GROUP INTERIM REPORT AS AT 30 JUNE 2013

eventim

KEY GROUP FIGURES

	01.01.2013 - 30.06.2013	01.01.2012 - 30.06.2012 [1]	Change
	[EUR'000]	[EUR'000]	[in %]
Revenue	312,295	256,873	21.6
EBITDA	61,189	52,267	17.1
EBITDA margin	19.6%	20.4%	-0.8 pp
EBIT	49,869	40,959	21.8
EBIT margin	16.0%	16.0%	0.0 pp
Normalised EBITDA	63,405	51,063	24.2
Normalised EBIT before amortisation from purchase price allocation	57,264	44,876	27.6
Normalised EBITDA margin	*20.3%*	*19.9%*	*0.4 pp*
Normalised EBIT margin before amortisation from purchase price allocation	*18.3%*	*17.5%*	*0.9 pp*
Non-recurring items [2]	2,215	-1,205	-283.9
Amortisation resulting from purchase price allocation	5,179	5,122	1.1
Earnings before tax (EBT)	47,575	37,730	26.1
Net income after non-controlling interest	27,565	21,316	29.3
Cash flow	43,178	35,524	21.5
	[EUR]	[EUR]	
Earnings per share [3], undiluted (= diluted)	0.57	0.44	
	[Qty.]	[Qty.]	
Number of employees [4]	1,679	1,403	
Of which temporary	(286)	(113)	

[1] Prior-year figures adjusted to reflect application of IAS 19
[2] Cf. page 6 for non-recurring items
[3] Number of shares: 48 million
[4] Number of employees at end of year (active workforce)

CONTENT

1. LETTER TO THE SHAREHOLDERS

Klaus-Peter Schulenberg
Chief Executive Officer

Dear Shareholders,

The first six months of 2013 were marked by growth: CTS EVENTIM achieved substantial increases in all its key performance figures, while rigorously pursuing its successful strategy of national and international expansion. In the period from 1 January to 30 June, Group revenue rose by 21.6% year-on-year, normalised EBITDA by 24.2%.

The reasons for this sustained business success are obvious – people in Europe like using our platform because they know that we offer them attractive events and the best service. This is based, in turn, on the unchallenged technological leadership of our ticketing software and our efforts to consolidate and expand upon that leadership.

IMPRESSIVE PERFORMANCE IN THE TICKETING SEGMENT

CTS EVENTIM has firmly established its position as Europe's market leader in the ticketing field, and above all has improved its earnings figures still further. Normalised EBITDA was EUR 40.1 million, up 19.9% year-on-year. We are very satisfied with these results.

Our success is clearly manifested by more than 100 million tickets sold annually for around 180,000 different events; in the first six months of this year alone, 10.3 million tickets were sold over the Internet. This is partly accounted for by top acts like Barbra Streisand, Beyoncé, Rhianna and Eric Clapton, for whom CTS EVENTIM handles all ticketing.

In addition to more than 20,000 stationary box offices throughout Europe, sales via the highly profitable Internet channel are gaining increasingly in importance. The value-added generated by Internet sales is six times higher than for box-office sales. To consolidate and extend the success of our business operations, we work hard day by day on further developing the CTS ticketing systems that have been innovative and therefore unrivalled for many years. FanSALE is a good example: when it was first launched in 2007, fanSALE was the first Internet portal in Germany that was specially designed for the resale of tickets to sports and other events. Intelligent technologies make the resale platform secure, fast, easy to use and fair for both buyers and sellers. This was recently verified by a test of various ticketing platforms conducted by the Sport Bild magazine.

CTS EVENTIM does not rest on its laurels and rely on tried-and-tested solutions: with its technological expertise and a keen sense of the latest trends, we have responded quickly to changes in the web behaviour of our customers. For example, we now offer full Facebook integration as well as our own apps for iPhones and Android smartphones, and are currently working on new features for our online customers.

LIVE ENTERTAINMENT: SUCCESSFUL ACQUISITIONS AND AND ATTRACTIVE EVENTS

In the Live Entertainment field, CTS EVENTIM continues to assert its role as market leader in continental Europe. In the first half-year of 2013, revenue reached EUR 199.8 million, which is 22.9% higher that the same period in 2012. The EBITDA figure increased substantially year-on-year by no less than 29.4% to EUR 23.3 million.

Following the acquisition of Arena Management GmbH (operating company of Lanxess Arena in Cologne) in December 2012 CTS EVENTIM acquired 80% of shares in ABC Production AG in mid-June of this year. This Swiss company was founded by André Béchir, the well-known promoter, who will now support us with his legendary experience in live events. For the second half of 2013 and for 2014, ABC Production has booked major events with musicians of international rank, such as Placebo, Depeche Mode and Michael Bublé. This acquisition is the first step in assuming market leadership in Switzerland and broadens the foundations for further increases in our market share in the German-speaking countries of Europe.

Our legendary venue in Berlin, the open-air Waldbühne arena, is also very popular among musicians. The second quarter of this year saw appearances there of bands like Kings of Leon, KISS and Neil Young & Crazy Horse. One of the highlights of the current season was the Jon Bon Jovi concert that was transferred to the Waldbühne from the Olympic Stadium in Berlin. With 21 days booked for events this summer, Europe's most beautiful open-air venue even outshone 2012, its best season hitherto, when more than 200,000 visitors came to us in the Waldbühne on 16 days.

I would like to conclude by briefly addressing the dispute we have been conducting with Live Nation Entertainment Inc., the US promoter of live events. We are both surprised and disappointed by the dismissal of our damages claim by the ICC Court of Arbitration. We accept the ruling, nevertheless, to reach final closure on the case after proceedings that lasted three years.

Yours sincerely,

Klaus-Peter Schulenberg
Chief Executive Officer

2. CTS SHARES

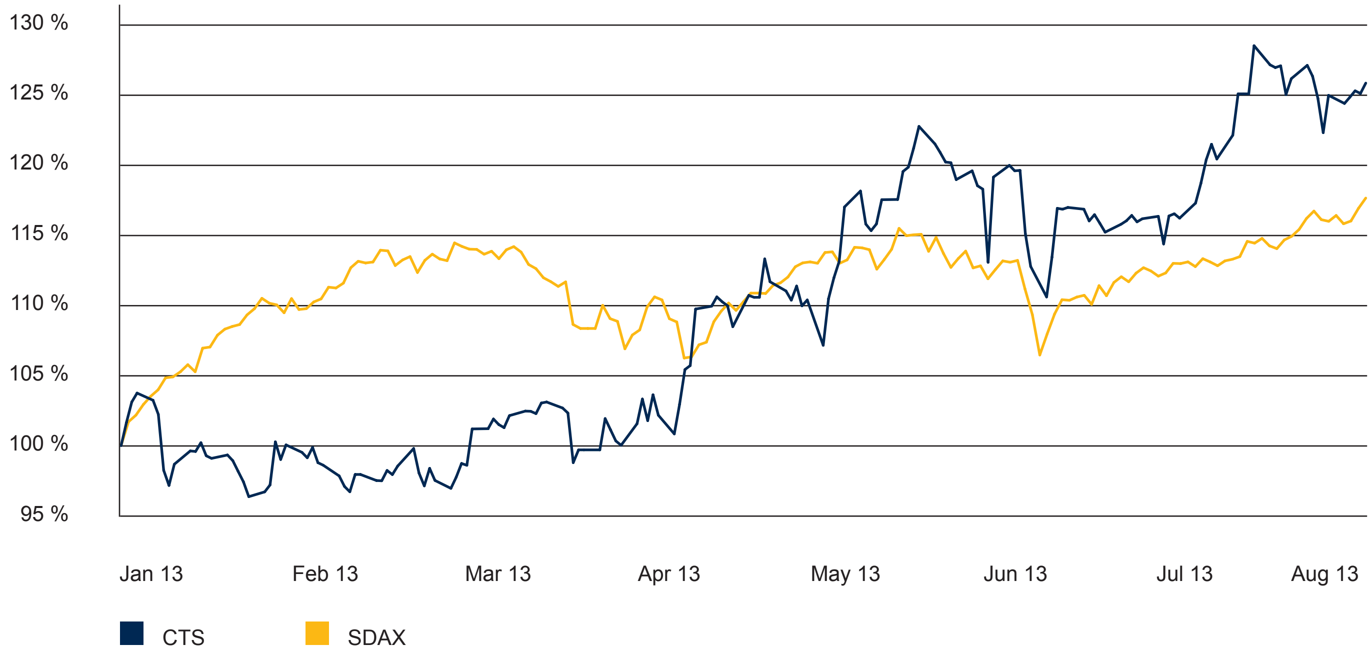
Since the beginning of the current 2013 financial year, CTS shares have been following their familiar pattern over the years, namely value growth. In the first six months of 2013, CTS shares turned in a positive performance, appreciating by 19.2% and out-performing the SDAX index, which managed 10.4% over the same period. A performance of 14.8% in share price in the second quarter alone, compared to 7.2% for the SDAX, shows once again how the shares tend to strongly out-perform their index.

In the year to date, CTS shares have turned in a performance of 30.0%, compared to the 18.7% achieved by the SDAX index. In addition to this successful start to the new financial year, completion of the arbitration proceedings against Live Nation sparked interest in CTS shares.

CTS EVENTIM AG will continue to be frank and transparent in its response to the greater interest being shown in CTS shares and the business model of CTS EVENTIM AG by investors at national and international level. Following participation at various equity market conferences and investor roadshows in the first half of 2013, CTS EVENTIM AG will also be represented in the second half of the year at various international investor conferences in order to continue nurturing its healthy contacts with existing and potential investors and to forge new contacts.

Financial analysts at the Bank of America, Bankhaus Metzler, Berenberg, Commerzbank, Deutsche Bank, HSBC, JPMorgan, Kepler Cheuvreux, M.M. Warburg and NordLB, who consistently provide coverage of CTS shares, recommend the shares with a ‘Buy’ or ‘Hold’ rating.

THE CTS SHARE PRICE (01.01.2013 – 23.08.2013, INDEXED)



Number of shares held by members of executive organs as at 30 June 2013:

	Number of shares [Qty.]	Share [in %]
Members of the Management Board:		
Klaus-Peter Schulenberg (Chief Executive Officer)	24,097,000	50.202
Volker Bischoff	0	0.000
Alexander Ruoff	4,000	0.008
Members of the Supervisory Board:		
Edmund Hug (Chairman)	9,430	0.020
Prof. Jobst W. Plog	1,800	0.004
Dr. Bernd Kundrun	7,300	0.015

Purchase of company shares or financial derivatives relating to such shares by Management Board and Supervisory Board Members:

Name	Position	Transaction	Date	Number of shares
Dr. Bernd Kundrun	Member of Supervisory Board	Purchase	21.03.2013	7,300

3. INTERIM MANAGEMENT REPORT FOR THE GROUP

1. EARNINGS PERFORMANCE, FINANCIAL POSITION AND CASH FLOW

EARNINGS PERFORMANCE

	01.01.2013 - 30.06.2013	01.01.2012 - 30.06.2012 [1]	Change	
	[EUR'000]	[EUR'000]	[EUR'000]	[in %]
Revenue	**312,295**	**256,873**	**55,422**	**21.6**
Gross profit	**97,231**	**78,521**	**18,710**	**23.8**
EBITDA	**61,189**	**52,267**	**8,922**	**17.1**
EBIT	**49,869**	**40,959**	**8,910**	**21.8**
Non-recurring items:				
Acquisition costs / workforce restructuring	355	540	-185	-34.3
Settlement of an acquisition	0	-1,820	1,820	100.0
Legal / settlement cost in connection with the arbitration proceedings against Live Nation	1,860	75	1,785	2,392.7
	2,215	-1,205	3,420	-283.9
Amortisation from purchase price allocation	5,179	5,122	57	1.1
Normalised EBITDA	63,405	51,063	12,342	24.2
Normalised EBIT before amortisation from purchase price allocation	57,264	44,876	12,388	27.6

[1] Prior-year figures adjusted to reflect application of IAS 19

REVENUE GROWTH

The **CTS Group** generated EUR 312.295 million in revenue in the period under review, compared to EUR 256.873 million in HY1/2012 (+21.6%). Revenue (before consolidation between segments) breaks down into EUR 115.721 million in the Ticketing segment (HY1/2012: EUR 96.633 million) and EUR 199.785 million in the Live Entertainment segment (HY1/2012: EUR 162.509 million).

The **Ticketing segment** generated EUR 115.721 million in revenue (before consolidation between segments), up from EUR 96.633 million in HY1/2012. In the first half of 2013, substantial double-digit revenue growth (+19.8%), combined with a significant increase in Internet ticketing volume, laid the foundations for successful performance in the Ticketing segment. 10.3 million tickets were sold via the Internet portals operated by the Group (HY1/2012: 8.7 million) in the first half of 2013, which equates to an increase of around 18% in the volume of Internet ticket sales. The share of revenue generated by foreign subsidiaries amounted to 41.6% for the 2013 reporting period to date, the same level as the year before.

The **Live Entertainment segment** showed excellent performance in the first half of 2013. In addition to expanding the number of companies included in consolidation, popular events like the renowned festivals ‘Rock am Ring’ and ‘Rock im Park’ as well as successful concerts of Depeche Mode, P!NK, Barbra Streisand, Joe Cocker, Mark Knopfler and Helene Fischer resulted in a revenue growth. Revenue rose by EUR 37.276 million to EUR 199.785 million (HY1/2012: EUR 162.509 million; +22.9%).

GROSS PROFIT

As at 30 June 2013, the gross profit of the **CTS Group** increased by 23.8% to EUR 97.231 million. The consolidated gross margin was positively affected by the high percentage share in consolidated gross profit now generated by the high-margin Ticketing segment. The consolidated gross margin rose from 30.6% to 31.1%.

In the **Ticketing segment**, gross margin was at 56.3% in the first half of 2013 on the same level than the year before (56.5%). Organic growth of the highly profitable Internet business is offset by the implementation of commission agreements in the ticketing field in the first half of 2013. Commissioning results in higher profit contributions, whereas the additional revenue associated with such sales have a negative effect on profit margins.

In the **Live Entertainment segment**, due to the larger number of companies included in consolidation, the gross margin improved from 14.6% to 16.1%.

NON-RECURRING ITEMS

Non-recurring items in the Ticketing segment caused a temporary EUR 2.215 million (HY1/2012: EUR -1.205 million) drop in **CTS Group** earnings in the period under review, due to implemented and planned acquisitions, to workforce restructuring and to legal fees and settlement costs in context with the Live Nation arbitration proceedings.

NORMALISED EBITDA / EBITDA

Normalised **CTS Group** EBITDA improved by EUR 12.342 million or 24.2% to EUR 63.405 million (HY1/2012: EUR 51.063 million). This EUR 12.342 million growth in normalised EBITDA breaks down into EUR 6.654 million in the Ticketing segment and EUR 5.300 million in the Live Entertainment segment. The Normalised Group EBITDA margin was at 20.3% on the same level compared to 19.9% in HY1/2012. Foreign subsidiaries accounted for around 21.3% to normalised Group EBITDA (HY1/2012: 20.9%).

Group EBITDA increased by EUR 8.922 million or 17.1% to EUR 61.189 million (HY1/2012: EUR 52.267 million). The EBITDA margin was 19.6% (HY1/2012: 20.4%).

In the **Ticketing segment**, the normalised EBITDA figure improved by EUR 6.654 million (+19.9%) to EUR 40.082 million (HY1/2012: EUR 33.428 million). A further increase in Internet ticketing volume contributed to this increase in earnings. As already noted in the section on gross profit, the implementation of commission agreements had a negative impact on profit margins. The share of Ticketing segment normalised EBITDA attributable to foreign companies rose year-on-year from 24.9% to 30.4% in the current reporting period. Normalised EBITDA margin was at 34.6% on the same level than the year before.

In the Ticketing segment, EBITDA improved from EUR 34.633 million by 9.3% to EUR 37.866 million. The EBITDA margin was 32.7% compared to prior year's 35.8%. Foreign subsidiaries accounted for around 31.9% to the Ticketing segment EBITDA (HY1/2012: 23.7%).

In the **Live Entertainment segment**, EBITDA increased from EUR 18.023 million by EUR 5.300 million to EUR 23.323 million. The EBITDA margin for the first half of 2013 increased to 11.7% after 11.1% in HY1/2012.

NORMALISED EBIT BEFORE AMORTISATION FROM PURCHASE PRICE ALLOCATION / EBIT

In the first half of 2013, normalised **CTS Group** EBIT before amortisation from purchase price allocation rose by 27.6% from EUR 44.876 million to EUR 57.264 million The normalised EBIT margin before amortisation from purchase price allocation increased from 17.5% to 18.3%.

Group EBIT figure, at EUR 49.869 million, is at +21.8% significantly higher year-on-year (HY1/2012: EUR 40.959 million). The EBIT margin remained unchanged year-on-year at 16.0%.

Total depreciation and amortisation within the Group, at EUR 11.320 million is about the same year-on-year (HY1/2012: EUR 11.309 million) and includes EUR 5.179 million (HY1/2012: EUR 5.122 million) in amortisation from purchase price allocation resulting from in 2010 acquired companies within the Ticketing segment and from in 2012 acquired company within the Live Entertainment segment.

In the **Ticketing segment**, the normalised EBIT before amortisation from purchase price allocation figure improved year-on-year by 23.7% to EUR 34.963 million from EUR 28.262 million. The normalised EBIT margin, at 30.2%, was on the same level than prior year (HY1/2012: 29.3%).

The EBIT improved compared to prior year by EUR 3.486 million from EUR 24.346 million to EUR 27.832 million (+14.3%). The EBIT margin was at 24.1%, slightly lower than the 25.2% figure achieved in HY1/2012.

The **Live Entertainment segment** achieved a normalised EBIT before amortisation from purchase price allocation of EUR 22.300 million compared to EUR 17.001 million in HY1/2012. The normalised EBIT margin increased to 11.2% compared to 10.5% in HY1/2012.

The EBIT improved from EUR 17.001 million to EUR 22.038 million (+29.6%). The EBIT margin increased to 11.0% compared to 10.5% in HY1/2012.

FINANCIAL RESULT

The financial result, being EUR -2.294 million (HY1/2012: EUR -3.229 million) mainly includes EUR 1.013 million in financial income (HY1/2012: EUR 1.157 million), EUR 3.714 million in financial expenses (HY1/2012: EUR 4.001 million) and EUR 406 thousand in income from affiliated companies and associates accounted for at equity (HY1/2012: EUR -385 thousand).

This change in financial result was mainly due to higher income from investments in affiliated companies and associates accounted for at equity, to reduced expenditure to finance the various acquisitions made, and to other financing expenses.

EARNINGS BEFORE TAX (EBT) AND NON-CONTROLLING INTEREST

As at 30 June 2013, earnings before tax (EBT) increased from EUR 37.730 million in HY1/2012 to EUR 47.575 million. After deduction of tax expenses and non-controlling interest, net consolidated income amounted to EUR 27.565 million (HY1/2012: EUR 21.316 million). Earnings per share (EPS) amounted in the first half of 2013 to EUR 0.57, compared to EUR 0.44 in HY1/2012.

PERSONNEL

On average over the year to date, the companies in the CTS Group had a total of 1,656 employees on their payroll, including 267 part-time workers (HY1/2012: 1,409 employees, including 119 part-timers). Of that total, 1,192 are employed in the Ticketing segment (HY1/2012: 1,199 employees) and 464 in the Live Entertainment segment (HY1/2012: 210 employees). The decrease in the number of employees in the Ticketing segment was mainly attributable to the staff cuts resulting from the integration of the See Tickets Germany / Ticket Online Group. The increase in workforce size in the Live Entertainment segment mainly arose from the larger number of companies included in consolidation (Arena Management GmbH, Cologne).

Personnel expenses increased to EUR 38.740 million (HY1/2012: EUR 33.980 million; +14.0%). This increase in personnel expenses breaks down into EUR 1.691 million in the Ticketing segment and EUR 3.070 million in the Live Entertainment segment. The change in personnel expenses in the Ticketing segment is due to lower personnel expenses resulting from the staff cuts made when integrating the See Tickets Germany / Ticket Online Group, and to increased personnel expenses associated with further internationalisation and the achievement of further technological advancements. The increase in the Live Entertainment segment is mainly the result of the greater scope of consolidation. About 50% of the workforce at Arena Management GmbH, Cologne, are temporary employees who work in the Lanxess Arena on a temporary basis.

FINANCIAL POSITION

The main changes in **ASSETS** were decreases in cash and cash equivalents (EUR -45.046 million), in current trade receivables (EUR -7.260 million), in payments on account (EUR -2.331 million) in receivables from income tax (EUR -2.054 million), in current other assets (EUR -8.909 million) and in intangible assets (EUR -5.433 million). These decreases were offset by an increase in goodwill of EUR 2.579 million.

Group **cash and cash equivalents** decreased by EUR -45.046 million to EUR 274.468 million (31.12.2012: EUR 319.514 million). Cash inflows from operating activities (EUR +4.751 million) were offset by cash outflows from investing activities (EUR -7.718 million) and especially from financing activities (EUR -41.334 million). The outflow from financing activities was mainly a result from scheduled redemption of financial liabilities and the dividend distribution to shareholders.

Cash and cash equivalents 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 current liabilities at EUR 108.414 million (31.12.2012: EUR 145.002 million); other current assets also include receivables relating to ticket monies from pre-sales in the Ticketing segment (EUR 20.169 million; 31.12.2012: EUR 30.937 million).

Current trade receivables (EUR -7.260 million) decreased in the context of ongoing business operations, especially in the Ticketing segment.

The reduction in **payments on account** (EUR -2.331 million) was mainly due to the execution of events during the period under review in the Live Entertainment segment.

Receivables from income tax (EUR -2.054 million) decreased, mainly because of refunds of capital gain taxes in respect of previous years.

The reduction in **other current assets** (EUR -8.909 million) mainly results from the decrease in receivables relating to ticket revenue from pre-sales in the Ticketing segment.

The EUR -5.433 million change in **intangible assets** was principally due to systematic amortisation of the trademark, customer base and software assets that were capitalised as assets in the purchase price allocation in respect of the Ticketcorner Group and See Tickets Germany / Ticket Online Group.

There was an increase in **goodwill** of EUR 2.579 million. The increased goodwill due to an acquisition in the Live Entertainment segment was offset by currency translation effects.

The main changes in **LIABILITIES** were decreases in short-term financial liabilities (EUR -22.653 million), in advance payments received (EUR -27.226 million) and in other current liabilities (EUR -42.759 million). These decreases were offset by increases in trade payables (EUR +5.654 million), in medium- and long-term financial liabilities (EUR +9.154 million) and in shareholders' equity (EUR +5.136 million).

The **short-term financial liabilities and the current portion of long-term financial liabilities,** (EUR -22.653 million) decreased because of scheduled redemption of financial liabilities and the rescheduling of a short-term tranche of credit (partial use of a syndicated loan to finance the HAL Apollo joint venture) as a long-term final-maturity loan; on the other hand, the timely reclassification from medium- and long-term financial liabilities led to an increase in short-term financial liabilities.

Trade payables increased by EUR 5.654 million in the context of ongoing business operations.

The **advance payments received** (EUR -27.226 million) decreased, mainly from executed events in the Live Entertainment segment. The advance payments received in the Live Entertainment segment are transferred to revenue when the respective events have taken place.

The EUR -42.759 million change in **other current liabilities** is predominantly due to lower liabilities in respect of ticket monies not yet invoiced in the Ticketing segment (EUR -36.588 million) and lower Group VAT liabilities (EUR -6.906 million). Due to the strong fourth quarter at the end of each year, there is usually a large amount of liabilities for ticket monies not yet invoiced, which is then dismantled in the course of the following year when the events are held and invoiced.

The **medium- and long-term financial liabilities** rose by EUR 9.154 million. In the period under review, a long-term loan taken out to finance the HAL Apollo joint venture led to an increase in financial liabilities. Timely reclassification as short-term financial liabilities, in contrast, led to a reduction in medium- and long-term financial liabilities.

Shareholders' equity rose by EUR 5.136 million to EUR 220.697 million, mainly because of the positive EUR 27.565 million Group result for the reporting period, and due to increased non-controlling interest of EUR 4.278 million ensuing from non-controlling interest in current profits in the Live Entertainment segment. The distribution of EUR 27.358 million in dividends in the second quarter of 2013 caused a reduction in shareholders' equity. The equity ratio (shareholders' equity divided by the balance sheet total) increased from 26.6% to 29.8%.

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 30 June 2012 reporting date, cash and cash equivalents increased by EUR 83.628 million to EUR 274.468 million.

Cash flow from operating activities increased year-on-year by EUR 29.064 million from EUR -24.314 million to EUR 4.751 million.

This year-on-year increase in cash flow from operating activities was mainly the result of the changes in receivables and other assets (EUR +15.579 million), in paid income taxes (EUR +3.805 million), in payments on account (EUR +3.264 million) and in higher consolidated net income (EUR +6.249 million). The increase was offset by negative cash flow effects resulting from a change in other liabilities (EUR -3.073 million).

The positive cash flow effect of EUR 15.579 million deriving from changes in **receivables and other assets** is primarily due to more trade receivables and receivables from ticket monies being settled, compared to the same period in 2012.

The EUR 3.805 million change in **paid income taxes** mainly results from lower tax prepayments.

The negative cash flow effect arising from the change in **liabilities** (EUR -3.073 million) is mainly attributable to the greater reduction of advance payments received in the Live Entertainment segment and to increased repayments of liabilities for ticket monies not yet invoiced in the Ticketing segment. In contrast, the increase in trade payables had a positive cash flow effect.

As at 31 December, owing to the seasonally very high level of ticket pre-sales in the fourth quarter, there is usually a large amount of liabilities for ticket monies not yet invoiced 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.

Negative **cash flow from investing activities** increased year-on-year by EUR -2.672 million to EUR -7.718 million. The change in cash flow from investing activities mainly results from investments for an acquisition of shares within the Live Entertainment segment.

Negative **cash flow from financing activities** increased year-on-year by EUR -11.079 million to EUR -41.334 million. The change in cash flow from financing activities mainly relates to repayments of loans or the rescheduling of financial debts (EUR -24.677 million) and to an increased dividend distribution (EUR -6.239 million). These were offset by lower payments made to acquire additional shares in subsidiaries already included in consolidation (EUR +1.930 million) and the acceptance of a long-term final-maturity loan to finance the HAL Apollo joint venture (EUR +18.000 million).

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

2. EVENTS AFTER THE BALANCE SHEET DATE

Since the balance sheet 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, in accordance with § 289a (1) HGB. The current and all previous declarations are permanently available on the Internet at the website http://www.eventim.de/

4. REPORT ON EXPECTED FUTURE DEVELOPMENT

According to the Ifo Institute, the Eurozone economy resumed growth again in the second quarter of 2013, for the first time since 2011. Key drivers of this growth are seen in the relatively quiet situation on the financial markets, efforts in EU countries to introduce economic reforms, and growth in the US economy. Despite these encouraging signs, the two-year high should not obscure the fact that the Eurozone is still lagging behind its economic performance of the past 15 years and that the economic recovery remains arduous.

The **CTS Group** continues to show robust growth, as ever before. Its superior technology, right products, determined enforcement of its market position in other European countries and the expansion on online ticketing will provide a solid foundation for positive corporate growth, also in 2013. CTS EVENTIM is superbly positioned – as confirmed by its excellent financial figures at present.

The activities in the **Ticketing segment** are primarily focused on expanding the online ticketing channel. The management team believes that this is where the greatest growth potential lies, since the global trend towards the Internet as a platform for information and purchasing will continue upwards. iPhones and Android smartphones are also being used increasingly for organising people's work and leisure. The latest sales figures confirm this trend – in the first half of 2013, CTS EVENTIM sold 10.3 million tickets online, which equates to a year-on-year growth rate of around 18%. The average value-added per online ticket is significantly higher than for conventional tickets.

More than 100 million tickets for around 180,000 events are sold annually using CTS systems. In order to maintain and expand upon our position as Europe's top-ranking ticketing company, we will continue to concentrate on our technological leadership and on further developing our ticketing software. This is and remains the key to our success. Efforts will also remain centred on early identification of technological trends and on the development of products to match.

Another area of key focus, besides concerts and other music events, is to enlarge our content in the fields of sport and culture.

The **Live Entertainment segment** delivered exceptionally good revenue and earning figures for the first half of 2013.

As well as tours, attractive live events and festivals, an increasingly important role is also being played by the operation of venues. In addition to the existing lease agreement for the Waldbühne in Berlin, the Hammersmith Apollo in London (a joint venture with the Anschutz Entertainment Group) and the company operating the Lanxess Arena in Cologne were taken over in August 2012 and December 2012, respectively. The legendary Hammersmith Apollo venue in London will be re-opened in September 2013 after extensive restoration and modernisation, under its new name, the Eventim Apollo.

In Switzerland, the market share held by the Live Entertainment segment was increased by acquiring 80% of the shares in ABC Production AG. This Swiss company was founded by André Béchir, the well-known promoter, who will now support the CTS Group with his legendary experience in the field of live entertainment, while simultaneously laying the foundations for further increases in our market share in the German-speaking countries of Europe.

Successful business development in the future is assumed for this segment also, based on world-class tours, events, festivals and new types of events.

The CTS Group offers its customers an extraordinarily wide range of events; in the months ahead, audiences will be thrilled by top performers such as Bruno Mars, Elton John, Die Ärzte, Nickelback, Peter Gabriel and Depeche Mode. The CTS Group considers itself to be very well positioned in the current economic situation. In view of the double-digit growth rates in both segments in the first six months of 2013, the Management Board continues to have an optimistic outlook on future business development and also expects further growth in revenue and earnings in the current 2013 financial year.

5. RISKS AND OPPORTUNITIES

Due to existing risk management systems, 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 2012 Annual Report remain valid.

6. RELATED PARTY DISCLOSURES

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

Bremen, 29 August 2013

CTS EVENTIM Aktiengesellschaft

The Management Board

4. INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 JUNE 2013

CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2013 (IFRS)

ASSETS	30.06.2013	31.12.2012 [1]
	[EUR]	[EUR]
Current assets		
Cash and cash equivalents	274,468,478	319,514,233
Trade receivables	20,350,253	27,610,459
Receivables from affiliated and associated companies accounted for at equity	1,997,013	2,167,272
Inventories	1,536,328	1,850,887
Payments on account	13,921,333	16,252,301
Receivables from income tax	6,286,947	8,341,133
Other assets	46,146,525	55,055,702
Total current assets	**364,706,877**	**430,791,987**
Non-current assets		
Property, plant and equipment	12,872,993	13,243,458
Intangible assets	78,524,222	83,957,438
Investments	1,951,906	1,985,881
Investments in associates accounted for at equity	16,813,015	16,538,823
Loans	254,390	269,287
Trade receivables	86,371	60,833
Receivables from affiliated and associated companies accounted for at equity	3,593,068	3,727,332
Other assets	4,196,775	4,142,950
Goodwill	255,282,312	252,703,762
Deferred tax assets	3,354,909	3,630,915
Total non-current assets	**376,929,961**	**380,260,679**
Total assets	**741,636,838**	**811,052,666**

[1] Prior-year figures adjusted to reflect application of IAS 19

SHAREHOLDERS' EQUITY AND LIABILITIES	30.06.2013	31.12.2012 [1]
	[EUR]	[EUR]
Current liabilities		
Short-term financial liabilities and current portion of long-term financial liabilities	23,922,388	46,574,917
Trade payables	53,956,478	48,302,561
Payables to affiliated and associated companies accounted for at equity	1,325,966	281,060
Advance payments received	88,171,544	115,397,178
Other provisions	3,181,044	2,678,677
Tax provisions	16,069,304	12,873,183
Other liabilities	147,076,107	189,834,799
Total current liabilities	**333,702,831**	**415,942,375**
Non-current liabilities		
Medium- and long-term financial liabilities	168,560,607	159,406,317
Other liabilities	249,382	271,876
Pension provisions	3,571,878	3,611,932
Deferred tax liabilities	14,854,894	16,258,619
Total non-current liabilities	**187,236,761**	**179,548,744**
Shareholders' equity		
Share capital	48,000,000	48,000,000
Capital reserve	1,890,047	1,890,047
Statutory reserve	2,400,000	2,400,000
Retained earnings	147,983,488	147,778,157
Treasury stock	-52,070	-52,070
Non-controlling interest	18,868,457	14,590,229
Other comprehensive income	-66,938	-512,948
Currency differences	1,674,262	1,468,132
Total shareholders' equity	**220,697,246**	**215,561,547**
Total shareholders' equity and liabilities	**741,636,838**	**811,052,666**

[1] Prior-year figures adjusted to reflect application of IAS 19

CONSOLIDATED INCOME STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2013 (IFRS)

	01.01.2013 - 30.06.2013	01.01.2012 - 30.06.2012 [1]	Change
	[EUR]	[EUR]	[EUR]
Revenue	312,295,047	256,873,438	55,421,609
Cost of sales	-215,063,819	-178,352,455	-36,711,364
Gross profit	**97,231,228**	**78,520,983**	**18,710,245**
Selling expenses	-28,910,062	-25,525,955	-3,384,107
General administrative expenses	-17,893,331	-16,557,064	-1,336,267
Other operating income	6,798,982	9,164,303	-2,365,321
Other operating expenses	-7,357,739	-4,643,457	-2,714,282
Operating profit (EBIT)	**49,869,078**	**40,958,810**	**8,910,268**
Income / expenses from participations	500	0	500
Income / expenses from investments in associates accounted for at equity	406,171	-385,083	791,254
Financial income	1,012,925	1,156,540	-143,615
Financial expenses	-3,713,563	-4,000,763	287,200
Earnings before tax (EBT)	**47,575,111**	**37,729,504**	**9,845,607**
Taxes	-14,506,296	-11,729,062	-2,777,234
Net income before non-controlling interest	**33,068,815**	**26,000,442**	**7,068,373**
Non-controlling interest	-5,503,859	-4,684,295	-819,564
Net income after non-controlling interest	**27,564,956**	**21,316,147**	**6,248,809**
Earnings per share (in EUR); undiluted (= diluted)	0.57	0.44	
Average number of shares in circulation; undiluted (= diluted)	48 million	48 million	

[1] Prior-year figures adjusted to reflect application of IAS 19

CONSOLIDATED INCOME STATEMENT FOR THE PERIOD FROM 1 APRIL TO 30 JUNE 2013 (IFRS)

	01.04.2013 - 30.06.2013	01.04.2012 - 30.06.2012 [1]	Change
	[EUR]	[EUR]	[EUR]
Revenue	191,224,680	142,956,624	48,268,056
Cost of sales	-139,218,409	-103,761,705	-35,456,704
Gross profit	**52,006,271**	**39,194,919**	**12,811,352**
Selling expenses	-15,563,621	-13,552,686	-2,010,935
General administrative expenses	-9,097,925	-8,524,545	-573,380
Other operating income	3,329,301	6,377,234	-3,047,933
Other operating expenses	-3,788,750	-2,578,611	-1,210,139
Operating profit (EBIT)	**26,885,276**	**20,916,311**	**5,968,965**
Income / expenses from investments in associates accounted for at equity	287,833	-456,477	744,310
Financial income	439,227	434,268	4,959
Financial expenses	-1,875,986	-1,949,991	74,005
Earnings before tax (EBT)	**25,736,350**	**18,944,111**	**6,792,239**
Taxes	-7,775,805	-5,825,560	-1,950,245
Net income before non-controlling interest	**17,960,545**	**13,118,551**	**4,841,994**
Non-controlling interest	-3,403,807	-2,956,721	-447,086
Net income after non-controlling interest	**14,556,738**	**10,161,830**	**4,394,908**
Earnings per share (in EUR); undiluted (= diluted)	0.30	0.21	
Average number of shares in circulation; undiluted (= diluted)	48 million	48 million	

[1] Prior-year figures adjusted to reflect application of IAS 19

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2013 (IFRS)

	01.01.2013 - 30.06.2013	01.01.2012 - 30.06.2012 [1]	Change
	[EUR]	[EUR]	[EUR]
Net income before non-controlling interest	33,068,815	26,000,442	7,068,373
Actuarial gains / losses net of tax	132,928	-205,921	338,849
Items that will not be reclassified to profit or loss	**132,928**	**-205,921**	**338,849**
Foreign exchange differences	72,566	-9,993	82,559
Available-for-sale financial assets	-9,098	-6,232	-2,866
Cash flow hedges	388,644	0	388,644
Items that may be reclassified subsequently to profit or loss	**452,112**	**-16,225**	**468,337**
Other results	**585,040**	**-222,146**	**807,186**
Total comprehensive income	**33,653,855**	**25,778,296**	**7,875,559**
Total comprehensive income attributable to			
Shareholders of CTS AG	28,217,096	21,038,642	
Non-controlling interest	5,436,759	4,739,654	

[1] Prior-year figures adjusted to reflect application of IAS 19

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD FROM 1 APRIL TO 30 JUNE 2013 (IFRS)

	01.04.2013 - 30.06.2013	01.04.2012 - 30.06.2012 [1]	Change
	[EUR]	[EUR]	[EUR]
Net income before non-controlling interest	17,960,545	13,118,551	4,841,994
Actuarial gains / losses net of tax	-26,558	-76,853	50,295
Items that will not be reclassified to profit or loss	**-26,558**	**-76,853**	**50,295**
Foreign exchange differences	96,691	-53,203	149,894
Available-for-sale financial assets	-7,771	-38,805	31,034
Cash flow hedges	392,578	0	392,578
Items that may be reclassified subsequently to profit or loss	**481,498**	**-92,008**	**573,506**
Other results	**454,940**	**-168,861**	**623,801**
Total comprehensive income	**18,415,485**	**12,949,690**	**5,465,795**
Total comprehensive income attributable to			
Shareholders of CTS AG	15,089,288	9,983,510	
Non-controlling interest	3,326,197	2,966,180	

[1] Prior-year figures adjusted to reflect application of IAS 19

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2013 (IFRS) (SHORT FORM)

	01.01.2013 - 30.06.2013	01.01.2012 - 30.06.2012 [1]	Change
	[EUR]	[EUR]	[EUR]
Net income after non-controlling interest	27,564,956	21,316,147	6,248,809
Non-controlling interest	5,503,859	4,684,295	819,564
Depreciation and amortisation on fixed assets	11,320,287	11,308,572	11,715
Changes in pension provisions	82,383	675,957	-593,574
Deferred tax expenses / income	-1,293,781	-2,460,586	1,166,805
Cash flow	**43,177,704**	**35,524,385**	**7,653,319**
Other non-cash transactions	1,898,549	1,715,746	182,803
Book profit / loss from disposal of fixed assets	-8,903	135,737	-144,640
Interest expenses / Interest income	2,196,901	2,415,268	-218,367
Income tax expenses	15,800,076	14,189,648	1,610,428
Interest received	738,755	904,561	-165,806
Interest paid	-2,373,486	-1,567,946	-805,540
Income tax paid	-10,388,199	-14,192,871	3,804,672
Increase (-) / decrease (+) in inventories	308,384	228,471	79,913
Increase (-) / decrease (+) in payments on account	2,570,985	-692,818	3,263,803
Increase (-) / decrease (+) in receivables and other assets	11,676,996	-3,901,980	15,578,976
Increase (+) / decrease (-) in provisions	478,303	-819,533	1,297,836
Increase (+) / decrease (-) in liabilities	-61,325,211	-58,252,264	-3,072,947
Cash flow from operating activities	**4,750,854**	**-24,313,596**	**29,064,450**
Cash flow from investing activities	**-7,717,668**	**-5,046,022**	**-2,671,646**
Cash flow from financing activities	**-41,334,046**	**-30,254,603**	**-11,079,443**
Net increase / decrease in cash and cash equivalents	**-44,300,860**	**-59,614,221**	**15,313,361**
Net increase / decrease in cash and cash equivalents due to currency translation	-744,895	490,661	-1,235,556
Cash and cash equivalents at beginning of period	319,514,233	249,964,314	69,549,919
Cash and cash equivalents at end of period	**274,468,478**	**190,840,754**	**83,627,724**
Composition of cash and cash equivalents			
Cash and cash equivalents	274,468,478	190,840,754	83,627,724
Cash and cash equivalents at end of period	**274,468,478**	**190,840,754**	**83,627,724**

[1] Prior-year figures adjusted to reflect application of IAS 19

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (IFRS)

	Share capital	Capital reserve	Statutory reserve	Retained earnings	Treasury stock	Non-controlling interest	Other comprehen-sive income	Currency differences	Total shareholders' equity
	[EUR]	[EUR]	[EUR]	[EUR]	[EUR]	[EUR]	[EUR]	[EUR]	[EUR]
Status before adjustment 01.01.2012	**48,000,000**	**1,890,047**	**2,164,937**	**114,803,415**	**-52,070**	**11,475,828**	**8,086**	**1,568,423**	**179,858,666**
Adjustment before IAS 19	0	0	0	84,353	0	84,353	0	0	168,706
Status after adjustment 01.01.2012	**48,000,000**	**1,890,047**	**2,164,937**	**114,887,768[1]**	**-52,070**	**11,560,181[1]**	**8,086**	**1,568,423**	**180,027,374[1]**
Change in the scope of consolidation	0	0	0	-404,960	0	0	0	0	-404,960
Dividends to non-controlling interest	0	0	0	0	0	-1,065,088	0	0	-1,065,088
Dividends to shareholders of CTS AG	0	0	0	-21,118,086	0	0	0	0	-21,118,086
Net income before non-controlling interest	0	0	0	21,316,147	0	4,684,295	0	0	26,000,442
Available-for-sale financial assets	0	0	0	0	0	0	-6,232	0	-6,232
Foreign exchange differences	0	0	0	0	0	29,604	0	-39,597	-9,993
Actuarial gains and losses	0	0	0	0	0	25,710	-231,631	0	-205,921
30.06.2012	**48,000,000**	**1,890,047**	**2,164,937**	**114,680,869**	**-52,070**	**15,234,702**	**-229,777**	**1,528,826**	**183,217,534**
Status 01.01.2013	**48,000,000**	**1,890,047**	**2,400,000**	**147,500,194**	**-52,070**	**14,521,702**	**-302,980**	**1,467,600**	**215,424,493**
Adjustment before IAS 19	0	0	0	277,963	0	68,527	-209,968	532	137,054
Status after adjustment 01.01.2013	**48,000,000**	**1,890,047**	**2,400,000**	**147,778,157**	**-52,070**	**14,590,229**	**-512,948**	**1,468,132**	**215,561,547**
Change in the scope of consolidation	0	0	0	-2,104	0	0	0	0	-2,104
Dividends to non-controlling interest	0	0	0	0	0	-1,158,531	0	0	-1,158,531
Dividends to shareholders of CTS AG	0	0	0	-27,357,521	0	0	0	0	-27,357,521
Net income before non-controlling interest	0	0	0	27,564,956	0	5,503,859	0	0	33,068,815
Available-for-sale financial assets	0	0	0	0	0	0	-9,098	0	-9,098
Cash flow hedges	0	0	0	0	0	0	388,644	0	388,644
Foreign exchange differences	0	0	0	0	0	-133,564	0	206,130	72,566
Actuarial gains and losses	0	0	0	0	0	66,464	66,464	0	132,928
30.06.2013	**48,000,000**	**1,890,047**	**2,400,000**	**147,983,488**	**-52,070**	**18,868,457**	**-66,938**	**1,674,262**	**220,697,246**

[1] Prior-year figures adjusted to reflect application of IAS 19

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 six months of fiscal 2013, now presented as an interim report for CTS AG and its subsidiaries, were approved for publication by the Management Board in its decision of 29 August 2013.

2. BASIS OF REPORTING

The present, unaudited Group Interim Report as at 30 June 2013 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 2012 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 2012. 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 income statements relate to the adjusted interim Group report as at 30 June 2012, and those in the adjusted balance sheet to the consolidated financial statements as at 31 December 2012. The adjustments to prior year's figures have been described separately in the accounting principles and methods section of this report.

In the interim Group 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 2012 with the exception of the changes IAS 19 and IAS 1.

The CTS Group has applied all relevant accounting standards adopted by the EU and effective for the periods beginning on or after 1 January 2013. The amendments relate primarily to IAS 1, Presentation of Financial Statements and IAS 19, Employee Benefits.

The amended IAS 1 resulted in a change in the presentation of the statement of other comprehensive income (OCI). The amendment of the standard requires that items of income and expenses that are not recognised in the profit or loss statement are to be presented separately. With this, it requires items to be presented separately by items that will never be recognised in the profit and loss statement (non-reclassification adjustments) and items that will be, if certain conditions are met, disclosed in the profit and loss statement (reclassification adjustments). The CTS Group has modified the statement of other comprehensive income accordingly.

The accounting treatment of employee benefits was modified according to the changes in IAS 19. The pensions provisions were influenced by this amendment. The income to be recorded from the planned assets based on the appraisal of the pension provisions used interest rates was recorded in the income statement. On arisal the actuarial gains and losses are immediately and completely recorded in the statement of other comprehensive income.

The revised standard IAS 19 requires a retrospective application. The CTS Group has adjusted the figures reported for the previous year by the effects arising from the revisions of IAS 19.

The following table presents the material effects of applying the revised IAS 19:

	31.12.2012			01.01.2012		
	Unadjusted	**Adjustment**	**Adjusted**	**Unadjusted**	**Adjustment**	**Adjusted**
	[EUR'000]	**[EUR'000]**	**[EUR'000]**	**[EUR'000]**	**[EUR'000]**	**[EUR'000]**
Assets, sum	**811,090**	**-37**	**811,053**	**713,487**	**-46**	**713,441**
Non-current assets	**380,298**	**-37**	**380,261**	**370,219**	**-46**	**370,173**
thereof Deferred tax assets	3,668	-37	3,631	3,619	-46	3,573
Shareholders' equity and liabilties, sum	**811,090**	**-37**	**811,053**	**713,487**	**-46**	**713,441**
Non-current liabilities, sum	**179,723**	**-175**	**179,548**	**204,062**	**-215**	**203,847**
thereof Pension provisions	3,786	-175	3,611	4,805	-215	4,590
Shareholders' equity, sum	**215,425**	**138**	**215,563**	**179,858**	**169**	**180,027**
thereof Retained earnings	147,500	278	147,778	114,803	84	114,887
thereof Non-controlling interest	14,522	69	14,591	11,476	85	11,561
thereof Other comprehensive income	-303	-210	-513	8	0	8
thereof Currency differences	1,468	1	1,469	1,568	0	1,568

	30.06.2012		
	Unadjusted	Adjustment	Adjusted
	[EUR'000]	[EUR'000]	[EUR'000]
EBIT	**40,659**	**300**	**40,959**
EBITDA	**51,968**	**300**	**52,267**
Earnings before tax (EBT)	**37,430**	**300**	**37,730**
Taxes	-11,620	-109	-11,729
Net income before non-controlling interest	**25,810**	**191**	**26,000**
Non-controlling interest	-4,718	33	-4,684
Net income after non-controlling interest	**21,092**	**224**	**21,316**

There were no material effects on the presentation of the earnings performance, financial position and cash flow in the CTS group interim financial report due to all relevant accounting standards effective for the periods beginning on or after 1 January 2013.

DERIVATIVE FINANCIAL INSTRUMENTS

The CTS Group uses derivate financial instruments, such as forward interest rate swaps and currency options, to hedge its exposure to interest rate and foreign exchange risks. Foreign exchanged risks are hedged to the extent in which they influence the cash flow of the group. The interest rate risks result from the group's financing activities. The foreign exchange risks result mainly from operating activities.

Forward interest swap contracts were concluded for an annuity loan in the financial year 2012, as a cash flow hedge, due to the low interest rate for the long-term financing. These derivative financial instruments secure the benefits of low interest rates for CTS AG, given that certain fixed-interest agreements will expire on 30 December 2013. Under the forward interest swap contracts, fixed rates of interest are paid, in return for receiving variable interest rates. After reviewing the forward interest swaps as derivative financial instruments under IAS 39, hedge accounting rules have to be applied when recognising these hedges. The derivative financial instruments are recognised at fair value on the date the contract is concluded. They are also measured subsequently at their fair value on the balance sheet date.

In the reporting period, the CTS Group has hedged current foreign exchange payments based on hedge ratios. At company level future transactions, that have a very high probability, are hedged against currency translation risks. Within the CTS Group a 12 month budget plan is applied, on which the limited congruent on foreign exchange transactions is based for the expected expiration date for the payments are concluded.

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

4. BUSINESS COMBINATIONS AND JOINT VENTURES

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

4.1 BUSINESS COMBINATIONS IN THE TICKETING SEGMENT

4.1.1 CHANGES IN THE SCOPE OF CONSOLIDATION

The following changes in the scope of consolidation occurred during the reporting period and/or in relation to the 30 June 2012 closing date.

With an agreement concluded on 30 July 2012, CTS AG acquired 65% of the shares in nolock Softwarelösungen GmbH, Vienna (hereinafter: nolock GmbH).

In an agreement concluded on 13 September 2012, Ticket Online Austria GmbH, Vienna, was merged with Ticket Express Gesellschaft zur Herstellung und zum Vertrieb elektronischer Eintrittskarten mbH, Vienna. The merger took effect on 23 October 2012, when the relevant entry was made in the register of companies.

In an agreement concluded on 15 March 2013, eventim Online Holding GmbH, Bremen, sold 100% of their shares in Ticketcorner GmbH, Bad Homburg, to GSO Holding GmbH, Bremen.

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

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

4.2 BUSINESS COMBINATIONS AND JOINT VENTURES IN THE LIVE ENTERTAINMENT SEGMENT

4.2.1 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 June 2012 closing date.

Arena Holding GmbH, Cologne, was established in July 2012 as a future acquisition holding company and was entered in the register of companies in August 2012.

At the end of December 2012, CTS AG consolidated through its subsidiaries, getgo consulting GmbH, Hamburg, and Arena Holding GmbH, Cologne, 100% of the shares in Arena Management GmbH, Cologne.

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

4.2.2 PURCHASE PRICE ALLOCATION

PROVISIONAL PURCHASE PRICE ALLOCATION OF ARENA MANAGEMENT GMBH

As at 30 June 2013 the purchase price allocation of Arena Management GmbH, Cologne, is still provisional because investigations regarding the intangible assets and assessment of legal aspects are still pending.

PROVISIONAL PURCHASE PRICE ALLOCATION OF ABC PRODUCTION

Based on the provisional purchase price allocation, the following table presents the fair values at the time of initial consolidation of ABC Production:

	Fair value at the time of initial consolidation - provisional purchase price allocation -
	[EUR'000]
Cash and cash equivalents	363
Inventories	243
Other assets	24
Total current assets	**630**
Property, plant and equipment	173
Deferred tax assets	21
Total non-current assets	**194**
Tax provisions	42
Other liabilities	43
Total current liabilities	**85**
Pension provisions	55
Total non-current liabilities	**55**
Total net assets	**684**

Assets and debts were recognised at fair value in the provisional purchase price allocation.

As at 30 June 2013, the purchase price allocation is still provisional because investigations regarding the intangible assets and the assessment of legal aspects are still pending. The fair value of the assets and debts will be conclusively determined within the first twelve months after the acquisition.

The difference between the purchase price and the share in net assets was recognised as goodwill.

The following table shows the reconciliation of acquisition costs as at initial consolidation:

	[EUR'000]
Acquisition cost	4,332
Cash and cash equivalents	363
Inventories	243
Other assets	24
Property, plant and equipment	173
Deferred tax assets	21
Tax provisions	-42
Other liabilities	-43
Pension provisions	-55
Total net assets / shareholders' equity	**684**
80% of total net assets	**547**
Goodwill	3,785

If ABC Production had been included in the CTS Group at the beginning of the year, the company would have contributed EUR 363 thousand to revenue and EUR 11 thousand to earnings in the Live Entertainment segment.

4.2.3 JOINT VENTURE HAMMERSMITH APOLLO LTD.

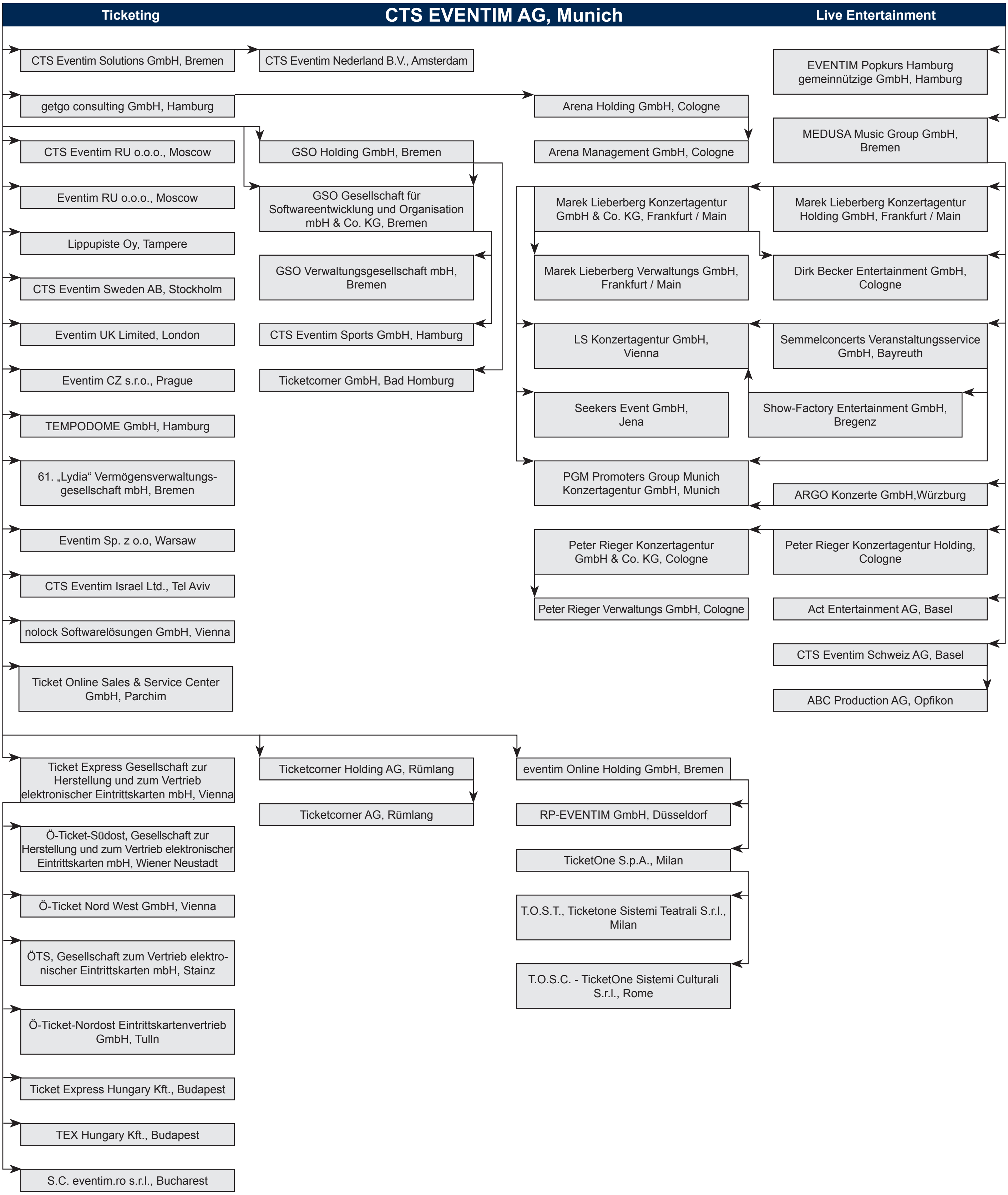
As at 30 June 2013 the purchase price allocation for the joint venture Hammersmith Apollo Ltd. is still preliminary because investigations regarding the intangible assets and final assessment of legal aspects are still pending.

As at 30 June 2013 the following notes represent the proportional Group's share according to IAS 31 in the joint venture HAL Apollo:

	30.06.2013	31.12.2012
	[EUR'000]	[EUR'000]
Current assets	1,417	1,493
Non-current assets	23,280	24,374
Current liabilities	3,921	3,615
Non-current liabilities	6,229	6,713

In the reporting period, the HAL Apollo joint venture generated as per the proportional Group's share revenue amounting to EUR 1.423 million and EBITDA of EUR 631 thousand. No prior-year figure can be stated due to the joint venture being included in consolidation after 30 June 2012.

The corporate structure as at 30 June 2013 is shown in the following table:



5. SELECTED NOTES TO THE CONSOLIDATED BALANCE SHEET

Group **cash and cash equivalents** decreased by EUR -45.046 million to EUR 274.468 million (31.12.2012: EUR 319.514 million). Cash inflows from operating activities (EUR +4.751 million) were offset by cash outflows from investing activities (EUR -7.718 million) and especially from financing activities (EUR -41.334 million). The outflow from financing activities was mainly a result from scheduled redemption of financial liabilities and the dividend distribution to shareholders.

Cash and cash equivalents 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 current liabilities at EUR 108.414 million (31.12.2012: EUR 145.002 million); other current assets also include receivables relating to ticket monies from pre-sales in the Ticketing segment (EUR 20.169 million; 31.12.2012: EUR 30.937 million).

Current trade receivables (EUR -7.260 million) decreased in the context of ongoing business operations, especially in the Ticketing segment.

The decrease in **payments on account** (EUR -2.331 million) was mainly due to the execution of events during the period under review in the Live Entertainment segment.

Receivables from income tax (EUR -2.054 million) decreased, mainly because of refunds of capital gain taxes in respect of previous years.

The decrease in **other current assets** (EUR -8.909 million) mainly results from the decrease in receivables relating to ticket revenue from pre-sales in the Ticketing segment.

The EUR -5.433 million change in **intangible assets** was principally due to systematic amortisation of the trademark, customer base and software assets that were capitalised as assets in the purchase price allocation in respect of the Ticketcorner Group and See Tickets Germany / Ticket Online Group.

There was an increase in **goodwill** of EUR 2.579 million. The increased goodwill results on the one hand from expanding the number of companies included in consolidation in the Live Entertainment segment and was offset on the other hand from currency translation effects from the valuation of the goodwill as of the balance sheet date in the Ticketing segment.

The **short-term financial liabilities and the current portion of long-term financial liabilities,** (EUR -22.653 million) decreased because of scheduled redemption of financial liabilities and the rescheduling of a short-term tranche of credit (partial use of a syndicated loan to finance the HAL Apollo joint venture) as a long-term final-maturity loan; on the other hand, the timely reclassification from medium- and long-term financial liabilities led to an increase in short-term financial liabilities.

Trade payables increased by EUR 5.654 million in the context of ongoing business operations.

The **advance payments received** (EUR -27.226 million) decreased, mainly from executed events in the Live Entertainment segment. The advance payments received in the Live Entertainment segment are transferred to revenue when the respective events have taken place.

The EUR -42.759 million change in **other current liabilities** is predominantly due to lower liabilities in respect of ticket monies not yet invoiced in the Ticketing segment (EUR -36.588 million) and lower Group VAT liabilities (EUR -6.906 million). Due to the strong fourth quarter at the end of each year, there is usually a large amount of liabilities for ticket monies not yet invoiced, which is then dismantled in the course of the following year when the events are held and invoiced.

The **medium- and long-term financial liabilities** rose by EUR 9.154 million. In the period under review, a long-term loan taken out to finance the HAL Apollo joint venture led to an increase in financial liabilities. Timely reclassification as short-term financial liabilities, in contrast, led to a reduction in medium- and long-term financial liabilities.

Shareholders' equity rose by EUR 5.136 million to EUR 220.697 million, mainly because of the positive EUR 27.565 million Group result for the reporting period, and due to increased non-controlling interest of EUR 4.278 million ensuing from non-controlling interest in current profits in the Live Entertainment segment. The distribution of EUR 27.358 million in dividends in the second quarter of 2013 caused a reduction in shareholders' equity. The equity ratio (shareholders' equity divided by the balance sheet total) increased from 26.6% to 29.8%.

6. SELECTED NOTES TO THE CONSOLIDATED INCOME STATEMENT

REALISATION OF PROFITS

Revenue in the Ticketing segment that relates to the sale of tickets to final customers is realised when the respective CTS ticketing company delivers the tickets to the final customer. In the Live Entertainment segment, ticket revenue generated in the pre-sales period is posted by the promoter on the liabilities side as advance payments received. When the event is subsequently held, these advance payments are transferred to sales revenue and the profits are realised.

REVENUE

The **CTS Group** generated EUR 312.295 million in revenue in the period under review, compared to EUR 256.873 million in HY1/2012 (+21.6%).

The **Ticketing segment** generated EUR 115.721 million in revenue (before consolidation between segments), up from EUR 96.633 million in HY1/2012. The share of revenue generated by foreign subsidiaries was almost unchanged year-on-year, at 41.6% in the period under review.

Revenue in the **Live Entertainment segment** rose to EUR 199.785 million (HY1/2012: EUR 162.509 million; +22.9%). Concerts of Babra Streisand, P!NK, Depeche Mode, Helene Fischer and Joe Cocker were as well as successful as popular events like the renowned festivals ‘ Rock am Ring’ and ‘ Rock im Park’ had a positive effect on revenue during the reporting period.

COST OF SALES

The cost of sales rose by EUR 36.711 million to EUR 215.064 million.

In both segments, the cost of sales increased year-on-year relative to revenue. Commissioning in the Ticketing segment led to higher profit contributions, whereas the additional revenue involved had a negative effect on profit margins. In the Live Entertainment segment, the gross margin fell due to the greater number of companies included in consolidation. However, the consolidated gross margin improved due to a percentage increase, from 30.6% to 31.1%, in the share contributed by the highly profitable Ticketing segment to consolidated gross earnings.

SELLING EXPENSES

Selling expenses rose by EUR 3.384 million to EUR 28.910 million. This increase in selling expenses mainly resulted from increased personnel expenses, marketing expenses and the enlarged scope of consolidation in the Live Entertainment segment.

GENERAL ADMINISTRATIVE EXPENSES

General administrative expenses increased by EUR 1.336 million to EUR 17.893 million. This increase in general administrative expenses is mainly attributable to higher personnel costs and to the larger number of companies in the Live Entertainment segment now included in consolidation.

OTHER OPERATING INCOME

Other operating income decreased by EUR -2.365 million to EUR 6.799 million, this was primarily due to non-recurring income from the contract settlement of an acquisition in the prior-year period.

OTHER OPERATING EXPENSES

Other operating expenses increased by EUR 2.714 million to EUR 7.358 million; this increase was caused, inter alia, by higher currency translation expenses, contracted services and maintenance expenses resulting from the greater scope of consolidation in the Live Entertainment segment.

FINANCIAL RESULT

The financial result, at EUR -2.294 million (HY1/2012: EUR -3.229 million) mainly includes EUR 1.013 million in financial income (HY1/2012: EUR 1.157 million), EUR 3.714 million in financial expenses (HY1/2012: EUR 4.001 million) and EUR 406 thousand in income from affiliated companies and associates accounted for at equity (HY1/2012: EUR -385 thousand).

TAXES

Taxes rose by EUR 2.777 million to EUR 14.506 million. In addition to the reduction of deferred tax expense relating to the utilisation of tax loss carryforwards, the expansion of the group in the Live Entertainment segment let to increases in taxes.

7. ADDITIONAL DISCLOSURES ON FINANCIAL INSTRUMENTS

Carrying amounts, recognition and fair values as at 30 June 2013 are shown in the following table according to recognition categories:

		Balance sheet value according to IAS 39			
	Carrying value 30.06.2013	At amortised cost	At fair value not through profit and loss	Purchase cost	Fair value
	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]
Assets					
Cash and cash equivalents	274,468	274,468			274,468
Trade receivables	20,437	20,437			20,423
Receivables from affiliated and associated companies accounted for at equity	5,590	5,590			5,537
Other financial assets	34,381	34,381			34,344
Other original financial assets (at fair value not through profit and loss)	724		724		724
Investments (at fair value not through profit and loss)	13		13		13
Investments (at cost)	1,939			1,939	
Loans	254	254			263
Liabilities					
Short-term financial liabilities and current portion of long-term financial liabilities	23,922	23,922			23,575
Medium- and long-term financial liabilities	168,561	168,561			169,836
Trade payables	53,957	53,957			53,926
Payables to affiliated and associated companies accounted for at equity	1,326	1,326			1,325
Other original financial liabilities	116,054	116,054			115,952
Categories according to IAS 39:					
Loans and receivables	335,130	335,130			335,035
Financial liabilities at amortised cost	363,820	363,820			364,614
Available-for-sale financial assets	2,676		737	1,939	737
Outside scope of IAS 39:					
Other financial assets (hedge accounting)	90				90
Other derivative financial liabilities (hedge accounting)	69				69

DISCLOSURES REGARDING FAIR VALUE

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

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.

Derivative financial instruments are recognised at their fair value. The carrying amount of interest derivatives and 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; securities are an example. In Level 2, fair values are based on market data, such as currency rates or interest curves, using market-based valuation techniques. Examples include derivatives. Fair values in Level 3 are derived using valuation techniques based on unobservable inputs, due to the lack of an active or measurable market.

Reclassifications between the levels within the fair value hierarchy are carried out at the beginning of the respective quarter in which the reason or the change in circumstances occurred that results in the reclassification. In the first six months of 2013, no reclassifications were carried out.

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:

	30.06.2013			
	Level 1	Level 2	Level 3	Total
	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]
Assets				
Financial assets				
Available-for-sale financial assets:				
Securities	724	0	0	724
Other financial assets (at fair value not through profit and loss)	13	0	0	13
Derivative financial assets	0	90	0	90
Financial assets measured at fair value	**737**	**90**	**0**	**827**
Liabilities				
Financial liabilities				
Derivative financial liabilities	0	69	0	69
Financial liabilities measured at fair value	**0**	**69**	**0**	**69**

8. SEGMENT REPORTING

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

	Ticketing		Live Entertainment		Total for segment	
	30.06.2013	30.06.2012	30.06.2013	30.06.2012	30.06.2013	30.06.2012
	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]
External revenue	113,933	95,320	198,362	161,553	312,295	256,873
Internal revenue	19,535	16,759	41,583	38,212	61,118	54,971
Total revenue	**133,468**	**112,079**	**239,945**	**199,765**	**373,413**	**311,844**
Consolidation within segment	-17,747	-15,446	-40,161	-37,256	-57,908	-52,702
Revenue after consolidation within segment	**115,721**	**96,633**	**199,784**	**162,509**	**315,505**	**259,142**

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

	Ticketing		Live Entertainment		Intersegment consolidation		Group	
	30.06.2013 [EUR'000]	30.06.2012[1] [EUR'000]	30.06.2013 [EUR'000]	30.06.2012[1] [EUR'000]	30.06.2013 [EUR'000]	30.06.2012 [EUR'000]	30.06.2013 [EUR'000]	30.06.2012[1] [EUR'000]
Revenue	115,721	96,633	199,785	162,509	-3,210	-2,269	312,295	256,873
EBITDA	37,866	34,633	23,323	18,023	0	-388	61,189	52,267
EBIT	27,832	24,346	22,038	17,001	0	-388	49,869	40,959
Depreciation and amortisation	-10,035	-10,287	-1,286	-1,022	0	0	-11,320	-11,309
Financial result							-2,294	-3,229
Earnings before tax (EBT)							47,575	37,730
Taxes							-14,506	-11,729
Net income before non-controlling interest							33,069	26,000
Non-controlling interest							-5,504	-4,684
Net income after non-controlling interest							27,565	21,316
Average number of employees	1,192	1,199	464	210			1,656	1,409
Normalised EBITDA	40,082	33,428	23,323	18,023	0	-388	63,405	51,063
Normalised EBIT before amortisation from purchase price allocation	34,963	28,262	22,300	17,001	0	-388	57,264	44,876

[1] Prior-year figures adjusted to reflect application of IAS 19

9. OTHER DISCLOSURES

APPROPRIATION OF EARNINGS

The Shareholders' Meeting on 8 May 2013 adopted a resolution to distribute EUR 27.358 million (EUR 0.57 per eligible share) of the balance-sheet profit of EUR 117.918 million as at 31 December 2012 to shareholders. This distribution was carried out on 9 May 2013, and the remaining balance sheet profit of EUR 90.560 million was carried forward to retained earnings.

FINANCIAL OBLIGATIONS

Since 31 December 2012, there have been no material changes in contingent liabilities.

RELATED PARTY DISCLOSURES

The transactions of the CTS Group with related companies and persons 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 companies and persons resulted in the following goods and services being sold to and bought from related parties in the 2013 reporting period:

	30.06.2013	30.06.2012
	[EUR'000]	[EUR'000]
Goods and services supplied by the Group		
Subsidiaries not included in consolidation due to insignificance	404	275
Associated companies accounted for at equity	378	623
Other related parties	4,802	5,007
	5,584	**5,905**

	30.06.2013	30.06.2012
	[EUR'000]	[EUR'000]
Goods and services received by the Group		
Subsidiaries not included in consolidation due to insignificance	88	399
Associated companies accounted for at equity	744	771
Other related parties	8,580	7,877
	9,412	**9,047**

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, and we give our assurance that the interim consolidated financial statements present 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 over the remainder of the financial year.

Bremen, 29 August 2013

CTS EVENTIM Aktiengesellschaft

Klaus-Peter Schulenberg Volker Bischoff Alexander Ruoff

FORWARD-LOOKING STATEMENTS

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

This Group Interim Report is also available in English translation; the German version of the Group Interim Report takes priority over the English translation in the event of any discrepancies. It is available for downloading from http://www.eventim.de.

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