



Nine-Month Report 2006 | 01.01.2006 - 30.09.2006

CTS Eventim Aktiengesellschaft

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Key Group Figures as at 30 September 2006

| | 01.01. - 30.09.2006 | 01.01. - 30.09.2005 |
|--|---------------------|---------------------|
| | [EUR '000] | [EUR '000] |
| Revenues | 258,023 | 182,952 |
| Gross profit | 68,931 | 43,149 |
| Personnel expenses | 19,205 | 14,716 |
| Operating income before depreciation and amortization (EBITDA) | 38,631 | 25,791 |
| Depreciation and amortization | 4,661 | 3,411 |
| Operating profit (EBIT) | 33,969 | 22,380 |
| Profit from ordinary business activities (EBT) | 35,682 | 23,382 |
| Consolidated net income | 16,927 | 10,306 |
| Cash flow | 26,528 | 19,217 |
| | [EUR] | [EUR] |
| Earnings per share*, undiluted (= diluted) | 0.71 | 0.43 *** |
| | [Qty.] | [Qty.] |
| Number of employees** | 537 | 460 |
| Of which temporary | (72) | (73) |

* Number of shares: 24 million (prior year: 12 million)

** Number of employees at end of third quarter (active workforce)

*** Earnings per share for the first three quarters 2005 was calculated for comparison purposes on the basis of 24 million shares.

Dear Sirs/Mesdames,

CTS Eventim AG has achieved yet another boost in its growth rate, substantially increasing its revenues and earnings figures for the first nine months of the business year 2006. Group revenues increased by 41.0 % year-on-year, and we greatly improved our EBIT by 51.8 %. We have fortified in impressive manner our role as Europe's leading ticket distributor for concerts, theatre and sports events and as a provider of live entertainment.

As planned, our online ticket sales via the Internet showed particularly strong growth. By 30 September 2006, we had sold 3.1 million tickets online – not counting those for the 2006 FIFA World Cup. This figure is 52.5 % higher than this time last year. About 91 million visitors were logged on the www.eventim.de and www.getgo.de portals in the first nine months of the year, compared to 60 million a year ago. This substantial growth is a clear corroboration that CTS Eventim AG has chosen the right strategy by successfully focusing on the highly profitable Internet channel. Current performance figures are exactly in line with our long-term strategy. A 50% rise in Internet ticketing volume by the end of 2006 is planned.

More and more customers are taking advantage of what the Internet can offer. They benefit from convenient, fast reservations and our range of customised solutions. These include an exclusive presale service, reservation of specific seats, a newsletter, print-at-home solutions and tailored products for business customers. Our combination of Internet operations, ticket marketing through conven-

tional channels and an exceptional range of high-calibre events and concerts means we are superbly positioned for exploiting future market potentials as well.

European expansion is an integral part of our growth plan, with one key element being the takeover of Tic Tec AG, Basel, Switzerland, in July 2006. Said company is one of the leading providers of ticketing services in Switzerland. By acquiring the majority in Act Entertainment AG in the fourth quarter of this year, another Swiss company and one of the leading national organisers of events, we can now put our established value-added chain of Live Entertainment and Ticketing to work in Switzerland as well.

Yours sincerely,



Klaus-Peter Schulenberg

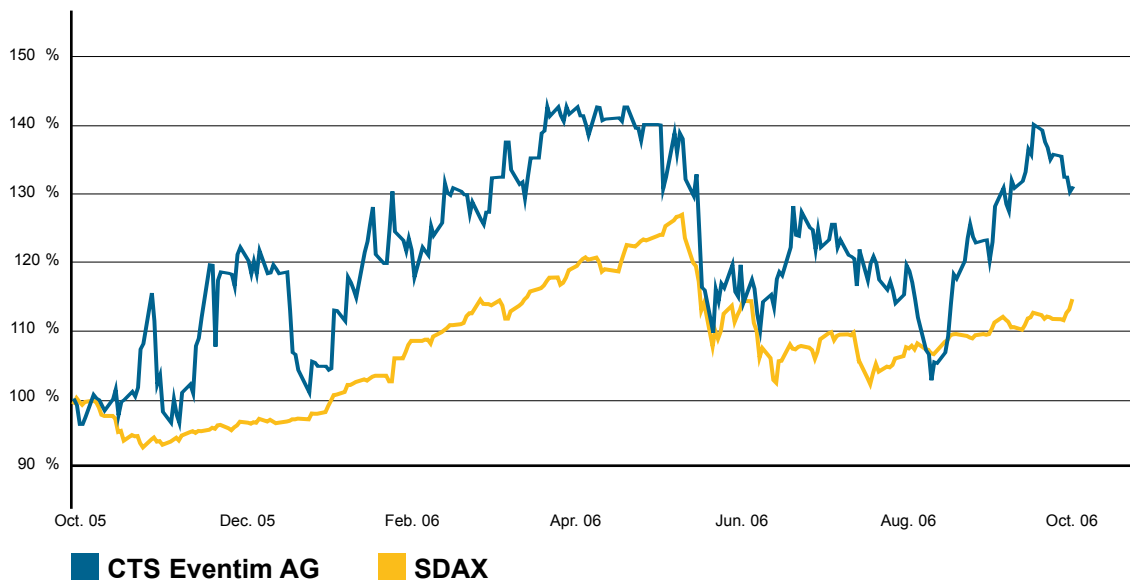
Shares still attractive

CTS shares appreciated in value by 24.7 % over the first nine months of 2006, rising to EUR 25.70 by the end of September. Awareness of the company was fostered by active press relations work, from which the share price also benefited. The Management Board is also engaged in Investor Relations activities with its usual intensity. Many investor and roadshow events in Germany and worldwide

convinced many new investors of the inherent value of CTS Eventim AG.

In addition to the Designated Sponsors, namely DZ-Bank and Bayerische Landesbank, analyses of CTS shares are also produced by the Berenberg Bank and Nord LB, Morgan Stanley, Citigroup and Cheuvreux. Our SDAX-listed securities thus enjoy extraordinary broad coverage.

Share price 01.10.2005 - 30.09.2006 indexed



Number of shares held by members of executive organs as at 30 September 2006

| Members of the Management Board: | Quantity |
|----------------------------------|------------|
| Klaus-Peter Schulenberg (CEO) | 12,016,000 |
| Volker Bischoff | 0 |
| Alexander Ruoff | 2,000 |

| Members of the Supervisory Board: | Quantity |
|-----------------------------------|----------|
| Dr. Peter Haßkamp | 1,000 |
| Prof. Jobst W. Plog | 0 |

On 10 May 2006, Mr. Edmund Hug retired as Chairman of the Supervisory Board on his own request. At the same day the Shareholders' Meeting elected Prof. Jobst W. Plog as a new member of the Supervisory Board, and the Supervisory Board elected Mr. Jakob Kleefass as its new Chairman. The Munich Local Court appointed Mr. Edmund Hug to the Supervisory

Board of the company in a decision passed on 09 October 2006 after Mr. Jakob Kleefass had laid down his post on the Supervisory Board on 29 August 2006. Mr. Edmund Hug, who had previously been a Supervisory Board member from January 2000 to May 2006, was then elected the new Chairman of the Supervisory Board on 14 November 2006.

Financial report

Principles of reporting:

These unaudited Group financial statements were prepared for the purpose of interim reporting by CTS Eventim AG (in the following "CTS") as at 30 September 2006 in accordance with the International Financial Reporting Standards (IFRS) and the Interpretations thereof applicable on the reporting date.

The comparative figures from the preceding year relate to the consolidated financial statements according to IFRS as at 30 September 2005.

The accounting, valuation and consolidation methods have remained essentially unchanged relative to the prior year, except for the fact that the commission expenses relating to the World Cup project are recognised as selling expenses and not as cost of sales. This leads to an increase in gross profit in the Ticketing segment and in the Group as a whole. The figures for the same period of the prior year have been adjusted accordingly for comparability purposes.

Changes in the scope of consolidation:

The holding company CTS and all relevant companies over which it exercises either direct or indirect control are included in the consolidated financial statements.

The following changes occurred during the reporting period and/or in relation to the corresponding period in 2005.

With effect from 01 January 2006, CTS Eventim Sports GmbH (formerly Sportfive Tixx GmbH), Hamburg, and the Austrian regional sales company of Ticket Express Gesellschaft zur Herstellung und zum Vertrieb elektronischer Eintrittskarten mbH, Wiener

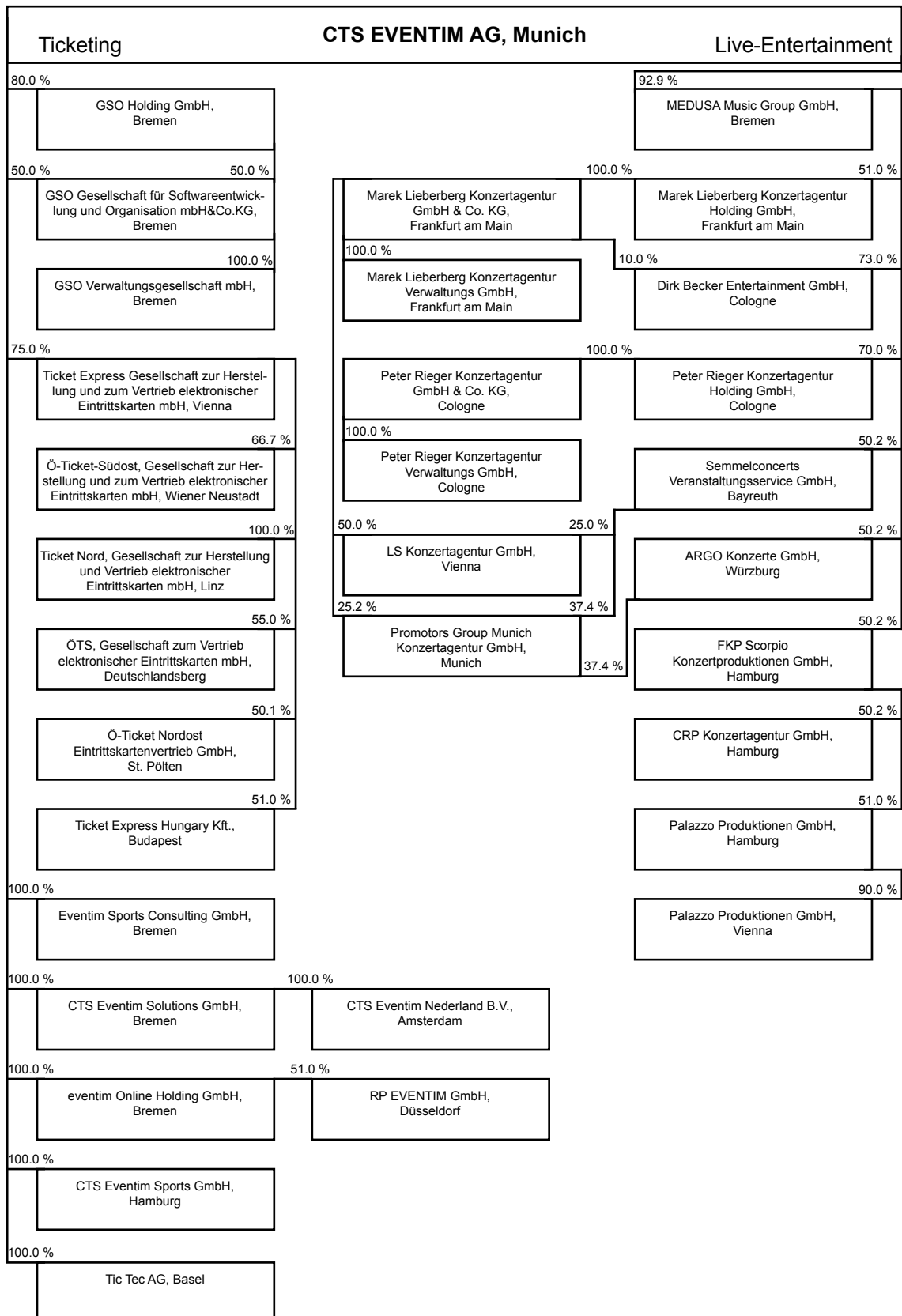
Neustadt, Ö-Ticket Nordost Eintrittskartenvertrieb GmbH, St. Pölten, were newly consolidated within the Ticketing segment. The firm of Ticket Express Gesellschaft zur Herstellung und zum Vertrieb elektronischer Eintrittskarten mbH, Vienna, increased its participation in Ö-Ticket Südost, Gesellschaft zur Herstellung und zum Vertrieb elektronischer Eintrittskarten GmbH, Wiener Neustadt, by 16.67 percentage points to 66.67% on the basis of a notarial contract dated 22 December 2005. CTS Eventim Sports GmbH and Ö-Ticket Nordost Eintrittskartenvertrieb GmbH are fully consolidated.

In the Ticketing segment, CTS acquired 100% of the shares in Tic Tec AG, Basel, Switzerland, based on a contract of sale and purchase dated 26 July 2006. Tic Tec AG was included in consolidation with effect from 01 July 2006 and is fully consolidated.

In the Live Entertainment segment, Argo Konzerte GmbH, Würzburg, and Sesselkonzerte Veranstaltungsservice GmbH, Bayreuth, each sold 7.6% of the shares in Promoters Group Munich Konzertagentur GmbH, Munich, to Marek Lieberberg Konzertagentur GmbH & Co. KG, Frankfurt am Main with a notarial contract dated 26 January 2006. As a result of this sale of shares, the consolidated financial statements show a change in the percentage of shares held by minority interests.

These changes in the scope of consolidation had no material impacts on the financial position and financial performance of the Group.

The corporate structure of CTS and its subsidiaries as at 30 September 2006 is shown below:



Revenue growth:

Due to consistently good business growth in the Live Entertainment and Ticketing segments, Group sales increased over the period under review by 41.0%, from EUR 183.0 million in the first three quarters of 2005 to EUR 258.0 million in the same period of 2006.

In the Live Entertainment segment, a persistently encouraging market environment combined with a high frequency of events and good utilisation of show capacities resulted in a marked business growth. Revenues before intersegment consolidation increased by 32.0% from EUR 141.8 million in Q1-3/2005 to EUR 187.1 million in the current reporting period. The main sources of revenue included tours and events by Depeche Mode, Xavier Naidoo, Madonna and Robbie Williams, as well as the successful festivals in the second quarter 2006, such as Rock am Ring, Rock im Park and Hurricane.

As in the preceding quarters, the Ticketing segment continues to show robust growth. In addition to successful handling of the 2006 Football World Cup ticketing operation, revenues were also boosted by continued growth in sales through the Group's highly profitable Internet platforms. Consolidated revenues increased by 67.9% to EUR 73.3 million (Q1-3/2005: EUR 43.6 million). Sales revenues generated by CTS Eventim AG as a standalone company grew by 73.3% to EUR EUR 62.6 million (Q1-3/2005: EUR 36.1 million).

Around 91 million music and event fans (prior year: 60 million) visited the Group's www.eventim.de and www.getgo.de Internet portals and bought approximately 3.1 million tickets in total (prior year: 2.1 million) – equivalent to a 52.5 % year-on-year improvement.

Earnings performance:

There was a further year-on-year increase in consolidated gross margin to 26.7% (Q1-3/2005: 23.6%). This increase is mainly attributable to the Ticketing segment, which operated at a higher gross margin of 63.8%, compared to 60.3% in the same period of 2005. Due to the reallocation of commission expenses for the World Cup project from costs of sales to selling expenses, the Group's gross margin increased from 21.8% to 23.6% year-on-year, and in the Ticketing segment from 52.7% to 60.3%. In the second quarter of 2006, costs of sales in the Ticketing segment increased as a consequence of the 2006 World Cup activities and the associated increase in project-related services. At 11.9%, the gross margin in the Live Entertainment segment was unchanged and lower than that of the Ticketing segment.

As at 30 September 2006, Group EBIT had reached EUR 34.0 million (Q1-3/2005: EUR 22.4 million), which equates to a 51.8% increase. The consistently high level of profitability achieved by our business operations is also evidenced by the consolidated EBIT margin, which climbed higher to 13.2%, compared to the prior-year figure of 12.2%.

In the Live Entertainment segment, the EBIT figure came in at EUR 13.5 million, as against EUR 10.4 million in Q1-3/2005. At 7.2%, the EBIT margin is at almost the same level as in the prior year but it is influenced in the third quarter 2006 by extraordinary higher, non-deferrable advanced expenses for future events compared to the previous year. The related revenues for those events will be realised within the next financial quarters. The adjusted EBIT margin for these advanced expenses is at 8.8%.

The good earnings performance of the Ticketing segment was successfully enhanced. The EBIT for the segment rose 70.6% to EUR 20.4 million (Q1-3/2005: EUR 12.0 million).

The EBIT margin was relatively unchanged at 27.9% (Q1-3/2005: 27.4%). The main factors accounting for this encouraging earnings performance over the period under review are the ticketing operation for the 2006 Football World Cup, and particularly the further increases in ticketing volume achieved through stationary box offices and the Group's Internet platform. Intensified expansion of our sports ticketing activities in early 2006 also resulted in further contributions to earnings.

After recognition of EUR 4.7 in ordinary depreciation and amortization, Group EBITDA reached EUR 38.6 million (Q1-3/2005: EUR 25.8 million). Of that total, EUR 13.9 million were generated by the Live Entertainment segment (Q1-3/2005: EUR 10.7 million), The Ticketing segment produced a further EUR 24.8 million, compared to EUR 15.1 million in Q1-3/2005 (up 64.1%). The EBITDA margin within the Group improved from 14.1% to 15.0%.

Earnings before tax (EBT) amounted to EUR 35.7 million, compared to the EUR 23.4 million achieved in Q1-3/2005. After deduction of corporate tax expenses and minority interest expenses, net Group earnings amounted to EUR 16.9 million, compared to EUR 10.3 million in the same period of 2005. Earnings per share (EPS) improved year-on-year from EUR 0.43 (pro forma, based on 24 million shares) to EUR 0.71.

Growth in workforce:

As at the reporting date, the Group had a total of 537 employees on its payroll, including 72 part-time workers (prior year: 460 employees, including 73 part-timers). Of that total, 340 are employed in the Ticketing segment (prior year: 320 employees) and 197 in the Live Entertainment segment (prior year: 140 employees). This increase in workforce size is primarily due to the greater number of companies included in consolidation, and to additional project staff employed in the Live Entertainment and Ticketing division.

Group personnel expenses increased, mainly on account of the World Cup project, various Live Entertainment projects and changes in the scope of consolidation, from EUR 14.7 million to EUR 19.2 million, of which EUR 11.5 million were attributable to the Ticketing segment and EUR 7.7 million to the Live Entertainment segment.

Financial performance:

The balance sheet total fell by EUR 27.0 million from EUR 234.6 to EUR 207.6 million as at 30 September 2006.

On the assets side, current assets decreased by EUR 34.9 million to EUR 143.7 million, with cash and cash equivalents, in particular, being reduced by EUR 38.6 million. EUR 12.9 of the decrease resulted from financing current business operations, EUR 12.5 from investments in intangible, fixed and financial assets, EUR 12.4 million from distributions of earnings to shareholders and minority interests, and EUR 1.7 million from loan repayments. Changes in the scope of consolidation resulted in positive cash flow of EUR 0.9 million.

An increase in non-current assets of EUR 7.9 million to EUR 63.9 million (up 14.2%) was caused by capital expenditures in intangible assets, including goodwill, and in fixed assets. In the course of the reporting period, the Group invested EUR 12.5 million (Q1-3/2005: EUR 2.4 million), compared to EUR 4.7 million (Q1-3/2005: EUR 3.4 million) in depreciation and amortization.

Because of the reduced balance sheet total, the arithmetic equity ratio (shareholders' equity without minority interest) rose from 32.3% to 40.7%.

Cash flow improved relative to the same period of 2005 from EUR 19.2 million to EUR 26.5 million.

Outlook: Growth from Internet business and European platform

The Group expects further improvements in key performance figures during the traditionally strong fourth quarter. The online business will generate above-average contributions to revenues and earnings. Presales for tours by numerous stars like Herbert Grönemeyer, Genesis and Shakira will play an important role in this context. The company will continue to focus intensely on its booming online business. Plans are to gain additional market shares by launching innovative products and services.

Beside eCommerce, the 2006 business year is also characterised by international expansion. Our aim is to create an Europe-wide network of event organisers and ticket providers that collaborate successfully across national boundaries. By acquiring a majority stake in Act Entertainment AG, Switzerland, the Group is further reinforcing its market posi-

tion in the Live Entertainment segment, as well as covering the entire German-speaking area as an organiser of events. The Group has a presence not only in Germany, but also in Switzerland, Austria, the Netherlands, and eastern Europe. More acquisitions and partnerships are planned in order to implement the strategy to expand our market leadership in Europe.

On the basis of excellent earnings growth in the first three quarters of the business year, the Management Board expects continuation of this encouraging business growth in both segments during the rest of the year, whereby the primary focus will be on further improving the earnings situation.

Consolidated balance sheet as at 30 September 2006 (IFRS)

| Assets | 30.09.2006 | 31.12.2005 |
|---------------------------------------|--------------------|--------------------|
| | [EUR] | [EUR] |
| Current assets | | |
| Cash and cash equivalents | 97,729,038 | 136,284,989 |
| Trade receivables | 22,223,046 | 16,213,035 |
| Receivables from affiliated companies | 825,451 | 823,328 |
| Inventories | 8,664,517 | 17,155,222 |
| Other assets | 14,273,564 | 8,161,921 |
| Total current assets | 143,715,616 | 178,638,495 |
| Non-current assets | | |
| Fixed assets | 5,464,702 | 4,068,369 |
| Intangible assets | 8,659,465 | 5,521,783 |
| Financial assets | 1,092,601 | 946,295 |
| Investments stated at equity | 24,110 | 10,004 |
| Loans | 2,325,744 | 2,200,366 |
| Trade receivables | 33,144 | 26,530 |
| Receivables from affiliated companies | 369,647 | 346,326 |
| Other assets | 876,443 | 743,683 |
| Goodwill | 42,260,915 | 39,215,076 |
| Deferred tax assets | 2,800,312 | 2,889,766 |
| Total non-current assets | 63,907,083 | 55,968,198 |
| Total assets | 207,622,699 | 234,606,693 |

Consolidated balance sheet as at 30 September 2006 (IFRS)

| Shareholders' equity and liabilities | 30.09.2006 | 31.12.2005 |
|---|--------------------|--------------------|
| | [EUR] | [EUR] |
| Current liabilities | | |
| Short-term financial liabilities and current portion of long-term financial liabilities | 1,246,984 | 2,552,784 |
| Trade payables | 21,940,658 | 21,016,794 |
| Payables to affiliated companies | 438,101 | 500,300 |
| Advance payments received | 27,966,275 | 57,303,948 |
| Other provisions | 1,090,436 | 963,876 |
| Tax provisions | 7,302,771 | 7,321,709 |
| Other liabilities | 49,653,939 | 58,578,057 |
| Total current liabilities | 109,639,164 | 148,237,468 |
| Non-current liabilities | | |
| Medium- and long-term financial liabilities | 0 | 792,058 |
| Other liabilities | 3,153,000 | 0 |
| Pension provisions | 2,666,039 | 2,446,592 |
| Total non-current liabilities | 5,819,039 | 3,238,650 |
| Shareholders' equity | | |
| Share capital | 24,000,000 | 24,000,000 |
| Capital reserve | 23,302,357 | 23,302,357 |
| Balance sheet profit | 37,291,636 | 28,524,850 |
| Minority interest | 7,580,829 | 7,303,699 |
| Currency differences | -10,326 | -331 |
| Total shareholders' equity | 92,164,496 | 83,130,575 |
| Total shareholders' equity and liabilities | 207,622,699 | 234,606,693 |

**Consolidated income statement for the period from
01 January to 30 September 2006 (IFRS)**

| | 9 - Month - Report 01.01. - 30.09.2006 [EUR] | 9 - Month - Report 01.01. - 30.09.2005 [EUR] |
|---|--|--|
| Revenues | 258,022,800 | 182,951,601 |
| Cost of sales | -189,092,111 | -139,802,962 |
| Gross profit | 68,930,689 | 43,148,639 |
| Selling expenses | -23,982,398 | -13,636,486 |
| General and administration expenses | -9,250,303 | -7,598,753 |
| Other operating income / expenses | -1,728,672 | 466,651 |
| Operating profit (EBIT) | 33,969,316 | 22,380,051 |
| Financial income / expenses and other taxes | 1,642,401 | 957,616 |
| Income / expenses from companies in which participations are held | 56,459 | 25,261 |
| Income / expenses from investments stated at equity | 14,106 | 19,518 |
| Earnings before tax (EBT) | 35,682,282 | 23,382,446 |
| Taxes on income (incl. deferred tax) | -14,218,546 | -9,322,983 |
| Earnings before minority interest | 21,463,736 | 14,059,463 |
| Minority interest expenses | -4,536,951 | -3,753,287 |
| Consolidated net income | 16,926,785 | 10,306,176 |
| Net income per share undiluted (= diluted) | 0.71 | 0.86 |
| Weighted average shares outstanding undiluted (= diluted) [Qty.] | 24,000,000 | 12,000,000 |
| Pro forma earnings per share (in EUR); undiluted (= diluted) after share split (24 million shares) | | 0.43 |

**Consolidated income statement for the period from
01 July to 30 September 2006 (IFRS)**

| | Interim Report 3 / 2006 01.07. - 30.09.2006 [EUR] | Interim Report 3 / 2005 01.07. - 30.09.2005 [EUR] |
|---|--|--|
| Revenues | 71,221,137 | 38,659,680 |
| Cost of sales | -58,618,956 | -30,279,894 |
| Gross profit | 12,602,181 | 8,379,786 |
| Selling expenses | -5,249,393 | -4,783,085 |
| General and administration expenses | -2,736,849 | -2,522,906 |
| Other operating income / expenses | -700,381 | 603,235 |
| Operating profit (EBIT) | 3,915,558 | 1,677,030 |
| Financial income / expenses and other taxes | 541,907 | 313,481 |
| Income / expenses from companies in which participations are held | 35,029 | -1,306 |
| Income / expenses from investments stated at equity | 17,009 | 19,518 |
| Earnings before tax (EBT) | 4,509,503 | 2,008,723 |
| Taxes on income (incl. deferred tax) | -2,027,601 | -968,042 |
| Earnings before minority interest | 2,481,902 | 1,040,681 |
| Minority interest expenses | -7,593 | 42,609 |
| Consolidated net income | 2,474,309 | 1,083,290 |
| Net income per share undiluted (= diluted) | 0.10 | 0.09 |
| Weighted average shares outstanding undiluted (= diluted) [Qty.] | 24,000,000 | 12,000,000 |
| Pro forma earnings per share (in EUR); undiluted (= diluted) after share split (24 million shares) | | 0.05 |

**Consolidated cash flow statement for the period from
01 January to 30 September 2006 (IFRS)**

| | 01.01. - 30.09.2006 | 01.01. - 30.09.2005 |
|--|---------------------|---------------------|
| | [EUR] | [EUR] |
| Consolidated net income | 16,926,785 | 10,306,176 |
| Minority interest expenses | 4,536,951 | 3,753,287 |
| Depreciation and amortization on intangible and fixed assets | 4,789,740 | 3,411,351 |
| Additions to pension provisions | 180,466 | 121,600 |
| Deferred tax expense / income | 93,844 | 1,624,359 |
| Cash flow | 26,527,786 | 19,216,773 |
| Cash flow from operating activities | -12,873,683 | 34,813,295 |
| Cash flow from investing activities | -12,452,500 | -2,367,527 |
| Cash flow from financing activities | -14,118,213 | -4,897,845 |
| Net increase / decrease in cash and cash equivalents | -39,444,396 | 27,547,923 |
| Cash and cash equivalents at beginning of period | 136,284,989 | 84,626,218 |
| Change in cash and cash equivalents due to consolidation effects | 888,445 | 12,631 |
| Cash and cash equivalents at end of period | 97,729,038 | 112,186,772 |

Consolidated statement of changes in shareholders' equity (IFRS)

| | Status at 31.12.2003 [EUR] | Status at 31.12.2004 [EUR] | Status at 30.09.2005 EUR] | Status at 31.12.2005 [EUR] | Changes [EUR] | Status at 30.09.2006 [EUR] |
|-----------------------------------|----------------------------------|----------------------------------|---------------------------------|----------------------------------|------------------|----------------------------------|
| Share capital | 12,000,000 | 12,000,000 | 12,000,000 | 24,000,000 | 0 | 24,000,000 |
| Capital reserve | 36,401,753 | 35,322,647 | 35,322,647 | 23,302,357 | 0 | 23,302,357 |
| Balance sheet profit | 2,347,578 | 12,549,864 | 22,856,040 | 28,524,850 | 8,766,786 | 37,291,636 |
| Minority interest | 6,794,256 | 6,451,873 | 6,293,869 | 7,303,699 | 277,130 | 7,580,829 |
| Currency differences | 0 | 4,676 | 1,681 | -331 | -9,995 | -10,326 |
| Total shareholders' equity | 57,543,587 | 66,329,060 | 76,474,237 | 83,130,575 | 9,033,921 | 92,164,496 |

Segment reporting

| | 01.01. - 30.09.2006 | 01.01. - 30.09.2005 |
|-----------------------------------|---------------------|---------------------|
| | [EUR '000] | [EUR '000] |
| Segment Ticketing | | |
| Revenues | 73,297 | 43,648 |
| EBITDA | 24,774 | 15,101 |
| EBIT | 20,435 | 11,976 |
| Employees [Qty.] as at 30.09. | 340 | 320 |
| Segment Live Entertainment | | |
| Revenues | 187,066 | 141,771 |
| EBITDA | 13,860 | 10,690 |
| EBIT | 13,537 | 10,404 |
| Employees [Qty.] as at 30.09. | 197 | 140 |
| Consolidation | | |
| Revenues | -2,340 | -2,467 |
| EBITDA | -3 | 0 |
| EBIT | -3 | 0 |
| Group | | |
| Revenues | 258,023 | 182,952 |
| EBITDA | 38,631 | 25,791 |
| EBIT | 33,969 | 22,380 |
| Employees [Qty.] as at 30.09. | 537 | 460 |