



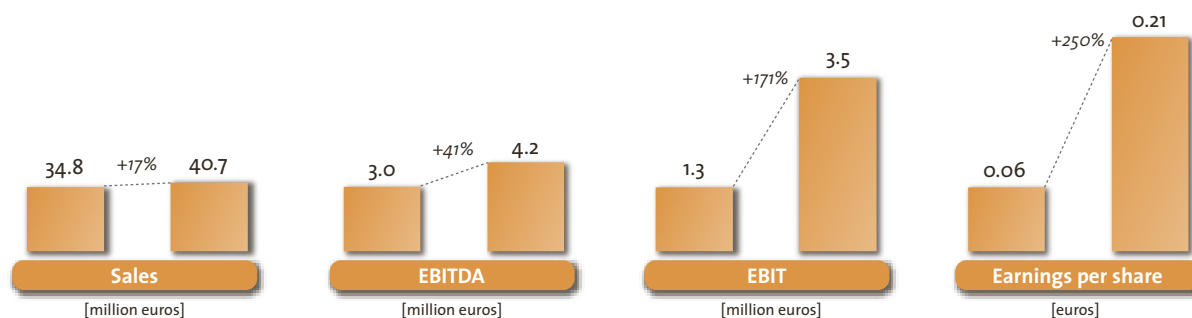
MME MOVIELEMENT
INTERIM REPORTS AS OF 30 JUNE 2006

»» *The entertainment specialist*



Income Statement		30 June 2006	30 June 2005	30 June 2004
Sales	[million euros]	40.7	34.8	9.8
EBITDA	[million euros]	4.2	3.0	0.8
EBIT	[million euros]	3.5	1.3	0.7
Profit for the year	[million euros]	2.3	0.6	0.7
Earnings per share (undiluted)	[euros]	0.21	0.06	0.10
Balance sheet				
Total assets	[million euros]	61.0	54.6	13.5
Equity ratio	[per cent]	50.7	45.1	68.6
Cash and cash equivalents	[million euros]	5.4	3.9	9.4
Net debt	[million euros]	5.7	8.5	-
Share				
Annual high ¹	[euros]	6.37	6.92	3.32
Annual low ¹	[euros]	4.75	3.93	1.62
Closing price ¹	[euros]	4.90	5.62	3.18
Share Capital	[euros]	11,180,909	11,090,000	7,650,000
Employees				
Number of employees per 30 June		638	675	89

¹⁾ XETRA daily closing price



Comparison sales and earnings first six month 2005/ first six month 2006



1. Highlights of the first six months of 2006

MME MOVIEMENT sees significant growth in sales and profits in the first six months, while higher programme investments and production rescheduling will slow down speed of growth in the second six months

- MME MOVIEMENT saw an increase in sales of 17 per cent in the first six months to EUR 40.7 million
- Significant increase in EBITDA and EBIT compared with first six months of 2005 – EBITDA margin increased to 10.2 per cent
- Increase in profit to EUR 2.3 million – increase in earnings per share of EUR 0.06 to EUR 0.21 compared with the first six months of 2005
- Further improvement in the balance sheet structure – liabilities to banks from acquisitions reduced as planned to EUR 9.3 million – equity ratio increases to 50.7 per cent
- 2006 overall: growth expected in sales and EBIT up to 10 per cent compared with the previous year

MME MOVIEMENT AG saw positive development in sales and profits during the first six months of 2006. At EUR 40.7 million, consolidated sales significantly exceeded the corresponding figure last year of EUR 34.8 million. Earnings before interest, taxes, depreciation and amortisation (EBITDA) improved to EUR 4.2 million, compared with EUR 3.0 million in the first six months of 2005. This amounts to an EBITDA margin of 10.2 per cent (first six months of 2005: 8.5 per cent). The equity ratio also increased from 45.9 per cent (31 December 2005) to 50.7 per cent. MME MOVIEMENT's financial basis therefore remains solid.

Outlook: In respect of 2006 as a whole, MME MOVIEMENT expects to see sales and EBIT growth up to 10 percent. This takes into account that production rescheduling as well as higher programme investments for new developments and format changes of individual daily programmes will slow down the speed of growth in the second six months.



2. Business development in the first six months of 2006 at a glance

German economy in more positive mood – television advertising market sees slight growth

The German business climate improved in the first six months of 2006. According to data from the Ifo institute, the mood among companies in June charted by the business climate index was at its highest since 1991. Private consumption also increased, following a drop in the last quarter of 2005. The Ifo expects the purchases brought forward due to the increase in VAT as of January 2007 to have an additional effect on consumer activity.

Television advertising sees increase of 3.9 per cent in the first six months.

The improved consumer climate has also had a positive effect on advertising activity. The development of the German television market and, in particular, of television advertising revenues is a key factor for MME MOVIEMENT. According to the market research institute Nielsen Media Research, gross advertising investments including own advertising, discounts and agency commission in the first six months of 2006 increased by 3.9 per cent to EUR 3.9 billion.

According to Nielsen Media Research and the German Advertising Association (ZAW), the German advertising market will see further growth this year. In the wake of a 1.1 per cent increase in advertising investments in 2005 to EUR 29.55 billion, ZAW expects to see growth of two per cent to more than EUR 30 billion for the entire advertising sector. In its forecast, Nielsen Media Research cites further positive development in the advertising industry in the second six months of 2006. The major television groups are also increasingly confident about the development in the 2006 advertising market. The ProSiebenSat.1 Group believes the slight increase in the German TV advertising market may even exceed two per cent, if the positive impact during the second six-monthly periods is confirmed.

Market position expanded in the first six months

MME MOVIEMENT is the largest independent TV entertainment content producer in the German market. It supplies all the major TV broadcasters in Germany with productions in the programming areas fiction, non-fiction, documentaries and show/music. By way of AllMedia Pictures, filmpool, Lunet Entertainment, MME Entertainment and white balance, MME MOVIEMENT has at its disposal five strong producer brands.

MME MOVIEMENT's productions stand for high quality in German television and enjoy a high degree of recognition among, and are popular with, audiences. This is reflected



in the market shares that often surpass those of the respective broadcaster average. In addition, the productions and protagonists at MME MOVIEMENT regularly receive awards. In February 2006 the German television magazine "Hörzu" awarded the Golden Camera to moderator Jörg Pilawa in the category "Best Television Entertainment". Hörzu readers chose the production "Schmeckt nicht, gibt's nicht" with Tim Mälzer, as the "Best Cooking Show", which also received the Golden Camera. In May the Bavarian Television Prize 2006 was awarded to Beate Langmaack for the script of the AllMedia production "Polizeiruf 110 – Vorwärts wie rückwärts" (NDR/ARD).

Daily formats are the mainstay in the programme portfolio

The existing programme portfolio is MME MOVIEMENT's mainstay. Prime importance is therefore attached to maintaining and further developing these established formats. Of MME MOVIEMENT's 30 or so productions, the "dailies" and "weeklies" have, above all become fixed programme brands among viewers. Series formats bind viewers to one broadcaster and create viewing habits. In all MME MOVIEMENT produced eight weekday formats and some six hours of daily programming in the first six months of 2006: „Das Quiz mit Jörg Pilawa“ (ARD), „Zwei bei Kallwass“ (Sat.1), „Richterin „Barbara Salesch“, (Sat.1), „Das Familiengericht“ and „Das Jugendgericht“, (both RTL), „Niedrig & Kuhnt“ (Sat.1), „Schmeckt nicht, gibt's nicht“ (VOX) and „Einsatz in 4 Wänden“ (RTL).

MME MOVIEMENT's wide-ranging programme portfolio is a key factor in respect to spreading risks: In addition to the dailies and weeklies, TV series such as "Tatort" and "Polizeiruf 110", TV movies such as "Liebe ist das beste Rezept", docu-soaps such as "Bauer sucht Frau" or event shows such as "The Dome" make up the portfolio.

During the period under review, changes to the programme portfolio mean, on the one hand, that the series "Die Sitte" (RTL), "Typisch Sophie" (Sat.1) and "Top of the Pops" (RTL) will not be continued, due to a drop in viewer numbers which is no longer acceptable to the broadcasters. On the other hand, newly developed formats and company acquisitions have expanded the programme portfolio, which has had a positive effect on MME MOVIEMENT's market position.

white balance and Lunet Entertainment supplement the programme portfolio

The acquisition of Jörg Pilawa's white balance production company in November 2005 gave rise to a significant increase in the programming area show & music in the first six months of 2006. The TV presence, above all in the key ARD prime time slot, also increased. Including co-productions, white balance produces some 100 programme hours. The big entertainment show with presenter Jörg Pilawa "Wie alt bist Du wirklich?" (ARD) was viewed on 18 May 2006 by a total of 5.97 million people. In April the family show "Frag doch mal die Maus", one of ARD's most popular brands, was a suc-



cess in the prime time slot, with 6.1 million viewers and a quota of 19.7 per cent too among all television viewers from the age of three.

Daily formats: Ratings for the first six months 2006

Fomat	Production company	Channel	Time slots	Average rating ¹	Channel rating ¹
Jan-June 2006					
Target group 14-49 years					
Familiengericht	filmpool	RTL	3.00 p.m.	15.80%	15.90%
Jugendgericht	filmpool	RTL	4.00 p.m.	15.33%	15.90%
Zwei bei Kallwass	filmpool	Sat. 1	2.00 p.m.	16.40%	11.50%
Barbara Salesch	filmpool	Sat. 1	3.00 p.m.	15.02%	11.50%
Niedrig & Kuhnt	filmpool	Sat. 1	5.00 p.m.	17.22%	11.50%
Einsatz in 4 Wänden	MME Entertainment	RTL	5.00 p.m.	14.47%	15.90%
Schmeckt nicht, gibt's nicht	MME Entertainment	VOX	6.30 p.m.	7.10%	6.80%
Das Quiz	white balance	ARD	7.20 p.m.	16.20% ²	14.70% ²

¹ TV Research

² Overall market share

In April 2006 Lunet Entertainment GmbH was added to the list of MME MOVIEMENT's production companies. Lunet Entertainment specialises in developing and producing fictional formats – including among others the comedy genre. At present Lunet is producing the second season of the TV series "Alles außer Sex" with the well-known lead actress Annette Frier.

"Einsatz in 4 Wänden – Spezial" successful in prime time slot

The programme "Einsatz in 4 Wänden – Spezial" has seen further very good development. The prime time version of the popular home improvement format with Tine Wittler has been broadcast by RTL since the autumn of 2005 on Wednesdays at 9.15 p.m. and in the first six months of 2006 saw an average quota of 18.8 per cent. "Einsatz in 4 Wänden – Spezial" is therefore the first daily format to be successfully adapted for the prime time slot.

Strong quotas for "100% Dieter Bohlen"

With a market share of 21.8 per cent in the 14 to 49 year-old group which is relevant to the advertising industry, and overall viewing figures of 2.89 million, the initial broadcast of "100% Dieter Bohlen" in May 2006 was a success. The celebrity documentary produced by MME Entertainment from the TV portrait series "100 per cent" gave view-

Richterin Barbara Salesch
Sat.1



ers an insight into the life of Dieter Bohlen. In addition to archive material, viewers also saw private film material.

Daily docu-soap “Unser neues Leben“ piloted in Sat.1

“Unser neues Leben“ was tested from 15 May to 9 June as a new week-day docu-soap from filmpool, in each case at 12.00 noon on Sat.1. In 18 episodes, various families were filmed at the start of a new and unfamiliar life. The viewing figures did not entirely live up to expectations. The broadcaster will probably decide in late autumn 2006 on whether or not to commission a series.

Successful start for “Big in America II” with the boy group US5

The first two episodes of the reality soap “Big in America II” saw a very good average quota for VIVA of 4.1 per cent in the 14 to 29 year-old target group. The programme focuses on the boy group US 5 which has already had success in Germany. In the follow-up format of “Big in America”, the band puts out its feelers in European countries outside Germany. Together with the partners Triple-M and Transcontinental, MME Entertainment produces the 13-part series, which is being broadcast by MTV Networks Europe and other European channels.

Wide-ranging fiction productions

The production “Mein alter Freund Fritz” for ZDF has reinforced MME MOVIEMENT’s position as a producer of fictional programmes for public broadcast. In addition to Ulrich Tukur, Veronica Ferres can be seen in a lead role. The likely broadcast date is the beginning of 2007. Furthermore, the high-quality movie co-production “Der Liebeswunsch” has been completed, while the TV movies “Liebe ist das beste Rezept”, “Das Glück klopft an die Tür”, “Nur ohne meine Mutter” and “Das verflixte 17. Jahr” have been completed or supplied to ARD.

Additional concepts for the mobile market

Germany’s first mobile telephone whodunit for the Sat.1 series “Niedrig und Kuhnt” became the broadcaster’s most successful mobile game in just two months. Following on from that success, the MME MOVIEMENT subsidiaries filmpool and MME Entertainment developed the second mobile telephone game in conjunction with the ProSiebenSat.1 Group with the two Sat.1 officers Cornelia “Conny” Niedrig and Bernhard “Bernie” Kuhnt. Further mobile telephone applications are earmarked for development such as the format “Zwei bei Kallwass” (Sat.1) and for the boy group US5.

First-Look agreement entered into with Globomedia

In addition to the digitalisation, MME MOVIEMENT’s international activities were further reinforced in the first six months of 2006. A first-look agreement was ente-



red into with one of the leading production companies in the Spanish market, Globomedia. Accordingly, MME MOVIEMENT has been granted exclusive rights to adapt Globomedia productions for the German region. The Spanish production company produces some 1,500 programme hours each year in the form of successful formats, above all non-fiction and lifestyle, and therefore provides interesting options for MME MOVIEMENT.

Assets, liabilities, financial position and profit

Profit and loss account: sales and profits see significant increase

In the first six months of 2006, MME MOVIEMENT generated consolidated sales of EUR 40.7 million. This amounts to growth of 17.0 per cent compared with the corresponding period last year (EUR 34.8 million). Earnings before interest, taxes, depreciation and amortisation (EBITDA) were EUR 4.2 million and therefore 41.3 per cent above the figure for the first six months of 2005 of EUR 3.0 million. The EBITDA margin increased by 1.7 percentage points from 8.5 per cent to 10.2 per cent. Depreciation in the first six months of 2006 was EUR 0.6 million (first six months of 2005: EUR 1.6 million) and was made up of operative depreciation of EUR 0.3 million and EUR 0.3 million from the acquisition of white balance and Lunet. Earnings before interest and taxes (EBIT), at EUR 3.5 million, was considerably higher than the corresponding period last year of EUR 1.3 million, which included the depreciation on the acquisition of moviement GmbH in the sum of EUR 1.5 million, which no longer needs to be carried out in 2006. Depreciation of this nature applies as a result of the capitalisation of future revenues from production contracts as of the respective appointed acquisition date. Such revenue is neutralised at the time it is realised by way of appropriate depreciation.



Key expense items

Material expenses in the first six months were EUR 33.0 million (first six months of 2005: EUR 29.9 million). In relation to sales the material expenses ratio is 81.0 per cent (first six months of 2005: 85.8 per cent). Adjusted to include inventory changes, the material expenses ratio is 77.9 per cent (first six months of 2005: 78.8 per cent).

Personnel expenses increased by 17.2 per cent to EUR 3.6 million (first six months of 2005: EUR 3.1 million). The increase is attributable to the consolidation of white balance GmbH and Lunet Entertainment GmbH, which were not among the consolidated companies in the first six months of 2005. It is also due to personnel investments for programme and company developments.

The other operating expenses increased by 4.7 per cent to EUR 2.0 million (first six months of 2005: EUR 2.0 million). The change is, on the one hand, attributable to the consolidation of white balance and Lunet and, on the other, to the cessation of one-off effects (proportionate relocation costs) from the first six months of 2005.

The financial result of minus EUR 0.2 million (first six months of 2005: EUR minus 0.4 million) is largely composed of interest expenses of EUR 0.3 million for loans taken out for the acquisition of movement GmbH and white balance GmbH, and EUR 0.1 million interest income.

Taxes on income and revenue are EUR 1.0 million (first six months of 2005: EUR 0.3 million). This amounts to a tax rate of 30.0 per cent (first six months of 2005: 28.1 per cent).

The net profit in the period under review is EUR 2.3 million (first six months of 2005: EUR 0.6 million), which amounts to undiluted earnings per share of EUR 0.21 (first six months of 2005: EUR 0.06).

Balance sheet: equity ratio increases to 50 per cent – financial liabilities repaid as planned

As of 30 June 2006, the consolidated balance sheet total was EUR 61.0 million and is therefore 2.1 per cent below the figure as of 31 December 2005 (EUR 62.3 million).

Non-current assets amounted to EUR 41.2 million (31 December 2005: EUR 40.7 million). Therein is the goodwill, which at EUR 38.3 million is still the largest balance sheet item (31 December 2005: EUR 38.1 million). The intangible assets on the appointed balance sheet date amounted to EUR 0.8 million (31 December 2005: EUR 0.6 million). The in-



creases in each case of EUR 0.2 million compared with the figures as of 31 December 2005 for the intangible assets and the goodwill are largely attributable to the first consolidation of Lunet Entertainment GmbH on 25 April 2006.

Current assets were stated in the balance sheet as of 30 June 2006 at EUR 19.8 million (31 December 2005: EUR 21.5 million). They include inventories of EUR 2.0 million. The increase compared with the figure stated on 31 December 2005 (EUR 0.7 million) is attributable to the programmes that were in the production process during the fiscal year. As of 30 June 2005, inventories of EUR 5.0 million were reported in the balance sheet. On the balance sheet date MME MOVIEMENT had at its disposal EUR 5.4 million in cash and cash equivalents (31 December 2005: EUR 7.7 million, 30 June 2005: EUR 3.9 million).

Total equity increased in the first six months from EUR 28.6 million (31 December 2005) to EUR 30.9 million. This gives rise to an equity ratio of 50.6 per cent following 45.9 per cent on 31 December 2005 and 45.1 per cent on 30 June 2005.

On the balance sheet date, the long-term liabilities amounted to EUR 7.0 million (31 December 2005: EUR 9.6 million). These include liabilities due to banks in the sum of EUR 5.3 million (31 December 2005: EUR 7.3 million). These loans were taken out in conjunction with the acquisition of moviement GmbH and white balance GmbH. In total the acquisition-related liabilities as of 30 June 2006 amounted to EUR 9.3 million (31 December 2005: EUR 11.3 million) compared with the original acquisition loans totalling EUR 18.3 million.

At the end of the six month period, the short-term liabilities amounted to EUR 23.1 million. At the end of 2005 EUR 24.1 million were stated in the balance sheet. The liabilities due to banks as of 30 June 2006 of EUR 5.8 million (31 December 2005: EUR 5.3 million) are made up of EUR 1.8 million for short-term project financing (31 December 2005: 1.3 million) and EUR 4.0 million acquisition-related loans (31 December 2005: EUR 4.0 million). Further changes were made to the advance payments received which as of 30 June 2006 amounted to EUR 2.8 million (31 December 2005: 0.6 million; 30 June 2005: EUR 2.6 million). These are to be seen in conjunction with the programmes that were in the production process during the the fiscal year. Income taxes payable increased in the first six months from EUR 3.6 million to EUR 4.5 million, while provisions fell from EUR 3.5 million to EUR 2.2 million.

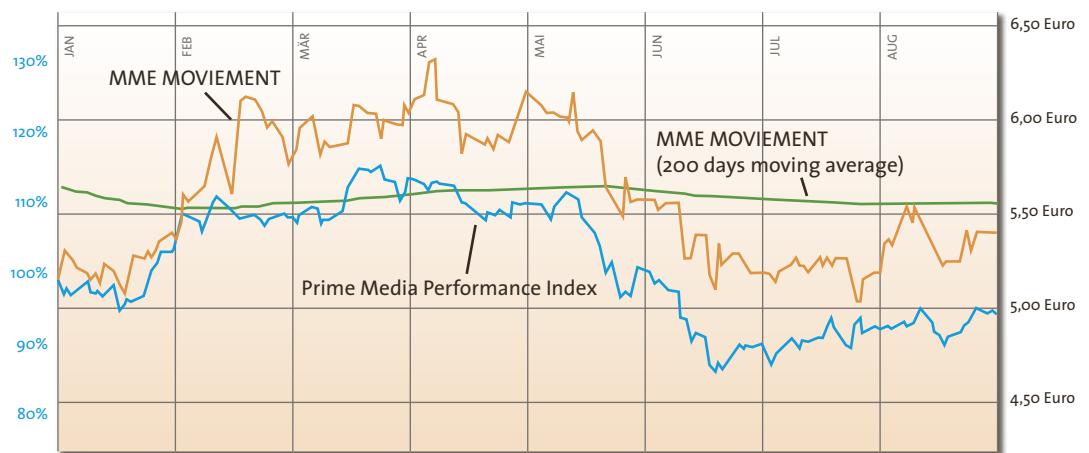
Cash flow statement

With operating profits (EBIT) of EUR 3.5 million, operating cash flow for the first six months came to EUR 1.5 million (first six months 2005: EUR -2.4 million). Of this



amount, EUR 0.6 million was attributable to declining inventories, accounts receivable and other assets. Accounts payable and other liabilities simultaneously fell by EUR 1.2 million. Taxes paid during the period under review totalled EUR 1.0 million. Investment activity during the period under review resulted in negative cash flow of EUR 1.0 million (first six months 2005: EUR -1.3 million), consisting of outflows of EUR 0.4 million and EUR 0.6 million for investment in property, plant and equipment and intangible assets, respectively. Cash flow from financing activity came to EUR -2.9 million (first six months 2005: EUR 1.5 million). The principle item concerned was the scheduled repayment of acquisition financing entailing interest payments totalling EUR 2.5 million.

The MME MOVIEMENT share



MME MOVIEMENT share price 01 Jan 2006 - 24 August 2006

Following a good first quarter, the DAX initially continued its positive trend and reached its best yearly high at the beginning of May. Uncertain cyclical expectations, in particular in America, and a possible further increase in the lending rates then slowed the price developments. At the end of June the DAX closed at 5,683 points, a plus of 5.1 per cent in the first six months.

The MME MOVIEMENT share price saw better development during this year than the comparative index Prime Media Standard. The price increases in the first quarter were neutralised by price losses in the second quarter. The initial drop in prices at the start of the year with a low of EUR 4.75 on 18 January was followed by a significant price increase during which the previous annual high of EUR 6.37 was achieved on 5 April. In



the second quarter general market developments and uncertainty in the media sector gave rise to a significant drop in prices. At the end of the period under review, the final price was EUR 4.90, just slightly above the final price dated 30 December 2005 of EUR 4.84. At the time at which this Interim Report went to press on 24 August, the price was EUR 5.15 .

MME MOVIEMENT AG shareholder structure

	shares	shareholder
Guehring Automation GmbH	2,369,000	21.19%
Linus Unternehmensmanagement GmbH ¹	823,000	7.36%
Frontera GmbH ²	643,839	5.76%
Christoph Post Vermögensverwaltungs GmbH ³	620,132	5.55%
Stefan Eishold Vermögensverwaltungs GmbH ⁴	118,000	1.06%
Gisela Marx	100,000	0.89%
Jörg Pilawa	90,909	0.81%
Martin Hoffmann	50,000	0.45%
MME MOVIEMENT AG	1,895	0.02%
Free Float	6,364,134	56.92%
Total	11,180,909	100.00%

¹⁾ including shares held directly Dr. Christian Franckenstein

²⁾ including shares held directly Jörg Hoppe

³⁾ including shares held directly Christoph Post

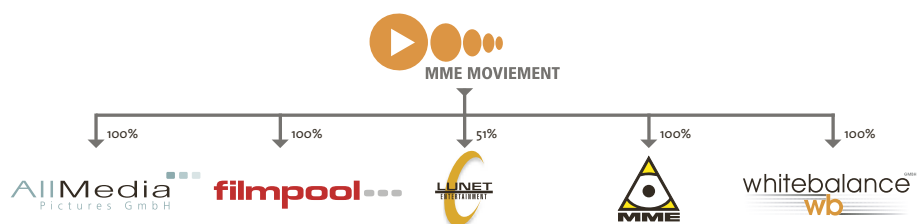
⁴⁾ including shares held directly Stefan Eishold

The free float of the MME MOVIEMENT AG share amounts to about 57 per cent capital stock. 43 per cent were held by Members of the Board of Management and the Supervisory Board or by companies with interests by Members of the Board of Management and the Supervisory Board.



Acquisition of majority stake in Lunet Entertainment

MME MOVIEMENT AG and the producer Annette Reeker have been jointly operating the production company Lunet Entertainment GmbH, which has its registered office in Munich, since 25 April 2006. The company was created from the production company Lunet Entertainment GmbH & Co. KG. MME MOVIEMENT AG holds 51 per cent of the shares in Lunet Entertainment GmbH, while 49 per cent are held by Annette Reeker.



Group structure MME MOVIEMENT (schematic)

Resolutions adopted at the AGM on 30 May 2006 in Berlin

Among other things, the MME MOVIEMENT AG AGM adopted resolutions to carry forward in full the balance sheet profit of EUR 4,766,398.08. Other adopted resolutions included renewing the authorisation to acquire and use own shares up to ten per cent of the issued capital. The authorisation applies up until 29 November 2007. Furthermore, a resolution was adopted at the AGM to dispense with individualised details of all Management Board emoluments. This resolution is valid for a period of five years.

3. Outlook: second six months characterised by additional programme investments and production rescheduling – slow down of speed of growth expected

MME MOVIEMENT shall, in the second six months, invest in ongoing and new productions. In coordination with the commissioning broadcasters MME MOVIEMENT further develops the court formats with a view to creating detective programmes of a fictional nature. These changes in the programmes cause ongoing investments in the content and production work. The first aired episodes of the reformatted programmes were able to gain market share in August. MME MOVIEMENT therefore expects that due to these proactive investments the number one market position in the afternoon



programme slot among the private broadcasters is retained in the future too. In the second six months the new daily series "Frank – der Weddingplaner" (ProSieben) and one more daily docu-soap will be aired. As common in the industry initial cost will reduce margins of these newly starting series. At the same time these commissions are testimony to MME MOVIEMENT's core competency as a daily entertainment programme producer.

Furthermore, MME MOVIEMENT will also launch new formats and prepare new innovative programmes in the second six months. Among others, plans are underway for shows with Jörg Pilawa and a major event movie focussing on the 1989 incidents in which people fled the "Prague Embassy". The successful docu-crime show "Niedrig & Kuhnt – Commissioners investigate" can be seen from August onwards in double episodes at 4.30 p.m. and 5.00 p.m. on Sat.1. October will see the scheduled start of the new episodes of the well received TV docu-romance "Bauer sucht Frau" in which lonely farmers are helped to find the loves of their lives.

Following the discontinuation of long-running successful formats such as "Die Sitte" und "Top of the Pops" in the first six months, positive decisions have yet to be made by the broadcasters in respect of the planned successor programmes of comparable economic importance. Productions firmly planned for the autumn have been postponed to spring 2007. This includes the prime time format "Tim's Team" with Tim Mälzer and the production of a big Saturday night show event for Sat.1 which both have been moved to the beginning of 2007. Due to reprogramming, the daily home improvement show "Einsatz in 4 Wänden" (RTL) will be broadcast now solely during the day, at 11.00 a.m., instead of in the 5.00 p.m. slot.

In view of the abovementioned factors, and the positive development in the first six months, MME MOVIEMENT expects to see sales and EBIT growth of up to 10 per cent in the full year as well, compared with the previous year.



CONSOLIDATED BALANCE SHEET



MME MOVIEMENT AG
IFRS

ASSETS	30 June 2006 EUR 000's	30 June 2005 EUR 000's	31 Dec 2005 EUR 000's
NON-CURRENT ASSETS			
Goodwill	38,256	33,693	38,084
Intangible assets	803	204	609
Property, plant and equipment	1,179	1,601	979
Financial assets	1	1	0
Deferred tax assets	984	2,490	1,076
TOTAL NON-CURRENT ASSETS	41,223	37,989	40,748
CURRENT ASSETS			
Inventories	2,045	5,031	740
Accounts receivable	9,702	6,147	10,387
Other assets	2,022	1,512	2,083
Cash and cash equivalents	5,368	3,875	7,676
TOTAL CURRENT ASSETS	19,775	16,565	21,545
TOTAL ASSETS	60,998	55,554	62,293

CONSOLIDATED BALANCE SHEET



MME MOVIEMENT AG
IFRS

LIABILITIES	30 June 2006 EUR 000's	30 June 2005 EUR 000's	31 Dec 2005 EUR 000's
EQUITY AND MINORITY INTERESTS			
Subscribed capital	11,179	11,087	11,179
Capital reserves	23,414	23,004	23,414
Net profit/loss for the year	-3,742	-9,524	-6,051
Minority interests	71	59	58
TOTAL SHAREHOLDERS' EQUITY	30,922	24,626	28,600
LONG-TERM LIABILITIES			
Liabilities due to banks	5,250	6,000	7,250
Bonds, notes and debentures	42	63	53
Other liabilities	1,200	0	1,310
Provisions	0	0	750
Deferred tax liabilities	475	511	269
Total long-term liabilities	6,967	6,574	9,632
Short-term liabilities			
Liabilities due to banks	5,824	6,337	5,336
Trade payables	3,874	4,031	5,420
Advance payments received	2,790	2,585	649
Other liabilities	3,927	2,994	5,543
Income tax payable	4,464	3,487	3,612
Provisions	2,230	3,919	3,501
Total short-term liabilities	23,109	23,353	24,061
Total liabilities	60,998	54,554	62,293

CONSOLIDATED INCOME STATEMENT



MME MOVIEMENT AG
IFRS

	1 Jan 06 - 30 June 06 EUR 000's	1 Jan 05 - 30 June 05 EUR 000's	1 Jan 05 - 31 Dec 05 EUR 000's
Revenues	40,696	34,786	87,707
Changes in inventories	1,290	2,438	-8
Other own productions capitalised	0	0	1,484
Other capitalised self-produced assets	844	642	3,459
Cost of materials	-32,980	-29,863	-71,510
Personnel expenses	-3,632	-3,098	-7,654
Other operating expenses	-2,043	-1,951	-4,661
Other taxes	-4	-3	-19
Earnings before interest, taxes, depreciation and amortisation	4,171	2,951	8,798
Depreciations	-625	-1,643	-1,978
Earnings before interest and taxes	3,546	1,308	6,820
Finance revenue	66	29	93
Finance cost	-294	-426	-824
Financial result	-228	-397	-731
Profit before taxes	3,318	911	6,089
Income tax expenses	-997	-256	-1,963
Profit for the year	2,321	655	4,126
thereof minority interests	-13	-28	-26
Earnings per share in euros (undiluted)	0.21	0.06	0.38

CONSOLIDATED CASH FLOW STATEMENT



MME MOVIEMENT AG
IFRS

	1 Jan 2006- 30 June 06 EUR 000's	1 Jan 2005- 30 June 05 EUR 000's
Earnings before interest and taxes (EBIT)	3,546	1,308
Amortisation on film rights	100	1,474
Depreciation on other non-current assets	509	169
Additions (+) /dissolution (-) of provisions	-532	1,034
Increase (-)/reduction (+) of inventories, accounts receivable and other assets	567	-1,630
Increase (-)/reduction (+) of accounts payable and other assets	-1,242	-4,334
Interest received (+)	66	29
Interest paid (-)	0	-61
Sonstige zahlungsunwirksame Aufwendungen (+)/ Erträge (-)	-507	-88
Other non-cash expenditure (+)/income (-)	0	-17
Outgoing payments for taxes	-997	-256
Operating cash flow	1,510	-2,372
Incoming payments (+) from the sale of property, plant and equipment	-389	-864
Outgoing payments (-) for investments in property, plant and equipment	-623	-73
Outgoing payments (-) for investments in intangible assets	-1	0
Outgoing payments (-) from the acquisition of consolidated companies	0	-315
Cash flow from investing activities	-1,013	-1,252
Incoming payments (+) from equity financing proceeds	-357	3,433
Outgoing payments (-) for the repayment of loans	-2,000	-2,028
Outgoing payments (-) for interest in connection with loans	-458	-365
Change in short-term liabilities due to banks	-112	457
Employee profit sharing plan (loan) contributions (+)/disbursements for the repayment (-)	-11	0
Cash flow from financing activities	-2,938	1,497
Net change in cash and cash equivalents	-2,441	-2,127
Cash and cash equivalents at the start of the period	7,676	6,002
Cash inflow from the acquisition of subsidiaries	133	0
Cash and cash equivalents at the end of the period	5,368	3,875

▶ NOTES TO CONSOLIDATED ACCOUNTS



MME MOVIEMENT AG

Selected explanatory details in the Notes on International Financial Reporting Standards (IFRS) for the Group Interim Report for the period 1 January to 30 June 2006

General

This MME MOVIEMENT Group Financial Report was prepared with due regard to the International Financial Reporting Standards (IFRS) that were valid on the appointed reporting date and the interpretations of the International Reporting Interpretations Committee (IFRIC). This unaudited abridged Financial Statement should be read in conjunction with the audited Group Financial Statement as of 31 December 2005 and the Notes therein. This unaudited, abridged, Financial Statement contains all details that the Board of Management believes are necessary to present the results in the period under review in a manner that reflects the actual situation.

Auditing and evaluation methods

The auditing and evaluation methods used in the Group Financial Statement as of 31 December 2005 were largely adopted for this unaudited Interim Report as of 30 June 2006.

The company Lunet Entertainment GmbH, Munich, was incorporated in the group of MME MOVIEMENT's consolidated companies as of 25 April 2006. MME MOVIEMENT AG has acquired 51 per cent of the equity with voting power. Due to the fact that MME MOVIEMENT has a governing influence Lunet Entertainment is consolidated in full. The first consolidation was made by application of the purchase method. The valuations are preliminary in accordance with IFRS 3.62. are preliminary.

Picture credits:

Frag doch mal die Maus, Foto: WDR/Thorsten Jander; Einsatz in 4 Wänden – spezial, Foto: RTL; Schmeckt nicht, gibt's nicht, Foto: Frank P. Wartenberg / VOX; Zwei bei Kallwass, Foto: Sat.1; Das Familiengericht, Foto: RTL; Richterin Barbara Salesch, Foto: Sat.1; Fun Factory, Foto: Wilschewski / ZDF; Wie alt bist Du wirklich?, Foto: Thorsten Jander / NDR; Big in America, Foto: Triple M / MME; Mein alter Freund Fritz, Foto: Uwe Ernst / ZDF; Polizeiruf 110, Foto: Dirk Plamböck / NDR; Nur ohne meine Mutter (AT), Foto: Degeto; Alles außer Sex, Foto: Bernhard Kühmstedt / ProSieben; Niedrig & Kuhnt, Foto: filmpool/MME



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