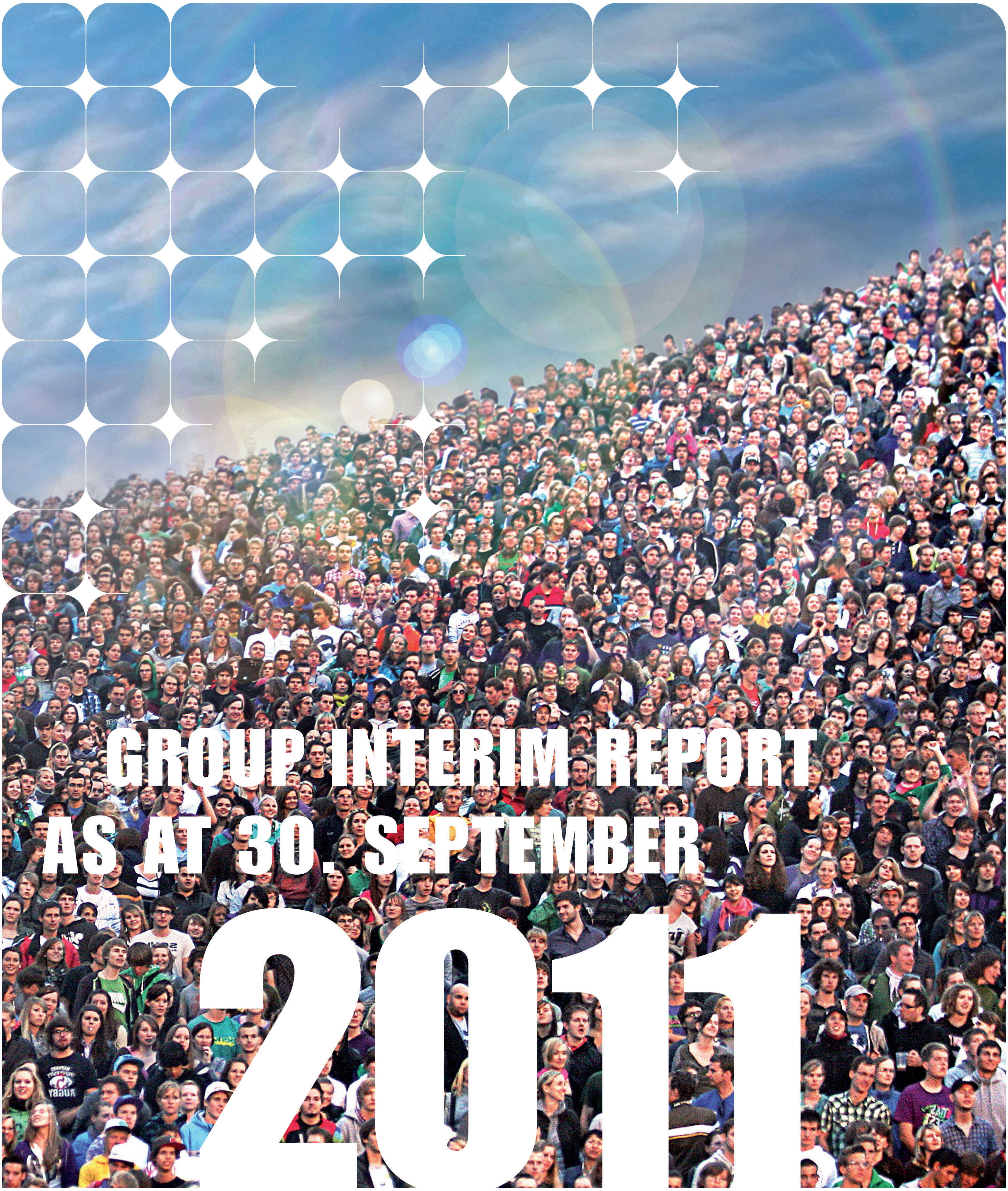


GROUP INTERIM REPORT AS AT 30. SEPTEMBER 2011

eventim

CONTENT

1. KEY GROUP FIGURES

	01.01.2011 - 30.09.2011	01.01.2010 - 30.09.2010	Change
	EUR'000	EUR'000	[in %]
Revenue	345,923	372,387	-7.1%
EBITDA	55,666	55,579	0.2%
EBIT	38,989	44,496 [5]	-12.4%
Normalised EBITDA	63,330	60,035	5.5%
Normalised EBIT before amortisation resulting from purchase price allocation	54,541	52,972 [5]	3.0%
Normalised EBITDA margin	18,3%	16,1%	2.2 pp
Normalised EBIT margin before amortisation resulting from purchase price allocation	15,8%	14,2%	1.5 pp
Non-recurring items [1]	7,664	4,456	72.0%
Amortisation resulting from purchase price allocation [2]	7,888	4,021 [5]	96.2%
Earnings before tax (EBT)	35,116	44,324 [5]	-20.8%
Net income after minority interest	21,105	24,466 [5]	-13.7%
Cash flow	37,879	41,740	-9.3%
	[EUR]	[EUR]	
Earnings per share [3], undiluted (= diluted)	0.44	0.51 [5/6]	
	[Qty.]	[Qty.]	
Number of employees [4]	1,369	1,454	
Of which temporary	(108)	(103)	

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

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

[3] Number of shares: 48 million

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

[5] Adjusted prior-year figures due to the final purchase price allocation of See Tickets Germany / Ticket Online Group and T.O.S.C. (cf. section 3.1.2 in selected notes to the consolidated financial statements)

[6] Pro forma calculation based on 48 million shares

2. LETTER TO THE SHAREHOLDERS

Klaus-Peter Schulenberg
Chief Executive Officer

Ladies and Gentlemen,

CTS EVENTIM is superbly positioned in an attractive market, as our impressive ticketing sales figures demonstrate. In the period under review, revenue in the Ticketing segment rose 22%. More people than ever are now buying tickets from CTS EVENTIM. We continue to gain from our motivated staff and our innovative business model, which profits from the trend towards high-margin ticket sales over the Internet. We are therefore very confident of reaching our earning targets.

SUCCESS FROM TECHNOLOGICAL LEADERSHIP ...

Our market leadership in Europe is based on the solid foundations of technological leadership. CTS EVENTIM has by far the most modern software on the market and is continuously improving it. Every day, more than a million people visit our websites, and our platform excels with its user-friendliness and utmost reliability. We are the ones who are setting the technological standards.

… AND WORLD-CLASS SERVICE

Our sophisticated services add a further dimension. We would like to support our customers as fully as possible. Indeed, we are actually responsible for a large proportion of the events and handle the ticketing and advertising as well. Technology gives our customers a wide range of options. On the Internet, they can book tickets or concert trips, watch video excerpts or download songs and entire albums. If they wish, CTS EVENTIM will even provide VIP package deals that fulfill every wish – from car parking and admission tickets to buffet dinner and special gifts. Our aim is that every single customer receives the smoothest possible service.

TICKETING ACQUISITIONS DELIVER CONVINCING PERFORMANCE

Acquisitions are part of our strategy, in addition to organic growth. We have already proved that we can integrate takeovers quickly and efficiently. Similarly, we will seamlessly integrate Germany's second-ranking ticketing company, See Tickets Germany / Ticket Online Group, as well as the Swiss market leader, the Ticketcorner Group. Each of these companies is now making a positive contribution to the group as a whole and confirming that these strategic acquisitions were the correct steps to take. The See Tickets Germany / Ticket Online Group has given us access to the unique musical productions of Stage Entertainment Germany. Stage Entertainment is the organisation behind such well-known successes as 'The Lion King', 'Hinterm Horizont' and 'Holiday on Ice'. CTS EVENTIM is traditionally strong in the fields of rock/pop and sport, so this particular link-up is an opportunity to broaden and round off our portfolio of events.

TREND IN LIVE ENTERTAINMENT SEGMENT WITHIN EXPECTATIONS

As expected, the Live Entertainment segment was unable to reach the record figures achieved in 2010, due to the deconsolidation of the FKP Scorpio Group and the smaller number of attractive live events. As a result, revenue in this segment fell by 22%. The Waldbühne in Berlin, Europe's most beautiful open-air arena, is progressing very well. Last season, its unique concerts across the range from classical to pop, were enjoyed by more than 200,000 spectators in all. This is a record for this Berlin venue steeped in tradition.

ATTRACTIVE EVENTS

No question about it – CTS EVENTIM is the leader of the European ticketing market. Whatever the category, be it pop, rock, German Schlagermusik, folk music, theatre, musicals, classical music or sports events, nobody else offers the public a greater selection. The stars appear with CTS EVENTIM. Top acts like Elton John, the Eagles, Bob Dylan, the Scorpions, Herbert Grönemeyer and Peter Maffay speak for themselves. Sports events, too, are gaining increasingly in importance. We handled the FIFA 2011 Women's World Cup in Germany and concluded long-term agreements with German football league clubs FSV MAINZ 05 and SC Freiburg. Our Finnish subsidiary is also responsible for most of the ticketing for the Ice Hockey World Championships to be held in Finland and Sweden in 2012 and 2013. In Germany, we continue to do the ticketing for the popular German Touring Masters (DTM) car-racing series and for the legendary Hockenheimring racing track. In total, more than 80 clubs, associations and sports promoters from more than 20 different sports disciplines now rely on CTS EVENTIM services.

SUCCESS THROUGH ENDURANCE

CTS EVENTIM has been listed on the stock exchange since 2000 and has established itself as a sound, dividend-paying investment. Ever since the successful IPO in the days of the dotcom boom, we have been managed to increase both revenue and earnings in impressive manner. With a combination of organic growth and prudent acquisitions, we have succeeded in becoming Europe's market leader. This shows that our business model is both attractive and sustainable. We shall carry on doing our utmost to satisfy the expectations of our shareholders, customers and employees. This is the standard by which we judge ourselves.

I would like to close with the dispute we are having with Live Nation. The hearing in the arbitration proceedings was held in London at the end of July. We have always made it clear that we do not accept the termination of our contract by Live Nation and insist that damages be paid. This standpoint has not altered and we remain very confident that we will prevail at the end.

Yours sincerely,

Klaus-Peter Schulenberg
Chief Executive Officer

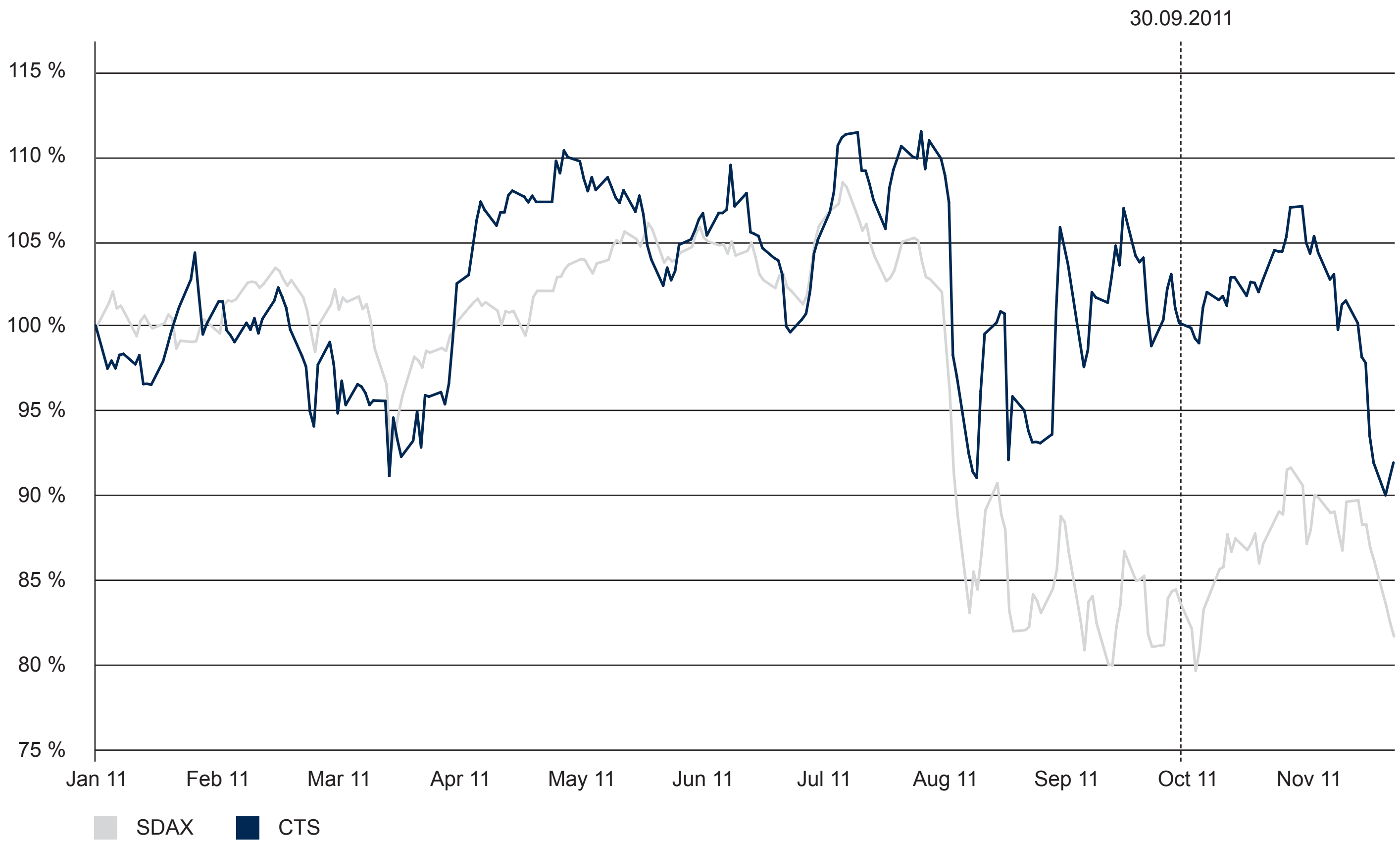
3. CTS SHARES

CTS EVENTIM shares (ISIN DE0005470306) proved once again to be a solid investment in a market that remains full of uncertainties. Despite considerable volatility on the stock markets, at the end of the reporting period CTS EVENTIM shares are at almost the same level as at the beginning of the year. This contrasts with the 17% fall in the SDAX index over the same period. At the end of July 2011, CTS EVENTIM shares were at their all-time high of EUR 27. Despite the downward pull on equity markets in the third quarter of 2011, CTS EVENTIM share performance was better than the market, thus affirming the business model of CTS EVENTIM AG.

The strong interest shown in CTS EVENTIM shares and in the business model of CTS EVENTIM AG were again the basis for extensive talks with investors and analysts during the first nine months of the 2011 financial year. CTS EVENTIM uses capital market conferences and roadshows in Germany, Europe and North America to actively encourage dialogue with investors.

Among financial experts, CTS EVENTIM shares attract considerable attention. Analyses and recommendations of CTS EVENTIM shares are produced not only by the Designated Sponsors – ICF Kursmakler AG on behalf of DZ Bank and Commerzbank AG –, but also by other investment banks. These include Bank of America Merrill Lynch, Berenberg Bank, Crédit Agricole Cheuvreux, Deutsche Bank, HSBC, Macquarie Securities Group, M.M. Warburg and Nord LB.

THE CTS SHARE PRICE (01.01.2011 TO 23.11.2011 – INDEXED)



NUMBER OF SHARES HELD BY MEMBERS OF EXECUTIVE ORGANS AS AT 30 SEPTEMBER 2011:

	Number of shares [Qty. after increase in capital share]	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)	9,430	0.020%
Prof. Jobst W. Plog	1,800	0.004%
Dr. Bernd Kundrun	0	0.000%

During the period under review, executive officers of CTS AG engaged in the following transactions involving no-par value bearer shares of the company (ISIN DE0005470306):

Name	Position	Transaction	Date	Number of shares
Klaus-Peter Schulenberg	Chief Executive Officer	Purchase	16.08.2011	65,000
Edmund Hug	Chairman of Supervisory Board	Purchase	30.03.2011	565
		Purchase	10.08.2011	1,000
Prof. Jobst W. Plog	Member of Supervisory Board	Sale	28.06.2011	650
		Purchase	29.06.2011	650
		Purchase	29.08.2011	500

4. INTERIM MANAGEMENT REPORT FOR THE GROUP

1. EARNINGS PERFORMANCE, FINANCIAL POSITION AND CASH FLOW

EARNINGS PERFORMANCE

	01.01.2011 - 30.09.2011	01.01.2010 - 30.09.2010	Change	
	[EUR'000]	[EUR'000]	[EUR'000]	[in %]
Revenue	345,923	372,387	-26,464	-7.1%
Gross profit	105,999	95,503 [2]	10,496	11.0%
EBITDA	55,666	55,579	87	0.2%
EBIT	38,989	44,496 [2]	-5,507	-12.4%
Non-recurring items:				
Acquisition / workforce restructuring	1,251	2,838	-1,587	-55.9%
Legal consultancy cost in connection with the arbitration proceedings against Live Nation	6,413	1,618	4,795	296.4%
	7,664	**4,456**	**3,208**	**72.0%**
Amortisation resulting from purchase price allocation [1]	**7,888**	**4,021** [2]	**3,867**	**96.2%**
Normalised EBITDA	63,330	60,035	3,295	5.5%
Normalised EBIT before amortisation resulting from purchase price allocation	54,541	52,972 [2]	1,569	3.0%

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

[2] Adjusted prior-year figures due to the final purchase price allocation of See Tickets Germany / Ticket Online Group and T.O.S.C. (cf. section 3.1.2 in selected notes to the consolidated financial statements)

REVENUE GROWTH

The **CTS Group** achieved EUR 345.923 million in revenue in the period under review, compared to EUR 372.387 million in Q1-3/2010 (-7%). Revenue breaks down (before consolidation between segments) into EUR 151.094 million in the Ticketing segment (Q1-3/2010: EUR 123.887 million) and EUR 198.877 million in the Live Entertainment segment (Q1-3/2010: EUR 253.761 million).

In the **Ticketing segment**, organic growth in the core European markets, the Internet as a high-margin sales channel and a series of successful acquisitions resulted in a significant 22% increase in revenue in the first nine months of 2011 to EUR 151.094 million (Q1-3/2010: EUR 123.887 million). This was offset by lost revenue from the Live Nation partnership agreement terminated in June 2010. The percentage share of revenue generated by foreign companies decreased in the 2011 reporting period to 41% (Q1-3/2010: 46%) due to lack of revenue from the Live Nation partnership, and to additional revenue resulting from the acquisition of See Tickets Germany GmbH / Ticket Online Group in Germany.

As at 30 September 2011, 12.6 million tickets in total were sold via the Group's Internet portals (Q1-3/2010: 10.7 million). This equates to an 18% year-on-year increase in Internet ticket sales. In the first nine month of 2010 the ticket volume was still positively influenced by Internet sales volume from the partnership with Live Nation (terminated in June 2010).

The **Live Entertainment** segment generated EUR 198.877 million in total revenue (Q1-3/2010: EUR 253.761 million; -22%). In addition to a lower number of attractive live events compared to the same period in 2010, revenue was also below the record figures of 2010 as expected, mainly due to the deconsolidation of FKP Scorpio Konzertproduktionen GmbH and its subsidiaries (hereinafter: FKP Group) as of 1 July 2010.

GROSS PROFIT

In the first nine months of 2011, the gross profit of the **Group** increased by 11% from EUR 95.503 million to EUR 105.999 million. In addition to the increasing percentage share of total Group gross profit now generated by the high-margin Ticketing segment, the gross margin for the Group as a whole also improved year-on-year to 30.6% (Q1-3/2010: 25.7%) due to the improvement in gross margin in the Ticketing segment.

In the **Ticketing segment**, gross margin rose in the first nine months of 2011 from 52.1% to 54.4%. In the **Live Entertainment segment**, gross margin fell slightly from 12.2% to 12.0%.

NON-RECURRING ITEMS

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

- In the first nine months of 2011, profits were reduced by effects totalling EUR 1.251 million; these resulted from executed and planned acquisitions and personnel restructuring, mainly for settlements and for benefits paid to interim employment ('transfer') companies. In Q1-3/2010, EUR 2.838 million in acquisition costs and costs for workforce restructuring were recognised.

- As at 30 September 2011, a total of EUR 6.413 million (Q1-3/2010: EUR 1.618 million) in legal consultancy costs had been incurred in connection with the arbitration proceedings against Live Nation.

Normalised EBITDA / EBITDA

Normalised **Group** EBITDA increased by EUR 3.295 million or 5% to EUR 63.330 million. The normalised EBITDA margin was 18.3% (Q1-3/2010: 16.1%). This increase in EBITDA is attributable to the Ticketing segment, whereas the Live Entertainment segment was unable to reach the record figures achieved in Q1-3/2010. Foreign subsidiaries accounted for 18% of normalised Group EBITDA (Q1-3/2010: 23%). Group EBITDA amounted to EUR 55.666 million (Q1-3/2010: EUR 55.579 million).

In the **Ticketing segment**, the normalised EBITDA figure rose significantly by EUR 9.465 million or 24% to EUR 48.663 million. The main drivers for improved profits in the Ticketing segment were continued growth in Internet ticketing volume and the profit contributions of the companies newly acquired in the 2010 financial year. The profits generated by companies newly acquired in 2010 over-compensated for the shortfall in profit contributions caused by termination of the partnership with Live Nation in June 2010. The normalised EBITDA margin is 32.2% (Q1-3/2010: 31.6%). The normalised EBITDA margin is still adversely affected, among other factors, by the consolidation of newly acquired companies with ticketing operations that still produce lower margins. The percentage share of normalised EBITDA in the Ticketing segment attributable to foreign companies declined, as expected, from 31% in Q1-3/2010 to 20% in the period under review, mainly due to the acquisition of See Tickets Germany GmbH / Ticket Online Group in Germany and due to lack of earnings from the Live Nation partnership. The EBITDA figure rose 18% from EUR 34.742 million in Q1-3/2010 to EUR 40.999 million in Q1-3/2011.

With an EBITDA of EUR 14.667 million (Q1-3/2010: EUR 20.837 million), the **Live Entertainment segment** fell short of the record figures achieved in 2010 due to the effects that arose in the first quarter of 2011. This was in line with expectations, in that the above-average earnings generated by the tours and events put on in the first quarter of 2010 (including Depeche Mode, 'Dinosaurs – in the Realm of the Giants' exhibition, the Cirque du Soleil Show 'Saltimbanco' and the 'Elisabeth' musical) could not be matched by less profitable events in the first quarter of 2011. In contrast, the Group generated an increase in EBITDA in the second quarter (after adjustment for the prior-year results of the deconsolidated FKP Group) and also in the third quarter of 2011. The EBITDA margin in the first nine months of 2011 is 7.4%, after 8.2% in Q1-3/2010.

NORMALISED EBIT BEFORE AMORTISATION FROM PURCHASE PRICE ALLOCATION / EBIT

In the first three quarters of 2011, normalised **Group** EBIT before amortisation from purchase price allocation increased by 3% from EUR 52.972 million to EUR 54.541 million. The normalised EBIT margin before amortisation from purchase price allocation increased year-on-year from 14.2% to 15.8%. The EBIT figure, at EUR 38.989 million, is 12% lower year-on-year (Q1-3/2010: EUR 44.496 million). Depreciation and amortisation within the Group rose from EUR 11.084 million to EUR 16.677 million, and include EUR 7.888 million (Q1-3/2010: EUR 4.021 million) in amortisation from purchase price allocation by the Ticketing segment companies acquired in the 2010 financial year.

In the **Ticketing segment**, normalised EBIT before amortisation from purchase price allocation rose substantially by 23% from EUR 33.607 million to EUR 41.304 million. The normalised EBIT margin before amortisation from purchase price allocation was 27.3% (Q1-3/2010: 27.1%). The EBIT figure, at EUR 25.752 million, was 3% higher year-on-year (Q1-3/2010: EUR 25.130 million).

The **Live Entertainment segment** achieved an EBIT of EUR 13.237 million after EUR 19.365 million in Q1-3/2010 (-32%). The EBIT margin was 6.7%, compared to 7.6% in Q1-3/2010.

FINANCIAL RESULT

The financial result, at EUR -3.873 million (Q1-3/2010: EUR -172 thousand) includes EUR 1 thousand in income from participations (Q1-3/2010: EUR 18 thousand), EUR 561 thousand in expenses from investments in associates (Q1-3/2010: EUR 59 thousand in income), EUR 1.595 million in financial income (Q1-3/2010: EUR 1.572 million) and EUR 4.908 million in financial expenses (Q1-3/2010: EUR 1.821 million).

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

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

As at 30 September 2011, earnings before tax (EBT) decreased from EUR 44.324 million in Q1-3/2010 to EUR 35.116 million. After deduction of tax expenses and non-controlling interest, net income amounted to EUR 21.105 million (Q1-3/2010: EUR 24.466 million). Earnings per share (EPS) for the first nine months of 2011 came to EUR 0.44, compared to EUR 0.51 in Q1-3/2010.

PERSONNEL

On average over the year to date, the companies in the CTS Group had a total of 1,431 employees on their payroll, including 122 part-time workers (Q1-3/2010: 1,616 employees, including 142 part-timers). Of that total, 1,224 are employed in the Ticketing segment (Q1-3/2010: 1,298 employees) and 207 in the Live Entertainment segment (Q1-3/2010: 318 employees). In the Ticketing segment, the workforce restructuring in the companies newly acquired in 2010 were the main reason for the decrease in the number of employees, whereas the reduction in workforce size in the Live Entertainment segment was principally due to the deconsolidation of the FKP Group as at 1 July 2010.

Personnel expenses for the Group increased year-on-year by EUR 8.013 million from EUR 42.839 million to EUR 50.852 million. This increase in personnel expenses stems from the Ticketing segment (EUR +10.822 million), whereas personnel expenses in the Live Entertainment segment were reduced by EUR 2.809 million. The increased personnel expenses in the Ticketing segment, despite the reduction in workforce, resulted primarily from the extended scope of consolidation resulting from acquisitions. The reduction in personnel expenses in the Live Entertainment segment mainly resulted from the deconsolidation of the FKP Group as at 1 July 2010.

FINANCIAL POSITION

On the **ASSETS SIDE**, the main changes were in cash and cash equivalents (EUR -24.139 million), trade receivables (EUR -7.256 million), payments on account (EUR -6.558 million), other assets (EUR -5.742 million) and intangible assets (EUR -7.830 million).

The EUR 24.139 million reduction in **cash and cash equivalents** in the Group is mainly due to the reduction in liabilities in the Ticketing segment from ticket monies not yet invoiced, and to the distribution of dividend in the second quarter of 2011. In contrast, the positive Group net income before depreciation and amortisation led to cash inflows in the current reporting period. Cash and cash equivalents, at EUR 153.897 million (31.12.2010: EUR 178.036 million) include ticket monies from pre-sales for events in subsequent quarters (ticket monies not yet invoiced in the

Ticketing segment), which are reported under other liabilities at EUR 82.822 million (31.12.2010: EUR 116.767 million). Other assets also include receivables relating to ticket monies from pre-sales in the Ticketing segment (EUR 10.399 million; 31.12.2010: EUR 19.512 million).

The EUR 7.256 million decrease in **trade receivables** resulted from ongoing business operations.

The reduction in **payments on account** (EUR -6.558 million) was mainly due to the execution and invoicing of events (especially the Herbert Grönemeyer tour) in the first half of 2011.

Lower receivables in respect of ticket monies in the Ticketing segment from pre-sales led to a reduction in **other assets** (EUR -5.742 million). This was offset in the Ticketing segment by a rise in receivables from other types of events.

The EUR -7.830 million change in **intangible assets** was principally due to systematic amortisation of the trademark, customer base and software that were capitalised as assets in the purchase price allocation in respect of the Ticketcorner Group and See Tickets Germany / Ticket Online Group.

In addition, the **goodwill** increased due to currency translation effects (EUR +1.185 million) resulting from the measurement of goodwill in foreign currencies (EUR/CHF) as at the closing date 30 September 2011 and from the acquisition of Ticket Online Austria GmbH (EUR +218 thousand).

On the **LIABILITIES SIDE**, the main changes were in current financial liabilities and current portion of non-current financial liabilities (EUR +9.031 million), trade liabilities (EUR -10.538 million), other current liabilities (EUR -36.194 million) and in medium- and long-term financial liabilities (EUR -12.149 million).

The EUR 9.031 million increase in **current financial liabilities and current portion of non-current financial liabilities** is mainly due to the reclassification of loan liabilities from non-current finanical liabilities to current financial liabilities because of a reduction in remaining term.

Trade liabilities decreased by EUR 10.538 million in the context of ongoing business operations.

The EUR -36.194 million change in **other current liabilities** is predominantly due to lower liabilities from ticket monies not yet invoiced in the Ticketing segment. Due to the strong fourth quarter at the end of each year, there is usually a large amount of liabilities from ticket monies not yet invoiced, which is then dismantled in the course of the following year when the events are held and invoiced. It is now expected that liabilities from ticket monies not yet invoiced will increase accordingly during the fourth quarter of 2011.

Medium- and long-term financial liabilities (EUR -12.149 million) were mainly reduced by timely reclassification of loan liabilities as current financial liabilities. That decrease is offset by an increase in loan liabilities (EUR +912 thousand) arising from currency translation of liabilities (EUR/CHF) as at the closing date.

As at 30 September 2011, **shareholders' equity** increased by EUR 798 thousand to EUR 159.378 million. The distribution of EUR 20.878 million in dividend in the second quarter of 2011 was offset by the EUR 21.105 million in Group profits generated so far in the 2011 reporting period. The Shareholders' Meeting in May 2011 adopted a resolution to increase the share capital by EUR 24.000 million to EUR 48.000 million. The increase was effected on 3 June 2011, when the relevant entry was made in the register of companies.

CASH FLOW

The amount of cash and cash equivalents shown in the cash flow statement corresponds to the cash and cash equivalents stated in the balance sheet. Compared to the reporting date of 30 September 2010, cash and cash equivalents increased by EUR 26.232 million to EUR 153.897 million. This EUR 26.232 million change includes outflows of cash amounting to EUR 51.758 million during the 2010 financial year (especially due to the reduction of liabilities and to payments for increasing shareholdings in subsidiaries) as well as EUR 77.989 million in cash inflows in the first nine months of 2011 relative to Q1-3/2010 (including net increase/decrease in cash and cash equivalents due to changes in scope of consolidation and currency translation).

Cash flow from operating activities increased year-on-year by EUR +53.262 million from EUR -44.741 million to EUR +8.521 million.

This year-on-year increase in cash flow was mainly the result of lower payments of income taxes (EUR +11.331 million), the changes in payments on account (EUR +9.046 million), in receivables and other assets (EUR +15.893 million) and in liabilities (EUR +20.200 million).

Payments of income taxes decreased by EUR 11.331 million because increased amounts of tax pre-payments as well as subsequent payments for previous years were made in Q1-3/2010.

The EUR +9.049 million positive cash flow effect in respect of **payments on account** mainly arose from the reduction in payments on account following the execution and invoicing of events (especially by the Herbert Grönemeyer tour in the first half of 2011).

The EUR +15.893 million positive cash flow effect produced by the year-on-year change in **receivables and other assets** is attributable to the reduction in trade receivables and to a decrease in other assets, in particular receivables from tax authorities.

The positive cash flow effect of EUR +20.200 million from change in **liabilities** is predominantly attributable to advance payments received in the Live Entertainment segment (EUR +34.264 million) and to trade liabilities (EUR -10.738 million).

The positive cash flow effect resulting in the Live Entertainment segment from **liabilities from advance payments received**, at EUR +34.264 million, arose from a smaller reduction in the 2011 reporting period of liabilities from advance payments received compared to the same period in 2010. In the Live Entertainment segment, ticket revenue generated by the promoter in the pre-sale period is recognised under liabilities as advance payments received. When the event is subsequently held, the advance payments received are transferred to revenue.

The EUR -10.738 million negative cash flow effect arising from **trade liabilities** is the result of reductions of liabilities in the Ticketing and Live Entertainment segments from ongoing business operations.

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

Cash flow from investing activities fell from EUR -183.398 million by EUR 177.346 million to EUR -6.052 million. The high volume of cash outflow in Q1-3/2010 resulted mainly from payments for the acquisition of shares in the See Tickets Germany / Ticket Online Group and the Ticketcorner Group.

Cash flow from financing activities changed year-on-year from EUR +127.005 million by EUR -153.738 million to EUR -26.733 million. In Q1-3/2010, cash flow from financing activities was characterised by EUR 185.532 million in loans being raised to finance the acquisitions of the See Tickets Germany / Ticket Online Group and the Tickercorner Group and by higher payments made for the acquisition of additional shares in subsidiaries already included in consolidation (EUR +28.930 million).

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

2. EVENTS AFTER THE CLOSING DATE

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

3. CORPORATE GOVERNANCE DECLARATION

The executive bodies of CTS AG are guided in their actions by the principles of responsible and good corporate governance. The Management Board submits a report on corporate governance in a declaration of compliance, in accordance with § 289a (1) HGB. The current and all previous declarations of compliance are permanently available on the Internet at the website http://www.eventim.de/tickets.html?affiliate=EVE&fun=tdoc&doc=eventim/default/info/en/investor/investorCorporateGovernance.

4. OUTLOOK

The CTS Group is keeping to the strategic direction it has set itself. Online ticketing is and will remain the most important area of growth for the Group. The trend towards the Internet as the preferred platform for information and purchasing continues unabated; as the European market leader, the CTS Group is superbly positioned to profit from that trend. And the market potential is far from being exhausted.

The acquisitions of the See Tickets Germany / Ticket Online Group and the Ticketcorner Group are making a sustained impact with regard to continued achievement of the growth and earnings target. Integration of the companies newly acquired in the prior year is running according to plan, and initial synergies have already been realised. In the medium term, it is expected that additional substantial synergies can be tapped, especially through scale effects. The CTS Group will continue to consolidate and expand its market leadership in Germany and Europe – not only through organic growth, but also by making strategic, targeted acquisitions whenever the opportunity arises.

The constant improvement of the ticketing software in order to safeguard technological leadership remains to be of key importance in the future. Further on the emphasis is put on customer service. The range of services is becoming increasing attractive and includes exclusive presales service, reservation of specific seats via the Internet, VIP package deals, print-at-home solutions and the iPhone app. The Group sees itself as the leading service provider in all ticketing-related matters.

The Management Board expects the Group to achieve further business growth as well as further improvement in earnings in the current 2011 business year, especially in view of the traditionally strong fourth quarter.

5. RISKS AND OPPORTUNITIES

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

6. RELATED PARTY DISCLOSURES

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

FORWARD-LOOKING STATEMENTS

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

Bremen, 24 November 2011

CTS EVENTIM Aktiengesellschaft

The Management Board

5. INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2011

CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2011 (IFRS)

ASSETS	30.09.2011	31.12.2010	Change
	[EUR]	[EUR]	[EUR]
Current assets			
Cash and cash equivalents	153,897,195	178,036,473	-24,139,278
Trade receivables	24,637,455	31,893,172	-7,255,717
Receivables from affiliated and associated companies	4,558,964	6,978,834	-2,419,870
Inventories	1,434,603	1,585,575	-150,972
Payments on account	11,171,333	17,729,381	-6,558,048
Receivables from income tax	7,572,023	10,513,476	-2,941,453
Other assets	35,639,317	41,380,839	-5,741,522
Total current assets	**238,910,890**	**288,117,750**	**-49,206,860**
Non-current assets			
Property, plant and equipment	14,480,372	15,356,589	-876,217
Intangible assets	92,302,452	100,132,716 [1]	-7,830,264
Investments	2,057,928	2,035,092	22,836
Investments in associates	1,431,610	1,992,660	-561,050
Loans	474,689	533,814	-59,125
Trade receivables	167,239	211,603	-44,364
Other assets	51,093	201,304	-150,211
Goodwill	250,271,972	248,869,057 [1]	1,402,915
Deferred tax assets	4,527,682	2,354,646 [1]	2,173,036
Total non-current assets	**365,765,037**	**371,687,481**	**-5,922,444**
Total assets	**604,675,927**	**659,805,231**	**-55,129,304**

[1] adjusted prior-year figures due to the final purchase price allocation of See Tickets Germany / Ticket Online Group and T.O.S.C. (cf. section 3.1.2 in selected notes to the consolidated financial statements)

SHAREHOLDERS' EQUITY AND LIABILITIES	30.09.2011	31.12.2010	Change
	[EUR]	[EUR]	[EUR]
Current liabilities			
Short-term financial liabilities and current portion of long-term financial liabilities	15,798,813	6,767,412 [1]	9,031,401
Trade payables	28,205,320	38,743,409	-10,538,089
Payables to affiliated and associated companies	1,081,854	2,919,716	-1,837,862
Advance payments received	62,297,946	64,550,219	-2,252,273
Other provisions	4,036,774	4,384,600	-347,826
Tax provisions	6,950,012	8,359,099	-1,409,087
Other liabilities	114,185,110	150,379,083	-36,193,973
Total current liabilities	**232,555,829**	**276,103,538**	**-43,547,709**
Non-current liabilities			
Medium- and long-term financial liabilities	187,641,744	199,790,947	-12,149,203
Other liabilities	214,537	320,337	-105,800
Pension provisions	4,399,309	4,417,210	-17,901
Deferred tax liabilities	20,486,207	20,593,061 [1]	-106,854
Total non-current liabilities	**212,741,797**	**225,121,555**	**-12,379,758**
Shareholders' equity			
Share capital	48,000,000	24,000,000	24,000,000
Capital reserve	1,890,046	23,310,940	-21,420,894
Retained earnings	96,192,189	98,544,269 [1]	-2,352,080
Treasury stock	-52,070	-52,070	0
Non-controlling interest	11,610,365	11,394,955 [1]	215,410
Total comprehensive income	1,901	21,842	-19,941
Currency differences	1,735,870	1,360,202	375,668
Total shareholders' equity	**159,378,301**	**158,580,138**	**798,163**
Total shareholders' equity and liabilities	**604,675,927**	**659,805,231**	**-55,129,304**

[1] adjusted prior-year figures due to the final purchase price allocation of See Tickets Germany / Ticket Online Group and T.O.S.C. (cf. section 3.1.2 in selected notes to the consolidated financial statements)

CONSOLIDATED INCOME STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2011 (IFRS)

	01.01.2011 - 30.09.2011	01.01.2010 - 30.09.2010		Change
	[EUR]	[EUR]		[EUR]
Revenue	345,923,391	372,387,317		-26,463,926
Cost of sales	-239,924,515	-276,884,705	[1]	36,960,190
Gross profit	**105,998,876**	**95,502,612**		**10,496,264**
Selling expenses	-35,956,471	-31,573,669	[1]	-4,382,802
General administrative expenses	-23,803,187	-21,302,231	[1]	-2,500,956
Other operating income	8,630,941	7,177,762		1,453,179
Other operating expenses	-15,881,644	-5,308,855		-10,572,789
Operating profit (EBIT)	**38,988,515**	**44,495,619**		**-5,507,104**
Income / expenses from participations	906	17,718		-16,812
Income / expenses from investments in associates	-561,050	59,306		-620,356
Financial income	1,595,061	1,571,844		23,217
Financial expenses	-4,907,791	-1,820,702		-3,087,089
Earnings before tax (EBT)	**35,115,641**	**44,323,785**		**-9,208,144**
Taxes	-11,710,548	-13,658,408	[1]	1,947,860
Net income before non-controlling interest	**23,405,093**	**30,665,377**		**-7,260,284**
Non-controlling interest	-2,299,959	-6,199,160	[1]	3,899,201
Net income after non-controlling interest	**21,105,134**	**24,466,217**		**-3,361,083**
Earnings per share (in EUR); undiluted (= diluted)	0.44	0.51	[2]	
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 See Tickets Germany / Ticket Online Group and T.O.S.C. (cf. section 3.1.2 in selected notes to the consolidated financial statements)

[2] pro forma calculation based on 48 million shares

CONSOLIDATED INCOME STATEMENT FOR THE PERIOD FROM 1 JULY TO 30 SEPTEMBER 2011 (IFRS)

	01.07.2011 - 30.09.2011	01.07.2010 - 30.09.2010		Change
	[EUR]	[EUR]		[EUR]
Revenue	82,077,483	101,531,589		-19,454,106
Cost of sales	-51,735,024	-75,867,408	[1]	24,132,384
Gross profit	**30,342,459**	**25,664,181**		**4,678,278**
Selling expenses	-12,051,882	-11,216,354	[1]	-835,528
General administrative expenses	-8,104,358	-8,337,126	[1]	232,768
Other operating income	3,121,745	1,575,457		1,546,288
Other operating expenses	-4,465,615	-1,042,599		-3,423,016
Operating profit (EBIT)	**8,842,349**	**6,643,559**		**2,198,790**
Income / expenses from participations	0	-8,738		8,738
Income / expenses from investments in associates	-1,339,290	-14,952		-1,324,338
Financial income	314,581	535,170		-220,589
Financial expenses	-1,495,099	-784,952		-710,147
Earnings before tax (EBT)	**6,322,541**	**6,370,087**		**-47,546**
Taxes	-2,667,898	-1,421,915	[1]	-1,245,983
Net income before non-controlling interest	**3,654,643**	**4,948,172**		**-1,293,529**
Non-controlling interest	314,508	592,377	[1]	-277,869
Net income after non-controlling interest	**3,969,151**	**5,540,549**		**-1,571,398**
Earnings per share (in EUR); undiluted (= diluted)	0.08	0.12	[2]	
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 See Tickets Germany / Ticket Online Group and T.O.S.C. (cf. section 3.1.2 in selected notes to the consolidated financial statements)

[2] pro forma calculation based on 48 million shares

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2011 (IFRS)

	01.01.2011 - 30.09.2011 [EUR]	01.01.2010 - 30.09.2010 [EUR]		Change [EUR]
Net income before non-controlling interest	**23,405,093**	**30,665,377**	1	**-7,260,284**
Exchange differences on translating foreign subsidiaries	375,668	782,345		-406,677
Available-for-sale financial assets	-19,941	-3,233		-16,708
Other income	**355,727**	**779,112**		**-423,385**
Total comprehensive income	**23,760,820**	**31,444,489**		**-7,683,669**
Total comprehensive income attributable to				
Shareholders of CTS AG	21,213,868	25,225,931	1	
Non-controlling interest	2,546,952	6,218,558	1	

[1] adjusted prior-year figures due to the final purchase price allocation of See Tickets Germany / Ticket Online Group and T.O.S.C. (cf. section 3.1.2 in selected notes to the consolidated financial statements)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD FROM 1 JULY TO 30 SEPTEMBER 2011 (IFRS)

	01.07.2011 - 30.09.2011 [EUR]	01.07.2010 - 30.09.2010 [EUR]		Change [EUR]
Net income before non-controlling interest	**3,654,643**	**4,948,172**	1	**-1,293,529**
Exchange differences on translating foreign subsidiaries	-32,527	-815,947		783,420
Available-for-sale financial assets	2,058	34,975		-32,917
Other income	**-30,469**	**-780,972**		**750,503**
Total comprehensive income	**3,624,174**	**4,167,200**		**-543,026**
Total comprehensive income attributable to				
Shareholders of CTS AG	4,031,167	4,753,217	1	
Non-controlling interest	-405,706	-586,017	1	

[1] adjusted prior-year figures due to the final purchase price allocation of See Tickets Germany / Ticket Online Group and T.O.S.C. (cf. section 3.1.2 in selected notes to the consolidated financial statements)

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

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2011 (IFRS) (SHORT FORM)

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

	01.01.2011 - 30.09.2011	01.01.2010 - 30.09.2010		Change
	[EUR]	[EUR]		[EUR]
Net income after non-controlling interest	21,105,134	24,466,217	[1]	-3,361,083
Non-controlling interest	2,299,959	6,199,160	[1]	-3,899,201
Depreciation and amortisation on fixed assets	16,677,028	11,083,521	[1]	5,593,507
Changes in pension provisions	-35,763	967,841		-1,003,604
Deferred tax expenses / income	-2,167,373	-977,126	[1]	-1,190,247
Cash flow	**37,878,985**	**41,739,613**		**-3,860,628**
Other non-cash transactions	3,138,757	-2,100,331		5,239,088
Book profit / loss from disposal of fixed assets	7,601	-101,625		109,226
Interest income	-1,488,383	-1,500,372		11,989
Interest expenses	4,302,559	1,528,306		2,774,253
Income tax expenses	13,877,921	14,635,534		-757,613
Interest received	1,555,970	993,528		562,442
Interest paid	-2,657,945	-1,086,608		-1,571,337
Income tax paid	-12,206,318	-23,537,267		11,330,949
Increase (-) / decrease (+) in inventories	166,049	214,624		-48,575
Increase (-) / decrease (+) in payments on account	6,560,207	-2,488,517		9,048,724
Increase (-) / decrease (+) in receivables and other assets	15,435,787	-457,597		15,893,384
Increase (+) / decrease (-) in provisions	-4,474,864	1,194,740		-5,669,604
Increase (+) / decrease (-) in liabilities	-53,575,133	-73,774,912		20,199,779
Cash flow from operating activities	**8,521,193**	**-44,740,884**		**53,262,077**
Cash flow from investing activities	**-6,052,471**	**-183,398,086**		**177,345,615**
Cash flow from financing activities	**-26,732,656**	**127,005,341**		**-153,737,997**
Net increase / decrease in cash and cash equivalents	**-24,263,934**	**-101,133,629**		**76,869,695**
Net increase / decrease in cash and cash equivalents due to change in scope of consolidation	0	-2,372,774		2,372,774
Net increase / decrease in cash and cash equivalents due to currency translation	124,656	1,377,579		-1,252,923
Cash and cash equivalents at beginning of period	178,036,473	229,793,885		-51,757,412
Cash and cash equivalents at end of period	**153,897,195**	**127,665,061**		**26,232,134**
Composition of cash and cash equivalents				
Cash and cash equivalents	153,897,195	127,665,061		26,232,134
Cash and cash equivalents at end of period	**153,897,195**	**127,665,061**		**26,232,134**

[1] adjusted prior-year figures due to the final purchase price allocation of See Tickets Germany / Ticket Online Group and T.O.S.C. (cf. section 3.1.2 in selected notes to the consolidated financial statements)

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (IFRS)

	Share capital	Capital reserve	Retained earnings	Treasury stock	Non-controlling interest	Other comprehensive income	Currency differences	Total shareholders' equity
	[EUR]	[EUR]	[EUR]	[EUR]	[EUR]	[EUR]	[EUR]	[EUR]
01.01.2010	**24,000,000**	**23,310,940**	**97,868,776**	**-52,070**	**4,945,973**	**52,078**	**-261,967**	**149,863,730**
Change in the scope of consolidation	0	-61,999	-22,462,602	0	3,081,635	0	0	-19,442,966
Dividends to shareholders of CTS AG	0	0	-19,918,195	0	0	0	0	-19,918,195
Dividends to non-controlling interest	0	0	0	0	-7,026,448	0	0	-7,026,448
Total comprehensive income	0	0	24,466,217 [1]	0	6,199,160 [1]	-3,233	782,345	31,444,489
30.09.2010	**24,000,000**	**23,248,941**	**79,954,196**	**-52,070**	**7,200,320**	**48,845**	**520,378**	**134,920,610**
01.01.2011	**24,000,000**	**23,310,940**	**98,544,269** [1]	**-52,070**	**11,394,955** [1]	**21,842**	**1,360,202**	**158,580,138**
Increase in share capital	24,000,000	-21,420,894	-2,579,106	0	0	0	0	0
Dividends to shareholders of CTS AG	0	0	-20,878,108	0	0	0	0	-20,878,108
Dividends to non-controlling interest	0	0	0	0	-2,084,549	0	0	-2,084,549
Total comprehensive income	0	0	21,105,134	0	2,299,959	-19,941	375,668	23,760,820
30.09.2011	**48,000,000**	**1,890,046**	**96,192,189**	**-52,070**	**11,610,365**	**1,901**	**1,735,870**	**159,378,301**

[1] adjusted prior-year figures due to the final purchase price allocation of See Tickets Germany / Ticket Online Group and T.O.S.C. (cf. section 3.1.2 in selected notes to the consolidated financial statements)

SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. PRELIMINARY STATEMENTS

CTS EVENTIM AG (hereinafter: 'CTS AG') is a corporate enterprise listed on the stock exchange and domiciled in Munich; its head office is located in Bremen. The consolidated financial statements for the first nine months of fiscal 2011, presented as an interim report for CTS AG and its subsidiaries, were approved by the Management Board for publication, in its decision of 24 November 2011.

2. BASIS OF REPORTING

The present, unaudited Group Interim Report as at 30 September 2011 was prepared in compliance with the International Financial Reporting Standards (IFRS) for interim financial reporting, as they apply in the European Union (IAS 34 'Interim Financial Reporting'), and in accordance with the applicable regulations in the Securities Trading Act (Wertpapierhandelsgesetz – WpHG). A condensed form of report compared to the Annual Report as at 31 December 2010 was chosen, as provided for in IAS 34. The interim financial statements should be read in conjunction with the consolidated financial statements as at 31 December 2010. The Group Interim Report contains all the information required to give a true and fair view of the earnings performance and financial position of the Group. Consolidated financial statements reflecting applicable HGB principles were not prepared.

The comparative figures in the income statement relate to the adjusted Group Interim Report as at 30 September 2010, and those in the balance sheet to the adjusted consolidated financial statements as at 31 December 2010. The comparative figures in the income statement as at 30 September 2010 and the comparative figures in the balance sheet as at 31 December 2010 had to be adjusted to take account of the final purchase price allocation in respect of the See Tickets Germany / Ticket Online Group as at 30 June 2011 and the final purchase price allocation in respect of T.O.S.C. – TicketOne Sistemi Culturali S.r.l. (formerly: Ticketeria S.r.l.) as at 30 September 2011. The See Tickets Germany / Ticket Online Group was first consolidated at the beginning of July 2010, and T.O.S.C. – TicketOne Sistemi Culturali S.r.l. was first included in consolidation as from 13 September 2010.

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

The accounting policies and consolidation methods are the same as those applied in the consolidated financial statements as at 31 December 2010.

The following new and amended standards and interpretation were applied for the first time as from 1 January 2011:

- Amendments to IAS 32 ‘Financial Instruments: Presentation: Classification of Rights Issues’ (applicable on or after 1 February 2010)

- Amendments to IFRS 1 ‘First-time Adoption of IFRS: Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters’ (applicable on or after 1 July 2010)

- IAS 24 (revised November 2009) ‘Related Party Disclosures’ (applicable on or after 1 January 2011)

- Amendments to IFRIC 14 ‘Prepayments of a Minimum Funding Requirement’ (applicable on or after 1 January 2011)

- IFRIC 19 ‘Extinguishing Financial Liabilities with Equity Instruments’ (applicable on or after 1 July 2010)

- May 2010 improvements to IFRS – minor amendments to several IFRS (IFRS 1, IFRS 3, IFRS 7, IAS 1, IAS 27, IAS 34, IFRIC 13) and concomitant changes (applicable on or after 1 January 2011 and 1 July 2010)

The accounting standards applicable for the first time in fiscal 2011 have no material impacts on the reported earnings performance and financial position of the CTS Group.

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

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

3. BUSINESS COMBINATIONS

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

3.1 BUSINESS COMBINATIONS IN THE TICKETING SEGMENT

3.1.1 CHANGES IN THE SCOPE OF CONSOLIDATION

The following changes in the scope of consolidation occurred during the reporting period and/or in relation to the 30 September 2010 closing date.

With an agreement concluded on 5 July 2011, Ticket Express, Gesellschaft zur Herstellung und zum Vertrieb elektronischer Eintrittskarten mbH, Vienna, acquired 100% of the shares in Ticket Online Austria GmbH, Vienna. The price paid for the shares was EUR 373 thousand.

Ticketcorner AG, Rümlang, was merged with Ticketcorner Holding AG, Rümlang, on the basis of a merger agreement concluded on 27 June 2011. Ticketcorner Holding AG then changed its name to Ticketcorner AG. The name change was registered on 30 June 2011.

Ticketcorner GmbH, Vienna, was merged with Ticket Express Gesellschaft zur Herstellung und zum Vertrieb elektronischer Eintrittskarten mbH, Vienna, when the merger was entered in the register of companies on 25 June 2011.

In an agreement concluded on 1 June 2011, Ticket Online Software GmbH, Hamburg, sold 100% of its shares in Ticket Online Polska Sp zoo, Poland, to CTS AG.

TSC Ticket & Touristik-Service-Center GmbH, Bremen, was merged with CTS AG when the merger was entered in the register of companies in June 2011.

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

3.1.2 PURCHASE PRICE ALLOCATION

FINAL PURCHASE PRICE ALLOCATION OF T.O.S.C. – TICKETONE SISTEMI CULTURALI S.R.L. (HEREINAFTER: T.O.S.C.)

As at 30 September 2011, the purchase price allocation relating to the acquisition of shares in T.O.S.C. was finally completed within the stipulated 12-month period, in accordance with IFRS 3.45. 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.

The following table shows the fair values at the time of initial consolidation, after provisional and final purchase price allocation, and the carrying values immediately before acquisition of T.O.S.C.:

	Fair value at the time of initial consolidation		Carrying value immediately before acquisition
	provisional purchase price allocation	final purchase price allocation	
	[EUR'000]	[EUR'000]	[EUR'000]
Cash and cash equivalents	239	239	239
Inventories	12	12	12
Trade receivables	285	285	285
Other assets	155	155	155
Total current assets	**691**	**691**	**691**
Property, plant and equipment	48	48	48
Intangible assets	836	618	36
Investments	105	105	105
Deferred tax assets	0	0	34
Total non-current assets	**989**	**771**	**223**
Trade payables	106	106	106
Provisions	26	26	26
Other liabilities	537	537	537
Total current liabilities	**669**	**669**	**669**
Pension provisions	39	39	39
Deferred tax liabilities	220	160	0
Total non-current liabilities	**259**	**199**	**39**
Total net assets	**752**	**594**	**206**

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

The fair value of trade receivables, at EUR 285 thousand, corresponds to the gross carrying value of the receivables. No impairments have been made.

Deferred tax liabilities of EUR 160 thousand were recognised on the temporary difference arising from the revaluation of intangible assets.

In accordance with the revised IFRS 3, ancillary purchase expenses are recognised in the income statement for the 2010 financial year. Such expenses totalled EUR 145 thousand.

As at the date of initial consolidation, and in the context of final purchase price allocation, the fair value of the customer base as an intangible asset was reduced relative to the provisional purchase price allocation from EUR 800 thousand to EUR 582 thousand due to revised budget assumptions. At Group level, this led to an increase in goodwill to EUR 915 thousand (provisional purchase price allocation: EUR 599 thousand). In the context of final purchase price allocation, deferred tax liabilities were recognised at EUR 160 thousand (provisional purchase price allocation: EUR 220 thousand). The acquisition costs increased by EUR 200 thousand due to inclusion of a variable purchase price component.

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

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

	EUR'000
Acquisition cost	1,200
Cash and cash equivalents	239
Inventories	12
Trade receivables	285
Other assets	155
Property, plant and equipment	48
Intangible assets	618
Investments	105
Trade payables	-106
Provisions	-26
Other liabilities	-537
Pension provisions	-39
Deferred tax liabilities	-160
Total net assets	**594**
Non-controlling interest	-309
Goodwill	915
	1,200

The resultant difference in amount between the acquisition cost and the remeasured net assets that were acquired embodies synergy and other growth potential and was recognised as EUR 915 thousand in goodwill.

CHANGES IN THE CONSOLIDATED BALANCE SHEET AND INCOME STATEMENT DUE TO PURCHASE PRICE ALLOCATIONS

The comparative figures in the income statement as at 30 September 2010 and the comparative figures in the balance sheet as at 31 December 2010 had to be adjusted on account of the final purchase price allocation in respect of the See Tickets Germany / Ticket Online Group as at 30 June 2011 and the final purchase price allocation in respect of T.O.S.C. as at 30 September 2011. The See Tickets Germany / Ticket Online Group was first consolidated at the beginning of July 2010, and T.O.S.C. was first included in consolidation as from 13 September 2010.

The following table shows the changes arising in the consolidated income statement as at 30 September 2010 as a result of the final purchase price allocations.

	Income statement		Change
	provisional purchase price allocation 30.09.2010	final purchase price allocation 30.09.2010	
	[EUR'000]	[EUR'000]	[EUR'000]
Cost of sales	-277,026	-276,885	-141
Selling expenses	-31,643	-31,574	-69
General administrative expenses	-21,352	-21,302	-50
Taxes	-13,728	-13,658	-70
Non-controlling interest	-6,201	-6,199	-2
Adjustments in net income after non-controlling interest			**-332**

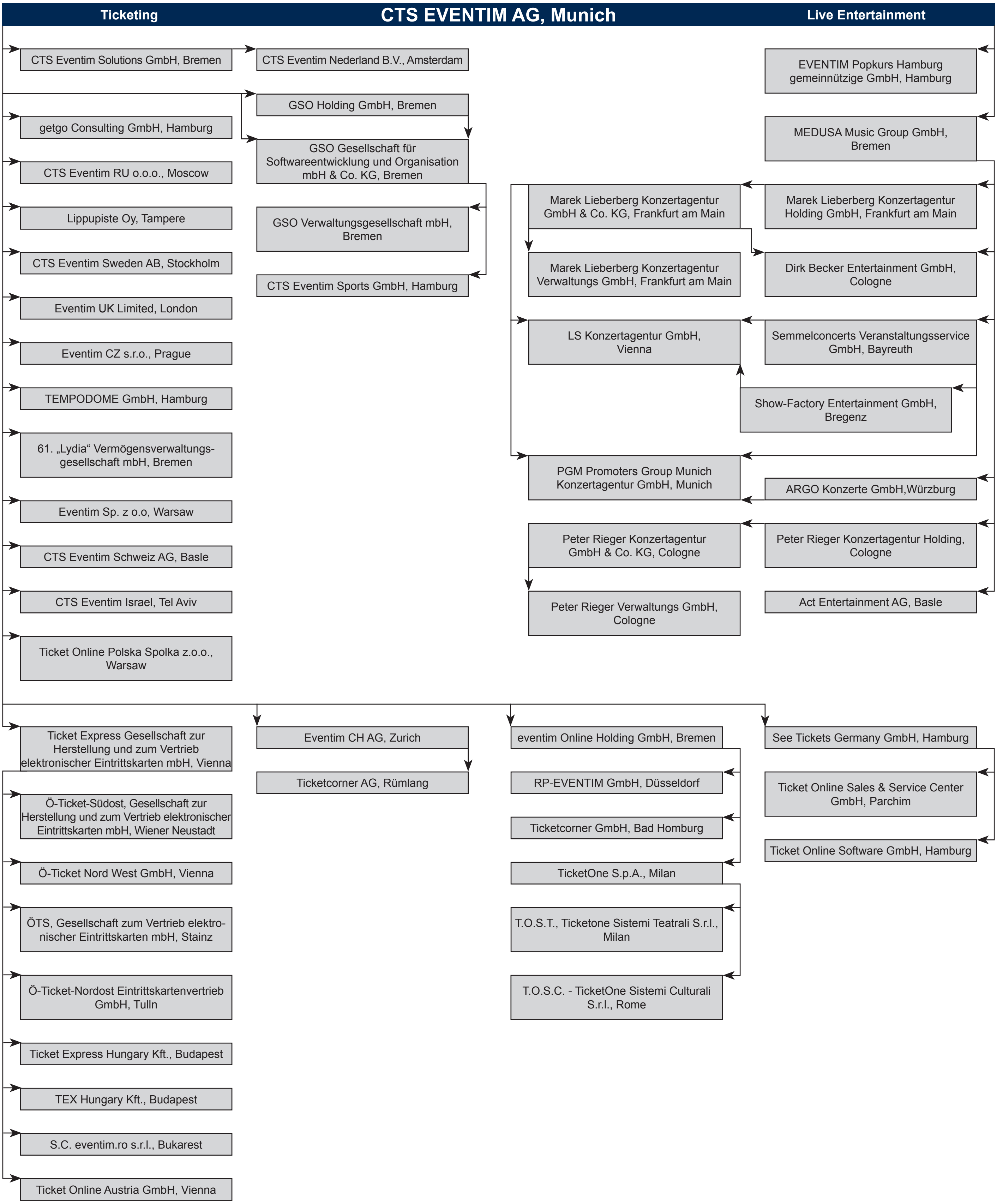
The following table shows the changes in the consolidated balance sheet as at 31 December 2010 as a result of the final purchase price allocations.

	Consolidated balance sheet		Change
	provisional purchase price allocation 31.12.2010	final purchase price allocation 31.12.2010	
	[EUR'000]	[EUR'000]	[EUR'000]
Assets			
Intangible assets	91,397	100,133	-8,736
Goodwill	254,259	248,869	5,390
Deferred tax assets	2,364	2,354	10
			-3,336
Liabilities and shareholders' equity			
Short-term financial liabilities and current portion of long-term financial liabilities	6,567	6,767	-200
Deferred tax liabilities	17,930	20,593	-2,663
Retained earnings	98,035	98,544	-509
Non-controlling interest	11,431	11,395	36
			-3,336

3.2 BUSINESS COMBINATIONS IN THE LIVE ENTERTAINMENT SEGMENT

There were no changes in the scope of consolidation during the reporting period and/or in relation to the 30 September 2010 closing date.

The corporate structure as at 30 September 2011 is shown in the following table:



4. SELECTED NOTES TO THE CONSOLIDATED BALANCE SHEET

The main changes in the consolidated balance sheet as at 30 September 2011 compared to 31 December 2010 are described below.

The EUR 24.139 million reduction in **cash and cash equivalents** in the Group is mainly due to the reduction in liabilities in the Ticketing segment from ticket monies not yet invoiced, and to the distribution of dividend in the second quarter of 2011. In contrast, the positive Group net income before depreciation and amortisation led to cash inflows in the current reporting period.

The EUR 7.256 million decrease in **trade receivables** resulted from ongoing business operations.

The reduction in **payments on account** (EUR -6.558 million) was mainly due to the execution and invoicing of events (especially the Herbert Grönemeyer tour) in the first half of 2011.

Lower receivables in respect of ticket monies from pre-sales led to a reduction in **other assets** (EUR -5.742 million). This was offset in the Ticketing segment by a rise in receivables from other types of event.

The EUR -7.830 million change in **intangible assets** was principally due to systematic amortisation of the trademark, customer base and software that were capitalised as assets in the purchase price allocation in respect of the Ticketcorner Group and See Tickets Germany / Ticket Online Group.

The increase in **goodwill** was due to currency translation effects (EUR +1.185 million) resulting from the measurement of goodwill in foreign currencies (EUR/CHF) as at the closing date 30 September 2011 and from the acquisition of Ticket Online Austria GmbH (EUR +218 thousand).

The EUR 9.031 million increase in **current financial liabilities and current portion of non-current financial liabilities** is mainly due to the reclassification of loan liabilities from non-current financial liabilities to current financial liabilities because of a reduction in remaining term.

Trade liabilities decreased by EUR 10.538 million in the context of ongoing business operations.

The EUR -36.194 million change in **other current liabilities** is predominantly due to lower liabilities from ticket monies not yet invoiced in the Ticketing segment.

Medium- and long-term financial liabilities (EUR -12.149 million) were mainly reduced by timely reclassification of loan liabilities as current financial liabilities. That decrease is offset by an increase in loan liabilities (EUR +912 thousand) arising from currency translation of liabilities (EUR/CHF) as at the closing date.

On the asset side, cash and cash equivalents and payments on account, and on the liability side, advance payments received and liabilities from ticket monies not yet invoiced fluctuate due to major tours and seasonal effects. Due to the strong fourth quarter at the end of each year, those balance sheet positions usually show larger, seasonally induced amounts which are then dismantled in the course of the following year when the events are held and invoiced.

In the course of the share capital increase from own funds, reserves were transferred to share capital with a corresponding reduction in capital reserves and retained earnings. According to § 150 AktG, a stock corporation must form a statutory reserves if the capital reserve accounts for less than 10% of the registered share capital. The annual addition to the statutory reserve is 5% of the net income for the year for CTS AG, until a total 10% of the share capital is covered by the capital reserve and the statutory reserve. As at 31 December 2011, the statutory reserve must be formed for the first time.

5. SELECTED NOTES TO THE CONSOLIDATED INCOME STATEMENT

REALISATION OF PROFITS

Revenue in the Ticketing segment that relates to the sale of tickets to final customers is realised when the respective CTS ticketing company delivers the tickets to the final customer. In the Live Entertainment segment, ticket revenue generated in the presales period is recognised 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 EUR 345.923 million in revenue in the period under review, compared to EUR 372.387 million in Q1-3/2010 (-7%). Revenue (before consolidation between segments) breaks down into EUR 151.094 million in the Ticketing segment (Q1-3/2010: EUR 123.887 million) and EUR 198.877 million in the Live Entertainment segment (Q1-3/2010: EUR 253.761 million).

In the **Ticketing segment**, organic growth in the core European markets, the Internet as a high-margin sales channel and a series of successful acquisitions resulted in a significant 22% increase in revenue in the first nine months of 2011 to EUR 151.094 million (Q1-3/2010: EUR 123.887 million). This was offset by lost revenue from the Live Nation partnership agreement terminated in June 2010.

The **Live Entertainment segment** generated EUR 198.877 million in total revenue (Q1-3/2010: EUR 253.761 million; -22%). In addition to a lower number of attractive live events compared to the same period in 2010, revenue was also below the record figures of 2010 as expected, mainly due to the deconsolidation of FKP Scorpio Konzertproduktionen GmbH and its subsidiaries (hereinafter: FKP Group) as of 1 July 2010.

COST OF SALES

Cost of sales fell by EUR 36.960 million to EUR 239.925 million. Of that change, EUR 47.700 million (before consolidation between the segments) are attributable to the Live Entertainment segment (due, inter alia, to the deconsolidation of the FKP Group and to a smaller number of events), whereas the cost of sales in the Ticketing segment increased by EUR 9.509 million in line with its organic and acquisition-based revenue growth.

OTHER OPERATING EXPENSES

The increase in other operating expenses by EUR 10.573 million to EUR 15.882 million is particularly due to the non-recurring items to be normalised and to increased currency translation expenses.

FINANCIAL RESULT

The EUR 3.701 million reduction in financial result, to EUR -3.873 million, was mainly due to higher borrowing costs (especially interest expense) to finance the acquisitions made during the 2010 financial year.

6. SEGMENT REPORTING

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

	Ticketing		Live Entertainment		Total for segment	
	30.09.2011 [EUR'000]	30.09.2010 [EUR'000]	30.09.2011 [EUR'000]	30.09.2010 [EUR'000]	30.09.2011 [EUR'000]	30.09.2010 [EUR'000]
External revenue	148,479	121,139	197,419	251,248	345,898	372,387
Internal revenue	22,660	16,219	46,548	55,243	69,208	71,462
Total revenue	**171,139**	**137,358**	**243,967**	**306,491**	**415,106**	**443,849**
Consolidation within segment	-20,045	-13,471	-45,090	-52,730	-65,135	-66,201
Revenue after consolidation within segment	**151,094**	**123,887**	**198,877**	**253,761**	**349,971**	**377,648**

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

	Ticketing		Live Entertainment		Intersegment consolidation		Group	
	30.09.2011 [EUR'000]	30.09.2010 [EUR'000]	30.09.2011 [EUR'000]	30.09.2010 [EUR'000]	30.09.2011 [EUR'000]	30.09.2010 [EUR'000]	30.09.2011 [EUR'000]	30.09.2010 [EUR'000]
Revenue	151,094	123,887	198,877	253,761	-4,048	-5,261	345,923	372,387
EBITDA	40,999	34,742	14,667	20,837	0	0	55,666	55,579
EBIT	25,752	25,130 [2]	13,237	19,365	0	0	38,989	44,496 [2]
Depreciation and amortisation	-15,247	-9,612 [2]	-1,430	-1,472	0	0	-16,677	-11,084 [2]
Financial result							-3,873	-172
Earnings before tax (EBT)							35,116	44,324
Taxes							-11,711	-13,658 [2]
Net income before non-controlling interest							23,405	30,666
Non-controlling interest							-2,300	-6,199 [2]
Net income after non-controlling interest							21,105	24,467
Average number of employees	1,224	1,298	207	318			1,431	1,616
Segment assets [1]	495,096	497,090 [2]	138,298	135,608				
Normalised EBITDA	48,663	39,198	14,667	20,837	0	0	63,330	60,035
Normalised EBIT before amortisation resulting from purchase price allocation	41,304	33,607 [2]	13,237	19,365	0	0	54,541	52,972 [2]

[1] Disclosure of segment assets before consolidation between sgements

[2] Adjusted prior-year figures due to the final purchase price allocation of See Tickets Germany / Ticket Online Group and T.O.S.C. (cf. section 3.1.2 in selected notes to the consolidated financial statements)

7. OTHER DISCLOSURES

APPROPRIATION OF EARNINGS

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

FINANCIAL OBLIGATIONS

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

RELATED PARTY DISCLOSURES

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

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

	30.09.2011 [EUR'000]	30.09.2010 [EUR'000]
Goods and services supplied by the Group		
Subsidiaries not included in consolidation due to insignificance	365	432
Associated companies	1,558	1,454
Other related parties	4,814	5,158
	6,737	**7,044**

	30.09.2011 [EUR'000]	30.09.2010 [EUR'000]
Goods and services received by the Group		
Subsidiaries not included in consolidation due to insignificance	249	630
Associated companies	1,969	210
Other related parties	10,847	9,170
	13,065	**10,010**

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

Bremen, 24 November 2011

CTS EVENTIM Aktiengesellschaft

Klaus-Peter Schulenberg

Volker Bischoff

Alexander Ruoff

CONTACT

CTS EVENTIM AG
Contrescarpe 75 A
28195 Bremen

Investor Relations
Tel.: +49 (0) 421 / 36 66 - 233
Fax: +49 (0) 421 / 36 66 - 290

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 - 290

EDITORIAL OFFICE:

Engel & Zimmermann
CTS EVENTIM AG

ARTWORK:

SECHSBAELLE, Bremen