

PRESS RELEASE

SENATOR Entertainment AG publishes 2014 financial report and provides its outlook for the current financial year

- 2014 marked by the implementation of financial and strategic restructuring measures
- Merger with Wild Bunch completed in February 2015 – New Group is one of Europe’s leading independent filmed entertainment companies
- Revenues declined by 24.7% to EUR 20.4 million; while EBIT improved to EUR -12.6 million (2013: EUR -25.7 million)
- In 2015, revenues for the New Group are expected to be at least EUR 150m, while operating income is expected to be in positive territory. As the New Group is implementing its integration plan and refining its business plan for the medium term, additional financing resources that are expected to be raised during the course of the year should provide clear upside to this prudent guidance

Berlin, 30 April 2015 – SENATOR Entertainment AG (“Senator”) had a challenging financial year 2014, shaped by the financial and strategic restructuring measures that were implemented. Senator did not reach all of the ambitious operating goals it had set. However, the key focus for 2014 was that important steps were taken in order to improve business performance in the future. Thanks to the merger with French company Wild Bunch S.A. (“Wild Bunch”) in February 2015, the New Group (defined as the combination of Senator and Wild Bunch) has now an international focus and distributes a more extensive volume of films and TV-shows.

Max Sturm, CFO of Senator, summarises the developments of the financial year under review as follows: “In 2014 we were definitely focused on restructuring – so, as expected, it was a year of transition. Our focus on the one hand was on implementing complex capital measures so that we could gradually clean up our balance sheet. On the other hand, we worked tirelessly on the merger with Wild Bunch, because we knew it would be a critical step in our future strategy. We are proud to have overcome the challenges and implemented all of the measures as planned.”

In 2014, Senator generated revenues of EUR 20.4 million (2013: EUR 27.1 million). This was mainly due to lower sales in the distribution segment. While sales increased slightly in the cinema segment – despite a lower number of film releases than planned – revenues from the TV and Home Entertainment (Video) segments were more modest. EBIT for 2014 was EUR -12.6 million, which is a strong improvement compared to 2013, with EBIT of EUR -25.7 million – which was burdened by higher depreciation and amortisation. Earnings were reduced by one-off effects from restructuring measures which amount to c. EUR 5.9 million.

Following the completion of the merger in February 2015, the New Group is now much larger and internationally more active. By deriving synergies and consolidating skills, the New Group's position, as a pan-European player, will be reinforced. The New Group is present in the key European markets (Germany, France, Italy, Spain and the UK) and holds rights to about 2,200 films and TV-shows, most of which can be marketed using all distribution channels around the world.

2015 will see the operational integration of the New Group's operating companies, which has already been initiated by merging all German businesses into Wild Bunch Germany, as well as the implementation of the strategy aiming at consolidating the company's position as a unique pan-European distribution and coproduction player. 2015 revenues are expected to amount to at least EUR 150m implying additional revenues of a multiple of 6x to 7x Senator revenues in 2014. As the New Group is currently implementing its integration plan and refining its business plan for the medium term, additional financing resources that are expected to be raised during the course of the year should provide clear upside to this prudent guidance. The Management Board also expects that operating income will be much higher than it was in 2014. These figures are expected to be positive for 2015, driven by lower fixed costs and lower restructuring expenses.

A more detailed guidance will be provided later during the financial year, as the integration with Wild Bunch progresses.

More details can be found in the 2014 Annual Report published today, which is available for download from the Investor Relations section of the company website at <http://www.senator.de/investor-relations>.

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