24,731	21,839
Taxes							-8,138	-6,731
Net income before non-controlling interest							16,593	15,109
Non-controlling interest							-1,724	-2,100
Net income after non-controlling interest							14,869	13,009
Average number of employees	1,459	1,203	484	461			1,943	1,664
Normalised EBITDA	26,520	23,891	5,833	4,846	0	0	32,353	28,737
Normalised EBIT before amortisation from purchase price allocation	23,407	21,426	5,283	4,316	0	0	28,690	25,742

[1] Adjusted prior-year figures due to the final purchase price allocation of Arena Management GmbH

9. OTHER DISCLOSURES

APPROPRIATION OF EARNINGS

The Annual Shareholders' Meeting on 8 May 2014 passed a resolution to distribute EUR 30.717 million (EUR 0.64 per eligible share) of the balance sheet profit of EUR 136.756 million as at 31 December 2013 to shareholders and allocated EUR 48.000 million to earnings reserve. Payment of this dividend was effected on 9 May 2014, and the remaining balance sheet profit of EUR 58.039 million was carried forward to the new account.

FINANCIAL OBLIGATIONS

There have been no material changes in contingent liabilities since 31 December 2013.

SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

The transactions of the CTS Group with related parties pertain to reciprocal services and were concluded only at 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 2014 reporting period:

	31.03.2014	31.03.2013
	[EUR'000]	[EUR'000]
Goods and services supplied by the Group		
Subsidiaries not included in consolidation due to insignificance	127	222
Associated companies accounted for at equity	205	0
Other related parties	913	1,045
	1,245	**1,267**

	31.03.2014	31.03.2013
	[EUR'000]	[EUR'000]
Goods and services received by the Group		
Subsidiaries not included in consolidation due to insignificance	607	74
Associated companies accounted for at equity	1,035	104
Other related parties	5,178	4,728
	6,820	**4,906**

Bremen, 28 May 2014

CTS EVENTIM Aktiengesellschaft

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 EVENTIM AG. 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 EVENTIM AG 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 EVENTIM AG 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*.

CONTACT

CTS EVENTIM AG
Contrescarpe 75 A
28195 Bremen
Phone: +49 (0) 421 / 36 66 - 0
Fax: +49 (0) 421 / 36 66 - 2 90

www.eventim.de
investor@eventim.de

PUBLISHERS' NOTES
PUBLISHED BY:

CTS EVENTIM AG
Contrescarpe 75 A
28195 Bremen
Phone: +49 (0) 421 / 36 66 - 0
Fax: +49 (0) 421 / 36 66 - 2 90

EDITORIAL OFFICE:

Engel & Zimmermann
CTS EVENTIM AG

ARTWORK:

SECHSBAELLE, Bremen
www.sechsbaelle.de