



**GROUP INTERIM REPORT  
AS AT 30 JUNE**

**2015**

**eventim**



# KEY GROUP FIGURES

	01.01.2015 - 30.06.2015	01.01.2014 - 30.06.2014	Change
	[EUR'000]	[EUR'000]	[in %]
Revenue	419,710	339,529	23.6
EBITDA	79,065	65,064 <sup>1</sup>	21.5
EBITDA margin	18.8%	19.2% <sup>1</sup>	-0.4 pp
EBIT	64,251	51,686 <sup>1</sup>	24.3
EBIT margin	15.3%	15.2% <sup>1</sup>	0.1 pp
Normalised EBITDA	79,197	65,583 <sup>1</sup>	20.8
Normalised EBIT before amortisation from purchase price allocation	70,381	57,521 <sup>1</sup>	22.4
<i>Normalised EBITDA margin</i>	<i>18.9%</i>	<i>19.3% <sup>1</sup></i>	<i>-0.4 pp</i>
<i>Normalised EBIT margin before amortisation from purchase price allocation</i>	<i>16.8%</i>	<i>16.9% <sup>1</sup></i>	<i>-0.1 pp</i>
Non-recurring items <sup>2</sup>	133	518	-74.3
Amortisation resulting from purchase price allocation	5,998	5,317 <sup>1</sup>	12.8
Earnings before tax (EBT)	62,987	50,019 <sup>1</sup>	25.9
Net income after non-controlling interest	36,510	30,832 <sup>1</sup>	18.4
Cash flow	59,073	48,070 <sup>1</sup>	22.9
	[EUR]	[EUR]	
Earnings per share <sup>3</sup> , undiluted (= diluted)	0.38	0.32 <sup>1</sup>	
	[Qty.]	[Qty.]	
Number of employees <sup>4</sup>	2,169	2,002	
Of which temporary	(378)	(341)	

<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, and CTS Eventim Nederland B.V. (formerly: See Tickets Nederland B.V.), Amsterdam

<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)

# CONTENT

1.	<b>LETTER TO THE SHAREHOLDERS</b>	<b>2</b>
2.	<b>CTS EVENTIM SHARES</b>	<b>4</b>
3.	<b>INTERIM GROUP MANAGEMENT REPORT</b>	<b>6</b>
4.	<b>INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 JUNE 2015</b>	<b>17</b>
	Consolidated balance sheet	17
	Consolidated income statement	19
	Consolidated statement of comprehensive income	21
	Consolidated statement of changes in shareholders' equity	23
	Consolidated cash flow statement (short form)	24
	Selected notes to the consolidated financial statements	25

# 1. LETTER TO THE SHAREHOLDERS



Klaus-Peter Schulenberg  
Chief Executive Officer

Dear Shareholders,

At the end of the second quarter 2015, we can look back on a very successful first half of the year. Since April CTS EVENTIM has been continuing its success story on the MDAX as one of the 80 largest listed companies in Germany. That is certainly something to be proud of. Our business model continues to prove itself capable of achieving, sustainable success and remaining resilient in the face of difficulties. This is best illustrated by the positive key figures recorded during the first half of the year 2015, which we present to you in this report.

## TWO-DIGIT INCREASE IN REVENUE AND EARNINGS

CTS EVENTIM once again exceeded the previous year's figures, recording significant increases in revenue and earnings in both the Ticketing and Live Entertainment segments. The CTS Group's revenue increased by 23.6% to EUR 419.7 million in the first six months compared to the previous year, while EBITDA improved by 21.5% to EUR 79.1 million in the same period.

In the Ticketing segment, revenue rose by 12.0% to EUR 145.4 million and EBITDA saw a year-on-year increase of 12.1% to EUR 51.7 million. The growth performance in the Live Entertainment segment was particularly positive with a 29.8% increase in revenue to EUR 277.2 million. EBITDA in this segment rose by 44.4% to EUR 27.3 million.

The success of our growth strategy is confirmed by these positive figures. In line with this strategy, we will continue to focus on further advancing E-Commerce sales and expanding at the international level in the future. The positive sales figures in the Ticketing segment show, that we are on the right track. The number of tickets sold via the internet increased by 21.8% to 14.9 million tickets compared to the previous period. Acquisitions in 2014 contributed to this increase in the number of tickets sold through E-Commerce.

## INNOVATIONS FOR GROWTH IN E-COMMERCE

We intend to continue building on these successes in the future. These results are based on our persistent pursuit of innovation and consistent optimisation of our globally leading ticketing system. By continuously offering new web-based services, CTS EVENTIM provides its customers with an increasingly more convenient and attractive way to access the live event of their choice. Services include EVENTIM apps for Apple and Android smartphones and tablets, which are already being used by millions. With these apps, our customers can find and book their favourite events in a simple and convenient way no matter where they are. For this reason, we are also continuing our efforts to expand unique features, such as our online seating plan with a panoramic 360-degree view, allowing customers to view the stage from their chosen seat even before buying a ticket.

## **POSITIVE BUSINESS DEVELOPMENT IN THE LIVE ENTERTAINMENT SEGMENT**

As mentioned above, the Live Entertainment segment also recorded very positive developments in revenue and earnings during the first half of the year. Popular events and tours, leading venues and relationships with artists that have developed over the years have been decisive in the CTS Group's success in the Live Entertainment segment. This success will not be impacted by the departure of our longstanding managing director Marek Lieberberg of Marek Lieberberg Konzertagentur GmbH & Co. KG, Frankfurt/Main, who is switching to Live Nation, though we are very sorry to see him depart. Marek Lieberberg Konzertagentur GmbH & Co. KG, Frankfurt/Main, will remain part of the CTS Group and its activities will be continued without disruption. Significant examples of these activities include the ROCK AM RING and ROCK IM PARK festivals, which together attract more 150,000 attendees every year.

## **MAJOR SPORTING EVENTS DRIVE INTERNATIONAL EXPANSION**

The focus of our expansion efforts continues to be in the Ticketing; however, our activities are increasingly taking place at an international level. Sports remain one of our major growth drivers and international flagships. Ticket sales for the 2016 Olympic Games in Rio de Janeiro are currently underway with a volume of more than 9 million tickets. This prestigious large-scale project marks our entry into the South American market. In October 2015, the Formula 1 race will take place in Sochi, Russia, for which we also organising the ticket sale.

In addition to large-scale international events, the sports segment will continue to be influenced by partnerships and cooperation with more than 100 sports associations, clubs and organisers, who we intend to continue winning over with our consistent development of new ticketing innovations.

With this interim report, we have once again laid a solid foundation for a positive annual result. The figures provide incentive not only to me but to the entire management board to successfully meet the challenges that lie ahead in the coming months. Above all, I would like to thank our employees, who make our success possible with their personal commitment.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Klaus-Peter Schulenberg". The signature is fluid and cursive, with a prominent initial "K" and a long, sweeping underline.

Klaus-Peter Schulenberg  
Chief Executive Officer

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

## 2. CTS EVENTIM SHARES

Following the positive performance in the first quarter of the 2015 financial year, the second quarter was characterised by a counter movement on the stock markets. This was due in part to increased uncertainty on the global capital markets fuelled by the crisis in Greece and the associated speculations about the 'Grexit scenario'. In addition, significant price corrections on the stock exchanges of various emerging markets, primarily in the People's Republic of China, also added to increasing volatility on the global stock markets and part of the exchange gains achieved in the first quarter of 2015 was eliminated.

While the CTS EVENTIM shares continue to develop in line with the benchmark DAX and MDAX indices during the first quarter, the shares of CTS EVENTIM AG & Co. KGaA (hereinafter: CTS KGaA) were spared the turbulence experienced during the second quarter and managed to counter the trends seen on the benchmark indices. The DAX recorded positive price development of 11.6% in the first half of 2015. The MDAX experienced price increases of 15.9% in the same period. The price development of the DAX (+22.0%) and the MDAX (+22.1%) in the first quarter of 2015 underscores the significance of the market turbulences that led to negative development in the second quarter.

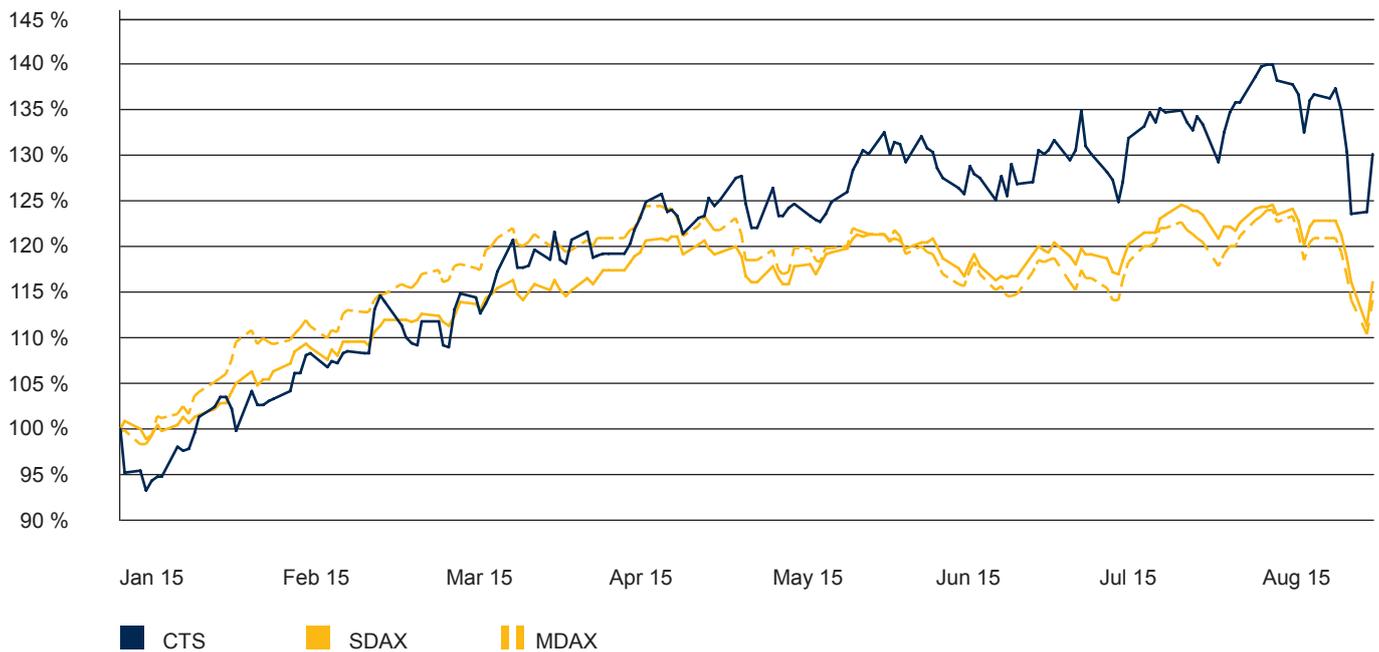
CTS EVENTIM shares, on the other hand, were able to maintain the first quarter's level of positive performance during the second quarter. Following the price increase of 19.5% in the first three months of the 2015 financial year, the performance of CTS EVENTIM shares climbed to 34.9% by the end of the first half of 2015. With this result, CTS EVENTIM once again continued its trend of exceeding the German benchmark DAX and MDAX indices in terms of price development in the first half of the 2015 financial year.

CTS EVENTIM shares are able to continue their uninterrupted development due to CTS KGaA's solid business model and the associated growth profile. The trends towards live music and progressive digitalisation are drivers of organic growth for the business model.

Various bank analysts also expressed this opinion in their investment recommendations for CTS EVENTIM shares. Analysts at Berenberg, Commerzbank, DZ Bank, Exane BNP Paribas and Metzler all issued buy recommendations for CTS EVENTIM shares, while Equinet, Bankhaus Lampe, M.M. Warburg and NordLB recommend to hold CTS EVENTIM shares. There were no recommendations to sell.

CTS KGaA will be represented at numerous investor conferences and roadshows in the second half of the 2015 financial year. The active exchange of information with investors at the international and national levels is a key focus of CTS EVENTIM's communication strategy, which also aims to further enhance the already excellent contact maintained with capital market participants.

### CTS EVENTIM SHARE PRICE (01.01.2015 – 25.08.2015, INDEXED)



Number of shares held by members of executive organs as at 30 June 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 - 30.06.2015	01.01.2014 - 30.06.2014	Change	
	[EUR'000]	[EUR'000]	[EUR'000]	[in %]
Revenue	419,710	339,529	80,181	23.6
Gross profit	118,462	100,516 <sup>1</sup>	17,946	17.9
EBITDA	79,065	65,064 <sup>1</sup>	14,001	21.5
EBIT	64,251	51,686 <sup>1</sup>	12,565	24.3
Non-recurring items:				
Acquisition costs	133	518	-385	-74.3
Normalised EBITDA	79,197	65,583 <sup>1</sup>	13,614	20.8
Amortisation from purchase price allocation	-5,998	-5,317 <sup>1</sup>	-681	12.8
Normalised EBIT before amortisation from purchase price allocation	70,381	57,521 <sup>1</sup>	12,860	22.4
Financial result	-1,264	-1,667	403	-24.2
Earnings before tax (EBT)	62,987	50,019 <sup>1</sup>	12,968	25.9
Taxes	-19,344	-15,019 <sup>1</sup>	-4,325	28.8
Non-controlling interest	-7,133	-4,168	-2,965	71.1
Net income after non-controlling interest	36,510	30,832 <sup>1</sup>	5,678	18.4

<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, and CTS Eventim Nederland B.V. (formerly: See Tickets Nederland B.V.), Amsterdam

## REVENUE GROWTH

**CTS Group** generated revenue of EUR 419.710 million in the period under review, compared to EUR 339.529 million in the previous year (+23.6%). Revenue (before consolidation between segments) of EUR 145.447 million was attributable to the Ticketing segment (previous year: EUR 129.875 million) and EUR 277.206 million was attributable to the Live Entertainment segment (previous year: EUR 213.577 million).

The **Ticketing segment** generated EUR 145.447 million in revenue (before consolidation between segments) compared to EUR 129.875 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 14.9 million tickets were sold via the Internet, which equates a growth of 21.8% compared to previous year (12.2 million tickets). The internet ticket volume of acquisitions made in the previous year increased from 1.3 million to 2.2 million tickets. The share of revenue generated by foreign subsidiaries was 48.4% in 2015 (previous year: 43.1%), mainly influenced by markets of Italy and Switzerland.

The **Live Entertainment** segment showed a very good performance due to attractive live events and major tours (et al AC/DC and Herbert Grönemeyer) as well as renowned festivals like 'ROCK IM PARK' and 'ROCK AM RING'. Revenue increased by EUR 63.629 million to EUR 277.206 million compared to EUR 213.577 million in the previous year (+29.8%).

## GROSS PROFIT

As at 30 June 2015, the gross profit of the **CTS Group** increased to EUR 118.462 million (previous year: EUR 100.516 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 29.6% to 28.2%.

In the **Ticketing segment**, the gross margin in the first half of 2015 was with 56.4% on par with the previous year's level (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 increased to 13.1% (previous year: 12.8%).

## NON-RECURRING ITEMS

Non-recurring items in the Ticketing segment caused a temporary drop of EUR 133 thousand (previous year: EUR 518 thousand) in CTS Group earnings due to planned and completed acquisitions.

## NORMALISED EBITDA / EBITDA

Normalised EBITDA in the **CTS Group** increased by EUR 13.614 million, or 20.8%, to EUR 79.197 million (previous year: EUR 65.583 million). The EUR 13.614 million change in normalised EBITDA breaks down into EUR 5.218 million in the Ticketing segment and EUR 8.396 million in the Live Entertainment segment. The normalised EBITDA margin at 18.9% was slightly below the previous year's level (19.3%). Foreign subsidiaries accounted for 24.4% of normalised EBITDA up from 20.9% in the previous year.

EBITDA in the CTS Group increased by EUR 14.001 million, or 21.5%, to EUR 79.065 million (previous year: EUR 65.064 million). The EBITDA margin was 18.8% (previous year: 19.2%).

Normalised EBITDA in the **Ticketing segment** increased by EUR 5.218 million (+11.2%) to EUR 51.881 million (previous year: EUR 46.663 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 35.7% (previous year: 35.9%). Foreign subsidiaries accounted for 30.9% of normalised EBITDA in the ticketing segment in the current reporting period, up from 27.8% in the previous year.

EBITDA in the Ticketing segment increased by 12.1%, from EUR 46.144 million in the previous year to EUR 51.748 million. The EBITDA margin was at 35.6% on last year's level (35.5%). Foreign subsidiaries accounted for 31.0% of EBITDA in the Ticketing segment in the current reporting period, up from 26.6% in the previous year.

In the **Live Entertainment segment**, EBITDA increased by EUR 8.397 million, from EUR 18.920 million to EUR 27.317 million due to the positive earnings contributions of successful events, major tours and festivals. The EBITDA margin in the first half of 2015 increased to 9.9% (previous year: 8.9%).

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

In the first half of 2015, normalised EBIT before amortisation from purchase price allocation in the **CTS Group** was EUR 70.381 million (previous year: EUR 57.521 million; +22.4%). The normalised EBIT margin before amortisation from purchase price allocation was 16.8% (previous year: 16.9%).

At EUR 64.251 million, CTS Group EBIT is up 24.3% compared to the previous year (EUR 51.686 million). The EBIT margin was 15.3% (previous year: 15.2%).

Total depreciation and amortisation within the CTS Group increased to EUR 14.814 million (previous year: EUR 13.378 million) and includes amortisation from purchase price allocation of EUR 5.998 million (previous year: EUR 5.317 million) and in particular amortisation from ticket distribution rights, software development services relating to ticket distribution software and property, plant and equipment of EUR 8.816 million (previous year: EUR 8.062 million).

In the **Ticketing segment**, normalised EBIT before amortisation from purchase price allocation rose by 11.0%, from EUR 39.697 million to EUR 44.059 million. The normalised EBIT margin before amortisation from purchase price allocation decreased to 30.3% (previous year: 30.6%).

EBIT improved by EUR 4.061 million, from EUR 34.123 million in the previous year to EUR 38.184 million (+11.9%). The EBIT margin was at 26.3% on last year's level (26.3%).

The **Live Entertainment segment** achieved a normalised EBIT before amortisation from purchase price allocation of EUR 26.322 million, compared to EUR 17.824 million in the previous year. The normalised EBIT margin increased to 9.5% from 8.4% in the previous year.

EBIT improved from EUR 17.563 million in the previous year to EUR 26.067 million (+48.4%). The EBIT margin was 9.4%, compared to 8.2% in the previous year.

## FINANCIAL RESULT

At EUR -1.264 million (previous year: EUR -1.667 million), the financial result includes EUR 638 thousand in financial income (previous year: EUR 894 thousand), EUR 2.611 million in financial expenses (previous year: EUR 3.628 million) as well as EUR 693 thousand in income from investments in associates accounted for at equity (previous year: EUR 1.052 million).

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 June 2015, earnings before tax (EBT) increased to EUR 62.987 million (previous year: EUR 50.019 million). After the deduction of tax expenses and non-controlling interest, net income after non-controlling interest amounted to EUR 36.510 million (previous year: EUR 30.832 million). Earnings per share (EPS) amounted to EUR 0.38 in the first half of 2015 (previous year: EUR 0.32).

## PERSONNEL

On average, CTS Group companies employed 2,122 employees in the consolidation period, including 355 temporary employees (previous year: 1,964 employees including 306 temporary employees), 1,541 of which in the Ticketing segment (previous year: 1,458 employees) and 581 of which in the Live Entertainment segment (previous year: 506 employees). 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.

Personnel expenses increased to EUR 51.850 million (previous year: EUR 44.175 million; +17.4%). Of the increase in personnel expenses, the Ticketing segment accounts for EUR 6.353 million and the Live Entertainment segment accounts for EUR 1.322 million.

## FINANCIAL POSITION

The main changes in **ASSETS** were in cash and cash equivalents (EUR -150.102 million), receivables from income tax (EUR -4.878 million) and intangible assets (EUR -3.996 million). These decreases are offset by an increase in current trade receivables (EUR +4.174 million) and goodwill (EUR +9.310 million).

**Cash and cash equivalents** in the CTS Group declined by EUR 150.102 million to EUR 355.741 million (31 December 2014: EUR 505.843 million). The cash outflow in the first half year 2015 relates among other things to the 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 repayment of loans result to additional cash outflows.

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 current other financial liabilities (EUR 144.597 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 42.724 million; 31 December 2014: EUR 52.515 million).

Current **trade receivables** (EUR +4.174 million) increased in the context of ongoing business operations.

**Receivables from income tax** (EUR -4.878 million) declined mainly as a result of capital gains tax refunds for previous years.

The EUR 3.996 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 9.310 million increase in **goodwill** results from currency translation effects associated with the goodwill in Swiss franc as at the closing date of 30 June 2015.

The main changes on the **SHAREHOLDERS' EQUITY AND LIABILITIES SIDE** were decreases in short-term financial liabilities (EUR -5.568 million), advance payments received (EUR -64.879 million), current other financial liabilities (EUR -106.478 million) and medium- and long-term financial liabilities (EUR -4.206 million). These decreases were offset by an increase in trade payables (EUR +32.122 million), tax provisions (EUR +6.763 million) and shareholders' equity (EUR +5.920 million).

**Short-term financial liabilities** decreased by EUR 5.568 million. In the reporting period, higher repayments of the syndicated credit line led to a reduction of financial liabilities. This is offset by a timely reclassification from medium- and long-term financial liabilities in short-term financial liabilities.

The increase in **trade payables** of EUR 32.122 million resulted primarily from liabilities for outstanding invoices in the Live Entertainment segment for major events carried out during the reporting period.

The EUR 64.879 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 6.763 million primarily due to positive business operations.

The change in current **other financial liabilities** (EUR -106.478 million) is primarily a result of a reduction in liabilities from ticket monies not yet invoiced in the Ticketing segment (especially for major tours). 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 reduction in **medium- and long-term financial liabilities** (EUR -4.206 million) mainly results from the timely reclassification in short-term financial liabilities.

**Shareholders' equity** rose by EUR 5.920 million to EUR 306.266 million, mainly as a result of the positive net income after non-controlling interest in the reporting period of EUR 36.510 million, a rise in non-controlling interest of EUR 4.495 million, which were largely attributable to non-controlling interests in the operating result in the Live Entertainment segment and currency differences of EUR 3.931 million. 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 31.9%.

## 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 30 June 2014, the volume of cash and cash equivalents increased by EUR 53.528 million to EUR 355.741 million.

**Cash flow from operating activities** fell year-on-year by EUR -61.453 million, from EUR -28.980 million to EUR -90.433 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 -26.687 million) and liabilities (EUR -58.853 million). This was offset by positive cash flows from the increase in net income after non-controlling interest (EUR +5.678 million) and the change in payments on account (EUR +3.848 million).

The negative cash flow effect deriving from changes in **receivables and other assets** (EUR -26.687 million) is mainly due to the fact that, in contrast to the previous year, the reduction in receivables from ticket monies were lower and trade receivables compared to previous period increased. Further more higher investments in marketable securities result in negative cash flow effects.

The negative cash flow effect due to the change in **liabilities** (EUR -58.853 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. Positive cash flow effects arise from the increase of trade liabilities in the Live Entertainment segment.

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.

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 positive cash flow effect of EUR 3.848 million from changes in **payments on account** is the result of a decrease in production costs payments for future events held after the balance sheet date in the Live Entertainment segment.

The negative **cash flow from investing activities** decreased year-on-year by EUR 14.311 million to EUR -9.497 million. The reduction in cash outflows was primarily due to lower investments in intangible assets and property, plant and equipment. Furthermore, no payments in connection with the acquisition of shares of newly acquired companies were made in the reporting period.

The negative **cash flow from financing activities** increased year-on-year by EUR -37.512 million to EUR -58.581 million. The change in cash flow relates to redemption of financing loans (EUR -9.720 million) primarily for "Revolving Credit Facility". In addition, no new financial loans were taken out in the reporting period (EUR -20.000 million). Furthermore, higher dividend payments to shareholders' (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 8.075 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 and ongoing operations from its own funds.

## 2. EVENTS AFTER THE BALANCE SHEET DATE

The managing director agreement with Marek Lieberberg of Marek Lieberberg Konzertagentur GmbH & Co. KG, Frankfurt/Main, which is a wholly owned subsidiary in the Live Entertainment segment, ends on 31 December 2015. He will begin working at US based event promoter Live Nation at the beginning of 2016. Marek Lieberberg Konzertagentur GmbH & Co. KG, Frankfurt/Main, will continue operating its activities within the MEDUSA Music Group; significant examples of these activities include the ROCK AM RING and ROCK IM PARK festivals, which together attract more than 150,000 attendees every year.

## 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 the 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 second outlook for 2015, the European Commission (hereinafter: EU Commission) expects a slight increase in macroeconomic growth in the European Union which remains weak overall. According to the EU Commission, short-term factors such as the relatively low oil prices and the weak Euro are providing a boost to the economies of EU member states. The main drivers of growth will remain domestic demand and private consumption.

On this basis, the EU Commission projects in its spring forecast that there will be growth of 1.5% in the Euro area over the course of the year, which is 0.2 percentage points higher than anticipated at the beginning of the year. In addition to Germany's projected growth of 1.9%, of all the major economies in the Eurozone, Spain is expected to record the highest growth at 2.8%. The slight upswing in the EU is being supported by consistent growth in the global economy. The International Monetary Fund anticipates a worldwide growth of 3.3% for the current year.

With regard to unemployment in the Eurozone, the EU Commission expects a slight downward trend to 11% for 2015. There are, however, major differences between the member states in terms of unemployment figures. While Greece and Spain are struggling with unemployment rates significantly over 20%, the figure in Germany is expected to fall to 4.6% this year.

The current inflation rate in the EU is still hovering around zero, but the EU Commission expects a slight increase in consumer prices during the second half of 2015. On the back of strong domestic demand, fewer production gaps, the decreasing impact of lower prices for raw materials and higher import prices due to the appreciation of the Euro, consumer prices are likely to continue increasing in the coming years. According to expectations, the annual inflation rate in the EU will rise from 0.1% this year to 1.5% in 2016.

The **CTS Group** considers itself well positioned to continue on the successful growth course of past years in the current financial year. The positive results confirm the expansion strategy based on organic growth and the search for cooperation and acquisition opportunities in the international ticketing and live entertainment market.

In this context, the CTS Group is increasingly focusing on international growth. The ticketing for the 2016 Olympic Games in Rio de Janeiro, which is already underway, is an ideal entry in the highly promising South American market. The CTS Group's market position in Russia is also on course for further development. The operation of ticket sales for October's Formula 1 race in Sochi, Russia is a major step in the right direction. Further opportunities in Europe to expand on market leadership are currently being assessed.

Expanding E-Commerce remains the focus of the CTS Group's strategy in the **Ticketing segment**. The profitable online ticketing segment continues to offer major growth opportunities that the company should continue to leverage in a consistent manner. The trend towards convenient online shopping continues. By consistently improving the CTS Group's leading webshops, the customer is provided with an easier and more convenient way to access live events. In this context, the focus is on the further development of offers for mobile devices. The EVENTIM apps for smartphone and tablets with iOS and Android are already in use.

The development of customised E-Commerce solutions for event promoters will be further advanced in the future. This involves the professional analysis of user data, allowing us to continue tailoring offers more precisely to the needs of our customers. With EVENTIM Analytics, the CTS Group also offers promoters a tool that can make marketing activities significantly more efficient.

In addition to E-Commerce, 20,000 points of sale across Europe also remain an important pillar of our unique distribution network.

The positive results achieved in the **Live Entertainment segment** confirm the strategy of further diversification in this business segment at a national and international level. The CTS Group will continue to strengthen its extensive network of subsidiaries and participations in the Live Entertainment segment in the future. Popular events and tours, leading venues as well as partnerships with artists that have developed over the years characterise the success of the CTS Group in the Live Entertainment segment. We are also consistently developing and advancing new event formats in order to further expand our leadership on the European market. Successful festivals, concerts, tours and events in the current season lead us to expect positive business development.

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 the 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, 27 August 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 2015

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

ASSETS	30.06.2015	31.12.2014
	[EUR]	[EUR]
<b>Current assets</b>		
Cash and cash equivalents	355,741,088	505,842,631
Trade receivables	35,076,526	30,902,736
Receivables from affiliated and associated companies accounted for at equity	3,909,138	3,210,780
Inventories	1,757,701	2,425,605
Payments on account	29,774,199	29,675,237
Receivables from income tax	5,607,720	10,485,425
Other financial assets	62,219,635	60,336,352
Other non-financial assets	14,949,146	13,618,949
<b>Total current assets</b>	<b>509,035,153</b>	<b>656,497,715</b>
<b>Non-current assets</b>		
Property, plant and equipment	22,278,861	22,048,978
Intangible assets	109,876,837	113,873,043 <sup>1</sup>
Investments	3,017,063	2,847,637
Investments in associates accounted for at equity	20,903,895	18,743,440
Loans	211,339	218,425
Trade receivables	25,854	21,733
Receivables from affiliated and associated companies accounted for at equity	2,643,401	2,667,946
Other financial assets	3,375,055	3,190,365
Other non-financial assets	26,467	46,882
Goodwill	279,883,049	270,573,457 <sup>1</sup>
Deferred tax assets	9,946,549	10,154,474 <sup>1</sup>
<b>Total non-current assets</b>	<b>452,188,370</b>	<b>444,386,380 <sup>1</sup></b>
<b>Total assets</b>	<b>961,223,523</b>	<b>1,100,884,095 <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, and CTS Eventim Nederland B.V. (formerly: See Tickets Nederland B.V.), Amsterdam

<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>30.06.2015</b>	<b>31.12.2014</b>
	<b>[EUR]</b>	<b>[EUR]</b>
<b>Current liabilities</b>		
Short-term financial liabilities	72,269,482	77,837,293
Trade payables	105,174,140	73,051,696
Payables to affiliated and associated companies accounted for at equity	3,292,385	1,614,716
Advance payments received	126,102,810	190,981,571
Other provisions	3,589,813	3,594,752
Tax provisions	31,959,228	25,196,613
Other financial liabilities	152,350,631	258,828,996
Other non-financial liabilities	41,454,170	46,719,151
<b>Total current liabilities</b>	<b>536,192,659</b>	<b>677,824,788</b>
<b>Non-current liabilities</b>		
Medium- and long-term financial liabilities	93,524,477	97,730,656
Other financial liabilities	387,387	145,786
Other non-financial liabilities	0	74,490
Pension provisions	10,585,412	8,345,582
Deferred tax liabilities	14,267,774	16,416,541 <sup>1</sup>
<b>Total non-current liabilities</b>	<b>118,765,050</b>	<b>122,713,055 <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	176,280,106	178,166,937 <sup>1</sup>
Treasury stock	-52,070	-52,070
Non-controlling interest	23,350,202	18,854,781
Other comprehensive income	-2,540,418	-1,920,518
Currency differences	6,119,554	2,188,682
<b>Total shareholders' equity</b>	<b>306,265,814</b>	<b>300,346,252 <sup>1</sup></b>
<b>Total shareholders' equity and liabilities</b>	<b>961,223,523</b>	<b>1,100,884,095 <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, and CTS Eventim Nederland B.V. (formerly: See Tickets Nederland B.V.), Amsterdam

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

	<b>01.01.2015 - 30.06.2015</b>	<b>01.01.2014 - 30.06.2014</b>	<b>Change</b>
	<b>[EUR]</b>	<b>[EUR]</b>	<b>[EUR]</b>
Revenue	419,709,754	339,528,682	80,181,072
Cost of sales	-301,247,662	-239,013,021 <sup>1</sup>	-62,234,641
<b>Gross profit</b>	<b>118,462,092</b>	<b>100,515,661 <sup>1</sup></b>	<b>17,946,431</b>
Selling expenses	-35,412,794	-30,395,005 <sup>1</sup>	-5,017,789
General administrative expenses	-24,224,800	-20,329,196 <sup>1</sup>	-3,895,604
Other operating income	10,393,298	8,688,854 <sup>1</sup>	1,704,444
Other operating expenses	-4,967,091	-6,794,594	1,827,503
<b>Operating profit (EBIT)</b>	<b>64,250,705</b>	<b>51,685,720 <sup>1</sup></b>	<b>12,564,985</b>
Income / expenses from participations	15,656	16,008	-352
Income / expenses from investments in associated companies accounted for at equity	693,123	1,051,738	-358,615
Financial income	637,589	893,909	-256,320
Financial expenses	-2,610,580	-3,628,304	1,017,724
<b>Income before tax (EBT)</b>	<b>62,986,493</b>	<b>50,019,071 <sup>1</sup></b>	<b>12,967,422</b>
Taxes	-19,344,055	-15,018,796 <sup>1</sup>	-4,325,259
<b>Net income before non-controlling interest</b>	<b>43,642,438</b>	<b>35,000,275 <sup>1</sup></b>	<b>8,642,163</b>
Thereof attributable to non-controlling interest	-7,132,749	-4,168,197	-2,964,552
<b>Net income after non-controlling interest</b>	<b>36,509,689</b>	<b>30,832,078 <sup>1</sup></b>	<b>5,677,611</b>
Earnings per share (in EUR); undiluted (= diluted)	0.38	0.32 <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, and CTS Eventim Nederland B.V. (formerly: See Tickets Nederland B.V.), Amsterdam

**CONSOLIDATED INCOME STATEMENT FOR THE PERIOD  
FROM 1 APRIL TO 30 JUNE 2015 (IFRS)**

	<b>01.04.2015 - 30.06.2015</b>	<b>01.04.2014 - 30.06.2014</b>	<b>Change</b>
	<b>[EUR]</b>	<b>[EUR]</b>	<b>[EUR]</b>
Revenue	267,983,437	189,137,120	78,846,317
Cost of sales	-204,252,417	-138,755,144 <sup>1</sup>	-65,497,273
<b>Gross profit</b>	<b>63,731,020</b>	<b>50,381,976 <sup>1</sup></b>	<b>13,349,044</b>
Selling expenses	-18,092,489	-15,517,688 <sup>1</sup>	-2,574,801
General administrative expenses	-12,034,401	-10,593,121 <sup>1</sup>	-1,441,280
Other operating income	4,022,601	4,036,047	-13,446
Other operating expenses	-3,167,493	-2,899,974	-267,519
<b>Operating profit (EBIT)</b>	<b>34,459,238</b>	<b>25,407,240 <sup>1</sup></b>	<b>9,051,998</b>
Income / expenses from participations	15,656	16,008	-352
Income / expenses from investments in associated companies accounted for at equity	167,502	645,294	-477,792
Financial income	202,216	429,961	-227,745
Financial expenses	-1,260,755	-1,765,288	504,533
<b>Income before tax (EBT)</b>	<b>33,583,857</b>	<b>24,733,215 <sup>1</sup></b>	<b>8,850,642</b>
Taxes	-10,533,175	-6,879,766 <sup>1</sup>	-3,653,409
<b>Net income before non-controlling interest</b>	<b>23,050,682</b>	<b>17,853,449 <sup>1</sup></b>	<b>5,197,233</b>
Thereof attributable to non-controlling interest	-4,955,302	-2,443,870	-2,511,432
<b>Net income after non-controlling interest</b>	<b>18,095,380</b>	<b>15,409,579 <sup>1</sup></b>	<b>2,685,801</b>
Earnings per share (in EUR); undiluted (= diluted)	0.19	0.16 <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, and CTS Eventim Nederland B.V. (formerly: See Tickets Nederland B.V.), Amsterdam

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

	01.01.2015 - 30.06.2015	01.01.2014 - 30.06.2014	Change
	[EUR]	[EUR]	[EUR]
Net income before non-controlling interest	43,642,438	35,000,275 <sup>1</sup>	8,642,163
Remeasurement of the net defined benefit obligation for pension plans	-1,338,572	-925,711	-412,861
<b>Items that will not be reclassified to profit or loss</b>	<b>-1,338,572</b>	<b>-925,711</b>	<b>-412,861</b>
Exchange differences on translating foreign subsidiaries	5,043,063	103,416	4,939,647
Available-for-sale financial assets	1,350	-18,313	19,663
Cash flow hedges	6,082	4,759	1,323
<b>Items that will be reclassified subsequently to profit or loss when specific conditions are met</b>	<b>5,050,495</b>	<b>89,862</b>	<b>4,960,633</b>
<b>Other results</b>	<b>3,711,923</b>	<b>-835,849</b>	<b>4,547,772</b>
<b>Total comprehensive income</b>	<b>47,354,361</b>	<b>34,164,426 <sup>1</sup></b>	<b>13,189,935</b>
<b>Total comprehensive income attributable to</b>			
Shareholders of CTS KGaA	39,820,661	30,248,104 <sup>1</sup>	
Non-controlling interest	7,533,700	3,916,322	

<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, and CTS Eventim Nederland B.V. (formerly: See Tickets Nederland B.V.), Amsterdam

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

	01.04.2015 - 30.06.2015	01.04.2014 - 30.06.2014	Change
	[EUR]	[EUR]	[EUR]
Net income before non-controlling interest	23,050,682	17,853,449 <sup>1</sup>	5,197,233
Remeasurement of the net defined benefit obligation for pension plans	682,602	-666,502	1,349,104
<b>Items that will not be reclassified to profit or loss</b>	<b>682,602</b>	<b>-666,502</b>	<b>1,349,104</b>
Exchange differences on translating foreign subsidiaries	1,622,947	-57,227	1,680,174
Available-for-sale financial assets	-5,463	-38,060	32,597
Cash flow hedges	-27,458	8,005	-35,463
<b>Items that will be reclassified subsequently to profit or loss when specific conditions are met</b>	<b>1,590,026</b>	<b>-87,282</b>	<b>1,677,308</b>
<b>Other results</b>	<b>2,272,628</b>	<b>-753,784</b>	<b>3,026,412</b>
<b>Total comprehensive income</b>	<b>25,323,310</b>	<b>17,099,665 <sup>1</sup></b>	<b>8,223,645</b>
<b>Total comprehensive income attributable to</b>			
Shareholders of CTS KGaA	20,298,962	14,858,858 <sup>1</sup>	
Non-controlling interest	5,024,348	2,240,807	

<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, and CTS Eventim Nederland B.V. (formerly: See Tickets Nederland B.V.), Amsterdam

## 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	-1,081,135	0	0	-1,081,135
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	30,832,078 <sup>1</sup>	0	4,168,197	0	0	35,000,275 <sup>1</sup>
Available-for-sale financial assets	0	0	0	0	0	0	-18,313	0	-18,313
Cash flow hedges	0	0	0	0	0	307	4,452	0	4,759
Foreign exchange differences	0	0	0	0	0	59,302	0	44,114	103,416
Remeasurement of the net defined benefit obligation for pension plans	0	0	0	0	0	-311,484	-614,227	0	-925,711
<b>Status 30.06.2014</b>	<b>96,000,000</b>	<b>1,890,047</b>	<b>2,400,000</b>	<b>134,588,965 <sup>1</sup></b>	<b>-52,070</b>	<b>20,142,169</b>	<b>-1,069,904</b>	<b>1,669,175</b>	<b>255,568,382 <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>178,166,937 <sup>1</sup></b>	<b>-52,070</b>	<b>18,854,781</b>	<b>-1,920,518</b>	<b>2,188,682</b>	<b>300,346,252 <sup>1</sup></b>
Dividends to non-controlling interest	0	0	0	0	0	-3,038,279	0	0	-3,038,279
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	36,509,689	0	7,132,749	0	0	43,642,438
Available-for-sale financial assets	0	0	0	0	0	0	1,350	0	1,350
Cash flow hedges	0	0	0	0	0	0	6,082	0	6,082
Foreign exchange differences	0	0	0	0	0	1,112,191	0	3,930,872	5,043,063
Remeasurement of the net defined benefit obligation for pension plans	0	0	0	0	0	-711,240	-627,332	0	-1,338,572
<b>Status 30.06.2015</b>	<b>96,000,000</b>	<b>1,890,047</b>	<b>5,218,393</b>	<b>176,280,106</b>	<b>-52,070</b>	<b>23,350,202</b>	<b>-2,540,418</b>	<b>6,119,554</b>	<b>306,265,814</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, and CTS Eventim Nederland B.V. (formerly: See Tickets Nederland B.V.), Amsterdam

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

	01.01.2015 - 30.06.2015	01.01.2014 - 30.06.2014	Change
	[EUR]	[EUR]	[EUR]
Net income after non-controlling interest	36,509,689	30,832,078 <sup>1</sup>	5,677,611
Non-controlling interest	7,132,749	4,168,197	2,964,552
Depreciation and amortisation on fixed assets	14,813,865	13,378,774 <sup>1</sup>	1,435,091
Changes in pension provisions	2,239,830	1,381,353	858,477
Deferred tax income / expenses	-1,623,042	-1,690,343 <sup>1</sup>	67,301
<b>Cash flow</b>	<b>59,073,091</b>	<b>48,070,059 <sup>1</sup></b>	<b>11,003,032</b>
Other non-cash transactions	-2,061,259	-3,697,220 <sup>1</sup>	1,635,961
Book profit / loss from disposal of fixed assets	-14,156	3,525	-17,681
Interest expenses / Interest income	1,579,396	2,212,238	-632,842
Income tax expenses	20,967,097	16,709,137	4,257,960
Interest received	561,483	788,013	-226,530
Interest paid	-1,599,020	-2,457,796	858,776
Income tax paid	-9,049,195	-12,802,413	3,753,218
Increase (-) / decrease (+) in inventories	687,781	509,624	178,157
Increase (-) / decrease (+) in payments on account	848,286	-2,999,656	3,847,942
Increase (-) / decrease (+) in receivables and other assets	-7,643,598	19,043,533	-26,687,131
Increase (+) / decrease (-) in provisions	-338,776	232,473	-571,249
Increase (+) / decrease (-) in liabilities	-153,444,489	-94,591,356	-58,853,133
<b>Cash flow from operating activities</b>	<b>-90,433,359</b>	<b>-28,979,839</b>	<b>-61,453,520</b>
<b>Cash flow from investing activities</b>	<b>-9,497,428</b>	<b>-23,808,129</b>	<b>14,310,701</b>
<b>Cash flow from financing activities</b>	<b>-58,581,442</b>	<b>-21,069,467</b>	<b>-37,511,975</b>
<b>Net increase / decrease in cash and cash equivalents</b>	<b>-158,512,229</b>	<b>-73,857,435</b>	<b>-84,654,794</b>
Net increase / decrease in cash and cash equivalents due to currency translation	8,410,686	335,193	8,075,493
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>355,741,088</b>	<b>302,213,545</b>	<b>53,527,543</b>
<b>Composition of cash and cash equivalents</b>			
Cash and cash equivalents	355,741,088	302,213,545	53,527,543
<b>Cash and cash equivalents at end of period</b>	<b>355,741,088</b>	<b>302,213,545</b>	<b>53,527,543</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, and CTS Eventim Nederland B.V. (formerly: See Tickets Nederland B.V.), Amsterdam

## 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 six month of the 2015 financial year was approved for publication by resolution of the Management Board of EVENTIM Management AG on 27 August 2015.

### 2. REPORTING PRINCIPLES

The present, unaudited Group interim report as at 30 June 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 June 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 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 June 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 June 2014 closing date:

On 16 July 2014 TicketOne S.p.A., Milan (hereinafter: TicketOne), acquired the entire ticketing business (Listicket) of the G-Tech/Lottomatica Group in Italy.

With an agreement concluded on 1 August 2014 CTS KGaA holds 100% of the shares in the newly founded JUG Jet Air GmbH & Co. KG, Bremen. The company's purpose is the use and chartering of aircrafts. At the same time JUG Jet Air Verwaltungs-GmbH, Bremen, was implemented as general partner.

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.

## **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 June 2014 closing date:

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

On 2 October 2014, MEDUSA Music Group GmbH, Bremen (hereinafter: MEDUSA), 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 LISTICKET**

As at 30 June 2015 the purchase price allocation for Listicket was still provisional because investigations regarding the intangible assets and assessment of legal aspects are still pending.

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

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. 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. and Entradas Eventim S.A.

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 consoli- dation - final purchase price alloca- tion - [EUR'000]	Fair value at the time of initial consoli- dation - provisional purchase price allocation - [EUR'000]	Change [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.

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

The comparative figures in the income statement as at 30 June 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. and Entradas Eventim S.A.

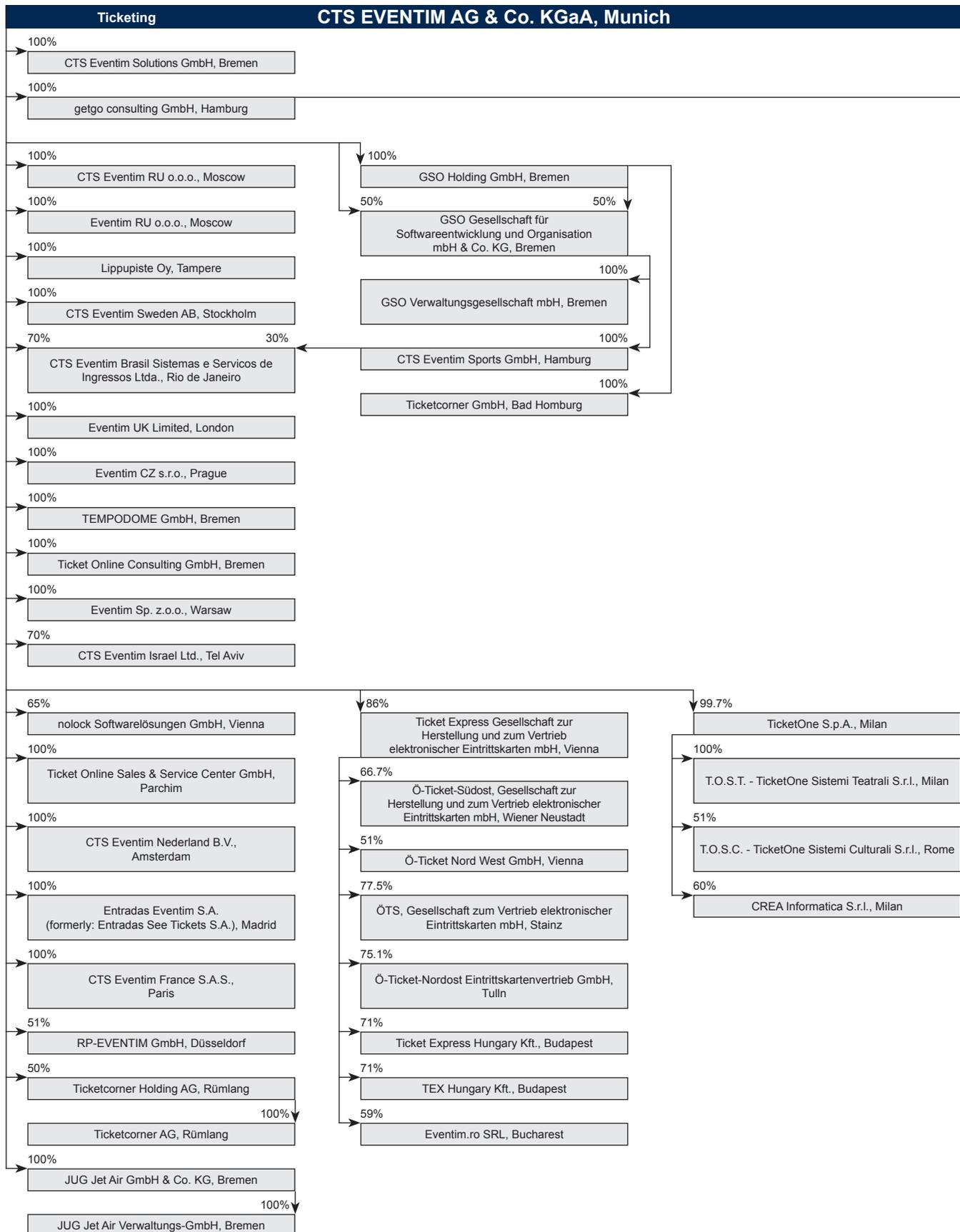
The following table provides an overview of the changes in the consolidated income statement as at 30 June 2014 as a result of the final purchase price allocation:

	Consolidated Income statement		Change [EUR'000]
	final purchase price allocation 30.06.2014 [EUR'000]	provisional purchase price allocation 30.06.2014 [EUR'000]	
Revenue	339,529	339,529	0
Other operating income	8,689	8,138	551
EBITDA	65,064	64,514	551
EBIT	51,686	51,118	568
Taxes	-15,019	-15,013	-6
Net income after non-controlling interest	30,832	30,269	563

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:

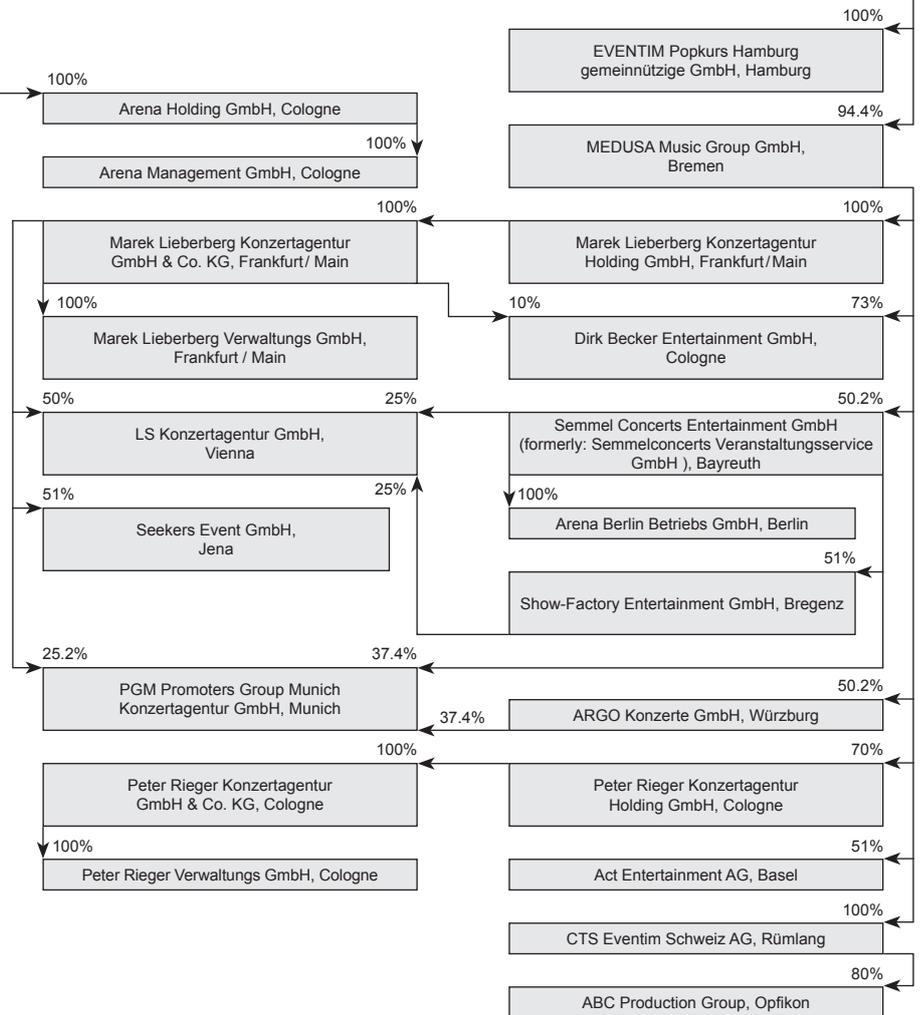
<b>Consolidated Balance Sheet</b>			
	<b>final purchase price allocation 31.12.2014</b>	<b>provisional purchase price allocation 31.12.2014</b>	<b>Change</b>
	<b>[EUR'000]</b>	<b>[EUR'000]</b>	<b>[EUR'000]</b>
<b>Assets</b>			
Intangible assets	113,873	113,715	158
Goodwill	270,574	270,940	-366
Deferred tax assets	10,155	9,355	800
			<b>592</b>
<b>Liabilities and shareholders' equity</b>			
Deferred tax liabilities	16,416	16,377	39
Retained earnings	178,168	177,615	553
			<b>592</b>

The corporate structure as at 30 June 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 150.102 million to EUR 355.741 million (31 December 2014: EUR 505.843 million). The cash outflow in the first half year 2015 relates among other things to the 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 repayment of loans result to additional cash outflows.

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 current other financial liabilities (EUR 144.597 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 42.724 million; 31 December 2014: EUR 52.515 million).

The EUR 3.996 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 9.310 million increase in **goodwill** results from currency translation effects associated with the goodwill in Swiss franc as at the closing date of 30 June 2015.

**Short-term financial liabilities** decreased by EUR 5.568 million. In the reporting period, higher repayments of the syndicated credit line led to a reduction of financial liabilities. This is offset by a timely reclassification from medium- and long-term financial liabilities in short-term financial liabilities.

The increase in **trade payables** of EUR 32.122 million resulted primarily from liabilities for outstanding invoices in the Live Entertainment segment for major events carried out during the reporting period.

The EUR 64.879 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 change in current **other financial liabilities** (EUR -106.478 million) is primarily a result of a reduction in liabilities from ticket monies not yet invoiced in the Ticketing segment (especially for major tours). 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 reduction in **medium- and long-term financial liabilities** (EUR -4.206 million) mainly results from the timely reclassification in short-term financial liabilities.

**Shareholders' equity** rose by EUR 5.920 million to EUR 306.266 million, mainly as a result of the positive net income after non-controlling interest in the reporting period of EUR 36.510 million, a rise in non-controlling interest of EUR 4.495 million, which were largely attributable to non-controlling interests in the operating result in the Live Entertainment segment and currency differences of EUR 3.931 million. 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 31.9%.

## 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

**CTS Group** generated revenue of EUR 419.710 million in the period under review, compared to EUR 339.529 million in the previous year (+23.6%).

The **Ticketing segment** generated revenue (before consolidation between segments) of EUR 145.447 million (previous year: EUR 129.875 million). The share of revenue generated by foreign subsidiaries was 48.4% in 2015 (previous year: 43.1%).

In the **Live Entertainment segment** revenue increased by EUR 63.629 million to EUR 277.206 million compared to EUR 213.577 million in the previous year (+29.8%).

## **COST OF SALES**

Cost of sales increased by EUR 62.235 million to EUR 301.248 million.

As at 30 June 2015, the gross profit of the **CTS Group** increased to EUR 118.462 million (previous year: EUR 100.516 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 29.6% to 28.2%.

In the **Ticketing segment**, the gross margin in the first half of 2015 was with 56.4% on par with the previous year's level (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 increased to 13.1% (previous year: 12.8%).

## **SELLING EXPENSES**

Selling expenses increased by EUR 5.018 million to EUR 35.413 million, which was mainly due to increased depreciation and amortisation, higher personnel expenses and marketing costs as well as the expansion in the number of consolidated companies.

## **GENERAL ADMINISTRATIVE EXPENSES**

General administrative expenses increased by EUR 3.896 million to EUR 24.225 million. This increase was mainly due to higher personnel expenses and depreciation as well as the expansion in the number of consolidated companies.

## **OTHER OPERATING INCOME**

Other operating income increased by EUR 1.704 million to EUR 10.393 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 favorable purchase prices – of acquisitions in the same period last year.

## **OTHER OPERATING EXPENSES**

Other operating expenses decreased by EUR 1.828 million to EUR 4.967 million; this was due to, among other things, lacking project expenses from the settled Winter Olympics in Sochi in the same period last year.

## **FINANCIAL RESULT**

The financial result, at EUR -1.264 million (previous year: EUR -1.667 million), mainly includes EUR 638 thousand in financial income (previous year: EUR 894 million), EUR 2.611 million in financial expenses (previous year: EUR 3.628 million) as well as EUR 693 thousand in income from investments in associates accounted for at equity (previous year: EUR 1.052 million).

## **TAXES**

Taxes increased by EUR 4.325 million to EUR 19.344 million. This rise was mainly due to tax expenses of the current financial year.

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

As at 30 June 2015, earnings before tax (EBT) increased to EUR 62.987 million (previous year: EUR 50.019 million). After the deduction of tax expenses and non-controlling interest, net income after non-controlling interest amounted to EUR 36.510 million (previous year: EUR 30.832 million). Earnings per share (EPS) amounted to EUR 0.38 in the first half of 2015 (previous year: EUR 0.32).

## 7. ADDITIONAL DISCLOSURES ON FINANCIAL INSTRUMENTS

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

	Balance sheet value according to IAS 39					Fair value [EUR'000]
	Carrying value 30.06.2015	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	355,741	355,741				355,741
Trade receivables	35,102	35,102				35,102
Receivables from affiliated and associated companies accounted for at equity	6,553	6,553				6,552
Other original financial assets	56,996	56,996				56,991
Other original financial assets (at fair value not through profit and loss)	8,546			8,546		8,546
Other derivative financial assets (at fair value not through profit and loss)	34			34		34
Other derivative financial assets (at fair value through profit and loss)	18		18			18
Investments (held-to-maturity)	1,045	1,045				1,003
Investments (at amortised cost)	1,972				1,972	
Loans	211	211				225
<b>LIABILITIES</b>						
Short-term financial liabilities	72,269	72,269				73,466
Medium- and long-term financial liabilities	93,524	93,524				97,109
Trade payables	105,174	105,174				105,172
Payables to affiliated and associated companies accounted for at equity	3,292	3,292				3,292
Other original financial liabilities	152,510	152,510				152,507
Other derivative financial liabilities (at fair value through profit and loss)	228		228			228
<b>Categories according to IAS 39:</b>						
Loans and receivables	454,603	454,603				454,611
Financial liabilities at amortised cost	426,769	426,769				431,546
Available-for-sale financial assets	10,518			8,546	1,972	8,546
Held-to-maturity investments	1,045	1,045				1,003

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 six 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 June 2015:

	<b>30.06.2015</b>		
	Level 1	Level 2	Total
	[EUR'000]	[EUR'000]	[EUR'000]
<b>ASSETS</b>			
Cash and cash equivalents	0	355,741	355,741
Trade receivables	0	35,102	35,102
Receivables from affiliated and associated companies accounted for at equity	0	6,552	6,552
Other original financial assets	0	56,991	56,991
Other original financial assets (at fair value not through profit and loss)	8,546	0	8,546
Other derivative financial assets (at fair value not through profit and loss)	0	34	34
Other derivative financial assets (at fair value through profit and loss)	0	18	18
Investments (held-to-maturity)	1,003	0	1,003
Loans	0	225	225
	<b>9,549</b>	<b>454,663</b>	<b>464,212</b>
<b>LIABILITIES</b>			
Short-term liabilities	0	73,466	73,466
Medium- and long-term financial liabilities	0	97,109	97,109
Trade payables	0	105,172	105,172
Payables to affiliated and associated companies accounted for at equity	0	3,292	3,292
Other original financial liabilities	0	152,507	152,507
Other derivative financial liabilities (at fair value through profit and loss)	0	228	228
	<b>0</b>	<b>431,774</b>	<b>431,774</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 of the segments are shown in the following table:

	Ticketing		Live Entertainment		Total segments	
	30.06.2015	30.06.2014	30.06.2015	30.06.2014	30.06.2015	30.06.2014
	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]
External revenue	143,840	128,075	275,870	211,454	419,710	339,529
Internal revenue	23,495	19,764	48,819	33,928	72,314	53,692
<b>Total revenue</b>	<b>167,335</b>	<b>147,839</b>	<b>324,689</b>	<b>245,382</b>	<b>492,024</b>	<b>393,221</b>
Consolidation within the segment	-21,888	-17,964	-47,483	-31,805	-69,371	-49,769
<b>Revenue after consolidation within the segment</b>	<b>145,447</b>	<b>129,875</b>	<b>277,206</b>	<b>213,577</b>	<b>422,653</b>	<b>343,452</b>

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

	Ticketing		Live Entertainment		Intersegment consolidation		Group	
	30.06.2015 [EUR'000]	30.06.2014 [EUR'000]	30.06.2015 [EUR'000]	30.06.2014 [EUR'000]	30.06.2015 [EUR'000]	30.06.2014 [EUR'000]	30.06.2015 [EUR'000]	30.06.2014 [EUR'000]
Revenue	145,447	129,875	277,206	213,577	-2,943	-3,923	419,710	339,529
EBITDA	51,748	46,144 <sup>1</sup>	27,317	18,920	0	0	79,065	65,064 <sup>1</sup>
EBIT	38,184	34,123 <sup>1</sup>	26,067	17,563	0	0	64,251	51,686 <sup>1</sup>
Depreciation and amortisation	-13,564	-12,021 <sup>1</sup>	-1,250	-1,358	0	0	-14,814	-13,378 <sup>1</sup>
Financial result							-1,264	-1,667
Earnings before tax (EBT)							62,987	50,019 <sup>1</sup>
Taxes							-19,344	-15,019 <sup>1</sup>
Net income before non-controlling interest							43,643	35,000 <sup>1</sup>
Non-controlling interest							-7,133	-4,168
Net income after non-controlling interest							36,510	30,832 <sup>1</sup>
Average number of employees	1,541	1,458	581	506			2,122	1,964
Normalised EBITDA	51,881	46,663 <sup>1</sup>	27,316	18,920	0	0	79,197	65,583 <sup>1</sup>
Normalised EBIT before amortisation from purchase price allocation	44,059	39,697 <sup>1</sup>	26,322	17,824	0	0	70,381	57,521 <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, and CTS Eventim Nederland B.V. (formerly: See Tickets Nederland B.V.), Amsterdam

## 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 resulted in the following goods and services being sold to and bought from related parties in the 2015 reporting period:

	30.06.2015	30.06.2014
	[EUR'000]	[EUR'000]
<b>Goods and services supplied by the Group</b>		
Subsidiaries not included in consolidation due to insignificance	261	205
Associated companies accounted for at equity	1,096	833
Other related parties	2,050	4,745
	<b>3,407</b>	<b>5,783</b>
	30.06.2015	30.06.2014
	[EUR'000]	[EUR'000]
<b>Goods and services received by the Group</b>		
Subsidiaries not included in consolidation due to insignificance	376	641
Associated companies accounted for at equity	1,542	1,711
Other related parties	9,794	9,290
	<b>11,712</b>	<b>11,642</b>

## **ASSURANCE BY LEGAL REPRESENTATIVES**

To the best of our knowledge, the interim consolidated financial statements give a true and fair view of the Group's earnings performance, financial position and cash flow, in accordance with the applicable reporting principles for interim reporting, and that interim Group management report presents the course of business, including the Group's profits and situation, in a way that accurately reflects actual circumstances and truthfully describes the main opportunities and risks associated with the Group's expected development for the rest of the financial year.

Bremen, 27 August 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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