



# Annual Report 2014

## OVERVIEW\*

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	2014	2013	2012	2011	2010
Turnover T€	91	1.034	1.252	5.269	7.093
Net surplus/loss for the year T€	-290	1.321	-1.702	369	2.246
EBIT T€	-420	1.139	-1.883	-74	1.573
Results/Share €	-0.01	0,07	-0,09	0,02	0,13
Balance sheet total T€	21,065	19.077	18.302	20.768	18.032
Equity capital T€	19,856	18.329	17.007	19.103	16.253
Portfolio volume (IFRS-book value)** T€	20,210	17.040	13.210	13.004	10.633
Number of direct investments	21	21	19	15	13
Employees at the end of the year (FTE)	1	1	1	1	12
Number of outstanding shares in million	20.70	18,82	18,82	18,82	17,50

\*until 2011 consolidated figures

\*\* direct investments only

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## **bmp History**

**1997:** Founding of bmp Aktiengesellschaft in Berlin.

**1998:** Founding of bmp Venture Tech GmbH, a parallel fund of KfW banking group (terminated in 2007).

**1999:** Stock market listing of bmp AG, Amtlicher Handel (official trading), Frankfurt am Main.

**2000:** Founding of Central & Eastern Europe Venture GmbH, a parallel fund of DEG (terminated in 2007).

**2004:** bmp is the first German company to have parallel listing on the Warsaw Stock Exchange.

**2005:** Partnership with König & Cie. in the area of private equity funds of funds.

**2010:** bmp is awarded fund management mandate for BFB Frühphasenfonds Brandenburg.

**2011:** Focus on the venture capital business in the field of media and marketing services in Germany and Poland; company renamed bmp media investors AG.

**2011:** Spin-off of investment management/fund management to bmp Beteiligungsmanagement AG.

**2015:** Decision to discontinue the venture capital business and to reorganize bmp media investors AG into an operational holding company.



Jens Spyrka

Oliver Borrmann

## Dear shareholders, dear friends and Business Partners,

The 2014 business year was disappointing. After a successful start with a small capital increase of just under EUR 1.9 million in February 2014, there was more liquidity for new and follow-up investments. However, the planned sales of equity holdings did not take place.

This was due to the weak price performance of the two listed holdings Heliocentris Energy Solutions and K2 Internet, which could have been sold if prices had been better. In addition, the planned disposals of investment holdings, such as brand eins Medien, were not concluded in business year 2014.

A further negative factor for operating business was the uncertainty on the applicability of the German Investment Code to bmp media investors AG. In our view, we are not subject to the code. But due to risk considerations, we made no new investments from July 2014 as at this point in time there was no final statement from the Federal Financial Supervisory Authority.

In November 2014, the Federal Financial Supervisory Authority then informed us that in its opinion the law applied to bmp media investors AG was subject and that it required additional

regulation. Otherwise it needed to be wound up.

In the Executive Board and the Supervisory Board, we immediately dealt with the consequences of additional regulation. After extensive examination and consideration, we came to the result that such additional regulation would result not only in unviable additional expenditure for the company but also would hugely restrict the flexibility which is essential for exercising the venture capital business.

For this reason, the Executive Board, together with the Supervisory Board, reached the decision to discontinue the form venture capital business, to sell the most of our investment holdings and to propose at our Annual General Meeting in June 2015 to change the business purpose of the company that we operate as an operating holding company in the future.

This very radical step was anything but easy for us all, as we exercised the venture capital business in bmp media investors AG with great commitment. We regret the perspective of the Federal Financial Supervisory Authority, as it therefore – also in the sense of protecting the small investor – wants to subject the companies

already subject to stock exchange regulation to additional regulatory obligations, something that reduced the actual idea of the stock exchange ad absurdum.

In terms of content, we are not moving completely away from our previous activity, now entering into majority holdings in a few selected companies. However, with these holdings, there is no intention to sell. Income at bmp media investors AG will no longer result in increases in the value of the equity holdings, but largely through the operating results of the subsidiaries.

The objective is to form a company group that grows dynamically and work profitability in the medium term.

But now to the figures of 2014. With the lack of equity holding disposals, revenue of EUR 0.1 million was generated after EUR 1.0 million in 2013. This resulted in a loss of EUR 0.3 million (EUR 0.01/share) after a profit of EUR 1.3 million in the previous year.

The equity of the company was increasing, primarily as a result of the EUR 1.5 million capital increase implemented in February 2014, to EUR 19.9 million (EUR 0.96/share). As at 31 December 2014, cash and cash equivalents, bank balances and marketable securities amounted to EUR 3.4 million after EUR 4.8 million in the previous year.

At the same time, there were a few successes to report in 2014. These included large external

financing rounds at our equity holdings castaclip, iversity or Heliocentris, which in some cases results to considerable increases in value.

And so to our outlook for business year 2015: If possible, in the current year we want to sell all our equity holdings with the exception of one company, in the process generating at least our book value. In March we have already sold our investment holdings Instream Media and Freshmilk NetTV. In addition, in the first quarter of 2015, we placed approximately 170,000 shares of Heliocentris Energy Solutions AG off the stock exchange at a price above our book value. We are thus well on track to implement the realignment of our company to an operating holding company – promptly and successfully.

We would like to thank you for the trust you have placed in us and would be happy if you continued with us together on the path we are now following.



Oliver Borrmann



Jens Spyrka

## Equity Investments

In business year 2014, bmp media investors AG entered into one new investment and sold one investment. As a result, the number of equity investments remained constant at 19. Investment volume in equity investments, including existing investments, amounted to € 2.6 million in 2014, € 1.0 million lower than in the previous year.

### New investments

In June, bmp media investors AG acquired a 13.5% stake in sleepz GmbH (formerly: Muchasa GmbH). The company operates a large number of e-commerce shops and channels relating to the theme “sleep” with proprietary multi-channel software. With over 100,000 customers, its main brand “perfekt-schlafen.de” is already one of the larger players in this segment in Germany. After two capital increases, bmp held a 16.06% stake in sleepz GmbH at the end of 2014.

### Follow-up financing

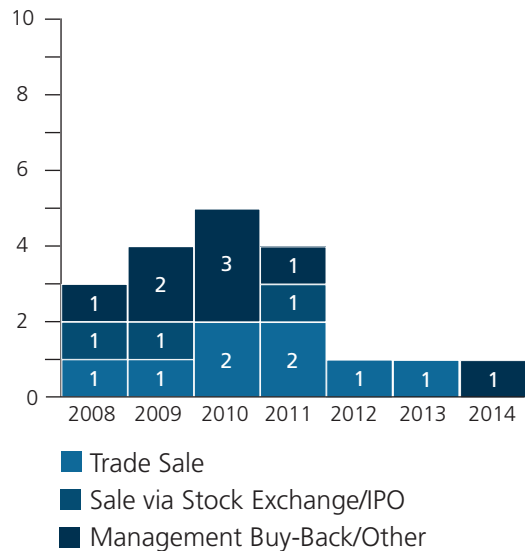
Follow-up financing in existing equity investments totalled € 2.3 million. Particularly worthy of note are the capital increases at iversity GmbH and castaclip GmbH, carried out as part of rounds of financing at significantly increased enterprise values.

There were smaller follow-up financing measures in the other investments. However, these did not result in any significant change in holdings.

### Exits

One exit was realised in the past business year. In October, bmp media investors AG – like its co-partner b-to-v Private Equity S.C.S., SICAR – sold its shares in Greenhanger GmbH at a symbolic purchase price as part of a management buyout.

Exits and IPOs



At € 20.9 million, the cumulative IFRS book value of all investments at 31 December 2014 was up significantly on the figure at the previous balance sheet date (€ 18.0 million). Revaluation gains for business year 2014 amounted to € 0.9 million, thus not achieving the figure generated in the previous year (€ 1.8 million).

The positive value development of the companies in the investment portfolio over the 2014 business year, in particular in the second and third quarter, was attributable primarily to third-party transactions, in which capital measures resulted in higher valuations.

However, the value development of the two listed investments was unsatisfactory. The stock exchange price of K2 Internet S.A. in Poland declined over the year by approximately 12% and that of Heliocentris Energy Solutions AG by roughly 17%. However, both shares rose again in the first three months of 2015.

As at 31 December 2014, the average stake in each holding was around 25%, while the average capital invested in each holding was approximately € 1.0 million.

On the balance sheet date, 94.5% of the IFRS portfolio carrying amount related to holdings in Germany. Measured at fair value in accordance with IFRS, 68.8% of the portfolio value related to the five largest holdings as of the reporting date.

The purchase price was paid in the first quarter of 2015. In addition, the stake in the Polish holding Instream Media Sp. z o.o. was sold to the founders for a symbolic price.

#### Events after the reporting date

At the end of March, bmp media investors AG sold its stake in Freshmilk NetTV GmbH as part of a management buyback. The price was at current book value and above acquisition cost.

### Investments as at 31.12.2014

	Name	Entry	Share %	Phase	Volume € million
1	brand eins Medien AG	02/2011	35.36	Expansion	3 - 5
2	castaclip GmbH	08/2012	25.08	Expansion	0.5 - 1.5
3	dailyme TV GmbH	12/2007	46.18	Expansion	1.5 - 3
4	department one GmbH	03/2013	45.00	Expansion	< 0.5
5	European Telecommunication Holding E.T.H. AG	12/1998	2.12	Expansion	0.5 - 1.5
6	ferret go GmbH	04/2013	30.98	Start-Up	< 0.5
7	Freshmilk NetTV GmbH	10/2011	16.50	Start-Up	< 0.5
8	Heliocentris Energy Solutions AG	12/1999	4.84	Expansion	1.5 - 3
9	Instream Media sp. z o.o.	09/2011	25.93	Start-Up	< 0.5
10	iteelabs sp. z o.o.	06/2012	24.71	Start-Up	< 0.5
11	iversity GmbH	07/2011	25.25	Start-Up	0.5 - 1.5
12	K2 Internet S.A.	06/2012	14.78	Expansion	0.5 - 1.5
13	komoot GmbH	10/2013	5.34	Expansion	< 0.5
14	Motor Entertainment GmbH	01/2009	10.87	Expansion	< 0.5
15	Retresco GmbH	04/2012	40.56	Expansion	0.5 - 1.5
16	sleepz GmbH	06/2014	16.06	Expansion	< 0.5
17	Ubertweek GmbH	11/2011	27.06	Start-Up	0.5 - 1.5
18	vertical techmedia AG	04/2010	22.50	Expansion	< 0.5
19	Xamine GmbH	04/2010	46.34	Expansion	0.5 - 1.5

## Overview of holdings in alphabetical order as at 31 March 2015

(shareholdings may differ between 31 December 2014 and 31 March 2015)

### **brand eins Medien AG**

Speersort 1  
20095 Hamburg  
www.brandeins.de

brand eins Medien AG is a business publisher that, in addition to the business magazine brand eins, produces corporate publishing of special publications through its subsidiary brand eins Wissen GmbH and has its own series of events.

» bnp's stake: 35.36%

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### **castaclip GmbH**

Rudolf-Breitscheid-Str. 185  
14482 Potsdam  
www.ilovevideo.tv

castaclip operates digital video platforms in 4 languages and 22 countries, including the video discovery service "ilovevideo.tv". The company is pursuing the vision of entertaining viewers the world over across all digital end devices with personalised program offerings". With an algorithm-based program design driven by social media, the product platform creates unique viewing experiences for its audience which are monetised by advertising or pay services.

» bnp's stake: 23.91%

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### **dailyme TV GmbH**

Skalitzer Str. 68  
10997 Berlin  
www.dailyme.de

dailyme brings mobile TV to smartphones and tablets. With the free dailyme app users can customize their programs which then are updated automatically over download. dailyme.tv monetizes through revenues from advertisement and premium access fees that are shared with content owners

» bnp's stake: 45.03 %

### **department one GmbH**

Mommsenstraße 11  
10629 Berlin  
www.departmentone.com

department one is a marketing service provider focusing on customer activation and long-term customer retention. It provides a full service range from design through to implementation in areas such as POS-based bonus programmes, innovative social media contests/games, POS and product activation, and complete customer retention and loyalty programmes.

» bnp's stake: 45.00 %

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### **European Telecommunication Holding E.T.H. AG**

Lyoner Str. 14  
60528 Frankfurt am Main  
www.eth-ag.com

E.T.H. is an established landline provider and broadband operator as Millenicom in Turkey. In addition to the ADSL business, the media segment (IPTV business) is being expanded to include new products and services. Under the „Doping TV“ brand, hundreds of films, documentaries and TV series can be downloaded via video on demand with smooth streaming technology through its own networks in co-operation with FilmClub.

» bnp's stake: 2.12 %



**ferret go GmbH**

Berliner Straße 33  
16321 Bernau bei Berlin  
www.ferret-go.com

ferret go GmbH operates a scalable SaaS solution for content analysis. This is used as an evaluation tool for social or news media and provides summary insights or detailed individual information from heterogeneous sources: from user comments on rating platforms or e-mails from CRM and customer management systems through to reader opinions on major media websites – the ferret Content Analytics Platform uses computational linguistic methods to gain an insight into the topics that concern consumers and the mood on the web or forms part of the business intelligence layers in information gathering.

» bmp's stake: 24.82 %

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**Heliocentris Energy Solutions AG**

Rudower Chaussee 29  
12489 Berlin  
www.heliocentris.com

Heliocentris Energy Solutions AG is a technically leading provider of energy management systems and hybrid energy solutions and services for stationary industrial applications and for products for vocational and university education as well as applied research in the areas of fuel cell, solar, wind and hydrogen technologies.

» bmp's stake: 3.15%

**iteelabs Sp. z o.o.**

Chocimska 3a/6  
00-791 Warszawa  
Poland  
www.betegy.com

BETEGY offers online-based predictions for the results of football matches and interesting football insights. BETEGY offers its users a freemium model and also monetises premium content with results predictions for football matches calculated using a specific statistical algorithm. BETEGY also offers its service via API to companies wishing to provide their users with additional premium content.

» bmp's stake: 24.71 %

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**iversity GmbH**

Berliner Straße 33  
16321 Bernau near Berlin  
www.iversity.org

iversity.org is a platform for online university courses, which gives a global community of students the opportunity to take part in MOOCs (massive open online courses). Revenue is generated by selling value-added services.

» bmp's stake: 25.25 %

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**K2 Internet S.A.**

Ul. Domaniewska 44a  
02-672 Warszawa  
Poland  
www.k2.pl

K2 Internet S.A. is the leading Polish online agency. As a specialized service K2 provides a creative use of the Internet and new media in marketing, sales and customer loyalty and thus strengthens the USP of its customers in these areas.

» bmp's stake: 14.78 %

**komoot GmbH**

Friedrich-Wilhelm-Boelcke-Straße 2  
14473 Potsdam  
www.komoot.de

komoot provides a global integrated guide with ideas and information on possible outdoor destinations and recreational activities, a genuine individual route planner plus visual and linguistic navigation and the option of share with friends – both as a mobile app for iOS and Android as well as online. With its automated date generation and refining, komoot is available worldwide. It is currently monetised via fee-based map packages, which are also available offline. As a result of the high customer benefits it offers, komoot regularly achieves top rankings in app stores and has been downloaded more than 2 million times.

» bmp's stake: 8.23%

**Motor Entertainment GmbH**

Leipziger Str. 61a  
10117 Berlin  
www.motor.de

Motor Entertainment specializes in artist development in the area of alternative music and acquires rights or supports artists in the exploitation of these rights respectively.

» bmp's stake: 10.87%

**Retresco GmbH**

Heinrich-Roller Str. 16 B  
10405 Berlin  
www.retresco.de

Retresco automates content-driven business models. With automated aggregation, semantic analysis and distribution of all types of content, Retresco optimises the efficiency of production process, service orientation and direct revenue

generation on the part of its customers. The portfolio ranges from semantic content preparation, big data search solutions and content customisation through to the fully automated rendering of digital offerings.

» bmp's stake: 40.56%

**sleepz GmbH**

Seestraße 35  
14974 Ludwigsfelde  
www.sleepz.com

sleepz GmbH operates a large number of e-commerce shops and channels relating to the theme "sleep" with proprietary multi-channel software. With over 100,000 customers, its main brand "perfekt-schlafen.de" is already one of the larger players in this segment in Germany.

» bmp's stake: 16.06%

**Ubertweek GmbH**

Schönhauser Allee 149  
10435 Berlin  
www.tweek.tv

Tweek combines the interest and user data available in social networks with the metadata of entertainment content to provide more personalised recommendations that go beyond CPU-intensive recommendation algorithms. In the business customer segment, Tweek offers a corresponding personalisation function as a server-side interface for integration in the products of video-on-demand portals, cable network operators and streaming services.

» bmp's stake: 27.06%

**vertical techmedia AG**

Destouchesstraße 68  
80796 München  
[www.verticaltechmedia.de](http://www.verticaltechmedia.de)

vertical techmedia AG markets the leading vertical online media network for high-tech, consumer electronics, IT and gaming in the German-speaking countries. The company's mission is to connect advertisers – predominantly targeting male consumers passionate about technology – with online publishers within the technology segment.

» bmp's stake: 22.50 %

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**Xamine GmbH**

Holzstraße 28  
80469 München  
[www.xamine.com](http://www.xamine.com)

With a corporate infrastructure comprising over 564 sites, Xamine works around the clock in 56 countries to analyse more than 250 million advertisements and over 9 billion search results using some of the largest search engines on the Internet. The company's core competence is increasing budget efficiency in search engine advertising. Using its own specially developed online analysis system, Xamine provides detailed information on the market and competition for search engines. The Xamine team works directly for companies and agencies specialising in the fields of SEA, SEO, advertising and PR.

» bmp's stake: 46.34 %

## The bmp Share

In business year 2014, bmp media investors AG shares experienced negative development. The share began the year at € 0.80, while the year-end price was € 0.66, down 17.7%. It peaked at € 1.03 in January, while its low was € 0.65 at the year end. Stock market turnover in Germany at € 7.9 million in 2014 was again slightly higher than the previous year (€ 6.8 million). In 2014, a total of 12.5 million bmp shares were traded on exchange, 9.3% of which on the Warsaw Stock Exchange.

In February 2014, a capital increase of 1.88 million shares was successfully placed at an issue price of € 1.00 per share. The proceeds generated by the capital increase were used mainly for further financing of existing equity investments.

In view of the discussions with the Federal Financial Supervisory Authority on the application of the German Capital Investment Code to bmp media investors AG, the Executive Board decided not to make any further new investments due to risk considerations. After communication of this legally uncertain situation and as

there were also no larger exits, the share price developed considerably worse than anticipated in the second half of the year. This is unlikely to change in any major way until the realignment of the company to an operating holding company has been concluded.

### Shareholder structure

As of 31 December 2014, Oliver Borrmann held 15.30% of a total of 20,701,174 shares, Roland Berger Strategy Consultants GmbH 5.77% and Carin Pepper 9.60%. 69.33% of the shares were in free float.

Members of the Executive Board held 15.67% of the shares at the balance sheet date.

ISIN	DE0003304200
WKN	330420
Bloomberg	BTBA
Reuters	BTBGk.DE
Marktsegment	Prime Standard

## Management report of bmp media investors AG for business year 2014

In addition to the further development of the existing holdings, the focus of work at the company was changes in the regulatory situation. Since July 2014, the German Investment Code applies. This regulates possible approval requirements, also for venture capital companies.

With the uncertainty relating to the approval requirements for the bmp media investors AG investment activities, only one investment was made in 2014, sleepz GmbH. The investment in Greenhanger GmbH was sold to co-shareholders at a symbolic price in October 2014.

### Structure of the annual financial statements

The assets side of the balance sheet consists predominantly of shares in investments. A material change in this structure is not anticipated. However, cash and cash equivalents will rise as a result of disposals of investments.

Investments and loans (incl. listed securities)	99.58%
Bank balances	0.09%
Other	0.33%
<b>Total</b>	<b>100.00%</b>

By contrast, the equity and liabilities side predominantly consists of equity.

Shareholders' equity	94.26%
Liabilities	5.74%
<b>Total</b>	<b>100.00%</b>

In terms of revenue, the income statement was determined by revenue from sales of investments and the associated reduction in carrying amount.

In addition to personnel expenses for currently one employee, costs are currently incurred for investment consulting of 2.5% p.a. plus VAT on the average equity of bmp media investors AG in accordance with IFRS and a possible 15%

profit share. Other operating expenses reflect primarily the costs of stock market listing, IR and PR costs and costs for the financial statements and audits.

Revenue from the sale of equity investments and securities held as current assets amounted to € 91 thousand in 2014 (previous year: € 1,034 thousand), with net income from revaluation totalling € 883 thousand (previous year: € 1,819 thousand). bmp media investors AG generated a net result according to IFRS of € -290 thousand in business year 2014 (previous year: € 1,321 thousand). Following the capital increase in February 2104, the share capital went up from € 18.3 million to € 19.9 million. The equity ratio moved down from 96.1% to 94.3%. As of 31 December 2014 current bank loans of € 0.2 million were utilised. There was no significant level of bank balances. Short-term, marketable securities decreased to € 2.5 million as at 31 December 2014 (previous year: € 2.9 million).

### Market development and market position:

According to data (2014 annual report) from the German Private Equity and Venture Capital Association, the venture capital segment continued its positive development from 2013, even if momentum was not quite as high. Venture capital financing continued to be successful.

At € 0.65 billion, the venture capital investments did not quite match the level of the previous year (€ 0.72 billion), with all sub-areas (seed, start-up and later stage investments) posting downturns on 2013.

The number of companies financed with venture capital declined slightly, from 740 to 712. Overall, the number of companies funded with venture capital accounted for 53% of all companies funded in 2014. On the other hand, in

2014 investment volume in the area of private equity income by 40% from € 5.05 billion to € 7.06 billion. These are figures from market statistics, i.e. transactions at German companies, irrespective of the origin of the investment companies. The considerable upturn is due primarily to buyout transactions of foreign institutions.

These figures clearly show the central role played by investment capital in this country in the financing of what are mainly small and medium-sized enterprises. Only 11% of the companies funded over the course of the year had more than 200 employees and only 12% generated revenue of over € 50 million, according to the German Private Equity and Venture Capital Association.

In 2014, the sale of investments declined slightly against the (strong) 2013 year. The volume of investment sales reached € 5.37 billion, which represents a decrease of approximately 6% on the previous year (€ 5.72 billion). However, the lower figure is due primarily to a decline in total write-offs (divestment volume relates to the original investment amount, i.e. acquisition costs) and this is to be regarded positively from an overall perspective. With divestments of € 442 million, the venture capital sub-area reached almost exactly the level of the previous year (€ 444 million). Trade sales were the most prevalent exit route here, accounting for 49% of the total volume.

Sentiment among German equity investors improved over the course of 2014. It is particularly the early stage investors who are more satisfied. This is shown in the most recent Private Equity Barometer, the sentiment indicator for the investment market prepared jointly by the German Private Equity and Venture Capital Association and KfW. It shows that the upturn for sentiment for early phase financing moved up

to the second highest figures since the indicator was created in 2003. The German Private Equity and Venture Capital Association is confident that this positive trend will also continue in 2015.

## Business development

### Venture capital investments

There are 19 equity investments in the portfolio.

All of the investments come from the two markets that are relevant to bmp, namely Germany and Poland. One new investment was made - sleepz GmbH. At the same time, there was one disposal from the portfolio: the holding in Greenhanger GmbH was sold to co-shareholders.

Total investments in the area of venture capital direct investments amounted to € 2.6 million in business year 2014. Follow-up investments were made in some existing investments in addition to the new investment mentioned above.

### Organisation and employees

Since the separation of the fund manager (bmp Beteiligungsmanagement AG) from the portfolio (bmp media investors AG) in 2011, responsibilities for departments have not been assigned and a chairman/CEO has not been appointed.

As at the reporting date, one permanent employee worked at bmp media investors AG in addition to the Executive Board. One person was employed on average throughout the year.

### Financial situation:

#### Profit situation

The company reported an annual result of € -290 thousand in business year 2014. Earnings thus deteriorated compared with the previous years' net income of € 1,321 thousand.

Revenue from the sale of equity investments and securities amounted to € 91 thousand (previous year: € 1,034 thousand), while there was consulting and commission income of € 718 thousand (previous year: € 712 thousand). Other operating income decreased sharply from € 606 thousand to € 23 thousand, primarily resulting from a release from liabilities of € 584 thousand granted by KfW-Bankgruppe in the previous year. At € 63 thousand, personnel expenses were at the same level as the previous year (€ 64 thousand). Other operating expenses declined from € 2,506 thousand to € 1,971 thousand, driven primarily by a lower profit share. Due to the fact that some equity investments did not develop in line with expectations, write-downs on financial assets and securities increased from € 1,718 thousand to € 2,289 thousand.

The return on equity, measured by net income for the business year and in relation to average shareholders' equity, was -1.5%.

#### Assets and capital structure

Fixed assets include shares in investment companies and loans given to these companies. At € 18,438 thousand, they comprise 99.96% of fixed assets. Working capital dropped 32.7% from € 3,892 thousand to € 2,620 thousand. Cash in hand and bank balances were € 19 thousand at the end of 2014 following € 819 thousand in 2013. The balance sheet total increased from € 19.1 million to € 21.1 million.

Equity rose 8.3% from € 18.3 million to € 19.9 million. Liabilities rose from € 179 thousand to € 372 thousand. By contrast, the equity ratio moved down from 96.1% to 94.3%.

#### Liquidity

Marketable securities and cash equivalents were € 3.4 million at the end of the year (previous year: € 4.8 million).

#### Opportunities and risks of future development, risk management:

The German Investment Code was passed in the Bundestag on 16 May 2013 with most of its regulations coming into force on 22 July 2013. The German Investment Code opts for a comprehensive regulation approach and covers all collections of capital which can be classified as investment assets. Investment assets in the meaning of section 1 (1) sentence 1 German Investment Code is each undertaking for joint investments which collects capital from a number of investors in order to invest it for the benefit of these investors in line with a stipulated asset strategy and which is not an operating company outside the financial sector. If a specific structure falls until this definition, it is covered in principle by the German Investment Code. As a result, the management and sales of units is subject to specific permission and registration obligations.

On the matter of investment strategy, the Federal Financial Supervisory Authority states the following:

“A further proviso is that the undertaking for joint investments which collects capital from a number of investors invests it “in line with a stipulated investment strategy” for the benefit of these investors. The term “investment strategy” is not defined either in the AIFM Directive or in the German Investment Code.

According to the regulations of the ESMA (European Securities and Markets Authority) an undertaking has a stipulated investment strategy if in the context of a strategy it specifies how the joint capital must be managed in order to generate a common return for the investors.

The following characteristics individually or cumulatively can indicate the existence of an investment strategy:

» the strategy is stipulated no later than the

- time the participation of the investor has become binding;
- » the strategy is recorded in a document which is part of the investment conditions or the Articles of Association of the undertaking or reference is made in the investment conditions to the Articles of Association;
  - » the undertaking has a legally binding obligation which can be asserted by the investors to adhere to the strategy on behalf of the investors;
  - » the strategy details the directives according to which the investment has to be made (e.g. investment in specific categories of assets, restrictions at asset allocation, following specific strategies, investment in specific geographic regions, restrictions on leverage, specific holding periods or other risk diversification requirements).

According to the explanatory memorandum to section 1 (1) German Investment Code, the existence of a specified investment strategy requires that the criteria according to which the collected capital is invested is determined precisely in writing to an extent which goes beyond a general business strategy (in what followings "corporate strategy"). A specified investment strategy thus distinguishes itself from a general corporate strategy in that the investment criteria are precisely determined and the scope for action of the AIFM is restricted in the investment conditions, the Articles of Association or in the shareholder agreement."

In the view of the company and its legal advisors, there is no specified investment strategy so that bmp media investors AG does not come under the purview of the German Investment Code. The purpose of the company stated in the bmp media investors AG Articles of Association reflects the general corporate strategy and does not meet the above criteria. Unfortunately the Federal Financial Supervisory Authority does

not share this opinion. More detailed reasons were not provided.

As a result the Executive Board is examining how it can deal with legal consequences resulting from this Federal Financial Supervisory Authority assessment and what this means for all shareholders and stakeholders. It is also being examined whether the services necessary for this can be provided internally or whether they may be provided by a third party and the extent to which the flexibility required for the VC business remains.

In addition to the considerable financial resources required to establish an internal structure or for an external service provider, there would also be increased costs for the valuation of the equity investments and for the external depository holding. The holdings in the equity investments would have to be delivered to a securities account at this depository holding. As the depository holding is liable for the proper transfer of the holdings, it is probable that each deposition would be accompanied by a legal statement.

Overall, the Executive Board, with the approval of the Supervisory Board, came to the conclusion that with these conditions a profitable and streamlined continuation of the venture capital business is no longer possible. It should also be noted that infringements against the German Investment Code can result in imprisonment for up to three years or a fine for the Executive Board members. On the other hand the Federal Financial Supervisory Authority has the right to appoint someone to wind up the company.

#### **Direct investments**

Venture capital is speculative or risk capital, granted with the aim of achieving high returns. Compared with other forms of financing, venture capital clearly has a higher risk potential and requires a high degree of support. As the



companies neither generate profits, nor can the success of their business model be taken for granted at the time the investment is entered into, this presents a high risk for the company. In principle, this risk increases significantly with greater proximity to the founding of the company.

#### **Time of disposal and attainable disposal proceeds**

bmp media investors AG generates income primarily from the sale of investments to an institutional or industrial investor (trade sale) or by means of floatation (IPO). These sales methods are also called exit channels. The company cannot guarantee that an investment can be sold at a profit or sold at all.

With a view to the regulatory requirements resulting from the German Investment Code in combination with the resulting requirements to sell the investments, the sale of investments is rendered more difficult and can thus result in negative results of bmp media investors AG.

#### **Uncertainty of the economic development of individual companies in the portfolio**

Write-offs of investments or even the total loss of investments due to insolvency cannot be avoided despite many years of business experience and intensive investment controlling, nor are they unusual especially with early stage financing. bmp media investors AG counteracts the financial impact of a drop in the value of investments with early support and countermeasures, the continuous improvement of investment control as well as appropriate provisions for risk (recognising valuation allowances) in accounting measurement.

#### **Cluster risks**

The three biggest holdings together represent around 47% of the carrying amount of equity investments and securities. The carrying amounts of brand eins Medien AG, iversity

GmbH and castaclip GmbH range between € 3.0 million and € 3.5 million.

#### **Risks from foreign companies**

bmp media investors' foreign investments are subject to the laws of each respective country. In addition, individual agreements are also subject to the laws of each respective country. The company is thus exposed to the usual dangers and risks of a foreign legal system. The application of foreign law as well as country-specific conditions can thus lead to unexpected risks. At present, bmp holds three foreign investments in Poland.

#### **Liability associated with the disposal of investments**

In terms of the disposal of investments, bmp investors AG as the seller or - under some circumstances - as a partner with the participation of other investors may have to grant guarantees particularly in regard to tax liabilities in favour of the purchaser or the purchasers. bmp media investors AG strives to limit the liability arising from such guarantees and indemnities to a certain percentage of the purchase price, insofar as guarantees are accepted at all. bmp media investors AG cannot rule out the possibility that such liabilities will occur in some individual cases.

#### **Risks of changes in interest rates**

The liabilities do not present any risks of changes in interest rates. Variable interest rates are assessed on all current money investments.

#### **Risk from contractual relationships**

With bmp Beteiligungsmanagement AG there is an investment consultancy agreement which runs to 31 December 2021. As the contractual performance is not required or not required in full as a result of the changed business model, there is the risk that an early termination of the contract would result in having to pay a compensation payment.

### Currency risks

In the past, the company has used various methods to pay in foreign currency for the acquisition of an investment or to receive payment for the disposal of an investment. Depending on the time of the initial investment and its disposal, there may also be a capital gain or loss due to currency fluctuation in addition to the gain or loss from the disposal. Another risk is that the company must accept exchange losses from foreign currency balances if no hedging transactions exist.

### Risks resulting from changes to legal conditions

There is the risk that in addition to the German Investment Code there will be further regulatory obstacles which could lead to higher costs of a further restriction of operations.

### Risks resulting from the changed business model

The management will propose a change of the business purpose to the Annual General Meeting on 17 June 2015. If the Annual General Meeting approves this change, then bmp media investors AG will become an operating company outside the financial sector which is subject to the relevant risks with its majority holdings in subsidiaries. At the moment these cannot yet be quantified.

### Company dependence on economic cycles and financial markets

Up to now, the economic success of bmp media investors AG has been dependent primarily on the price at which bmp media investors AG can acquire its investments or holdings, the positive development of the companies in the investment portfolios and the disposal proceeds generated. A negative commercial development for all, several or individual companies in the portfolio can be caused by various external or

internal factors that the company may not be able to influence. The economic success of bmp media investors AG is heavily dependent on the general economic development, the development of the industries in which bmp media investors has invested and the development of the financial markets.

In the context of future business operations, this risk will become lower and be replaced by new industry-specific risks.

### Overall evaluation and risk management

bmp media investors AG has recognised extensive provisions for all discernible individual risks in the annual financial statements for 2014. Activities in the area of risk management were further expanded in 2014.

In 2011, the Executive Board hived off its investment management to what was then the subsidiary bmp Beteiligungsmanagement AG. At regular intervals it checks the work of this service provider by way of spot checks at the level of both the equity investments and the company. A quality handbook has been created.

The service provider in the investment consultancy agreement, bmp Beteiligungsmanagement AG, has developed an integrated system of investment controlling that allows it to assess the quantity and quality of risks arising in its investment business. In addition to comparing forecast and actual data at both an investment level and company level, the system enables full reporting while satisfying the purpose of a management information system.

Economic developments in our holdings are monitored by bmp Beteiligungsmanagement AG through intensive contact with the companies. The carrying amounts and the value development of investment companies are reviewed quarterly with suitable financial mathematical models. Depending on the type and degree

of development of the investment companies, various measurement models are used to check whether their fair value exceeds amortised cost. The continuous recording of fair values and investment controlling makes it possible to take appropriate measures to counteract undesired developments of the investment interests.

bmp media investors' current liquidity and the available credit facilities are adequate for its existing business. All obligations can be met.

From a current standpoint, if the risks described were to occur individually or together they would still not pose a danger to the continuation of bmp media investors AG as a going concern. In the view of the Executive Board, bmp media investors AG has a lasting capability to remain in existence over the long term.

#### **Remuneration system**

Since 1 July 2011, no remuneration has been paid to the Executive Board by the company. Mr Borrmann and Mr Spyrka are remunerated by bmp Beteiligungsmanagement AG with which an investment consultancy agreement is in place.

In accordance with our Articles of Association, the members of the Supervisory Board have a claim to reimbursement of their expenses and to remuneration.

The fixed remuneration consists of an annual basic salary and remuneration per meeting day.

Finally, the company has taken out D&O insurance for the members of the Executive Board and the Supervisory Board.

#### **Appointment and dismissal of members of the Executive Board, amendments to the Articles of Association**

The appointment and the dismissal of members of the Executive Board of bmp media investors

AG are covered in sections 84 and 85 of the Stock Corporation Act in conjunction with Article 7 of the Articles of Association.

In accordance with section 84 Stock Corporation Act, the Executive Board is appointed by the Supervisory Board of the company for a term of up to five years. In exceptional cases only, a member of the Executive Board can also be court appointed in accordance with section 85 Stock Corporation Act.

The Executive Board of bmp media investors AG consists of one or more members. The Supervisory Board can revoke this appointment and the general appointment to the Executive Board with due cause.

In accordance with section 179 (1) Stock Corporation Act, all amendments to the Articles of Association require a resolution by the Annual General Meeting. The Annual General Meeting can transfer its authority to amend the Articles of Association to the Supervisory Board only in cases where changes affect the wording only. There is a general authorisation in Article 17 of the Articles of Association.

In accordance with section 179 (2) Stock Corporation Act, a resolution to amend the Articles of Association requires a minimum three-quarters majority of the capital represented at the adoption of the resolution. Otherwise, resolutions by the Annual General Meeting in accordance with section 133 Stock Corporation Act are adopted by a simple majority of votes cast in accordance with Article 22 of the Articles of Association of bmp media investors AG, unless a larger majority is required by mandatory legal provisions.

#### **Shares and capital**

The fully paid-in capital amounted to € 20,701,174 as at the balance sheet date. It is divided into 20,701,174 no-par value bearer shares. All shares are vested with the same rights.

The Executive Board is authorised, with the approval of the Supervisory Board, to increase the share capital of the company on one or several occasions up to a total of € 10,350,587.00 by issuing new bearer shares against cash and/or noncash contributions until 26 June 2019, and in doing so stipulate the terms for issuing shares (Authorised Capital 2014/I).

The Executive Board is authorised, with the approval of the Supervisory Board, to issue on one or several occasions up to 26 June 2019 warrants and/or convertible bonds with a total nominal amount of up to € 30 million with or without a limited maturity date and to grant bearers of warrant bonds options and bearers of convertible bonds conversion rights to up to 10,350,587 non-par value bearer shares (shares) of the company in line with the warrant and convertible bond conditions (bond conditions).

The Executive Board is also authorised, with the approval of the Supervisory Board, to buy back up to 1.75 million shares up to 6 July 2015.

In respect of section 289 (4) 3 German Commercial Code, please refer to the notes, which state that further disclosures in line with section 289 (4) are not required.

#### **Integrated internal control and risk management system for the accounting process**

The accounting-related internal control and risk management system that is crucial to the financial statements of bmp media investors AG includes measures that are intended to provide comprehensive, correct and up-to-date communication of information that is required to prepare the annual financial statements and the management report of bmp media investors AG. These measures are intended to minimise the risk of material misstatements in accounting and external reporting.

Accounting is organised centrally. All services pertaining to accounting and controlling are performed at the company's headquarters by bmp Beteiligungsmanagement AG.

Uniform accounting based on the regulations applicable to the parent company is guaranteed by central processing and central accounting policies. Using the central accounting guideline, the proper measurement of investments is ensured by consistently observing the dual control principle.

#### **Corporate governance declaration**

The corporate governance declaration has been published on our homepage [www.mediainvestors.com](http://www.mediainvestors.com) under "Investor Relations/Corporate Governance/Corporate Governance Declaration".

#### **Events after the balance sheet date**

On 4 February 2015, the Executive Board and the Supervisory Board of bmp media investors AG resolve to propose the shareholders a change of the business purpose at the Annual General Meeting on 17 June 2015.

The background of this decision is the current interpretation of the German Investment Code by the Federal Financial Supervisory Authority which means that, without a corresponding change in the Articles of Association, bmp media investors AG would in the future to subject to additional regulations that would result in additional financial charges and restrictions in the scope of action which in the opinion of the Executive Board and Supervisory Board would not be acceptable for the shareholders and the company.

By letter dated 23 March 2015, the Federal Financial Supervisory Authority informed the company on the condition of a corresponding change in the Articles of Association and a sale of the preponderant part of the investment

portfolio that the Federal Financial Supervisory Authority assumes that the das German Investment Code is not to be applied to bmp media investors AG.

### Forecast report

#### Market environment

After the planned change of the company purpose at the Annual General Meeting on 17 June 2015, the company will concentrate on a new market segment outside the venture capital business. From today's perspective, we anticipate that we will address a relatively stable and large market.

#### Investment activity

Due to the regulatory changes, bmp media investors AG will not acquire any more equity holdings with the intention of a later sale. Within the context of the new business purpose, it is possible that the company acquires strategically appropriate majority holdings.

#### Forecast result of operations

Due to the regulatory requirement of selling the preponderant part of the equity investments, we do not expect to close the 2015 business year with a profit. Rather, we anticipate acquiring a majority stake in at least on equity investment where the budget anticipates closing 2015 with a loss. Depending on the level of the stake and the time the majority holding is acquired, this equity stake will contribute a result of approximately € -0.5 million that in conjunction with the existing cost structures in the company will result in a loss of approximately EUR 1.5 million to € 2 million in 2015. The gain or loss on disposal of the preponderant part of the equity holdings can impact this result in a positive or a negative fashion.

#### Opportunity report

The Executive Board anticipates that the restructuring requirements in the current business year will be used to make preparations for establish the basis for growing profitably with a new profit over the next few years.

Berlin, 2 April 2015

Oliver Borrmann

Jens Spyrka

## Report of the Supervisory Board of bmp media investors AG

Dear shareholders,

In the dual management system of a stock corporation under German law, the Supervisory Board is the control body responsible for monitoring the Executive Board's management of the company on a continuous basis. We are also available to the Executive Board in an advisory and supportive capacity, particularly with regard to strategic issues affecting the company and other important transactions.

Our actions are always based on the principles of responsible and good corporate governance, which focus particularly on monitoring the legality, proper order, expediency and economic efficiency of the company's management. In business year 2014, we once again fulfilled our duties responsibly, carefully and in full.

### **Collaboration between the Executive Board and the Supervisory Board**

To ensure that we are in a position to fulfil our monitoring task, it is paramount that we receive regular and fully comprehensive reports from the Executive Board and that there is trustful dialogue between the Executive Board and the Supervisory Board.

On the one hand, the Executive Board provides verbal reports at meetings of the Supervisory Board. Here, in accordance with Section 90 (1) of the German Stock Corporation Act (AktG), it reports, for example, on the planned business policy and on other fundamental questions relating to corporate planning including financial, investment and human resources planning as well as in regard to the company's profitability. For months in which no meeting of the Supervisory Board or discussion of quarterly reports takes place, we have agreed that the Executive Board will submit a written report.

Moreover, the size of both the Executive Board and the Supervisory Board means that it is un-

problematic to hold discussions by e-mail or to convene teleconferences whenever unforeseeable events arise. We also hold teleconferences to discuss interim financial reports if they are not due to be discussed at a Supervisory Board meeting that is already scheduled to take place.

Information from the Executive Board is provided to us sufficiently well in advance and is appropriate in terms of quantity and quality. We thus had a fully comprehensive picture of the company's position, the status of individual projects and the financial and risk situation at all times. It was therefore possible for us to discuss all the issues properly and without any restrictions at all times. Equally, there were therefore no obstacles to passing resolutions based on proposals of the Executive Board requiring Supervisory Board approval in accordance with the law, Articles of Association or rules of procedure.

### **Topics at plenary meetings of the Supervisory Board**

As prescribed by law, the Supervisory Board held four meetings requiring attendance in person in business year 2014.

We also held five teleconferences. Two of these teleconferences related exclusively to the discussion of interim financial reports, which meant that no resolutions were passed in this connection.

A resolution concerning additions to the agenda of the Annual General Meeting 2014 was passed by e-mail vote and was approved in writing by the Chairman of the Supervisory Board on 6 May 2014.

All the members of the Supervisory Board participated in the four meetings requiring their personal attendance as well as in the teleconferences. The members of the Executive Board also attended these meetings and were available to discuss the relevant issues there. Where it

was deemed necessary or useful with regard to individual topics, the Chairman of the Supervisory Board also invited guests to attend the meetings and teleconferences, including in particular the CFO of bmp Beteiligungsmanagement AG.

At the meetings of the Supervisory Board, we were regularly updated by the Executive Board with regard to the current situation of the company and the status of the investments as well as about strategic considerations. Since we refrained from forming committees in view of the size of the Supervisory Board, our Supervisory Board meetings also dealt regularly with matters relating to the risk situation and risk management, compliance and accounting as well as HR matters concerning the Executive Board.

In the past business year, we dealt with two topics particularly thoroughly.

One of these topics related to the capital increase carried out in February 2014 where subscription rights were disapplied. We had already initially considered and discussed this measure in principle in business year 2013, enabling further debates on the topic to take place at the start of 2014 particularly by e-mail, in bilateral telephone calls between the Executive Board and the Supervisory Board and during teleconferences on 14 February 2014, 20 February 2014 and 26 February 2014. The Supervisory Board also passed the necessary resolutions during the teleconferences.

Throughout the whole of business year 2014 – at all meetings as well as by e-mail and in bilateral telephone calls between the Executive Board and the Supervisory Board – we also dealt particularly thoroughly and comprehensively with the impact on bmp media investors AG of the German Capital Investment Code (KAGB), which came into force in July 2013, and debated

necessary and alternative courses of action. We had already commenced our discussions on the topic in the previous business year.

As this topic was especially significant for the company, a comprehensive legal consultation was and is being used in this regard and the process supported by a well-known law firm.

In addition, our meeting of 10 April 2014 focused on the reports and discussion of the annual financial statements 2013. The auditor elected at the previous year's Annual General Meeting was present at the meeting and was available to answer questions. Furthermore, we approved the report of the Supervisory Board for business year 2013 and the resolutions proposed by management for the Annual General Meeting 2014. We also resolved to extend the appointment of the Executive Board and approved the acceptance of an advisory board mandate at an investment by the Executive Board member Jens Spyrka.

At the meeting of 27 June 2014, we were briefed on IR and PR activities in the first half of 2014 and also briefly discussed potential further financing options in this regard, both of which are over and above the usual scope of reporting.

The timing of the meeting of 26 August 2014 was such that we were firstly able to discuss the Half Year Report at this meeting. We also dealt in detail with the liquidity position and long-term financing of the company. In this connection, the Executive Board and the Supervisory Board discussed a large number of different options and their respective opportunities and risks. This meeting further focused on the topic of risk management. The Executive Board briefed us on the further development of the risk management system as well as on the handling of present or potential risks. In connection with this, we were also given a comprehensive report on the current status with regard to the impact

of the KAGB.

Finally, we also directed particular attention to the topic of the KAGB at the meeting of 3 December 2014. We were briefed in detail about the current status of discussions with the Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht), defined the actions necessary in the short term together with the Executive Board and discussed various alternative courses of action. In addition, we approved the annual plan for 2015. We also debated corporate governance at the company and together with the Executive Board approved the annual Statement of Compliance pursuant to Section 161 of the German Stock Corporation Act (AktG).

#### **Corporate governance**

As mentioned above, the Executive Board and the Supervisory Board also dealt with the topic of corporate governance in 2014 and issued the annual Statement of Compliance pursuant to Section 161 AktG. It was published on our company homepage [www.mediainvestors.com](http://www.mediainvestors.com) in December 2014 and is also part of the corporate governance declaration pursuant to Section 289a of the German Commercial Code (HGB) along with further information on corporate governance at bmp. The corporate governance declaration can also be found in the Annual Report.

Due to the parallel listing of its shares on the regulated market of the Warsaw Stock Exchange, bmp media investors AG is also required to observe the principles of good corporate governance, as set out in the "Code of Best Practice for Companies Listed on the Warsaw Stock Exchange" (Dobre Praktyki Spółek Notowanych na GPW). The executive board also produces a report on this on the extent to which these principles are observed. This report is – as with all other information that has been or must

be published in line with the capital market regulations applicable in Poland – made immediately available in Germany on our company homepage.

We review the efficiency of our work on an ongoing basis. As our board consists of only three members and we are thus able to identify and remedy any weaknesses quickly, to date we have deliberately chosen not to mandate an external consultant to evaluate the efficiency of our activities. In doing so we weighed up the costs against the potential benefits.

No conflicts of interest concerning members of the Executive Board or Supervisory Board that require notification to the Annual General Meeting were disclosed in business year 2014.

#### **Audit of the annual financial statements 2014**

bmp media investors AG has prepared its separate financial statements 2014 in accordance with national financial reporting standards (HGB). Additionally, and as a voluntary information medium for shareholders, the company is publishing financial statements for business year 2014 in accordance with the principles of the International Financial Reporting Standards, the application of which is mandatory in the EU. The Executive Board is responsible for the preparation of the financial statements.

The annual financial statements according to HGB and the Management Report as at 31 December 2014 were properly audited by the accountancy firm elected at the Annual General Meeting 2014, RSM Verhülsdonk GmbH; Wirtschaftsprüfungsgesellschaft - Steuerberatungsgesellschaft, Düsseldorf, Berlin office. The auditor focused particularly on the carrying value of the equity interests, changes in the investment portfolio and the review of revenue realisation. The auditor gave the annual financial state-



ments 2014 an unqualified audit certificate.

At our Supervisory Board meeting on 22 April 2015, we dealt in detail with the annual financial statements, the Management Report and the auditor's audit report.

The Executive Board had delivered the necessary documents to us sufficiently in advance of the meeting. We were thus able to obtain an independent picture.

We discussed the annual financial statements extensively with the Executive Board and the auditor. Our own review of the financial statements and the information provided by the auditor and the Executive Board did not give rise to any objections.

We therefore endorsed the annual financial statements as at 31 December 2014 in accordance with HGB, which were thereby approved.

#### **Personnel matters**

The appointment of Mr Oliver Borrmann and Mr Jens Spyrka expired on 30 June 2014.

At our meeting of 10 April 2014, we extended both of their appointments as members of the Executive Board until the end of 30 June 2017.

The Supervisory Board would like to thank the members of the Executive Board as well as our employee for their work throughout business year 2014.

Berlin, 22 April 2015

Gerd Schmitz-Morkramer  
Chairman of the Supervisory Board

## Corporate governance declaration in accordance with Section 289a of the German Commercial Code (HGB)

(also Corporate Governance Report in accordance with Section 3.10 of the German Corporate Governance Code in the version dated 24 June 2014)

We understand corporate governance to mean the responsible management and control of a company directed at long-term added value and taking equal account of the interests of all stakeholders. It is a complex network of situations, rules of conduct and rules which assist in the implementation of such corporate governance.

In this process, the recognised standard and key guidance for designing a corporate governance system is the German Corporate Governance Code. This sets out internationally and nationally recognised standards for good and responsible corporate governance that the company must observe in principle.

On 3 December 2014 as part of the Statement of Compliance pursuant to Section 161 of the German Stock Corporation Act (AktG) that must be submitted once per year, the Executive Board and the Supervisory Board of bmp media investors provided the following information on the extent to which the company followed the recommendations of the German Corporate Governance Code:

### I. Annual Statement of Compliance in accordance with Section 161 of the AktG

At least once per year, the Executive Board and the Supervisory Board of bmp media investors AG are obligated to submit a statement regarding the extent to which the company followed the recommendations of the current version of the German Corporate Governance Code (the "Code") in the reporting period and will follow them in future (statement of compliance).

With reference to their statement last submitted on 2 December 2013 as well as to previous statements, the Executive Board and the Supervisory Board of bmp media investors AG declare, in accordance with Section 161 AktG, that the recommendations of the Government Com-

mission of the German Corporate Governance Code (version dated 24 June 2014; published by the Federal Ministry of Justice in the official section of the Federal Gazette [Bundesanzeiger] on 30 September 2014) have been and will be complied with, with the following restrictions:

#### » D&O insurance deductibles (Section 3.8)

With regard to D&O insurance for Supervisory Board members, the Code recommends a deductible equal to the legally prescribed deductible for members of the Executive Board in accordance with Section 93 (2), sentence 3 AktG. bmp media investors AG considers the measure neither suitable for increasing the motivation and sense of responsibility of the members of the Supervisory Board nor appropriate in view of the low level of Supervisory Board remuneration.

#### » Diversity in filling managerial positions (Section 4.1.5)

The Code recommends that diversity be ensured when filling managerial positions in the company, particularly with regard to appropriate consideration of women. bmp media investors AG employs only one person. The recommendation was not and will not be followed.

#### » Composition of the Executive Board (Section 4.2.1)/diversity in the filling of Executive Board positions (Section 5.1.2)

The Code recommends that the Executive Board consist of more than one person and have a chairman or spokesperson. In addition, responsibilities for departments should be set down in the rules of procedure. Furthermore, the Supervisory Board is to ensure diversity in the composition of the Executive Board and, in doing so, strive for appropriate consideration of women in particular.

The Executive Board of bmp media investors AG is composed of only two members, who have the same areas of responsibility. Therefore, the Supervisory Board deems the nomination of one of the Executive Board members as Chairman, as

well as the formulation of an allocation of duties, to be impractical. This also applies to the use of characteristics that go beyond the criteria of expertise and competence in the search for suitable Executive Board candidates.

» **Composition of the Supervisory Board (Section 5.4.1 - 5.4.2)**

The Code recommends that the Supervisory Board establish specific targets with regard to its composition, taking into account the international activities of the company, potential conflicts of interest, the number of independent Supervisory Board members as per Section 5.4.2, an age limit for Supervisory Board members (to be defined), and diversity, particularly with regard to the appropriate consideration of women, in light of the company's specific situation. These targets should also be taken into consideration by the Supervisory Board when making candidate recommendations to its selection committees; together with the Executive Board, the Supervisory Board is to publish information on target implementation status as part of the Corporate Governance Report. Furthermore, when making recommendations at the Annual General Meeting, the Supervisory Board is to disclose each candidate's personal and professional relations to the company, to bodies of the company, and to any major stockholder.

Due to the size of the company, the Supervisory Board of bmp media investors AG consists of only three members. Given these circumstances, the Supervisory Board considers the use of criteria for the selection of Supervisory Board candidates beyond expertise and competence to be unsuitable. Accordingly, it has not set itself any targets in this regard. This also applies to the number of independent Supervisory Board members as per Section 5.4.2 of the Code. Therefore, there is no corresponding consideration for recommendations to the selection committees and no reporting on the matter. Furthermore, in bmp media investors AG's view, the Code's wording regarding personal relationships of the Supervisory Board to be disclosed

is vague and its delimitation unclear. In the interest of the legal certainty of future Supervisory Board elections, the Executive Board and the Supervisory Board of bmp media investors AG have decided to declare an exception to this recommendation.

» **Proposed candidates for the Supervisory Board chair during Supervisory Board elections (Section 5.4.3)**

The Code recommends that Chairman of the Supervisory Board candidates be announced to shareholders during Supervisory Board elections. However, such an announcement requires that the proposed candidate previously be elected as a member of the Supervisory Board by the Annual General Meeting. Only afterwards shall a decision be made on the election of the Chairman of the Supervisory Board. This is to take place in accordance with Section 11 (1) of the Articles of Association of bmp media investors AG in connection with Section 107 (1) AktG in the first meeting of the Supervisory Board after its election and in the form that the then new Supervisory Board elects the Chairman and the Vice-Chairman from among its own members. This predefinition of proposed candidates for the position of Chairman of the Supervisory Board constitutes a restriction of the right of the Supervisory Board to decide freely on the matter. Therefore, the recommendation was not and will not be followed.

» **Publication of financial reports (Section 7.1.2)**

Contrary to the recommendation of the Code, the annual financial statements are made publicly available within four months after the end of the business year and the interim reports within two months after the end of the respective reporting period, since the costs of faster preparation and publication are disproportionate to the level of information gained by the shareholders.

The Executive Board of bmp media investors AG

does not receive remuneration. In addition, due to its size, the Supervisory Board of bmp media investors AG foregoes the formation of committees. The recommendations under Section 4.2.2 – 4.2.5 (Executive Board remuneration) or under Section 5.2. (2), Section 5.3. (Formation of committees) of the Code therefore do not apply.

## II. Relevant disclosures on corporate governance practices

In addition to the recommendations of the German Corporate Governance Code and due to our parallel listing on the regulated market of the Warsaw Stock Exchange we are also required to observe the “Principles of Good Governance” of the Warsaw Stock Exchange (<http://www.corp-gov.gpw.pl/publications.asp>). As is the case with the recommendations of the German Corporate Governance Code, companies are not legally bound by these principles. However, the company must report once per year on its compliance with the guidelines. (<http://www.mediainvestors.de/en/investor-relations/corporate-governance/corporate-governance-according-polish-law>)

In addition to the German Corporate Governance Code and its Polish equivalent, the principles underlying our actions are based on German law, in particular on stock corporation and capital market legislation, and on bmp media investors AG’s Articles of Association. Compliance is therefore a key management and monitoring task. By this we understand the establishment of measures to ensure compliance with laws and statutes. In this context there are various guidelines on conduct, particularly on the subject of “Dealing with insider information and insider documents”.

With respect to developing such guidelines, it should be taken into account that bmp media investors AG currently only employs one person and a large part of its activities are performed

by bmp Beteiligungsmanagement AG under the terms of an investment consultancy agreement. We have therefore designed our process flows in such a way as to ensure that bmp Beteiligungsmanagement AG also complies with the standards of good corporate governance that are relevant to us. In this respect, the sharing staff of the members of the Executive Boards of bmp media investors AG and bmp Beteiligungsmanagement AG is beneficial to us. This ensures that any necessary process changes are implemented immediately by all employees, including those of bmp Beteiligungsmanagement AG. The management plans to propose a change to the business purpose of the company at the 2014 Annual General Meeting. If the Annual General Meeting agrees with the proposed resolution this will change future process flows.

## III. Description of the working method of the Executive Board and the Supervisory Board

As a stock corporation under German law, bmp media investors is subject to a dual management system according to which the Executive Board manages the company while the Supervisory Board monitors and advises on the Executive Board’s management of the company. In addition to statutory provisions, the company’s Articles of Association form the basis of the principles underlying the actions of the Executive Board and the Supervisory Board. (<http://www.mediainvestors.de/de/investor-relations/corporate-governance/satzung.html>) (in German)

### Executive Board

Our Executive Board currently has two members and was appointed by the Supervisory Board. In this process, the Supervisory deliberately refrained from dividing the portfolios between the individual members and from appointing an Executive Board Chairman.

The Executive Board therefore always decides collectively in all matters of the company's management and strategic alignment, although externally they may also represent the company alone.

The Executive Board members make decisions either in meetings or by way of a circulation procedure. As the Executive Board has only two members, exchanges also very frequently take place on an informal basis. Making decisions by way of circulation also ensures that both members of the Executive Board have the same level of knowledge with regard to the decision they are to make.

Individual transactions require the prior approval of the Supervisory Board. In addition to those transactions that would in any case require approval by law, such transactions include for example the undertaking of investments that exceed a certain amount as well as the disposal of investments below their carrying amount.

### Supervisory Board

In accordance with the statutory minimum requirements, the Supervisory Board of bmp media investors AG consists of three members and is elected by the Annual General Meeting. When making its election proposals to the Annual General Meeting, the Supervisory Board ensures that the candidates individually and collectively possess the abilities and knowledge required to properly fulfil their control function and satisfy the requirements of the law and the Articles of Association. However, in contrast to the requirements of the German Corporate Governance Code, the Supervisory Board has not set itself any targets over and above this as regards its composition. (In this regard please see also the section on diversity below).

The Supervisory Board in turn elects a Chairman and a Vice-Chairman from among its own members. The tasks of the Chairman of the Supervisory Board are primarily of an organisa-

tional and formal nature and are covered in the Articles of Association and rules of procedure. The Supervisory Board meets at least four times a year in accordance with the provisions of Section 110 AktG and also maintains regular and close contact with the Executive Board. It thus obtains written reports from the Executive Board, for example in months in which no meeting or discussion of a financial report is taking place, regarding the current situation, the financial status, IR and PR measures and other significant events.

In general and unless expressly stipulated otherwise by statute or the Articles of Association, resolutions of the Supervisory Board are adopted by a simple majority of votes cast. In the event of a tied vote, the vote of the Chairman of the Supervisory Board is the casting vote. Resolutions may be passed at meetings of the Supervisory Board as well as by telephone, in writing or by e-mail.

The Supervisory Board has refrained from forming committees.

Further details on the activity of the Supervisory Board in business year 2014 and on its collaboration with the Executive Board can be found in the report of the Supervisory Board published with the Annual Report.

## IV. Further information on corporate governance at bmp

### Remuneration

The members of the Supervisory Board receive appropriate remuneration for their activities. This was set by the Annual General Meeting and most recently adjusted in 2013. The Executive Board does not receive any remuneration, however, although its members are reimbursed for expenses incurred in connection with performing their mandates.

The company also maintains pecuniary damage

liability insurance (D&O insurance) for the members of the Executive Board and the Supervisory Board. In accordance with Section 3.8 of the Code, this insurance is also to include a deductible for members of the Supervisory Board equal to the legally prescribed deductible for members of the Executive Board. In view of the low level of Supervisory Board remuneration, bmp media investors AG does not follow this recommendation.

At bmp media investors AG, there are currently no share option schemes or similarly securities-based incentive schemes.

Further information on the remuneration system at bmp media investors AG and the amount of the respective remuneration in business year 2014 can be found in the Remuneration Report, which is part of the Management Report.

#### **Conflicts of interest**

As members of the Executive Board and Supervisory Board, we are equally obligated to serve the interests of the company. We must not let our decisions be influenced by personal interests nor derive any personal benefit from business opportunities that present themselves to the company.

In order to prevent any conflicts of interest, the members of the Executive Board are already subject by law to an extensive prohibition of competition. The Corporate Governance Code also stipulates that members of the Executive Board may take on sideline activities, especially Supervisory Board mandates outside the enterprise, only with the approval of the Supervisory Board.

For its part the Supervisory Board must ensure, above and beyond the statutory regulations that provide for a limit on the number of Supervisory Board mandates a person may undertake, that the person has sufficient time available to perform their mandate.

An overview of the mandates held by us in business year 2014 is published in the notes to our annual financial statements.

In this context the Corporate Governance Code stipulates that any conflicts of interest are to be disclosed to the Supervisory Board by the Executive or Supervisory Board member concerned. In the event that a conflict of interest of a Supervisory Board member is significant and not merely temporary, this must lead to the termination of the mandate.

No conflicts of interest were disclosed in business year 2014.

#### **Composition of the Executive Board and the Supervisory Board/diversity**

With regard to the filling of Executive Board and managerial positions in the company, the Corporate Governance Code requires that the decision-makers concerned ensure diversity, particularly with regard to appropriate consideration of women.

However, the Annual General Meeting decides on the filling of Supervisory Board mandates. In this regard the Corporate Governance Code firstly assumes that the Supervisory Board will be composed in such a way that its members collectively possess the knowledge, abilities and professional experience required to perform their tasks properly.

However, the Supervisory Board, which submits election proposals to the Annual General Meeting in this connection, is at the same time required to establish specific targets with regard to its composition, taking into account the international activities of the company, potential conflicts of interest, the number of independent Supervisory Board members, an age limit for Supervisory Board members (to be defined) and diversity in light of the company's specific situation. These specific targets are to have particular regard to the appropriate consideration of women.

In view of the size of bmp media investors AG and its boards, to date we have refrained from applying fixed criteria beyond those relating to expertise and competence when filling Executive Board mandates and managerial positions. Accordingly and with respect to its election proposals to the Annual General Meeting, the Supervisory Board has not set itself any concrete objectives within the meaning of the Code above and beyond the statutory regulations in accordance with Section 100 AktG and which would be required to be published in this respect.

The German Law for the Equal Participation of Women and Men in Leadership Positions in the Private Sector and the Public Sector (Gesetz für die gleichberechtigte Teilhabe von Frauen und Männern an Führungspositionen in der Privatwirtschaft und im öffentlichen Dienst) was adopted in spring 2015. Pursuant to this law, the company is obligated by 30 September 2015 to establish targets in Supervisory Boards, Executive Boards and the highest levels of management. In light of this the Executive Board and the Supervisory Board will address this issue in the near future.

### **Rights of shareholders**

The share capital of bmp media investors is divided into no-par value shares with voting rights – each share carries one vote. The shareholders, who generally congregate once a year, exercise their right to vote at the Annual General Meeting.

Only shareholders decide on the appropriation of net income, the composition of the Supervisory Board, the discharge of the acts of the Executive Board and the Supervisory Board, the election of the auditor and changes to the Articles of Association.

In principle, any shareholder is entitled to attend the Annual General Meeting, comment on the items of the agenda, file motions and request information on matters concerning the compa-

ny provided that this is necessary for the proper assessment of an agenda item. However, under the Articles of Association the right to attend the Annual General Meeting and thus to exercise voting rights is reserved for those shareholders who have registered to attend the Annual General Meeting while presenting proof of their shareholding by a reference date.

Shareholders who are prevented from attending personally can authorise another shareholder to exercise their voting right. The company also appoints a proxy who, if granted the relevant authority, exercises voting rights in accordance with instructions. However, voting rights cannot be exercised by postal vote or online.

### **Accounting and auditing**

bmp media investors AG prepares separate financial statements in accordance with national financial reporting standards (HGB, German Commercial Code) which are audited by an independent accountancy firm elected by the Annual General Meeting as auditor.

Furthermore, we prepare – currently as a voluntary information medium for shareholders – financial statements in accordance with the principles of the International Financial Reporting Standards (IFRS), the application of which is mandatory in the EU.

Interim reports are prepared pursuant to IFRS and discussed by the Executive Board and Supervisory Board prior to publication.

In consideration of costs and benefits, the separate financial statements are prepared and published within four months of the end of the business year, while interim reports are published within two months of the end of the respective reporting period.

### **Risk management and risk controlling**

bmp media investors AG has put in place a risk management system that is oriented towards the business activities, size and structure of the company. Its most important component is therefore investment controlling. It ensures that

the Executive Board has an up-to-date insight into the economic situation of the investments at all times.

In order that for its part the Supervisory Board is also in a position to fulfil its control function, the Executive Board reports regularly on this subject.

We have documented potential risks, process flows and control mechanisms in the form of a risk management manual.

We examine all of our process flows on an on-going basis and adjust them within a short time frame where the need arises.

For further information on risk management and controlling, refer to the Management Report and the Notes to the Financial Statements.

**Communication and transparency**

We value transparent communication and regularly inform all stakeholders and interested members of the public regarding the development of the business and position of the company. The main source of information in this regard is our homepage [www.mediainvestors.com](http://www.mediainvestors.com). All relevant information and publications can be viewed there both in German and in English.

**Shareholdings of the Executive Board and the Supervisory Board**

As at 31 December 2014, 3,242,956 shares, corresponding to 15.67% of shares issued by bmp media investors AG, were held directly or indirectly by members of our Executive Board. The members of our Supervisory Board held 620,000 shares as of the reporting date, which corresponds to 3.00%.

**Reportable securities trading activities (directors' dealings)**

In accordance with Section 15 a of the German Securities Trading Act (WpHG), the members of the Executive Board and the Supervisory Board, other holders of managerial positions and the persons related to them in each case are required to notify the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht) and the company of their own transactions in shares of bmp media investors AG or financial instruments relating to them. The latter is required to immediately publish the transactions it is notified of.

The following transactions were notified to bmp media investors AG in business year 2014:

Date	Name	Function	Location and type of transaction	Shares	Price per share	Total volume
28.02.2014	Michael Stammmler	Executive or Supervisory Board	Purchase of shares, OTC	100,000	0.995 €	99,500.00 €
08.09.2014	Michael Stammmler	Executive or Supervisory Board	Purchase of shares, OTC	20,000	0.76 €	15,200.00 €
12.11.2014	Oliver Alexander Borrmann	Executive Board	Sale of shares, OTC	50,000	0.72 €	36,000.00 €
13.11.2014	Oliver Alexander Borrmann	Executive Board	Sale of shares, OTC	35,000	0.72 €	25,200.00 €



## Annual Report as at 31. Dezember 2014 for the Business Year 2014

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## Balance Sheet as at 31 December 2014

Assets	Notes	2014	2013
		€	T€
<b>Long-term assets</b>			
Intangible assets	10,18	6,909.57	6
Equity investments	7,19	17,672,141.62	14,101
Loans	9,19	765,514.13	1,078
		<b>18,444,565.32</b>	
<b>Current assets</b>			
Trade accounts receivable	20	3,570.00	0
Receivables and other assets	20	59,472.86	133
Financial instruments held for trading	21,22	2,538,261.00	2,940
Cash on banks and cash on hand	23	19,003.35	819
		<b>2,620,307.21</b>	
<b>Total assets</b>		<b>21,064,872.53</b>	<b>19,077</b>

<b>Liabilities</b>	Notes	2014	2013
		€	T€
<b>Shareholders' equity</b>			
Subscribed capital	24	20,701,174.00	18,819
Capital reserves	26	992,711.66	1,059
Other revenue reserves		972,256.66	972
Accumulated net loss		-2,810,364.07	-2,521
		<b>19,855,778.25</b>	
<b>Non-current liabilities</b>			
Provisions	29	837,374.17	569
		<b>837,374.17</b>	
<b>Current liabilities</b>			
Trade accounts payable		36,069.97	28
Liabilities towards banks	30	199,248.17	0
Other liabilities	31	136,401.97	116
Provisions		0.00	35
		<b>371,720.11</b>	
<b>Total liabilities</b>		<b>21,064,872.53</b>	<b>19,077</b>

## Statement of Comprehensive Income for the Period 1.1. to 31.12.2014

	Notes	2014 €	2013 T€
<b>Sales revenue</b>			
Income from disposal of investments and securities	5,32	91,316.86	1,034
<b>Other operating income</b>			
Income from revaluation of investments	33	3,171,527.24	3,537
Other operating income	33	23,380.00	606
Income from consulting and commissions		718,000.00	712
<b>Reduction in book value of investments and securities</b>	34	-98,391.84	-459
<b>Staff costs</b>	35		
Wages and salaries		-51,534.21	-53
Social security contributions and costs for pensions and support		-11,095.25	-11
<b>Depreciations</b>			
Depreciation on intangible fixed assets	18	-3,213.73	-2
<b>Other operating expenses</b>			
Expenses from revaluation	39	-2,289,021.52	-1,718
Other operating expenses	36	-1,970,572.79	-2,506
<b>Operating income</b>		<b>-419,605.24</b>	<b>1,139</b>
Income from investments	37	9,836.96	10
Interest and similiar income	38	123,565.04	187
Interest and similiar expenses	40	-3,380.10	-15
<b>Net result</b>		<b>-289,583.34</b>	<b>1,321</b>
Other comprehensive income		0.00	0
<b>Comprehensive income</b>		<b>-289,583.34</b>	<b>1,321</b>
<b>Earnings per share (diluted and non-diluted)</b>	44	<b>-0.01</b>	<b>0.07</b>

## Cash-Flow Statement

	Notes	2014 T€	2013 T€
<b>Cash flow from operations</b>			
Net result		-290	1,321
Revaluation of investments, securities and receivables	33,39	-883	-1,819
Profit from disposal of holdings and securities		7	-437
Depreciation of intangible assets	18	3	2
Other non-cash items		0	-584
		<b>-1,163</b>	<b>-1,517</b>
<b>Decrease/(-) increase in assets and increase/(-) decrease in liabilities</b>			
Receivables and other assets		71	658
Other liabilities	31	30	-177
Provisions	29	233	604
		<b>-829</b>	<b>-432</b>
<b>Cash flow from investments</b>			
<b>Holdings and loans</b>			
Additions to holdings, loans and securities	19	-2,573	-3,865
Inflow from the disposal of holdings, securities and loans		591	1,536
		<b>-1,982</b>	<b>-2,329</b>
<b>Intangible Assets</b>			
Additions	18	-4	0
Disposal	18	0	0
<b>Total</b>		<b>-1,986</b>	<b>-2,329</b>
<b>Cash flow from financing</b>			
Capital increase		1,816	0
Addition/Reduction of liabilities towards banks	30	199	-389
<b>Total</b>		<b>2,015</b>	<b>-389</b>
<b>Change in liquid funds</b>		<b>-800</b>	<b>-3,150</b>
Liquid funds at the beginning of the business year		819	3,969
Liquid funds at the end of the business year		19	819

## Statement of Changes in Equity

Figures in T€	Notes	Subscribed capital	Capital reserve	Other profit reserves	Accumulated net result	Total
Equity as at 01.01.2014	24,26	18,819	1,059	972	-2,521	18,329
Result					-290	-290
Capital increase		1,882	-65			1,817
Equity as at 31.12.2014	24,26	20,701	994	972	-2,811	19,856
Equity as at 01.01.2013	24,26	18,819	1,059	972	-3,842	17,008
Result					1,321	1,321
Equity as at 31.12.2013	24,26	18,819	1,059	972	-2,521	18,329

# Notes to the Annual Financial Statement of bmp media investors AG for Business Year 2014

## I. GENERAL INFORMATION

### 1. Business activities of the company

bmp media investors AG (hereinafter also the “company” or “bmp”) is an investment company focusing on media and marketing services. bmp media investors AG concentrates its attention primarily on investments in Germany and Poland. Recognised earnings are achieved by increasing the value of the holdings acquired by the company.

bmp media investors AG has its headquarters at Schlüterstrasse 38, D-10629 Berlin, Germany. bmp media investors AG is entered in the Commercial Register of the District Court of Berlin-Charlottenburg, Federal Republic of Germany, under the number HR-B 64 077.

### 2. General Information

The annual financial statements show the assets and financial earnings situation, along with capital flows in accordance with actual conditions. The statement of comprehensive income is structured according to total cost accounting. The annual financial statements are shown in euro. Unless otherwise noted, all amounts are rounded off according to normal business procedures in thousands of euro (€ thousand or EUR thousand). With the exception of certain financial instruments which are recognised at fair value, the information in the annual financial statements is given based on amortised cost.

The annual financial statements were prepared by the company on 2 April 2015. Post-balance sheet effects are taken into account up to that date.

bmp media investors AG is an investment company in accordance with IFRS 10.27. Because the company does not control any subsidiaries no further disclosures are required.

### 3. Basis of the annual financial statements

bmp media investors AG has prepared these annual financial statements on a voluntary basis, since their preparation is not mandatory under national law. The Executive Board considers the annual financial statements, together with the financial statements required in accordance with national law, to improve the acquisition of information on the part of the shareholders.

The annual financial statements of bmp media investors AG were prepared in accordance with the International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB) and their interpretations as applied in the European Union, and also in accordance with the additional requirements of section 315a of the HGB. bmp media investors AG complied with all mandatory standards and interpretations applicable as at 31 December 2014.

Where relevant, bmp has applied the following accounting standards for the first time in preparing its accounts for 2014:

- » In May 2011, the IASB published three new standards for accounting for business combinations: IFRS 10 “Consolidated Financial Statements”, IFRS 11 “Joint Arrangements” and IFRS 12 “Disclosure of Interests in Other Entities”. At the same time, amended versions of the existing

standards were issued with IAS 27 "Separate Financial Statements" (2011) and IAS 28 "Investments in Associates and Joint Ventures" (2011). IFRS 10 establishes a uniform definition for the concept of control for all companies and thereby creates a uniform basis for determining the existence of a parent-subsiary relationship and the associated inclusion in the consolidation. The standard contains extensive application guidelines for determining a controlling relationship. The new standard fully replaces SIC-12 "Consolidation - Special Purpose Entities" and partially replaces IAS 27 "Consolidated and Separate Financial Statements". IFRS 11 regulates the reporting of situations in which a company has joint control via a joint venture or a joint operation. The new standard replaces IAS 31 "Interests in Joint Ventures" and SIC-13 "Jointly Controlled Entities - Non-Monetary Contributions by Venturers". IFRS 12 combines in one standard all disclosures in the notes that a company with shares or a commitment in other companies must observe; this includes shares in subsidiaries, shares in associates, shares in joint arrangements and shares in structured companies. The new standard replaces the previous provisions for the disclosures in the notes in IAS 27 "Consolidated and Separate Financial Statements", IAS 28 "Investments in Associates", IAS 31 "Interests in Joint Ventures" and SIC-12 "Consolidation - Special Purpose Entities". The amended IAS 27 now contains regulations on just the accounting and disclosures in the notes of subsidiaries, joint ventures and associates relevant for single-entity financial statements prepared in accordance with IFRS. The amended IAS 28 regulates the accounting for shares in associates and the requirements for the application of the equity method in the balance sheet treatment of shares in associates and joint ventures. In June 2012, transitional provisions for IFRS 10, 11 and 12 were issued by the IASB. In October 2012, amendments were issued to IFRS 10, IFRS 12 and IAS 27 relating to investment companies that, as parent companies, are no longer to consolidate their equity interests. The new and amended standards are required to be applied for the first time for business years beginning on or after 1 January 2013. Use in earlier periods is permitted, but IFRS 10, IFRS 11, IFRS 12, IAS 27 (2011) and IAS 28 (2011) must all be applied earlier together with the disclosures of the application in earlier periods. An exception from the obligation for joint earlier application exists for IFRS 12, whose reporting obligations may be met in full or in part in earlier periods. The EU endorsed the amendments in December 2012 and in April 2013 (amendments in June 2012) and November 2013 (amendments in October 2012). Under the EU endorsement, mandatory application was postponed to business years beginning on or after 1 January 2014. Except for the extended disclosure requirements, the amendments have no material impact on the company's annual financial statements.

- » In May 2013, the IASB issued amendments to IAS 36. The amendments concern disclosures for the determination of the recoverable amount of impaired assets that are based on fair value less costs of disposal. It is mandatory to apply these amendments for business years beginning on or after 1 April 2014. Use for earlier periods is permitted. The EU endorsed the amendments in December 2013. Except for the extended disclosure requirements, the amendments have no material impact on the company's annual financial statements.
- » The IASB issued amendments to IAS 39 in June 2013. Despite a novation, these amendments mean that, under certain conditions, derivatives continue to be designated as hedging instruments in existing hedging relationships. It is mandatory to apply these amendments for business years beginning on or after 1 January 2014. Use for earlier periods is permitted. The EU endorsed the amendments in December 2013. There is no impact on the company's annual financial



statements.

#### 4. Not applied or amended IFRS

- » IFRIC 21 “Levies” was revised in May 2013. The interpretation provides guidance on when to recognise a liability for a levy imposed by a government. It is mandatory to apply the interpretation for business years beginning on or after 1 January 2014. The EU endorsed the amendments in June 2014. Under the EU endorsement, mandatory application was postponed to business years beginning on or after 17 June 2014. The company does not anticipate that this interpretation will be relevant to its annual financial statements.
- » In December 2013, the IASB approved the Annual Improvements Projects 2011- 2013. The omnibus standard concerns the following standards: IFRS 3 – Scope exceptions for joint ventures; IFRS 13 – Scope of paragraph 52 - portfolio exception und IAS 40 – Clarifying the interrelationship of IFRS 3 and IAS 40 when classifying property as investment property or owner-occupied property. All amendments are mandatory with effect from 1 July 2014 and are to be applied only prospectively. Use for earlier periods is permitted. The EU endorsed the amendments in December 2014. Under the EU endorsement, mandatory application was postponed to business years beginning on or after 1 January 2015. The company does not anticipate that this interpretation will be relevant to its annual financial statements.
- » In December 2013, the IASB approved the Annual Improvements Projects 2010- 2012. The omnibus standards concerns the following standards: IFRS 2 – Definition of ‘vesting condition’; IFRS 3 – Accounting for contingent consideration in a business combination; IFRS 8 – Aggregation of operating segments; IFRS 8 – Reconciliation of the total of the reportable segments’ assets to the entity’s assets; IFRS 13 – Short-term receivables and payables; IAS 16/IAS 38 – Revaluation method—proportionate restatement of accumulated depreciation and IAS 24 – Key management personnel. All amendments are mandatory with effect from 1 July 2014 and are to be applied prospectively only. Use for earlier periods is permitted. As of the reporting date, the EU endorsement is still pending. The company is currently examining the possible future effects on the annual financial statements.
- » The IASB issued amendments to IAS 19 in November 2013. With this amendment, the IASB simplifies corporate recognition of employee or third-party contributions to a pension plan. It is mandatory to apply these amendments for business years beginning on or after 1 July 2014. Use for earlier periods is permitted. As of the reporting date, the EU endorsement is still pending. The company is currently examining the possible future effects on the annual financial statements.
- » In January 2014, the IASB issued amendments to IFRS 14 “Regulatory Deferral Accounts” The new standard introduces optional relief for first-time adopters in accordance with IFRS 1. Under restrictive conditions, it allows these entities to continue accounting for regulatory deferred account balances from a rate regulation in line with their previous accounting regulations. It is mandatory to apply the new standard prospectively for business years beginning on or after 1 January 2016. The standard can be applied earlier. As of the reporting date, the EU endorsement is still pending. The new standard is not relevant for the company.
- » In May 2014, the IASB issued additions to IFRS 11 “Joint Arrangements”. This clarifies that both the initial acquisition or the additional acquisition of interests in a joint operation, which constitutes a business, are to be accounted for using the regulations on recognising business combi-

nations in IFRS 3, unless they conflict with the regulations of IFRS 11. In addition, the disclosure requirements in IFRS 3 are to be fulfilled. It is mandatory to apply the amendments for business years beginning on or after 1 January 2016; use for earlier periods is permitted. As of the reporting date, the EU endorsement is still pending. The company is currently examining the possible future effects on the annual financial statements.

- » In May 2014, the IASB issued amendments to IAS 16 and IAS 38. With these amendments, the IASB provides further clarification on acceptable methods of depreciation and amortisation. Accordingly, revenue-based depreciation and amortisation methods are not appropriate for property, plant and equipment and are appropriate for intangible assets only in certain exceptional circumstances. It is mandatory to apply the amendments for business years beginning on or after 1 January 2016; use for earlier periods is permitted. The EU has not yet adopted the amendments. As of the reporting date, the EU endorsement is still pending. The company is currently examining the possible future effects on the annual financial statements.
- » In May 2014, the IASB issued amendments to IFRS 15 "Revenue from Contracts with Customers". According to the new standard, the recognition of revenue should reflect the transfer of the relevant goods or services to the customer at the amount corresponding to the consideration that the company expects to be entitled to in exchange for these goods or services. Revenues are realised when the company obtains control over the goods or services. IFRS 15 also contains regulations on the recognition of service surpluses or obligations at contract level. These are assets and liabilities from customer contracts which result from the relationship of the performance provided by the company and the customer payment. In addition, the new standard requires the disclosure of qualitative and quantitative information to allow users of financial statements to understand nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. IFRS 15 replaces IAS 11, Construction Contracts, and IAS 18, Revenues, and the relevant interpretations. It is mandatory to apply the standard for business years beginning on or after 1 January 2017. The standard can be applied earlier. As of the reporting date, the EU endorsement is still pending. The company is currently examining the possible future effects on the annual financial statements.
- » In June 2014, the IASB issued amendments to IAS 16 and IAS 41. This results in amendments to the reporting of bearer fruits. It is mandatory to apply the amendments for business years beginning on or after 1 January 2016; use for earlier periods is permitted. As of the reporting date, the EU endorsement is still pending. The new standard is not currently relevant for the company.
- » In July 2014, the IASB concluded its project to replace IAS 39, Financial Instruments: Recognition and Measurements, with the publication of the final version of IFRS 9, Financial Instruments. IFRS 9 introduces a consistent approach to the classification and measurement of financial assets. As a basis the standards uses cash flow characteristics and the business model according to which they are managed. In addition, it provides for a new impairment model based on expected credit losses. IFRS 9 also contains new regulations on hedge accounting in order to provide better disclosures on risk management activities, especially in reference to managing non-financial risks. It is mandatory to apply the new standard prospectively for business years beginning on or after 1 January 2018. The standard can be applied earlier. As of the reporting date, the EU endorsement is still pending. The company is currently examining the possible future effects on the annual financial statements.
- » In August 2014, the IASB issued amendments to IAS 27. This results in changes for separate

financial statements. It is mandatory to apply the amendments for business years beginning on or after 1 January 2016; use for earlier periods is permitted. As of the reporting date, the EU endorsement is still pending. The company is currently examining the possible future effects on the annual financial statements.

- » In September 2014, the IASB issued amendments to IFRS 10 and IAS 28. The amendments eliminated a conflict between IFRS 10 and IAS 28 (2011). There was a clarification on the recognition of gains not realised from transactions between an investor and an associate or joint venture. If a transaction related to a business (as defined in IFRS 3), the loss or gain is to be recognised in full at the investor. If the transaction relates only to the sale of assets which do not constitute a business, then the partial loss or gain is to be recognised. It is mandatory to apply the amendments for business years beginning on or after 1 January 2016; use for earlier periods is permitted. As of the reporting date, the EU endorsement is still pending. The company is currently examining the possible future effects on the annual financial statements.
- » In September 2014, the IASB approved the Annual Improvements Projects 2012- 2014. The omnibus standard concerns the following standards: IFRS 5 – Held for Sale and Discontinued Operations – Changes in Methods of Disposals; IFRS 7 – Transfer Disclosures for Servicing Contracts; IFRS 7 – Applicability of amendments to condensed interim financial statements; IAS 19 – Discount rate: regional market issue; IAS 34 – Disclosure of information elsewhere in the interim report. All amendments are mandatory with effect from 1 January 2016. Use for earlier periods is permitted. As of the reporting date, the EU endorsement is still pending. The company is currently examining the possible future effects on the annual financial statements.
- » In December 2014, the IASB issued amendments to IAS 1. The amendments relate primarily to clarifications relating to the assessment of the materiality of information in the financial statements, the presentation of additional items in the statement of financial position and other comprehensive income, the presentation of other comprehensive income items of associates and joint ventures using the equity method, the structure of the notes and the presentation of the material accounting policies. It is mandatory to apply the amendments for business years beginning on or after 1 January 2016; use for earlier periods is permitted. As of the reporting date, the EU endorsement is still pending. The company is currently examining the possible future effects on the annual financial statements.
- » In December 2014, the IASB issued amendments to IFRS 10, IFRS 12 and IAS 1. The amendments are intended to clarify three issues in relation to the exemption from consolidation for investment entities which recognise their subsidiaries at fair value. It is mandatory to apply the amendments for business years beginning on or after 1 January 2016; use for earlier periods is permitted. As of the reporting date, the EU endorsement is still pending. The company is currently examining the possible future effects on the annual financial statements.

## 5. Recognition of income

Income from the disposal of investments and securities is recorded at the time of ownership transfer to the purchaser provided that a price has been agreed on or can be determined and its payment is to be probable.

Income from services is recorded after the services have been performed and a price has been agreed on or is determinable and its payment is probable.

Dividend income from investments is recorded at the time the legal claim to payment arises.

## 6. Related parties

The company maintained service relationships with the Executive Board and the Supervisory Board. The remuneration of the Executive Board and Supervisory Board is set down in note 50. There was no other exchange of consideration over and above this.

The members of the Executive Board are minority shareholders in bmp Beteiligungsmanagement AG with whom an investment consultancy agreement is in place. The terms of this investment consultancy agreement provide for remuneration of 2.5% p.a. plus VAT on the average equity of bmp media investors AG in accordance with IFRS and, if applicable, a 15% profit share.

## 7. Equity Investments

Equity investments in portfolio companies are assigned to the measurement category of "Financial assets at fair value through profit and loss". In accordance with the provisions of IAS 39, the initial and subsequent measurement of financial instruments of this category is carried out at fair value. Changes in value between the initial and subsequent measurement and between the times thereafter are listed separately under income from remeasurement or under expenditure from remeasurement.

An accounting guideline was drawn up for implementation of the fair value accounting of investment interests. Accordingly, shares in listed companies for which an active market exists are measured at their stock market price in each case at the stock exchange with greatest liquidity at measurement date. If the shares are subject to a lock-up restriction, reductions of up to 20% of the price on that day are applied for the reporting date depending on the time period of the trade restriction. For all other shares in non-listed companies and for which there is no active market, the fair value is determined by means of generally recognised valuation methods, provided that the fluctuation range of results returned by different methods for the same investment lie within reasonable limits. The valuation method includes, where possible, using recent arm's length transactions between knowledgeable, willing parties. These so-called third-party transactions must meet the criteria of certain internal guidelines of the company which are oriented primarily to the volume and the chronological moment of the respective transaction.

Other valuation methods include, in particular, peer group comparison and the discounted cash flow method. In a peer group comparison, company values are calculated on the basis of multiples of a group of comparable companies. The major condition for application of this method is the identification of at least three comparable companies. If this is not possible, suitable industry multiples can be used provided that reliable data are available for this and the respective industry classification is for the most part certain. When comparing the valuation of an unlisted firm with a group of comparable listed firms, value reductions due to illiquidity are to be applied to the values determined. In addition, company-specific factors can either reduce or increase this reduction. The overall reduction usually amounts to between 30% and 50%.

The discounted cash flow method means that future cash flows are discounted, and that the present value of a perpetual annuity is calculated for the period thereafter.

The valuation methods correspond to the recommendations of IPEV (International Private Equity and Venture Capital Valuation Guidelines) and the NACVA (National Association of Certified Valuation Analysts).

## 8. Financial instruments

A financial instrument is an agreement which results in a financial asset in one company while at the same time resulting in a financial liability or an equity instrument in another company. This always requires originated financial instruments on the one hand and derivative financial instruments on the other. The company held no derivative financial instruments - either with or without a balance sheet hedging relationship - in 2014 and 2013.

## 9. Loans

The item "Loans" covers non-current loans of a fixed term, which are reported in the balance sheet at amortised cost. Discernible risks are taken into account through appropriate provisions.

## 10. Property, plant and equipment and intangible assets

We have reported property, plant and equipment and intangible assets on the balance sheet at cost less accumulated depreciation and amortisation. The depreciations are carried out as planned using the straight-line method.

## 11. Other financial obligations

There were no financial obligations from rental, leasing or other agreements,

## 12. Provisions

Provisions may only be entered on the liabilities side if an obligation exists and utilisation is probable. Non-current provisions are discounted where the effect of the time value of money is material.

## 13. Liabilities

Liabilities are reported as current, if the debt is payable within 12 months of the balance sheet date. Therefore, the balance sheet makes a distinction between current and non-current liabilities.

## 14. Deferred taxes

Deferred taxes are reported as temporary differences between the tax base and the IFRS balance sheet value of an asset or liability. There is a recognition requirement if recognition criteria exist for deferred tax assets liabilities.

In addition, expected tax reductions resulting from losses carried forward are to be capitalised if sufficient taxable income is likely to be generated in the foreseeable future to offset unused tax-related losses carried forward. On the basis of the framework tax conditions currently applicable in Germany, revenue from sales of investments is generally tax exempt.

## 15. Deferred income and expenses

Prepaid expenses includes payments made before the reporting date that represent expenses for a particular time after this date. Deferred income takes place for deposits before the reporting date that represent the income for a particular time after this date.

## 16. Estimates

Preparing the annual financial statements requires that assumptions be made and estimates be used which affect the level and disclosure of assets and liabilities reported on the balance sheet,

as well as on income and expenditure and contingent liabilities. The estimates are based on experience and other assumptions which can be regarded under the given circumstances as accurate. The actual values may deviate from the estimates. The estimates and assumptions are continuously subjected to review and corrected as needed.

The following list of significant estimates and related assumptions, along with the uncertainties that go hand in hand with the accounting policy selected, are of decisive importance for an understanding of the basic risks inherent in a financial report and the impact which these estimates, assumptions and uncertainties could have on the annual financial statements:

#### **Useful lives of property, plant and equipment and other intangible assets**

At the end of each business year, the company reviews the estimated useful lives of property, plant and equipment and other intangible assets. Changes in the estimates were not required in 2014 or 2013.

#### **Equity investments**

The item "Equity investments" includes shares in venture capital holdings. The carrying value of these equity investments is very largely dependent on estimates in a large number of different areas. As a whole, the whole area of measurement is based on assumptions and estimates which extend over the range of forecasts of general economic data, developments of markets and market segments, economic forecasts based on investment interest as such as well as capitalisation interest, inflation rates and exchange rates which have an impact on the value of the item "Equity investments". The carrying amount of assets whose value is affected by estimates is € 2.554 million.

#### **Recoverability of property, plant and equipment and other intangible assets**

On each balance sheet date the company is required to estimate whether there is any evidence that the carrying amount of an item in property, plant and equipment or other intangible assets could be impaired.

#### **Legal risks**

As at 31 December 2014, bmp media investors AG is not involved in any litigation. As a result, no provisions or liabilities were expensed in connection with litigation (previous year: € 0 thousand).

#### **17. Calculation methods**

Both shareholdings and securities are measured by way of the average method. In the case of partial sales, they are pro rated according to the decrease in the carrying amount of the shareholdings and securities.

## **II. NOTES ON THE BALANCE SHEET**

#### **18. Property, plant and equipment and intangible assets**

Property, plant and equipment and intangible assets relate exclusively to acquired rights of use and to goods. Property, plant and equipment and intangible assets are depreciated over their useful lives on a straight-line basis, while the carrying amount is a result of cost less accumulated depreciation

and amortisation. Durations of useful life range from 3 to 5 years. The disposal of property, plant and equipment and intangible assets is due to the transfer to discontinued operations, which is recognised in a separate balance sheet item.

In T€	01.01.2014	Disposal	Addition	31.12.2014
Acquisition costs	16	0	4	20
Depreciations	10	0	3	13
<b>Book value</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>7</b>

In T€	01.01.2013	Disposal	Addition	31.12.2013
Acquisition costs	16	0	0	16
Depreciations	7	0	3	10
<b>Book value</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>6</b>

### 19. Equity investments and loans

The item "Equity investments" covers equity investments in the capital of portfolio companies at fair value. Loans are, as a rule, granted only to companies in which there is also an equity investment.

In T€	Equity investments		Loans	
	2014	2013	2014	2013
<b>1.1.</b>	<b>14,101</b>	<b>9,878</b>	<b>1,078</b>	<b>323</b>
Addition	1,167	1,754	1,225	1,824
Disposal	-20	-150	-500	-292
Reclassification	1,034	765	-1034	-765
Valutaion	1,390	1,854	-3	-12
<b>31.12.</b>	<b>17,672</b>	<b>14,101</b>	<b>766</b>	<b>1,078</b>

The equity investments listed under "Additions" were classified as "Financial assets at fair value through profit and loss".

For equity investments and loans, there is generally a default risk, as there are numerous risks linked to the economic development of young companies that can lead to the insolvency of the company. The risk factors are monitored and assessed continuously by way of a comprehensive controlling and risk management system. If necessary, risk development is taken into account in the remeasurement of the investment. The valuation of equity investments is described under "7. Equity investments".

### 20. Receivables and other assets

Receivables and other assets are measured individually at amortised cost taking into account the probability of payment.

In T€	2014	2013
Other receivables and assets	7	1
Receivables from portfolio companies	40	32
Receivables from the tax authorities	12	36
Purchase price receivables (escrow)	0	64
<b>Total receivables</b>	<b>59</b>	<b>133</b>

## 21. Financial instruments held für trading

This balance sheet item contains stock market listed shareholdings as at 31 December 2014, which are expected to be sold in 2015.

## 22. Financial instruments

Financial instruments are assigned to the measurement category "Financial assets at fair value through profit and loss".

Assets measured at fair value through profit or loss comprise the investments in the capital of the portfolio companies. These are reported either as "Equity investments" under non-current assets or as "securities" under current assets.

To the extent that there is no active market for these equity investments, their fair value is calculated using financial models. If the fair values of the individual equity investments cannot be reliably determined at reasonable expense, they are recognised at their respective cost. Lower fair values are used if indicated.

Valuation is carried out using uniform methods and parameters. Fair value valuation of financial instruments, particularly at level 2 and 3, is performed based on bmp's internal "best practices of valuation" in controlling.

The following tables show an overview of items of the statement of financial position measured at fair value:

in T€	Fair value as at 31.12.2014	Fair value as at 31.12.2013
Level I	860	1,036
Level II	10,902	6,611
Level III	5,910	6,453
<b>Total equity investments</b>	<b>17,672</b>	<b>14,100</b>

in T€	Fair value as at 31.12.2014	Fair value as at 31.12.2013
Level I	2,538	2,939
<b>Total securities held for trading</b>	<b>2,538</b>	<b>2,939</b>

The allocation of fair values to the three levels of the fair value hierarchy is based on the availability of observable market prices on an active market. Level 1 shows the fair values von financial



instruments for which a market price can be directly determined. These are exclusively negotiable securities.

Level 2 fair values are calculated on the basis of market data such as prices for identical assets on a non-active market. This usually refers to a transaction prices in an equity instrument around the same time. Level 3 fair values are calculated using methods that use factors that cannot be directly observed on an active market.

Development of items of the statement of financial position measured at fair value in level 3:

	2014	2013
<b>Fair value as at 01.01.2014</b>	<b>6,454</b>	<b>6,276</b>
Income from revaluation	888	567
Expenses on revaluation	-895	-988
Addition	0	15
Disposal	0	0
Reclassifications to level III	2,110	584
Reclassifications from level III	-2,647	0
<b>Fair value as at 31.12.2014</b>	<b>5,910</b>	<b>6,454</b>

#### Level III gains and losses in profit or loss

Realised gains	0	0
Realised losses	0	0

The reclassifications between different levels of the fair value hierarchy are taken into account as at the end of the respective reporting periods. The reclassification from level 2 to level 3 contains one equity investment for which a timely transaction price was no longer available as a measurement method. There were still indications of a lower fair value, hence a specific valuation allowance was recognised.

The following table shows the measurement methods and parameters used in level 3.

Fair value as at 31.12.2014 in T€	Valuation model/method	Unobservable parameters	Range (arithmetic mean)
2,375	Multiplier method	Earnings multiplier*	8.75-16.52 (12.33)
		Revenue multiplier*	0.55-1.25 (0.81)
		Discount for lack of marketability	35%-50% (45%)
3,356	Transaction price not timely	N/A	N/A
179	Discounted cash flow	WACC	11.365%-22.90% (16.605%)
		Long-term revenue growth rate	3.00%-3.00% (3.00%)
		Long-term EBITDA margin	5.00%-20.00% (10.00%)

\* after discount for lack of marketability

Enterprise value is the key risk variable for the fair value of investments. At level 3, the effect of changes in unobservable enterprise value measurement parameters on earnings and equity is shown by way of sensitivity analysis. If the assumed enterprise values were 10% higher, earnings and equity would have been € 166 thousand higher. If the assumed enterprise values were 10% lower, earnings and equity would have been € 166 thousand lower.

### 23. Balances held with banks, cash in hand

In T€	2014	2013
Balances held with banks, cash in hand	19	819

Please refer to the cash flow statement for information on the use of liquid assets.

### 24. Equity and shares

All bmp shares are no-par value shares with a notional value of € 1.00. Each share has one vote. All shares are fully paid in. The total number of shares amounted to 18.8 million in 2013 and 20.7 million in 2014.

### 25. Admission to the exchange

The shares are traded in Germany on the Regulated Market of the Frankfurt Stock Exchange and, at the same time, in the Prime Standard Index. In addition, the shares are traded in the OTC market of the stock exchanges of Berlin, Dusseldorf and Stuttgart. The shares are also traded on the Warsaw Stock Exchange.

### 26. Capital reserve

The capital reserve contains amounts generated above the par value when issuing shares. In 2014, it amounted to € 993 thousand (previous year € 1.058 million). The variation results from the costs of the capital increase, at which no share premium was collected.

### 27. Change in equity

Please refer to the statement of changes in equity for information on changes in equity.

### 28. Authorised capital

Authorised capital amounted to € 10,350,587 as at 31 December 2014. The term of the authorised capital ends on 26 June 2019.

### 29. Provisions (non-current)

The provisions exist for a claim of the fund manager for a 15% carried interest of the increase in value of the investments.

### 30. Liabilities to banks

As of the reporting date, the company has credit facilities of € 1 million, € 199 thousand of which were utilised (previous year: € 0). The credit facilities are secured by a pledge of the shares of Helio-centris Energy Solutions AG.

**31. Other liabilities**

In T€	2014	2013
Liabilities to the tax authorities	5	5
Employees' claims to paid leave	2	3
Outstanding invoices	54	29
Liabilities – accounts and audit	74	76
Other liabilities	1	3
<b>Total</b>	<b>136</b>	<b>116</b>

**III. NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME****32. Revenue**

In T€	2014	2013
Revenue from the sale of investments	25	676
Revenue from the sale of marketable securities	66	358
<b>Total</b>	<b>91</b>	<b>1.034</b>

Revenue from the sale of investments is realised once the economic ownership has been transferred to the buyer. Revenue from the sale of listed securities is realised on the date of settlement.

**33. Other operating income****33.1. Other operating income**

In T€	2014	2013
Other operating income	5	15
Income from the write-down of specific provisions and written-down receivables	1	3
Income from release of provisions	17	3
Income from foreign exchange rates	0	1
Income from waivers of KfW refinancing loans	0	584
<b>Total other operating income</b>	<b>23</b>	<b>606</b>

**33.2. Income from revaluation**

In T€	2014	2013
Income from revaluation of financial assets	3,172	3,537
- thereof of equity investments	3,172	3,537
- thereof of loans	0	0
Appreciation of other securities	0	0
<b>Total income from revaluation</b>	<b>3,172</b>	<b>3,537</b>

**34. Reduction in book value of investments and securities**

In T€	2014	2013
Reduction in book value of investments	20	150
Reduction in book value of securities	79	309
<b>Total</b>	<b>99</b>	<b>459</b>

This position shows the reduction in the carrying amount of the holdings and securities held as current assets from the disposal of holdings and securities held as current assets, where sales of shares acquired as monetary investments are recognised net under other operating income or other operating expenses.

**35. Staff costs**

In T€	2014	2013
Wages	52	53
Social security contributions and pension costs	11	11
<b>Total</b>	<b>63</b>	<b>64</b>

The number of employees at the end of the year:

	2014	2013
Number of individuals	1	1
Full-time equivalents	1	1
Apprentices	0	0

An average of one employee (previous year: one) was employed during 2014.

**36. Other operating expenses**

In T€	2014	2013
Losses on receivables and additions to specific provisions on receivables	4	51
External work	17	25
Costs of General Stockholders' Meeting	56	44
Insurance, contributions and charges	31	49
Advertising, travel and stock exchange costs	133	174
Fund management expenses	1,269	1,241
Expenses from carried interest	268	569
Expenses due to foreign currency exchange losses	4	16
Losses on stock trading	0	137
Year-end closing and audit costs	64	67
Supervisory Board costs	51	49
Transaction costs	2	4
Legal costs and fees and commissions paid to consultants	25	11
Various operating costs	47	69
<b>Total</b>	<b>1,971</b>	<b>2,506</b>

**37. Income from investments**

In T€	2014	2013
Income from investments	10	10

**38. Interest and similar income**

In T€	2014	2013
Interest income from deposits at banks	4	23
Interest income from the granting of loans	119	161
Interest income from tax credit	1	2
<b>Total</b>	<b>124</b>	<b>186</b>

**39. Expenses from the remeasurement of financial assets and securities**

In T€	2014	2013
Expenses from revaluation of investments	1,785	1,695
- thereof of equity investments	1,782	1,683
- thereof of loans	3	12
Securities held for trading purposes	504	23
<b>Total</b>	<b>2,289</b>	<b>1,718</b>

This position contains remeasurement expenses for equity investments as well as loans that no

longer justify their carrying amount, as well as of securities held as current assets, including listed shares in which the value or stock market price was below the carrying amount at the end of the year.

#### 40. Interest and similar expenses

In T€	2014	2013
Interest expenses	3	15

### IV. NOTES ON THE CASH FLOW STATEMENT

#### 41. Notes on the cash flow statement

In accordance with IAS 7, payment flows are reported in the cash flow statement in order to provide information on the company's cash and cash equivalents. The payment flows are differentiated on the basis of operating, investing and financing activities. The indirect method of presentation is applied.

##### 41.1. Cash and cash equivalents

The cash and cash equivalents at the beginning and at the end of the periods existed in the form of bank balances.

##### 41.2. Cash flow from interest

The following interest was either received or paid:

In T€	2014	2013
Interest paid	3	15
Interest received from investments	61	47
Interest received from banks and other institutions	4	19

### V. OTHER INFORMATION

#### 42. Risks and risk management

Venture capital is speculative or risk capital, granted with the aim of achieving high returns. Compared to other forms of financing, it clearly has a higher risk potential. As, in some cases, the companies do not generate profits or the success of their business model cannot be taken for granted at the time the investment is made, this presents a high risk for the company. In principle, this risk increases significantly with greater proximity to the founding of the company.

#### Time of disposal and attainable disposal proceeds

Today, bmp media investors generates income primarily from the sale of investments to an institutional or industrial investor (trade sale) or by means of floatation (IPO). Furthermore, some investments are sold to the founders or co-shareholders as a management buy back. These sales methods

are also called exit channels. The company cannot guarantee that an investment can be sold at a profit or sold at all. The sale of investments becomes particularly difficult in weak capital markets, and this can lead to negative results for the company.

#### Uncertainty of the economic development of individual companies in the portfolio

Write-offs of investments or even the total loss of investments due to insolvency cannot be avoided despite many years of business experience and intensive investment controlling, nor are they unusual especially with early stage financing. The company counteracts the financial effects of a drop in value of investments through early support and counter-measures, through the continuous improvement of due diligence and investment controlling, as well as appropriate provisions for risk (recognising valuation allowances) in its balance sheet measurement.

#### Liquidity risk

The company manages liquidity risks by creating appropriate reserves, monitoring and adhering to the loan covenants as well as planning and coordinating cash inflows and outflows.

The following table shows the contractual maturity of the financial liabilities and assets as well as the weighted average effective interest rate:

2014 T€	Interest rate in %	Maturity			Total
		Up to 1 year	1 to 5 years	More than 5 years	
Trade accounts payable	No interest	36	0	0	36
Liabilities to banks	6,25%	199	0	0	199
Other liabilities & provisions	No interest	136	837	0	973
<b>Total</b>		<b>371</b>	<b>837</b>	<b>0</b>	<b>1.208</b>

2013 T€	Interest rate in %	Maturity			Total
		Up to 1 year	1 to 5 years	More than 5 years	
Trade accounts payable	No interest	28	0	0	28
Other liabilities & provisions	No interest	151	569	0	720
<b>Total</b>		<b>179</b>	<b>569</b>	<b>0</b>	<b>748</b>

The Management expects that the company will be able to fulfil its other financial liabilities from operating cash flows and from cash inflow from the financial assets falling due.

#### Risks from foreign companies

bmp's foreign investments are subject to the laws of each respective country. Furthermore, certain contracts concluded by bmp are subject to country-specific laws. The company is thus exposed to the usual dangers and risks of a foreign legal system. The application of foreign law as well as

country-specific conditions can thus lead to unexpected risks.

#### **Liability associated with the disposal of investments**

In terms of the disposal of investments, bmp media investors AG as the seller or – under some circumstances – as a partner with the participation of other investors may have to grant extensive guarantees particularly in regard to tax liabilities in favour of the purchaser or purchasers. In addition, bmp may also be compelled to grant exemption from certain company-specific risks. The company strives to limit the liability arising from such guarantees and exemptions to a certain percentage of the purchase price. bmp media investors AG cannot rule out the possibility that such liabilities will occur in some individual cases.

#### **Risks of changes in interest rates**

bmp arranges fixed interest rates on all credits and loans granted and for their entire terms. Consequently there are no associated risks with changes in interest rates. However, variable interest rates are assessed on all current money investments. Variable interest rates are assessed on short-term liabilities to banks.

#### **Currency risks**

In the past, the company has used various methods to pay in foreign currency for the acquisition of an investment or to receive payment for the disposal of an investment. Depending on the time of the initial investment and its disposal, there may also be a capital gain or loss due to currency fluctuation in addition to the gain or loss from the disposal. Another risk is that the company must accept exchange losses from foreign currency balances if no hedging transactions exist.

#### **Company dependence on economic cycles and financial markets**

The economic success of bmp media investors AG in the area of venture capital is primarily dependent on the price at which it can acquire its investments, the positive development of the portfolio companies and the disposal proceeds. A negative commercial development for all, several or individual companies in the portfolio can be caused by various external or internal factors that the company may not be able to influence. The economic success of bmp media investors is highly dependent on the general economic development, the development of the industries in which bmp media investors has invested, and the development of the financial markets.

#### **Overall evaluation and risk management**

bmp has taken extensive precautions for all recognisable individual risks in the Annual Financial Report for 2014. Activities in the area of risk management were further expanded in 2014. A quality handbook has been created. bmp has developed an integrated system of investment controlling which makes it possible to assess the quantity and quality of risks arising in its investment business. In addition to comparing target and actual data at the investment level and the corporate level, the system enables seamless reporting while fulfilling the purpose of a management information system.

Economic developments in our holdings are monitored via intensive contact with the companies. The carrying amounts and the value development of investment companies are reviewed quarterly



with suitable financial mathematical models. Various valuation models are used depending on the type and degree of development of the investment companies. The continuous recording of fair values and investment controlling makes it possible to take appropriate measures to counteract undesired developments of the investment interests.

#### 42.1. Information on financial instruments

In accordance with IFRS 7, additional information is required in order to ensure a clear presentation of the importance of financial instruments for the financial situation and the earnings strength of bmp media investors AG and the nature and extent of risks arising from financial instruments to which the company is exposed during the reporting period and at the time of presentation of the report and which arise from financial instruments.

bmp is exposed to the various risks mentioned above in the course of its general business activities. It is the company's policy to measure these risks by selecting suitable means, to monitor them and, if necessary, to limit their effect. bmp has developed an integrated system of investment controlling which makes it possible to assess the quantity and quality of risks arising in its investment business. In addition to comparing target and actual data at the investment level and the corporate level, the system enables seamless reporting. Changes in the carrying value of the investments in portfolio companies are given due consideration via the evaluation of performance.

Sensitivity analyses were used to determine and show risks arising from financial instruments in accordance with IFRS 7. One part of this analysis was to determine the effect on equity and earnings via variations in risk variables contained within the respective market price risks. All effects on the statement of comprehensive income described in the following section have an equal impact on equity, since the financial instruments were valued either at fair value through profit and loss or at amortised cost.

Financial instruments are broken down into the following classes:

- » Financial instruments at fair value,
- » Financial instruments at amortised cost,
- » Financial instruments to which IFRS 7 does not apply.

The net losses or gains on the financial instruments reported in the statement of comprehensive income are presented in the following table according to the IAS 39 measurement categories:

In T€	2014	2013
Result from financial instruments at fair value through profit and loss	874	2,263
Result from loans and receivables	116	124
Result from financial liabilities at amortised cost	-3	-15

Net gains/losses from financial instruments consist of interest, the remeasurement gains/losses, valuation allowances and gains on disposal.

#### 42.2. Foreign exchange risk

Currency risks result essentially from equity investments, securities and foreign currency balances held in the zloty currency area. No currency hedging activities were carried out. Had the zloty been 10% higher against the euro at the balance sheet date, equity and net profit for the year would have been € 129 thousand higher (previous year: € 208 thousand). Had the zloty been 10% lower against the euro, equity and net profit for the year would have been € 105 thousand lower (previous year: € 174 thousand).

#### 42.3. Interest rate risk

Interest risks result from changes in market interest rates of variable-interest assets and changes in the risk-free interest rate applied as the capitalisation interest rate in discounted cash flow calculations. Interest rate hedging activities were not carried out. Had the market interest rate been 100 basis points higher, equity and net profit for the year would have been € 2 thousand (previous year: € 10 thousand) higher. Had the market interest rate been 100 basis points lower, equity and net profit for the year would have been € 2 thousand (previous year: € 10 thousand) lower.

#### 42.4. Price risk

Price risks result from changes in the stock index price; this has a direct influence on the valuation of listed investments and an indirect influence on the valuation of a peer group of listed companies which are valued using the multiplier method. Hedges to secure the price level were not carried out. Sensitivity analysis was carried out on the basis of the volatility of investment interests and/or a listed peer group in relation to the relevant index. Had the relevant stock index been 10% higher, equity and net profit for the year would have been € 1.175 million (previous year: € 1.255 million) higher. Had the relevant stock index been 10% lower, the equity and profit for the year would have been € 1.175 million (previous year: € 1.259 million) lower.

#### 42.5. Reconciliation of balance sheet items to the classes of the financial instruments

The carrying amount of the financial instruments according to the measurement categories of IAS 39 is as follows:

T€	31.12.2014	31.12.2013
Equity investments, loans and securities at fair value	17,672	14,101
Loans and receivables at amortised cost	848	2,030
Securities held for trading	2,538	2,939
Financial liabilities at amortised cost	371	144

The reconciliation of the financial instruments, broken down into carrying amounts and fair values, is shown in the following table:

2014	At fair value	At amortised cost	Balance sheet item as at 31.12.14
T€	Book value	Book value	
<b>Non-current assets</b>			
Equity investments	17,672		17,672
Loans		766	766
<b>Current assets</b>			
Trade accounts receivable		4	4
Receivables and other assets		59	59
Securities held for trading purposes	2,538		2,538
Cash in hand and bank balances		19	19
<b>Total</b>	<b>20,210</b>	<b>848</b>	<b>21,058</b>
<b>Current liabilities</b>			
Trade accounts payable		36	36
Liabilities towards banks		199	199
Other liabilities		136	136
<b>Total</b>	<b>0</b>	<b>371</b>	<b>371</b>
<hr/>			
2013	At fair value	At amortised cost	Balance sheet item as at 31.12.13
T€	Book value	Book value	
<b>Non-current assets</b>			
Equity investments	14,101		14,101
Loans		1,078	1,078
<b>Current assets</b>			
Trade accounts receivable		0	0
Receivables and other assets		133	133
Securities held for trading purposes	2,939		2,939
Cash in hand and bank balances		819	819
<b>Total</b>	<b>17,040</b>	<b>2,030</b>	<b>19,070</b>
<b>Current liabilities</b>			
Trade accounts payable		28	28
Other liabilities		116	116
<b>Total</b>	<b>0</b>	<b>144</b>	<b>144</b>

For trade accounts receivable, other current assets and cash, the short durations mean that the carrying amount corresponds to the fair value.

#### 43. Contingencies

It is customary that, when selling shares in holding companies, financial investors extend guarantees and warranties to the purchasers. As is normal in the industry, bmp media investors AG has assumed extensive guarantees and warranties during the sale of shares. No claims from guarantees are known at present.

#### 44. Earnings per share

Basic earnings per share are calculated by dividing the annual net profit by the weighted average number of shares outstanding during the business year.

	2014	2013
Annual result in T€	-290	1,321
Average number of shares	20,376,349	18,819,250
Earnings per share in €	-0.01	0.07

#### 45. Capital management

bmp media investors AG manages its capital with the aim of using financial flexibility to achieve growth while also optimising financing costs. This overall strategy has not changed since the previous year. The management examines the capital structure at least every six months. In the process, it reviews the capital costs, existing collateral and open and potential borrowing facilities. The targeted gearing is 3% to 5%.

The capital structure changed as follows in 2014 and 2013:

	31.12.2014	31.12.2013	Change in %
Equity in T€	19,856	18,329	8%
as % of total capital	94.3%	96.1%	-2%
Liabilities in T€	1,209	748	62%
as % of total capital	5.7%	3.9%	46%
Current liabilities in T€	372	179	108%
as % of total capital	1.8%	0.9%	88%
Non-current liabilities in T€	837	569	47%
as % of total capital	4.0%	3.0%	33%
Gearing	6.1%	4.1%	49%

The goal in the management of the equity on the balance sheet of € 19.9 million (previous year: € 18.3 million) is to ensure that the company can achieve its targets and strategies in the interest of the shareholders and its other stakeholders. The Executive Board focuses primarily on the achievement of an appropriate return on capital employed.

In the system of objectives for financing, bmp is directed towards the continuous and lasting increase in value of the investments and the enterprise value. In order to measure the success of the individual investments, we have used industry standard measuring procedures and indices for many years.

**46. payment obligations**

No payment obligations exist with respect to investment holdings (previous year: € 65 thousand).

**47. Segment reporting**

At the current time, the business activities of bmp media investors AG are unsuitable for presentation as segments, both in terms of the size of the business segments and their geographic orientation.

**48. Declaration of conformity pursuant to section 161 German Stock Corporation Act (AktG)**

The Executive Board and the Supervisory Board of bmp media investors AG have issued the declaration mandated by section 161 AktG and have made this permanently available to shareholders on the web pages of bmp media investors AG.

**49. Auditors' fees**

The following auditors' fees (incl. VAT) were recorded as expenses in business year 2014:

In T€	2014	2013
Fee for accounts and audit	50	52
Tax consultancy fee	12	12
Other fees	0	3
<b>Total</b>	<b>62</b>	<b>67</b>

**50. Information on the company's executive bodies****50.1. Executive Board**

The following were members of the Executive Board of bmp media investors AG in business year 2014:

- » Oliver Borrmann, businessman
- » Jens Spyrka, businessman

**50.2. Remuneration of the Executive Board**

The members of the Executive Board of bmp media investors AG received no remuneration in the business year under review. However, D&O insurance was taken out.

**50.3. Other offices held by Executive Board members**

Mr. Borrmann is a member of the Supervisory Board of the following companies:

brand eins Medien AG (Chairman)	year-round
Revotar Biopharmaceuticals AG (Chairman)	until 04.03.2014
Heliocentris Energy Solutions AG (Chairman)	year-round

As at 31 December 2014, Mr. Borrmann is also the Managing Director of König & Cie. Private Equi-

ty Management GmbH, König & Cie. II. Private Equity Beteiligungs- und Treuhand GmbH and Cavy Capital GmbH, and a member of the Executive Board of bmp Beteiligungsmanagement AG.

Mr. Spyrka is member of the Supervisory Board of the following companies:

K2 Internet S.A.	year-round
vertical techmedia AG (Chairman)	year-round
bidlab Sp.z o.o.	year-round
iteelabs Sp.z o.o.	year-round

As at 31 December 2014, Mr. Spyrka is also an Executive Board member of bmp Beteiligungsmanagement AG.

#### 50.4. Supervisory Board

The Supervisory Board of bmp media investors AG in the business year consisted of:

<b>Gerd Schmitz-Morkramer, Munich,</b> Chairman of the Supervisory Board	Lawyer
<b>Bernd Brunke, Berlin,</b> Vice Chairman of the Supervisory Board	Businessman
<b>Michael Stammler, Lutzenberg (CH)</b> Member of the Supervisory Board	Businessman

In total, payments to each member of the Supervisory Board of bmp media investors AG in business year 2014 amounted to € 46 thousand (previous year: € 42 thousand).

The individual members of the Supervisory Board were entitled to the following compensation:

In T€	2014	2013
Gerd Schmitz-Morkramer	24	24
Bernd Brunke	11	11
Michael Stammler	11	7
<b>Total</b>	<b>46</b>	<b>42</b>

Mr. Stammler is a member of the Supervisory Board of the following companies:

eCAPITAL entrepreneurial Partners AG, Münster	Member of the Supervisory Board (Vice Chairman)	year-round
WM Treuhand und Steuerberatungsgesellschaft AG, Limburg	Member of the Supervisory Board	year-round
Heliocentris Energy Solutions AG, Berlin	Member of the Supervisory Board (Vice Chairman)	year-round

Aquisuisse AG, Frankfurt am Main	Member of the Supervisory Board	year-round
Tanus Trust Group AG, Wolfhalden, Switzerland	Chairman of the Board of Administrators	year-round

Mr. Schmitz-Morkramer and Mr. Brunke had no further memberships of supervisory boards or other controlling bodies.

#### 50.5. Shareholdings of the Executive Board and the Supervisory Board as at 31 December 2014

Members of the Executive Board held 3,242,956 shares. Members of the Supervisory Board held 620,000 shares.

#### 51. Risk management and events subsequent to the balance sheet date

For information on risk management targets and methods and events subsequent to the balance sheet date, please see the information in the management report.

#### 52. Disclosures in accordance with section 26 (1) of the German Securities Trading Act (WpHG)

In business year 2014, there were the following disclosures in accordance with section 26 (1) WpHG:

“biw Bank für Investments und Wertpapiere AG, Willich, Germany, informed us on 5 March 2014 in accordance with section 21 (1) WpHG that its share in the voting rights of bmp media investors AG, Berlin, Germany on 3 March 2014 exceeded the thresholds of 3% and 5% of the voting rights and on this day amounted to 9.57% (this corresponds to 1981924 voting rights).”

“XCOM Aktiengesellschaft, Willich, Germany, informed us on 5 March 2014 in accordance with section 21 (1) WpHG that its share in the voting rights of bmp media investors AG, Berlin, Germany on 3 March 2014 exceeded the thresholds of 3% and 5% of the voting rights and on this day amounted to 9.57% (this corresponds to 1981924 voting rights).”

Voting rights of 9.57% (this corresponds to 1,981,924 voting rights) are thus attributable to the company in accordance with section 22 (1) sentence 1 WpHG.

The attributable voting rights are held via the following companies controlled by XCOM Aktiengesellschaft, whose share of the voting rights in bmp media investors AG is 3% or more:

- XCOM Finanz GmbH
- biw Bank für Investments und Wertpapiere AG”

“XCOM Finanz GmbH, Willich, Germany, informed us on 6 March 2014 in accordance with section 21 (1) WpHG that its share in the voting rights of bmp media investors AG, Berlin, Germany on 3 March 2014 exceeded the thresholds of 3% and 5% of the voting rights and on this day amounted to 9.57% (this corresponds to 1981924 voting rights).

Voting rights of 9.57% (this corresponds to 1981924 voting rights) are thus attributable to the company in accordance with section 22 (1) sentence 1 WpHG.

The attributable voting rights are held via the following company controlled by XCOM Finanz GmbH, whose share of the voting rights in bmp media investors AG is 3% or more:  
- biw Bank für Investments und Wertpapiere AG“

“biw Bank für Investments und Wertpapiere AG, Willich, Germany, informed us on 10 March 2014 in accordance with section 21 (1) WpHG that its share in the voting rights of bmp media investors AG, Berlin, Germany on 7 March 2014 moved below the thresholds of 3% and 5% of the voting rights and on this day amounted to 1.46% (this corresponds to 301924 voting rights).”

“XCOM Aktiengesellschaft, Willich, Germany, informed us on 11 March 2014 in accordance with section 21 (1) WpHG that its share in the voting rights of bmp media investors AG, Berlin, Germany on 7 March 2014 moved below the thresholds of 3% and 5% of the voting rights and on this day amounted to 1.46% (this corresponds to 301924 voting rights).

Voting rights of 1.46% (this corresponds to 301924 voting rights) are thus attributable to the company in accordance with section 22 (1) sentence 1 WpHG.”

“XCOM Finanz GmbH, Willich, Germany, informed us on 11 March 2014 in accordance with section 21 (1) WpHG that its share in the voting rights of bmp media investors AG, Berlin, Germany on 7 March 2014 moved below the thresholds of 3% and 5% of the voting rights and on this day amounted to 1.46% (this corresponds to 301924 voting rights).

Voting rights of 1.46% (this corresponds to 301924 voting rights) are thus attributable to the company in accordance with section 22 (1) sentence 1 WpHG.”

### **53. Responsibility statement**

To the best of our knowledge, and in accordance with the applicable reporting principles for financial reporting, the annual financial statements give a true and fair value of the assets, liabilities, financial position and profit or loss of the company, and the management report includes a fair review of the development and performance of the business and the position of the company, together with a description of the principal opportunities and risks associated with the expected development of the company.



**54. List of shareholdings**

Entities in which the company has either direct or indirect shareholdings within the meaning of section 285 no. 11 HGB:

Company	Share	Equity as at 31.12.2013 in T€	Result 2013 in T€
Xamine GmbH, Munich	46.34%	-156	-47
dailyme TV GmbH, Berlin	46.18%	-739	-890
department one GmbH, Berlin	45.00%	337	-142
Retresco GmbH, Berlin	40.56%	151	-467
brand eins Medien AG, Hamburg	35.36%	1,136	407
ferret go GmbH, Bernau	30.98%	-856	-637
Ubertweek GmbH, Berlin	27.06%	50	-351
Instream Media Sp. z o.o., Posen/Poland	25.93%	179 TPLN <sup>(1)</sup>	-120 TPLN <sup>(1)</sup>
iversity GmbH, Bernau	25.25%	-711	-1,398
castaclip GmbH, Potsdam	25.08%	1,192	2
iteelabs Sp. z o.o., Warsaw/Poland	24.71%	641 TPLN	-936 TPLN
vertical techmedia AG, Munich	22.50%	152	15

(1) Balance sheet data as at 31.12.2012

02 April 2015

Oliver Borrmann  
Executive Board

Jens Spyrka  
Executive Board

## Auditor's report

"To bmp media investors AG:  
We have audited the financial statements – consisting of the balance sheet, the statement of comprehensive income, the statement of changes in equity, the cash flow statement and the notes to the financial statements as well as the management report – for the financial year from 1 January 2014 to 31 December 2014. The preparation of the financial statements in accordance with IFRS as required to be applied in the EU and the additional provisions in accordance with section 325 (2a) of the German Commercial Code (HGB) is the responsibility of the Managing Board of bmp media investors AG. Our responsibility is to express an opinion on the financial statements and the management report based on our audit.

We conducted our audit of the financial statements in accordance with section 317 HGB and the German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the financial statements and the management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the company and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in

the financial statements and the management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall presentation of the financial statements and the management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the financial statements comply with the IFRS as adopted by the EU and the additional requirements of German commercial law in accordance with section 325 (2a) HGB and give a true and fair view of the net assets, financial position and results of operations of the company in accordance with these requirements. The management report is consistent with the financial statements and, as a whole, provides a suitable view of the company's position and suitably presents the opportunities and risks of future development."

Berlin, 20 April 2015

RSM Verhülsdonk GmbH  
Wirtschaftsprüfungsgesellschaft  
Steuerberatungsgesellschaft

## Financial Calendar 2015

05-06 May 2015	Analyst event within the 6th DVFA Spring Conference, Frankfurt
29 May 2015	Publication of Quarterly Results
17 June 2015	Shareholders' Meeting 2015, Berlin
31 August 2015	Publication of Half Year Results
30 November 2015	Publication of Nine Months Results

## Directions

### How to Find Us:

bmp media investors AG  
Schlüterstraße 38  
10629 Berlin  
Germany

Fon: +49 (30) 20 30 5-0  
Fax: +49 (30) 20 30 5-555  
bmp@bmp.com  
www.mediainvestors.com

bmp's Berlin office is located in Schlüterstrasse 38 between the Kurfürstendamm and Momm-  
senstrasse in the district of Charlottenburg.

You can reach us via public transport:

- » From Hauptbahnhof: S-Bahn S5, S75, S9, S7 until Savignyplatz
- » And also with the following buses: M19, M29, 101, 110, X10

## Imprint

### Published By

bmp media investors AG, Berlin

### Design

bmp media investors AG, Berlin

### Editorial

bmp media investors AG, Berlin