

EM.TV FINANCE B.V.

Interim financial statements for the
period January 1 – June 30, 2013

UNAUDITED

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MANAGING DIRECTORS' REPORT

UNAUDITED

EM.TV FINANCE B.V., AMSTERDAM

MANAGING DIRECTORS' REPORT

The management herewith submits the Interim Financial Statements for the period January 1 to June 30, 2013. These interim financial statements 2013 have not been audited.

Company profile

The main activity of EM.TV Finance B.V., Amsterdam, (the "Company") is to provide financing services to Constantin Medien AG (the "parent company", formerly known as EM.Sport Media AG).

Organisation

The Company has its seat in Amsterdam and is managed by two directors. The Dutch managing director Johannes Fredericus Verhaert has been granted a power of attorney enabling him to represent the company singly in transactions regarding day to day management.

Main transaction in the reporting period

On May 8, 2006, the Company issued a convertible bond on the capital market for an amount of EUR 87,750,000. The Bond bears a fixed interest of 5.25 % per annum and will be redeemed at its principal amount on May 8, 2013.

After the early redemption and the netting of convertible bonds in 2011, a total number of 4,939,247 convertible bonds were outstanding as of December 31, 2012, of which 4,066,559 were held by the parent company and 500,000 convertible bonds were held by a 100% indirect subsidiary of the parent company. The convertible loan as of December 31, 2012 amounted to EUR 28,894,595.

In March and April 2013, a total of 1,868 convertible bonds were converted into Constantin Medien AG bearer shares at a conversion rate of 1.0123. Constantin Medien AG used a total of 1,885 treasury shares for this transaction. The remaining peak offsetting amount was paid in cash.

On April 22, 2013, the Company signed a netting agreement with the parent company to offset 4,066,559 convertible bonds directly held by the parent company in the nominal value of EUR 23,789,370.15 against a part of the loan granted by EM.TV Finance B.V. to Constantin Medien AG in the same amount.

On May 8, 2013, the Company fully repaid the remaining 870,820 outstanding convertible bonds including interest. At the same date Constantin Medien AG fully repaid the loan from EM.TV Finance B.V. including interest.

Financial risk management

With the repayment of all outstanding convertible bonds on May 8, 2013, the liquidity risk of the Company is limited to the ability to pay its other liabilities.

Result

During the period under review, the Company recorded a net loss of EUR 55,462 (January 1 to June 30, 2012: net loss of EUR 26,362) which is set out in detail in the attached Profit and Loss account.

Subsequent events

No material subsequent events, affecting these interim financial statements, have occurred to date.

Future developments

The Managing Directors of the Company decided to voluntarily liquidate the Company after all outstanding convertible bonds have been fully repaid subject to the approval of the shareholder. In June 2013, an extraordinary shareholders meeting has been convened for this purpose for July 11, 2013.

These interim financial statements are prepared in accordance with statutory provisions of Part 9, Book 2 of the Netherlands Civil Code and the firm pronouncements in the Guidelines for the Annual Reporting in the Netherlands as issued by the Dutch Accounting Standards Board.

Audit Committee

Based on Article 21a of WTA and article 41 sub EU Directive no. 2006/43/EG the Company has opted for the possibility not to have its own audit committee and asked the existing audit committee of the parent company to fulfil this role also for EM.TV Finance B.V.

Responsibility Statement

Pursuant to section 5:25c(2c) of the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht), the managing directors hereby declare that, to the best of their knowledge, the interim financial statements for the period January 1 to June 30 2013, which have been prepared in accordance with the applicable reporting principles and disclosure requirements for annual reports of listed companies, give a true and fair view of the assets, liabilities, financial position, profit and cash flow of the Company as at June 30, 2013, and that the Managing Directors' Report gives a true and fair view of the developments and performance of the business and the position of the Company as per balance sheet date, together with a description of the principal risks it faces.

Amsterdam, July 11, 2013

J.F. Verhaert

Dr. P. Braunhofer

INTERIM FINANCIAL STATEMENTS

ASSETS

December 31, 2012

Receivables from affiliated companies

1	3,000
2	2,400

29,937,305

1

5,400

29,937,305

Cash and cash equivalents

3

980,894

987,828

Total current assets

986,294

30,925,133

TOTAL ASSETS

986,294

30,925,133

EM.TV FINANCE B.V., AMSTERDAM**INTERIM FINANCIAL STATEMENTS****A - Balance sheet as at June 30, 2013***(before result appropriation)*

EQUITY & LIABILITIES		<i>June 30, 2013</i>		<i>December 31, 2012</i>	
		€	€	€	€
Shareholder's equity					
Issued and paid-up capital	4	1,000,000		1,000,000	
Other reserves	5	12,196		33,937	
Result for the period	6	(55,462)		(21,741)	
			956,734		1,012,196
Current liabilities					
Convertible loan	7	-		28,894,595	
Trade accounts payable		-		3,223	
Tax and social security charges	8	431		433	
Other liabilities	9	29,129		1,014,686	
Total current liabilities			29,560		29,912,937
TOTAL EQUITY & LIABILITIES			986,294		30,925,133

B - Profit and loss account for the period January 1 – June 30, 2013

		<i>January 1 – June 30, 2013</i>		<i>January 1 – June 30, 2012</i>	
		€	€	€	€
Income from loan receivables	11	559,148		802,963	
Other interest and similar income	12	4,370		13,919	
		<hr/>		<hr/>	
Total interest income			563,518		816,882
Interest and similar charges	13		(527,205)		(754,949)
		<hr/>		<hr/>	
Result from financing activities/ net interest result			36,313		61,933
Other operating expenses	14	(91,775)		(88,295)	
		<hr/>		<hr/>	
Total operating expenses			(91,775)		(88,295)
		<hr/>		<hr/>	
Result from normal operations before taxes			(55,462)		(26,362)
Taxes on result operating activities	16		-		-
		<hr/>		<hr/>	
Result after taxes			(55,462)		(26,362)
		<hr/>		<hr/>	

EM.TV FINANCE B.V., AMSTERDAM**INTERIM FINANCIAL STATEMENTS****C - Cash flow statement for the period January 1 – June 30, 2013**

	<i>January 1 – June 30, 2013</i>		<i>January 1 – June 30, 2012</i>	
	€	€	€	€
Receipts from affiliated companies	6,000		6,000	
Payments to creditors	(99,893)		(98,743)	
		(93,893)		(92,743)
Interest paid	(267,429)		(1,516,843)	
Corporate income taxes paid	-		(2,125)	
Interest received	354,388		1,612,661	
		86,959		93,693
Cash flow from operating activities		(6,934)		950
Redemption of convertible loan	(5,094,297)		-	
Redemption of loan to Constantin Medien AG	5,094,297		-	
Issuance of short term loan to Constantin Medien AG	-		(800,000)	
Cash flow for financial activities		-		(800,000)
Net Cash Flow		(6,934)		(799,050)
Movement in cash				
Balance as at January 1		987,828		1,007,053
Net cash flow January 1 – June 30		(6,934)		(799,050)
Balance as at June 30		980,894		208,003
Net cash flow July 1 – December 31		-		779,825
Balance as at December 31		-		987,828

D - Notes to the interim financial statements**I General****I.I Organisation**

EM.TV Finance B.V., Herikerbergweg 184, Luna ArenA, 1101 CM Amsterdam Zuidoost (statutory and actual seat), the Netherlands was incorporated on March 14, 2006 as a private company with limited liability (Besloten Vennootschap).

As a 100% subsidiary of Constantin Medien AG (formerly known as EM.Sport Media AG), the figures of EM.TV Finance B.V. are included in the consolidated financial statements of Constantin Medien AG, which are available on the company's website: www.constantin-medien.de.

Transactions with related parties are disclosed as such in the notes to the interim financial statements as at June 30, 2013.

I.II Objectives of the company

According to article 3 of the Articles of Association of the company, the objectives of the company are:

- to borrow, to lend and to raise funds, including the issue of bonds, promissory notes or other securities or evidence of indebtedness as well as to enter into agreements in connection with the aforementioned;
- to render guarantees, to bind the company and to pledge its assets for obligations of the companies and enterprises with which it forms a group and on behalf of third parties;
- to finance businesses and companies; and to trade in currencies, securities and items of property in general, as well as everything pertaining the foregoing, relating thereto or conducive thereto, all in the widest sense of the word.

I.III Expected liquidation of the company

The Managing Directors of the Company decided to voluntarily liquidate the Company after all outstanding convertible bonds have been fully repaid subject to the approval of the shareholder. In June 2013, an extraordinary shareholders meeting has been convened for this purpose for July 11, 2013.

II Accounting policies for the balance sheet**II.I General**

The financial statements are prepared in accordance with the statutory provisions of Part 9, Book 2, of the Dutch Civil Code and the firm pronouncements in the Guidelines for Annual Reporting in the Netherlands as issued by the Dutch Accounting Standards Board.

In general, assets and liabilities are stated at the amounts at which they were acquired or incurred, or at current value. If not specifically stated otherwise, they are recognised at the amount at which they

D - Notes to the interim financial statements

were acquired or incurred. The balance sheet, income statement and cash flow statement include references to the notes.

II.II Translation of foreign currencies

The reporting currency in the interim financial statements of EM.TV Finance B.V. is the Euro (EUR; €).

Assets and liabilities expressed in foreign currencies have been translated into Euros at the exchange rate prevailing at the balance sheet date. Foreign currency transactions have been converted at exchange rates approximating those at the time of the transactions. The resulting exchange differences have been recognised in the profit and loss account. During the business year there have been no transactions in foreign currencies.

II.III Financial instruments

Management has the option to apply fair value accounting on financial instruments or to include certain disclosures on the fair value of financial instruments in the notes to the financial statements. The management board has chosen not to apply fair value accounting on financial instruments. Therefore, the applicable fair value disclosures have been included in the notes to the balance sheet and profit and loss account.

The Dutch Reporting Guideline RJ 290 on financial instruments has been applied for since the 2008 financial statements. The classification and measurement of financial instruments, where the Company has been the contractual party since before 1 January 2007, is not revised as per requirements in RJ 290. This is in line with the exemption as stipulated in RJ 290, paragraph 1007.

Receivables from affiliated companies with starting date from before 1 January 2007 are therefore measured based on the nominal value of disbursed amounts. If there are doubts concerning the collectability of outstanding receivables, the receivables in question are stated at their lower realisable value.

Receivables from affiliated companies with starting date after 1 January 2007 will be valued initially at fair value, and subsequently at amortised costs. Impairment losses are deducted from amortised cost and expensed in the income statement.

The convertible loan, issued before 1 January 2007, is stated against the nominal value of the amounts received.

II.IV Other current assets and liabilities

All other current assets and liabilities, not included in the previous paragraph, are initially measured at fair value. These items are subsequently measured against amortised costs.

III Accounting policies for the profit and loss account**III.I Recognition criteria**

Results from normal operations have been calculated by reducing the revenues with the operational charges over the same period of time.

D - Notes to the interim financial statements

Revenues and charges relating to the period have been included in the interim financial statements, irrespective of whether they have led to receipts or expenditure in that period.

Profits are only shown to the extent they have been realised before or on the balance sheet date.

Losses and risks originating prior to the end of the period are taken into account if they became known prior to the drawing up of the interim financial statements.

The principles for determination of the result are unchanged compared to the company's financial statements 2012.

III.II Taxation on result

Taxes are calculated on the result, taking into account the advanced pricing agreement with the tax authorities.

IV Notes to the cash flow statement

The cash flow statement has been prepared applying the direct method. The cash and cash equivalents in the cash flow statement comprise the balance sheet item cash at banks.

Receipts and payments of interest and corporate income tax are included in the cash flow from operating activities. Dividends paid have been included in the cash flow from financing activities.

V Financial instruments**V.I Market risk***Currency risk*

A currency risk exists in particular wherever there are claims or liabilities in a currency other than that applied in the financial statements. Foreign exchange fluctuations may change the value in the Euro currency used in financial statements. In view of the fact that the development of other currencies in terms of the Euro can not be predicted, additional earnings effects may also arise from the aforesaid in the future. During the business year there have been no transactions in foreign currencies and at balance sheet date there is no foreign currency exposure.

V.II Interest rate risk

The Company's exposure to interest rate risk on interest-bearing receivables (mainly receivables from affiliated companies) and interest-bearing current liabilities is limited as the convertible loan issued has a fixed interest rate (5.25%), which loan has been one on one used for financing the loan to affiliated companies (5.5335%). It has been agreed that the interest rate cannot be fixed below the rate of the convertible bonds. As a result a natural hedge has been obtained. With the repayment of the convertible loan on May 8, 2013, the interest rate risk has expired.

V.III Credit risk

Constantin Medien AG issued a guarantee to the bond creditors both for the relevant interest payments and also for the ultimate repayment. In the event of a conversion taking place, the repayment claim in connection with the loan lapses for the amount of the bonds converted into shares of Constantin Medien AG. With the repayment of the loan issued to Constantin Medien AG on May 8, 2013 and the repayment of the convertible loan at the same date, the credit risk of the Company expired.

We further refer to the paragraph financial instruments as specified in the notes to the balance sheet as at June 30, 2013 on page 14 of this report.

EM.TV FINANCE B.V., AMSTERDAM**INTERIM FINANCIAL STATEMENTS****E - Notes to the balance sheet as at June 30, 2013****CURRENT ASSETS****1. Receivables from affiliated companies**

	<i>June 30, 2013</i>	<i>December 31, 2012</i>
	€	€
Loan issued to Constantin Medien AG	-	28,894,595
Accrued interest on the loan issued to Constantin Medien AG	-	1,039,710
Service fee Constantin Medien AG	3,000	3,000
	<hr/>	<hr/>
	3,000	29,937,305
	<hr/>	<hr/>

The movement of the loan to Constantin Medien AG can be specified as follows:

	<i>2013</i>	<i>2012</i>
	€	€
Balance as at January 1	28,894,595	28,894,595
Repayment due to exercise of conversion rights	10,928	-
Repayment due to netting and redemption of bonds	23,789,370	-
Repayment of bonds	5,094,297	-
	<hr/>	<hr/>
Balance as at June 30 resp. December 31	-	28,894,595
	<hr/>	<hr/>

The interest rate was 5.3911 percent p.a. until May 7, 2007 and was increased to 5.5335 percent p.a. afterwards.

EM.TV FINANCE B.V., AMSTERDAM**INTERIM FINANCIAL STATEMENTS****E - Notes to the balance sheet as at June 30, 2013****2. Other receivables**

	<i>June 30, 2013</i>	<i>December 31, 2012</i>
	€	€
Prepaid rent office space	2,400	-

3. Cash and cash equivalents

All cash balances are available on demand.

	<i>June 30, 2013</i>	<i>December 31, 2012</i>
	€	€
ING Bank, current-account	14,840	883,604
ING Bank, savings-account	882,623	103,382
BNP Paribas, current-account	83,431	842
	<u>980,894</u>	<u>987,828</u>

SHAREHOLDER'S EQUITY**4. Issued and paid-up capital**

The company authorised share capital, consisting of 1,000 shares with a nominal value of € 1,000 amounts to € 1,000,000. A total of 1,000 shares have been issued and fully paid-up. All shares are held by Constantin Medien AG.

	<i>2013</i>	<i>2012</i>
	€	€
Balance as at January 1	<u>1,000,000</u>	<u>1,000,000</u>
Balance as at June 30 resp. December 31	<u>1,000,000</u>	<u>1,000,000</u>

EM.TV FINANCE B.V., AMSTERDAM**INTERIM FINANCIAL STATEMENTS****E - Notes to the balance sheet as at June 30, 2013****5. Other reserves**

	2013	2012
	€	€
Balance as at January 1	33,937	65,427
Result appropriation previous year	(21,741)	(31,490)
	<hr/>	<hr/>
Balance as at June 30 resp. December 31	12,196	33,937
	<hr/>	<hr/>

6. Result for the period

The result for the period January 1 - June 30, 2013 amounts to a loss of € 55,462 compared to a loss of € 26,362 for January 1 - June 30, 2012. A decision of deducting the loss for the period January 1 - June 30, 2013 from the other reserves has not been made.

CURRENT LIABILITIES**7. Convertible loan**

EM.TV Finance B.V. issued a 5.25% convertible bond 2006/2013 with a total nominal value of € 87,750,000 by May 8, 2006. Originally, the convertible bond 2006/2013 guaranteed a conversion right on a total of 15,000,000 bearer ordinary shares in Constantin Medien AG with a nominal value of € 1.00 per share. The issue price which is equivalent to the nominal amount and the initial conversion price amount to € 5.85 for each convertible bond. The interest rate is equivalent to 5.25% p.a.

The issue proceeds from the convertible bond were used by EM.TV Finance B.V. to make a loan available to Constantin Medien AG. Constantin Medien AG issued a guarantee to the bond creditors both for the relevant interest payments and also for the ultimate repayment. In the event of a conversion taking place, the repayment claim in connection with the loan lapses for the amount of the bonds converted into shares of Constantin Medien AG. As made public on June 24, 2009, starting April 24, 2009 each bond entitles the holder to convert the bond in 1.0123 shares (before that it was 1 share per bond).

The option of the bondholders to request an earlier repayment on May 8, 2011 was exercised for 7,990,432 bonds, including 1,000,000 convertible bonds held by Sport1 GmbH, Ismaning/Germany, a 100% subsidiary of Constantin Medien AG. This resulted in a payment of the convertible loan in the amount of € 46,744,027, of which € 40,894,027 was paid to third parties and € 5,850,000 relate to Sport1 GmbH.

On July 6, 2011, based on an agreement between the Company, Constantin Medien AG and West LB AG (then assignee of all payment claims to Constantin Medien AG acting on account for the noteholders for purposes of securing the payment of principal of the notes), Constantin Medien AG transferred 2,035,780 of its bonds at nominal value to the Company for redemption. This resulted in the netting of a part of the convertible loan due by the Company in the amount of € 11,909,313 with part of the loan to Constantin Medien AG in the same amount. The redemption of these 2,035,780 convertible notes was completed on July 7, 2011.

EM.TV FINANCE B.V., AMSTERDAM**INTERIM FINANCIAL STATEMENTS****E - Notes to the balance sheet as at June 30, 2013**

In March and April 2013, a total of 1,868 convertible bonds were converted into Constantin Medien AG bearer shares at a conversion rate of 1.0123. Constantin Medien AG used a total of 1,885 treasury shares for this transaction. The remaining peak offsetting amount was paid in cash.

On April 22, 2013, based on an agreement between the Company and Constantin Medien AG, Constantin Medien AG transferred 4,066,559 bonds at nominal value to the Company for redemption. This resulted in the netting of a part of the convertible loan due by the Company in the amount of € 23,789,370 with part of the loan to Constantin Medien AG in the same amount.

The remaining 870,820 bonds were repaid on May 8, 2013.

The movement of the convertible loan can be specified as follows:

	<i>2013</i>	<i>2012</i>
	€	€
Balance as at January 1	28,894,595	28,894,595
Conversion of notes	10,928	-
Netting/redemption convertible notes held by parent company	23,789,370	-
Repayment	5,094,297	-
	<hr/>	<hr/>
Balance as at June 30 resp. December 31	-	28,894,595
	<hr/>	<hr/>

8. Tax and social security charges

	<i>June 30, 2013</i>	<i>December 31, 2012</i>
	€	€
Corporate income tax	146	146
VAT	285	287
	<hr/>	<hr/>
	431	433
	<hr/>	<hr/>

EM.TV FINANCE B.V., AMSTERDAM**INTERIM FINANCIAL STATEMENTS****E - Notes to the balance sheet as at June 30, 2013****9. Other liabilities**

	<i>June 30, 2013</i>	<i>December 31, 2012</i>
	€	€
Accrued interest on convertible loan	-	989,065
Audit and consulting fees	9,075	18,150
Handling costs convertible loan	7,500	3,750
Administrative and other costs	12,554	3,711
	<u>29,129</u>	<u>1,014,686</u>

All other liabilities are due within one year.

10. Financial instruments

Financial instruments valued at nominal value

The table below shows financial instruments whose market value differs from nominal value.

	<i>June 30, 2013</i>		<i>December 31, 2012</i>	
	<i>Market value</i>	<i>Book value</i>	<i>Market value</i>	<i>Book value</i>
	€	€	€	€
Loan to group company	-	-	Not available	28,894,595
Convertible loan issued	-	-	29,141,557	28,894,595

General information with respect to the instruments is disclosed in the notes 1 and 7 of the financial statements.

EM.TV FINANCE B.V., AMSTERDAM**INTERIM FINANCIAL STATEMENTS****F - Notes to the profit and loss account for the period January 1 – June 30, 2013****11. Income from loan receivables**

	<i>January 1 – June 30, 2013</i>	<i>January 1 – June 30, 2012</i>
	€	€
Interest on the loans issued to Constantin Medien AG	559,148	802,963

Interest income on loan receivables decreased compared to 2012 due to repayment of the loan issued in May 2013.

12. Other interest and similar income

	<i>January 1 – June 30, 2013</i>	<i>January 1 – June 30, 2012</i>
	€	€
Interest on banks	4,370	13,919

13. Interest and similar charges

	<i>January 1 – June 30, 2013</i>	<i>January 1 – June 30, 2012</i>
	€	€
Interest on convertible loan	527,205	754,949

Interest expense decreased compared to 2012 due to repayment of the convertible loan in May 2013.

14. Other operating expenses

	<i>January 1 – June 30, 2013</i>	<i>January 1 – June 30, 2012</i>
	€	€
Management services	31,923	34,007
Audit and consulting fees	24,097	21,462
Administrative costs	25,380	30,505
Handling costs convertible loan	3,750	(2,664)
Rent and lease expense	4,800	3,347
Other	1,825	1,638
	91,775	88,295

Remuneration of the Board of Directors

In the period January 1 – June 30, 2013, the Board of Directors did not receive any remuneration for their activities (January 1 – June 30, 2012: € nil).

Nevertheless the company paid a management fee to TMF Netherlands B.V. for the services provided by the Dutch director.

EM.TV FINANCE B.V., AMSTERDAM**INTERIM FINANCIAL STATEMENTS****F - Notes to the profit and loss account for the period January 1 – June 30, 2013****15. Employees**

No employees were employed by EM.TV Finance B.V. during 2013 (2012: 0).

16. Taxes on result operating activities

	<i>January 1 – June 30, 2013</i>	<i>January 1 – June 30, 2012</i>
	€	€
Corporate income tax for the period	-	-
The calculation of the taxable amount can be specified as follows:		
Commercial result	(55,462)	(26,362)
Costs not accepted (above accepted maximum)	55,462	26,362
Taxable income based on APA (Advanced Pricing Agreement)	-	-
The calculation of the corporate income tax charged can be specified as follows:		
Corporate income tax to be paid (20% of taxable income)	-	-

Signature of the Interim Financial Statements

Amsterdam, July 11, 2013

F.J. Verhaert

Dr. P. Braunhofer

OTHER INFORMATION

OTHER INFORMATION**I - Provisions in the articles of association governing the appropriation of result**

Under article 21 of the company's articles of association, the profit is at disposal of the General Meeting of Shareholders, which can allocate said profit either wholly or partly to the formation of – or addition to – one or more general or special reserve funds.

The company can only make payments to the shareholders and other parties entitled to the distributable profit insofar as the shareholders' equity is greater than the paid-up and called-up part of the capital plus the legally required reserves.

II - Result appropriation 2012

The appropriation of the result for the year 2012 has been adopted in accordance with the proposal in the annual accounts on this year. It is proposed that the result of € -31,490 is added to the other reserves. This proposal has been incorporated in these interim financial statements.

III - Subsequent events

To the best of our knowledge, there are no subsequent events.